AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

107TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
107–594

IN THE MATTER OF REPRESENTATIVE JAMES A. TRAFICANT, JR.

JULY 19, 2002.—Referred to the House Calendar and ordered to be printed

Mr. HEFLEY and Mr. BERMAN, from the Committee on Standards of Official Conduct, submitted the following

R E P O R T

[To accompany H. Res. 495]

The Committee on Standards of Official Conduct ("Committee") submits this privileged report pursuant to House Rule XI, Clause 3(a)(2) and House Rule XIII, Clause 5(a)(5), which authorize the Committee to investigate any alleged violation by a Member, officer, or employee of the House of Representatives of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee and to submit to the House a privileged report recommending action by the House as a result of such an investigation.

This report summarizes the Committee's investigation of Representative James A. Traficant, Jr. relating to Representative Traficant's conviction in federal district court on 10 felony charges primarily related to Representative Traficant's official actions as a Member of the U.S. House of Representatives, gives the evidence supporting the Committee's findings, and explains the Committee's reasons for recommending to the House of Representatives that, pursuant to Article I, Section 5, Clause 2 of the United States Constitution and Committee Rule 25(e), that Representative Traficant be expelled from the U.S. House of Representatives.

A. PROCEDURAL HISTORY

On July 17, 2002, the Adjudicatory Subcommittee found that the evidence presented by the Investigative Subcommittee was sufficient to prove Counts I–IX of the SAV by clear and convincing evidence. On July 18, 2002, the Adjudicatory Subcommittee reported its findings to the Committee pursuant to Committee Rule 24(p). That same day, the Committee on Standards of Official Conduct held a Sanctions Hearing at which counsel for the Committee and Representative Traficant, pro se, made oral submissions regarding

the sanction the Committee should recommend to the House. Following the hearing, the Committee met in executive session to deliberate on what, if any, sanction should be recommended to the House of Representatives, pursuant to Committee Rule 25(c). The Committee also adopted a resolution for submission to the House of Representatives and adopted a report to accompany that resolution.

B. Findings of the Committee on Standards of Official Conduct and Reasons for the Recommended Sanction

As its findings in this matter, the Committee on Standards of Official Conduct adopts the report of the Adjudicatory Subcommittee, which is attached to this report. After carefully considering that report and the oral submissions of Committee counsel and of Representative Traficant at the sanction hearing in this matter, the Committee concluded that the nine violations committed by Representative Traficant were of the most serious character meriting the strongest possible Congressional response. Accordingly, the Committee agreed by a unanimous vote to recommend that the House of Representatives adopt a Resolution in the following form:

HOUSE RESOLUTION

> *Resolved,* That, pursuant to Article I, Section 5, Clause 2 of the United States Constitution, Representative James A. Traficant, Jr., be, and he hereby is, expelled from the House of Representatives.

Pursuant to Committee Rule 25(h), the Committee also directed that a report containing a summary of the evidence and the reasons for adopting the recommended sanction be prepared to accompany the resolution when it is submitted to the House of Representatives.

Statement Pursuant to House Rule XIII, Clause 3(C)(1): No oversight findings are considered pertinent.

ATTACHMENT I

IN THE MATTER OF
REPRESENTATIVE JAMES A. TRAFICANT, JR.

JULY 18, 2002. The Adjudicatory Subcommittee from the
Committee on Standards of Official Conduct, submitted the following

REPORT

The Adjudicatory Subcommittee of the Committee on Standards of Official Conduct submits this Report to the full Committee pursuant to Committee Rule 24(p). This Report summarizes the Subcommittee's findings in *In the Matter of Representative James A. Traficant, Jr.* The Subcommittee is transmitting with this report all motions, transcripts of evidence, correspondence and other relevant items generated or received by the Subcommittee during these adjudicatory proceedings.

PROCEDURAL HISTORY

On June 27, 2002, after receiving the Statement of Alleged Violations (SAV) and associated pleadings and responses from the Investigative Subcommittee in this matter, and acting pursuant to Committee Rule 24, the Committee established an Adjudicatory Subcommittee and set July 15, 2002, at 10 a.m. as the date and time for the Adjudicatory Subcommittee to convene its public hearing. By letter to Mr. Traficant on June 27, 2002, the Subcommittee notified Mr. Traficant of the designation of the Adjudicatory Subcommittee and gave him notice of procedures for the adjudicatory hearing as set forth in Committee Rule 24.

On July 15, 2002, pursuant to Committee Rule 24(c) and consistent with the other Committee and House Rules governing these proceedings, the Adjudicatory Subcommittee commenced a hearing to determine whether any counts in the SAV have been proven by clear and convincing evidence. The adjudicatory hearing continued through July 17, 2002. At the hearing, Committee counsel presented evidence in support of the counts in the SAV and Mr. Traficant presented evidence in his defense. Committee counsel relied on certified copies of the transcript and exhibits entered into evidence at the trial of *United States v. James A. Traficant, Jr.*, Case No. 4:01 CR 207 (N.D.OH). Mr. Traficant entered several exhibits, including affidavits, audiotapes, transcripts and other documentary evidence, into evidence at the hearing. Mr. Traficant called four witnesses who testified at the hearing, Linda Kovachik, Sandra Ferrante, Michael Robertson and Richard Detore. Presentation of evidence and argument from Committee counsel and Mr. Traficant ended on July 17, 2002.

After the hearing was adjourned, the Adjudicatory Subcommittee began its deliberations in executive session. At the conclusion of several hours of deliberation, the Subcommittee made the following findings with regard to the counts in the SAV, pursuant to the vote requirements of Committee Rule 10. The Subcommittee determined that, as to the counts which were proven by clear and convincing evidence, those violations are of the most serious nature.

Count I

The Adjudicatory Subcommittee found that Count I was proven by clear and convincing evidence. The Subcommitte found that from approximately December 1986 through approximately October 1996, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Anthony Bucci, Robert Bucci, and companies they controlled, for which Anthony Bucci, Robert Bucci, companies they controlled, and others acting at their request agreed to and did provide Representative Traficant with things

of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(b)(1)(A), 201(b)(2)(A), and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count II

The Adjudicatory Subcommittee found that Count II was proven by clear and convincing evidence. The Subcommittee found that from approximately April 1999 through approximately late April 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Arthur David Sugar, Mr. Sugar's son, and companies Mr. Sugar controlled, for which Arthur David Sugar and companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count III

The Adjudicatory Subcommittee found that Count III was proven by clear and convincing evidence. The Subcommittee found that from approximately November 1997 through approximately March 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of James J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated with USAG, for which James J. Cafaro, companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value. The aforementioned things of value included numerous meals, the loan or provision of automobiles, and/or the payment for repairs, slip fees, and related expenses for Representative Traficant's boat. As part of the aforementioned course of conduct, Representative Traficant, John J. Cafaro, and others engaged in a scheme under which John J. Cafaro would use his own or company funds to purchase Representative Traficant's boat, but make it falsely appear that an employee of USAG was purchasing the boat in his individual capacity. In connection with this scheme, John J. Cafaro provided the funds necessary to reimburse the employee for thousands of dollars in funds expended for boat repairs and slip fees, and gave Representative Traficant an envelope containing $13,000 in cash, representing approximately one-half of the purchase price of the boat. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current

House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count IV

The Adjudicatory Subcommittee found that Count IV was proven by clear and convincing evidence. The Subcommittee found that from approximately November 1998 through approximately January 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did employ Raymond Allen Sinclair as a member of Representative Traficant's congressional district staff, for which Raymond Allen Sinclair agreed to and did provide Representative Traficant with things of value, including (1) an agreement to rent additional office space to Representative Traficant for use as a congressional district office, and (2) the payment by Raymond Allen Sinclair of $2,500 per month of his congressional salary to Representative Traficant. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count V

The Adjudicatory Subcommittee found that Count V was proven by clear and convincing evidence. The Subcommittee found that from approximately November 1998 through approximately January 2000, Representative Traficant demanded, sought, received, accepted and agreed to receive and accept $2,500 per month from the congressional salary of Raymond Allen Sinclair for or because of Representative Traficant's official acts of hiring and continuing to

employ Raymond Allen Sinclair on his congressional staff and of renting and continuing to rent space used by Representative Traficant as a congressional office. Through this conduct – for which Representative Traficant was convicted of receiving an illegal gratuity in violation of the federal bribery statute (*see* 18 U.S.C. § 201(c)(1)(B)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count VI

The Adjudicatory Subcommittee found that Count VI was proven by clear and convincing evidence. The Subcommittee found that from approximately January 21, 2000 until approximately February 29, 2000, Representative Traficant endeavored to persuade Raymond Allen Sinclair to destroy evidence and to provide false testimony and information to a federal grand jury. Through this conduct – for which Representative Traficant was convicted of violating the federal obstruction of justice statute (*see* 18 U.S.C. § 1503) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count VII

The Adjudicatory Subcommittee found that Count VII was proven by clear and convincing evidence. The Subcommittee found that from approximately the late 1980's until approximately early 2000, Representative Traficant engaged in a course of conduct in which he defrauded the United States of money and property (1) by soliciting and accepting payments

from the salaries of congressional employees (including Raymond Allen Sinclair), which salaries were drawn from funds of the United States Treasury; (2) by directing members of his congressional staff to perform personal labor and services to maintain and repair Representative Traficant's boat, and which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries; and (3) by having members of his congressional staff perform personal labor and services at Representative Traficant's farm, which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries, and which labor and services included baling hay, running and repairing farm equipment, maintaining and repairing structures on the farm, building a horse corral, converting a corn crib to another use, electrical repair, or plumbing repair. Through this conduct – for which Representative Traficant was convicted of conspiracy to defraud the United States (*see* 18 U.S.C. § 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Counts VIII

The Adjudicatory Subcommittee found that Count VIII was proven by clear and convincing evidence. The Subcommittee found that on approximately April 15, 1999, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife for the calendar year 1998, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was in excess of the reported amount of $138,985. Through this conduct – for which Representative

Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count IX

The Adjudicatory Subcommittee found that Count IX was proven by clear and convincing evidence. On approximately October 16, 2000, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife for the calendar year 1999, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was in excess of the reported amount of $140,163. Through this conduct – for which Representative Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count X

The Adjudicatory Subcommittee found that Count X was not proven by clear and convincing evidence. The Subcommittee dismissed Count X of the SAV.

Pursuant to Committee Rule 24(p), the Adjudicatory Subcommittee reported its findings to the Committee on Standards of Official Conduct on July 18, 2002, which concluded the work of the Adjudicatory Subcommittee.

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

June 27, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

This is to inform you that a Statement of Alleged Violations, and the associated pleadings and responses, have been transmitted to the Chairman and Ranking Member of the Committee by the Investigative Subcommittee in the above-captioned matter and that, pursuant to Committee rule 24(a), the Chairman has designated those members of the Committee "who did not serve on the investigative subcommittee" to serve on an Adjudicatory Subcommittee.[1] As provided by that rule, the Chairman and Ranking Member of the Committee will serve as Chairman and Ranking Member of the Adjudicatory Subcommittee. The remainder of the Adjudicatory Subcommittee will consist of the following Members: the Honorable Judy Biggert, the Honorable Ed Pastor, the Honorable Kenny Hulshof, the Honorable Stephanie Tubbs Jones, the Honorable Steven LaTourette and the Honorable Gene Green.

Rule 24(a) allows you ten days from the date of transmittal of this notice to object in writing to the participation of any member of the Adjudicatory Subcommittee on the grounds that the member cannot make an impartial and unbiased decision. Any such written objection must therefore be received by the Adjudicatory Subcommittee on or before 9:00 a.m. on July 8, 2002. (Ten days from the date of transmittal of this letter would fall on Sunday, July 7, 2002. You may therefore have until the following Monday, July 8 at 9:00 a.m. to submit any written objection.)

The conduct of the adjudicatory hearing is governed generally by Committee Rule 24. Committee Rule 27(b) allows you to waive your right to an adjudicatory proceeding. Any such waiver must be in writing. In the absence of such a waiver, the Adjudicatory

[1] Copies of the Statement of Alleged Violations and the Investigative Subcommittee's letter of transmittal have been provided to you with this letter. A copy of the Rules of the Committee on Standards of Official Conduct is also enclosed.

Subcommittee will proceed with a hearing pursuant to Rule 24(c) to determine whether any of the counts in the Statement of Alleged Violations have been proven by clear and convincing evidence. **The adjudicatory hearing will convene on Monday, July 15, 2002 at 10:00 a.m. in Room 2118 of the Rayburn House Office Building.** By rule, this hearing will be open, unless otherwise determined by the Adjudicatory Subcommittee. A majority of the Adjudicatory Subcommittee plus one must be present at all times in order for business of the subcommittee to be conducted.

Pursuant to Rule 24(d), at any adjudicatory hearing, the subcommittee "may require, by subpoena or otherwise, the attendance and testimony of such witnesses and production of such books, records, correspondence, memoranda, papers, documents, and other items as it deems necessary." The rule also provides that the subcommittee may accept "[d]epositions, interrogatories, and sworn statements taken under any investigative subcommittee direction" into the record of the adjudicatory proceedings. More generally, however, Rule 24(I)(1) provides that "[a]ny relevant evidence shall be admissible" unless it is privileged. As provided in Rule 24, the procedures set forth in House Rule XI, clause 2 (g) and (k) shall apply to the adjudicatory hearing.

You have the right to review the evidence that Adjudicatory Subcommittee counsel intends to present at the adjudicatory hearing and to object to any of that evidence pursuant to Rule 24(f)(1). The Adjudicatory Subcommittee intends to rely at the adjudicatory hearing on certified transcripts of testimony presented during the trial of *United States of America v. James A. Traficant, Jr.*, Case No. 4:01 CR 207 (N.D.OH) and on certified copies of exhibits entered into evidence at that trial. We understand, based on the letter of transmittal from the Investigative Subcommittee, that you have previously been provided with copies of these transcripts and exhibits. However, under Rule 24(f)(1), you have the right to "inspect, review, copy, or photograph" the materials that the Adjudicatory Subcommittee intends to use as evidence against you in the adjudicatory hearing. Beginning tomorrow, June 28, 2002, you may have access to these materials as arranged for by you with Committee staff. Pursuant to Rule 24(i)(1), as noted above, the parties may object to the admissibility of evidence only on the grounds of relevance or privilege. **Any objections you may have to this evidence on grounds of relevance or privilege must be submitted in writing to the Chairman and Ranking Member of the Adjudicatory Subcommittee by 9:00 a.m. on July 10, 2002.** You should state the basis for any such objection as fully as possible.

The Adjudicatory Subcommittee may also rely on the plea agreement executed by your former administrative assistant, Henry DiBlasio on or about June 25, 2002 in the matter of United States of America v. Henry A. DiBlasio, Case No. 1:02 CR 003 (N.D.OH). A copy of the plea agreement is enclosed. The Subcommittee may also rely on the certified transcript of the plea proceeding in that matter. The Subcommittee will notify you when it receives a certified copy of that transcript and a certified copy of the plea agreement. The copies of the certified materials will be made available for your review. The Subcommittee will also notify you if it decides to rely on the DiBlasio plea

agreement and/or transcript of the plea proceeding as part of the evidence at the adjudicatory hearing.

We further understand that the Investigative Subcommittee previously notified you that it was in possession of other materials that were furnished by the U.S. Department of Justice and that you were provided the opportunity to review these materials. The Adjudicatory Subcommittee does not anticipate that it will be relying on those materials as an initial matter during the adjudicatory hearing. However, although the Subcommittee is not required to do so by any Committee or House Rule, in the interest of full disclosure, it will allow those materials to remain available to you for your review, upon your request. If you choose to review these materials, your review should be completed at a time that would allow you to comply with other deadlines provided in the Committee Rules and set forth below.

If you intend to call witnesses as part of your case during the adjudicatory hearing, pursuant to Rule 24(g), you must provide the Adjudicatory Subcommittee with a list of the witnesses you intend to call, summaries of their expected testimony and copies of any documents or other evidence you will seek to introduce at the adjudicatory hearing **no less than five days before the adjudicatory hearing. The list of witnesses, summaries of their expected testimony and copies of documents or other evidence you will seek to use during the hearing must therefore be received by the Adjudicatory Subcommittee by 9:00 a.m. on July 10, 2002.**

The admissibility of any testimony by any witness is subject to the requirements of Rule 24(I)(1) which provides that any relevant evidence "shall be admissible unless the evidence is privileged under the precedents of the House of Representatives." The Adjudicatory Subcommittee will make its initial determination regarding the admissibility of testimony by any witness you may seek to call based on the summaries of their expected testimony and any materials you provide pursuant to Rule 24(g). You should therefore be as detailed, specific and thorough as possible in any summaries you provide of the witnesses' expected testimony and related materials.

Pursuant to Rule 24(h), you may apply to the Adjudicatory Subcommittee for subpoenas "for the appearance of witnesses or the production of evidence." Any application for subpoenas "shall be granted upon a showing by the respondent that the proposed testimony or evidence is relevant and not otherwise available to respondent." If you choose to apply to the Subcommittee for subpoenas, your application should include a detailed, specific and thorough summary of the expected testimony of any witnesses and the content and nature of any materials you may seek to subpoena. The application for subpoenas "may be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative." If you seek to subpoena a witness who testified at trial, please state why that witness' testimony would not be cumulative and provide support for your assertion. **Any application by you for subpoenas must be submitted to the Adjudicatory Subcommittee by noon on Friday, July 5, 2002.**

For purposes of the adjudicatory hearing, the Adjudicatory Subcommittee has determined that you must elect whether you will be represented by counsel **or** will appear *pro se*. You will not be allowed to proceed with any form of hybrid representation. If you elect to be represented by counsel, such counsel will present any evidence, question any witnesses and make any arguments or statements on your behalf before the Adjudicatory Subcommittee. If you elect to be represented by counsel you may appear, under oath or affirmation, as a witness on your own behalf subject to applicable rules regarding witness testimony, including the requirement that you submit to cross-examination by Committee counsel.

If you elect to proceed *pro se* at the adjudicatory hearing, any statements, questions or arguments you make will not be considered as evidence in this matter, except to the extent that a statement made by you is under oath or affirmation and subject to the rules applicable to all witness testimony, including the requirement that you submit to cross-examination by Committee counsel.

Procedurally, the adjudicatory hearing will proceed as set forth in Rule 24(j). The Chairman of the Adjudicatory Subcommittee shall open the hearing. The Chairman will then recognize Committee counsel and the respondent or respondent's counsel in turn for purposes of allowing each party to make an opening statement. Opening statements will be limited to one hour for each side.

Pursuant to Rule 24(j)(3), "whenever possible," witness testimony and other pertinent evidence shall be presented by Committee counsel first, followed by presentation of testimony and other evidence by the respondent. The Chairman may allow rebuttal witnesses. Any witnesses called at the adjudicatory hearing will be examined first by the party who has called the witness followed by cross-examination by the opposing party. The Chairman has the discretion to allow redirect examination and recross examination. Subcommittee members may then question the witness under the five-minute rule, unless otherwise directed by the Chairman. The Subcommittee will, in its discretion, allow counsel for either side to describe or summarize evidence admitted in their case, other than the testimony of witnesses testifying in person at the hearing, and to respond to questioning from members of the Subcommittee regarding such evidence. At the conclusion of the presentation of evidence, both sides will be allowed one hour for closing argument. Members of the Subcommittee will be permitted to question either side regarding statements made during its opening statement, closing argument or at any other point during the proceedings. Committee counsel and you, as the respondent, or counsel acting on your behalf, will each be allowed five hours, to present his case, inclusive of the time allotted for opening and closing arguments. As they retain the burden of proof in this matter, Committee counsel will be allowed to make the final closing argument. The five hour limitation on presentation of each side's case is subject to reconsideration based upon a reasonable request for additional time. Any objections regarding the procedure for the adjudicatory hearing must be submitted to the Adjudicatory Subcommittee in writing by close of business on July 10, 2002.

As previously noted, you have been provided with copies of the transcript of the trial of *United States v. Traficant* as well as copies of exhibits entered into evidence at that trial. You will note that transmitted to you with this letter is a copy of the "Brief on the Evidence to be Used at an Adjudicatory Hearing" which has been prepared by Committee counsel. You may, if you wish, submit your own brief on the evidence upon which you intend to rely to the Subcommittee by close of business on July 10, 2002.

The adjudicatory hearing will be conducted subject to the Rules of Decorum of the House. See House Rule XVII and related commentary. Further, all participants will be required to observe strictly and promptly all evidentiary, procedural or other rulings of the Chairman and the Subcommittee. The Subcommittee expects that any ruling it makes regarding the relevance of proffered evidence, or any line of questioning or argument will be promptly and strictly observed. All participants will be required to avoid unruly or inappropriate language or behavior. Any breach of decorum or of these guidelines by any of the participants may result in a determination by the Subcommittee to close the remainder of the adjudicatory proceedings and to proceed in executive session, in accord with its authority to do so under Rule 24(e).

If you have any questions regarding the above, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JH/HLB:bcs

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225–7103

July 1, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

As authorized by the Chairman and Ranking Member of the Committee on Standards of Official Conduct, I am providing you with a copy of the certified plea agreement executed by Henry A. DiBlasio on or about June 25, 2002 in *United States of America v. Henry A. DiBlasio*, Case No. 1:02CR003 (N.D.OH).

If you have any questions, I can be reached at (202) 225-7103.

Sincerely,

Robert L. Walker, Esquire
Chief Counsel

RLW:bcs

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

July 3, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
Fax Number: 330-702-1230

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

As you requested during our telephone conversation this afternoon, we are sending another copy of the Adjudicatory Subcommittee's June 27, 2002 letter to you at the fax number you provided during that conversation, 330-702-1230. The June 27, 2002 letter was previously faxed to you on June 27, 2002. The original of the letter, and the enclosures described in the letter, were delivered to your address at 4590 Boardman-Canfield Road in Canfield, Ohio by federal express on June 28, 2002. Our records indicate that the federal express box was delivered and signed for at the Boardman-Canfield Road address on June 28, 2002 at 10:37 a.m.

With regard to your questions concerning payment of any witnesses whom you are allowed to subpoena, Committee Rule 27(o) provides that "[e]ach witness subpoenaed to provide testimony or other evidence shall be provided with such travel expenses as the Chairman considers appropriate." Pursuant to this rule, therefore, subpoenaed witnesses will be reimbursed for travel expenses that the Chairman considers appropriate.

If you have any questions, I can be reached at (202) 225-7103.

Sincerely,

Robert L. Walker, Esquire
Chief Counsel

RLW:bcs

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1614

5555 YOUNGSTOWN-WARREN ROAD
SUITE 603
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 5, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In accordance with the Committee's letter dated June 27, 2002, and pursuant Rule 24(h), I am hereby transmitting a list of individuals I wish to have subpoenaed in the above captioned matter.

Without going into significant detail regarding my defense in this matter, I intend to prove that the government, through the Federal Bureau of Investigation, the Internal Revenue Services and the United States Attorney's Office, used pressure tactics to elicit perjured testimony against me and will show a continued pattern of these types of activities. Additionally, I will show that the veracity of the government witnesses produced at my trial is questionable at best. This will be supported through several of the witnesses I intend to call during the hearing proceedings.

Finally, for your convenience, I have provided the last known address for each of the individuals listed.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

1. **Mr. Harry Manganaro**
   1312 Humbolt Avenue
   Youngstown, Ohio 44502

Relevance:

Mr. Manganaro's testimony will speak to the prosecutorial extortion and veracity of government witnesses, specifically regarding the testimony of David Sugar.

Substance:

David Sugar was found to be backdating invoices to various individuals, including Congressman James A. Traficant, Jr. Upon this discovery, Sugar was threatened that his wife and son would become criminally involved unless he testified against Congressman James A. Traficant, Jr. Sugar confided in Manganaro that he was pressured by the government to lie about Congressman James A. Traficant, Jr.

2. **Mr. Brian Kidwell**
   1861 Youngstown-Kingsville Road, NE
   Vienna, Ohio 44473

Relevance:

Mr. Kidwell's testimony will speak to the willful government misconduct, specifically regarding the testimony of J.J. Cafaro and the welder issue.

Substance:

US Aerospace provided a new/unused welder Brian Kidwell, a constituent. This welder was eventually confiscated from Mr. Kidwell's property by individuals who Mr. Kidwell believes are agents of the government. They made threatening statements to Mr. Kidwell before leaving the property which caused him to become afraid for himself and his family so he didn't mention the incident to Congressman James A. Traficant, Jr. Since providing the information to Congressman James A. Traficant, Jr. there have been individuals, believed to be agents of the government, inquiring into issues at his workplace. Mr. Kidwell has submitted a FOIA request for photos of government agents to identify the perpetrators.

3. **Mr. Richard Detore**
13303 Balmoral Greens Avenue
Clifton, Virginia 20124

Relevance:

Mr. Detore is the classic example of the tactics used by the government to elicit perjured testimony, specifically regarding the testimony of J.J. Cafaro and Al Lange.

Agents of the government told Mr. Detore that if he provided untrue testimony about Congressman James A. Traficant, Jr. there would be no indictment against him and no additional problems. Mr. Detore was pressured to lie about Congressman James A. Traficant, Jr. even in presence of his attorneys. Mr. Detore was not guilty of any unlawful activities, but because he didn't lie, he was charged with conspiring with Congressman James A. Traficant, Jr. Mr. Detore was indicted because he would not lie about Congressman James A. Traficant, Jr. and has expended almost $500,000 and has yet to go to trial.

Substance:

Mr. Detore can provide detailed testimony to refute the perjured testimony of J.J. Cafaro and Al Lange regarding the sale of Congressman James A. Traficant, Jr.'s boat and verify that there were legitimate efforts being made to sell the boat to Mr. Lange.

4. **Attorney Mark Colucci**
Bank One Building
Youngstown, Ohio 44503

Relevance:

As an officer of the court, Attorney Colucci's testimony will show continuing pattern of government misconduct and attempts to elicit perjured testimony, specifically regarding government's attempt to create a murder-for-hire scheme against Congressman James A. Traficant, Jr.

Substance:

In addition to the counts alleged at trial, the government attempted to involve Congressman James A. Traficant, Jr. in a murder scheme, which became national news and eventually poisoned the jury pool but charges were never brought. Attorney Colucci was told by Clarence Broad, the individual who was allegedly involved in said murder scheme that the government wanted him to lie about Congressman James A. Traficant, Jr. and the murder scheme.

5. **Mr. John Vogel**
1763 Arbor Drive
Weathersfield, Ohio 44440

Relevance:

Mr. Vogel's testimony will illustrate the government's abuse of power to elicit perjured testimony, specifically regarding the testimony of George Bucella.

Substance:

Mr. Vogel has knowledge of the government's pressure on George Bucella to lie about Congressman James A. Traficant, Jr. using an issue in which Mr. Bucella took $1500 to help fix a D.U.I. case for the Swaney family of Mineral Ridge.

6. **Mr. James Price**
2581 Chestnut Street
Weathersfield, Ohio 44420

Relevance:

Mr. Price's testimony will illustrate the government's tactics to elicit the untrue testimony, specifically that of George Bucella.

Substance:

Mr. Price has knowledge that George Bucella had been involved in the Swaney case, where Bucella participated in 'fixing' a D.U.I. case for the Swaney family. This incident was exposed when the Swaney son was picked up on a traffic violation and the D.U.I. still appeared on his record and was never pursued in Judge Bailey's court. (Judge Bailey was eventually convicted of this type of unlawful activity.)

7. **Mr. Michael Robertson**
c/o Robertson Detective Agency
North Canton, Ohio 44720

Relevance:

Mr. Robertson was a former United States Secret Service Agent who handled financial investigations and whose testimony will refute other testimony provided at trial regarding 'money' indictments.

Substance:

His testimony will show that there is no physical evidence to support the claims made by R. Allen Sinclair and Henry DiBlasio, who were both subject to harm by the government. Also, testimony will show that there was not one witness who had ever been involved in a 'cash transaction' with Congressman James A. Traficant, Jr. Mr. Robertson's testimony will also demonstrate that the government went back 12 years looking for a 'cash transaction' which involved Congressman James A. Traficant, Jr. and not one incident was found. Mr. Robertson's testimony will prove that the evidence the government alleged was not enough to seek an indictment on the charges since both witnesses were in jeopardy and making their statements without the support of (1) wiretaps, (2) hidden microphones and (3) marked money where supposed transfer by Sinclair to Congressman James A. Traficant, Jr. took place.

8. **Attorney James Harney**
10511 Judicial Drive
Fairfax, Virginia 22030

Relevance:

Attorney Harney's testimony will support the claim of the government's abuse of power, specifically in trying to get Richard Detore to lie about CONGRESSMAN JAMES A. TRAFICANT, JR... Also, his testimony will refute the perjured testimony of J.J. Cafaro and Al Lange.

Substance:

Attorney Harney has knowledge of the pressure exerted on Richard Detore to lie about CONGRESSMAN JAMES A. TRAFICANT, JR... In addition, his testimony can corroborate the information of the 'demand note' from J.J. Cafaro to Al Lange for the purchase of CONGRESSMAN JAMES A. TRAFICANT, JR..'s boat.

9. **Mr. James Kerchum**
1545 Kale-Adams Road, SW
Warren, Ohio 44481

Relevance:

Mr. Kerchum's testimony is necessary to show the 'genesis' of the government's intentions to seek a conviction against Congressman James A. Traficant, Jr. by any means necessary.

Substance:

Mr. Kerchum has knowledge of the government's tactics to obtain untrue testimony of witnesses in order to create charges against Congressman James A. Traficant, Jr. This testimony will be a part of an illustration of a pattern of corrupt behavior by the government to elicit perjured testimony and can be corroborated by other witnesses and evidence, which will be provided during the course of these hearings.

10. **Mr. Frederick Hudach**
6251 Chestnut Ridge Road
Hubbard, Ohio 44425

Relevance:

Mr. Hudach's testimony will show the urgency to remove Congressman James A. Traficant, Jr. from office because of an on-going investigation into the local F.B.I.'s connection to the mob. In addition, it will show the government's tactics to conceal their own unlawful activities.

Substance:

Mr. Hudach has personal knowledge and will testify to the serious investigation that Congressman James A. Traficant, Jr.'s congressional office was conducting relevant to the Youngstown F.B.I. and their connection to the mob. Furthermore, the unlawful activities and other matters revealed in this investigation involving agents of the government and their attempts to subvert the discovery of such information.

11. **Mr. Russell Saadey, Jr.**
c/o Federal Bureau of Prisons
320 First Street, NW
Washington, DC 20534
(Mr. Saadey was declared "in transit" at the time of this letter.)

Information can be sent to his attorney:

Attorney Brain Kopp
114 East Front Street
Youngstown, Ohio 44503

Relevance:

Mr. Saadey's testimony will refute, in detail, the testimony of James Sabatine's testimony provided at trial. In addition, Mr. Saadey will provide testimony regarding unlawful activities of agents of the government.

Substance:

Mr. Saadey has knowledge of the pressure placed on Mr. Sabatine, Saadey's brother-in-law, by agents of the government to lie about the activities of Congressman James A. Traficant, Jr. Moreover, Mr. Saadey has personal knowledge and will testify to the unlawful activities of specific government agents and their attempts to subvert discovery of same. Finally, Mr. Saadey will testify regarding the pressure placed on him to lie about Congressman James A. Traficant, Jr.

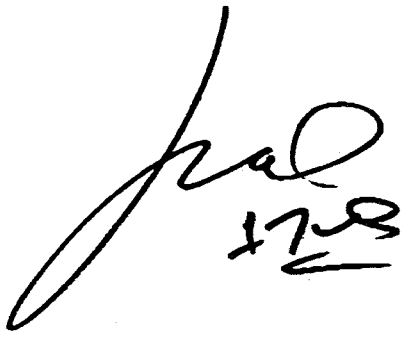
12. **Attorney Percy Squire**
513 East Rich Street
Columbus, Ohio 43215

Relevance:

Attorney Squire has personal knowledge of the events that occurred with Anthony Bucci and J.J. Cafaro. Furthermore, Attorney Squire will testify that the manner in which the jury was selected in the Traficant trial was defective and the need for Congress to make efforts to stop this type of judicial 'tinkering'. Finally, Attorney Squire will illustrate the 6th Amendment violations that occurred during this trial.

Substance:

Attorney Squire will testify that his recollection of events differs from the testimony provided by J.J. Cafaro and Anthony Bucci



JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225–7103

July 8, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406
Fax Number: 330-702-1230

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

We have reviewed your July 5, 2002 application for witness subpoenas in the above-captioned matter. In your application, you requested that the Subcommittee issue subpoenas to twelve witnesses, nine of whom testified under oath either before the jury or before the judge in *United States of America v. James A. Traficant, Jr.* Case No. 4:01 CR 207 (N.D.OH). Our decision with regard to your application for subpoenas for each of these individuals is set forth below.

As a preliminary matter, we note that in the cover letter to your application for subpoenas, you asserted that you "intend to prove that the government, through the Federal Bureau of Investigation, the Internal Revenue Service and the United States Attorney's Office, used pressure tactics to elicit perjured testimony" and that you intend to "show a continued pattern of these types of activities." The Subcommittee is aware from evidence in the form of certified transcripts of trial testimony in *United States of America v. James A. Traficant, Jr.* that you were allowed to cross-examine government witnesses and present testimony from your own witnesses regarding alleged governmental pressure and/or intimidation of witnesses, as well as alleged governmental bias against you. However, you should be aware that the Subcommittee views any broad, general allegations of government "pressure tactics", or of other government misconduct, as irrelevant to these adjudicatory proceedings. The Subcommittee will not consider such allegations -- and thus will not allow argument or presentation of a defense based on such allegations -- unless they are supported by a direct and specific proffer, or evidence, that *particular material evidence* at trial was false and that the supposedly false material evidence *was obtained as a result of the alleged government misconduct.*

We have made the following determinations with regard to the witnesses for whom you have sought issuance of subpoenas.

Mr. Harry Manganaro - Your request for a subpoena for this witness is denied at this time. Mr. Manganaro testified at the trial in *United States v. James A. Traficant, Jr.* and you were allowed to cross-examine him regarding some of the points you have listed in support of your application for a subpoena for his testimony in this matter. The witness' testimony on those points would therefore be cumulative. In addition, we note that, with regard to the broad, non-specific proffer that Mr. Manganaro would testify that David Sugar was "threatened" and "pressured" by the government, such testimony would be irrelevant to these proceedings. You may be able to cure this defect if you are able to proffer, in detail, the specific testimony that Mr. Manganaro would provide that Mr. Sugar provided false evidence that was material to the counts in the Statement of Alleged Violations. Such a proffer must include specific descriptions both of those portions of Mr. Sugar's testimony that Mr. Manganaro alleges were falsified and in what way those portions of testimony were false. The Subcommittee may then reconsider its decision to deny your application for a subpoena for this witness. **If you choose to attempt to cure the defects in your application for a subpoena for this witness, you must submit a revised application by 10:00 a.m. on Tuesday, July 9, 2002.**

Mr. Brian Kidwell - Your request for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, the witness' testimony would be irrelevant to the violations charged in the Statement of Alleged Violations. The Subcommittee notes that testimony regarding broad, non-specific threats by individuals the witness "believes" but does not know to be government agents would be both speculative and irrelevant.

Mr. Richard Detore - Your request for a subpoena for this witness is granted, subject to an affirmative vote of a majority of the Adjudicatory Subcommittee, as required by Committee Rule 10 (a) (1). Subject to that vote, the Subcommittee will arrange for the issuance of a subpoena for testimony by Mr. Detore, requiring him to appear before it on July 15, 2002. We note that Mr. Detore was formerly a co-defendant in *United States of America v. Traficant* and is currently scheduled to begin the trial in the case against him on July 29, 2002. Mr. Detore may, therefore, assert his Fifth Amendment privilege not to testify before this Subcommittee. Should he choose to do so, the Adjudicatory Subcommittee is unlikely to compel his testimony.

Mr. Mark Colucci - Your request for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, the witness' testimony would be irrelevant to the violations charged in the Statement of Alleged Violations. The Statement of Alleged Violations does not include allegations that you were involved in a "murder-for-hire scheme." Any testimony regarding the truth or

falsity of allegations that you were involved in such a scheme would therefore be irrelevant to these proceedings. To the extent that your proffer regarding the witness' testimony can be read as an allegation of government misconduct, claims of misconduct by the government in connection with an alleged murder scheme are similarly irrelevant to this proceeding.

Mr. John Vogel - Your request for a subpoena for this witness is denied at this time. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, the witness' testimony would be both irrelevant to the violations charged in the Statement of Alleged Violations and cumulative of evidence already before the Subcommittee. You proffer that this witness would testify that the George Buccella, a witness against you at the trial of *United States v. Traficant*, was "pressured" by the government to lie about you. You further proffer that the government used Mr. Buccella's alleged acceptance of $1500 to "help fix a D.U.I. case for the Swaney family of Mineral Ridge" as part of its alleged pressure on Mr. Buccella to provide testimony against you at trial. We note that Mr. Buccella was examined during the criminal trial regarding a grant of immunity from the government (unconnected to the alleged misconduct regarding the Swaney D.U.I. case) which provided evidence of a possible motive that Mr. Buccella had to be biased in favor of the government. Any additional grounds for such bias, including the proffered Swaney D.U.I., would be cumulative. In addition, a general, non-specific claim of government pressure on the witness would be irrelevant to these proceedings. You may be able to cure these defects if you are able to proffer, in detail, the specific testimony that Mr. Vogel would provide that Mr. Buccella provided false evidence that was material to the counts in the Statement of Alleged Violations. Such a proffer must include specific descriptions both of those portions of Mr. Buccella's testimony that Mr. Manganaro alleges were falsified and in what way those portions of testimony were false. The Subcommittee may then reconsider its decision to deny your application for a subpoena for this witness. **If you choose to attempt to cure the defects in your application for a subpoena for this witness, you must submit a revised application by 10:00 a.m. on Tuesday, July 9, 2002.**

Mr. James Price - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. As noted above regarding your application for a subpoena for testimony from Mr. John Vogel, the evidence already sets forth a significant reason that George Buccella may have been biased in the government's favor. In addition, in the case of Mr. Price you proffer no information that the witness has knowledge of any inaccurate testimony from Mr. Buccella.

Mr. Michael Robertson - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness'

testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. We note that you were allowed to call this witness as part of your defense at trial and, as such, his testimony on these matters is already before the Subcommittee. We also note that the witness' opinion testimony regarding the alleged lack of physical evidence, lack of evidence of witnesses' "cash transactions" with you and the alleged insufficiency of evidence "to seek an indictment" are irrelevant to matters before the Adjudicatory Subcommittee. The witness' proffered opinions regarding the sufficiency and quality of the evidence are matters for the members of the Subcommittee, as the finders of fact in this proceeding, to determine for themselves.

Mr. James Harney - Your application for a subpoena for this witness is denied at this time. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, this testimony would be irrelevant to the charges in the Statement of Alleged Violations. As previously noted, broad, non-specific allegations of government "abuse of power" are irrelevant to these proceedings. In addition, although you assert that this witness would provide testimony to "refute the perjured testimony of J.J. Cafaro and Al Lange," you do not provide a specific proffer regarding what, if any, aspects of Cafaro's and Lange's testimony would be refuted and in what way that testimony would be refuted. You may be able to cure these defects if you are able to proffer, in detail, the specific testimony that Mr. Harney would provide that Cafaro and Lange provided false evidence that was material to the counts in the Statement of Alleged Violations. Such a proffer must include specific descriptions both of those portions of Mr. Cafaro's and Mr. Lange's testimony that Mr. Harney alleges were falsified and in what way those portions of testimony were false. You should also specify what information this witness would provide regarding a "demand note." The Subcommittee may then reconsider its decision to deny your application for a subpoena for this witness. **If you choose to attempt to cure the defects in your application for a subpoena for this witness, you must submit a revised application by 10:00 a.m. on Tuesday, July 9, 2002.**

Mr. James Kerchum - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. We note that you were allowed to explore the areas described in your proffer with the witness under oath before the judge during the trial of *United States v. Traficant*. We are in possession of the certified transcript of the witness' testimony. Additional testimony on these matters would therefore be cumulative. In addition, as previously noted, testimony regarding general claims of government "tactics to obtain untrue testimony . . . in order to create charges against" you are irrelevant to these proceedings.

Mr. Frederick Hudach - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness'

testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. We note that you were allowed to explore the areas described in your proffer with the witness under oath before the judge during the trial of *United States v. Traficant*. We are in possession of the certified transcript of the witness' testimony. Additional testimony on these matters would therefore be cumulative. In addition, as previously noted, testimony regarding general claims of government "tactics to conceal their own unlawful activities" are irrelevant to these proceedings.

Mr. Russell Saadey, Jr. - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. With regard to "pressure" allegedly placed on witnesses at your trial, we note that both you and the government were allowed to explore the areas described in your proffer with the witness under oath before the judge during the trial of *United States v. Traficant*. We are in possession of the certified transcript of the witness' testimony. Additional testimony on these matter would therefore be cumulative. In addition, you proffer that Mr. Saadey would refute "the testimony of James Sabatine's testimony provided at trial"; we note that this area of this witness' proffered testimony was also explored with him at your trial by both you and the government and would, thus, also be cumulative. Lastly, you proffer that Mr. Saadey would "testify to the unlawful activities of specific government agents." There is no indication in your proffer that these alleged "unlawful activities" relate to testimony or evidence adduced at your trial. Therefore Mr. Saadey's testimony in this regard would not be relevant to the proceedings before the Adjudicatory Subcommittee.

Mr. Percy Squire - Your application for a subpoena for this witness is denied. Based on the proffer you have provided regarding the substance of this witness' testimony were he to be called to testify at the adjudicatory hearing, this testimony would be both cumulative and irrelevant to the charges in the Statement of Alleged Violations. You were allowed to explore areas described in your proffer with the witness under oath before the judge during the trial of *United States v. Traficant*. We are in possession of the certified transcript of the witness' testimony. Additional testimony on these matters would therefore be cumulative. In addition, you proffer that Mr. Squire would testify that the method of jury selection in the trial was defective and that "6th Amendment violations . . . occurred during" the trial. We note that your motion for new trial on the ground that the method of jury selection was defective has been denied by the court. More significantly, the issue of jury selection is irrelevant to these proceedings, as are claims that violations of the Sixth Amendment occurred during the trial.

In sum, subject to an affirmative vote of a majority of the Adjudicatory Subcommittee, we have granted your application to subpoena Richard Detore. We have denied your applications for subpoenas for Harry Manganaro, Brian Kidwell, Mark

Colucci, John Vogel, James Price, Michael Richardson, James Harney, James Kerchum, Frederick Hudach, Russell Saadey, Jr. and Percy Squire. Based on the information contained in your proffers of their expected testimony, you may be able to cure the defects in your application for subpoenas for Mr. Manganaro, Mr. Vogel and Mr. Harney. **If you choose to submit revised applications for subpoenas for these three witnesses, the Subcommittee must receive them by 10:00 a.m. on Tuesday, July 9, 2002.**

Finally, in our June 27, 2002 letter notifying you that a Statement of Alleged Violations had been transmitted to the Adjudicatory Subcommittee, we informed you that we are requiring you to elect whether you will be represented by counsel at the adjudicatory hearing in this matter or if you will appear *pro se*. We understand that in a telephone conversation with the Committee's Chief Counsel last week, you indicated that you anticipate proceeding *pro se* and would inform us if your status changed before the adjudicatory hearing. The Subcommittee hereby requests that you provide it with written notice of whether you will be represented by counsel at the adjudicatory hearing or if you will appear *pro se* by **9:00 a.m. on Thursday, July 11, 2002.**

If you have any questions regarding any of the above matters, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-6021

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 8, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In response to the Committee's letter dated July 8, 2002, I am hereby transmitting a revised application for subpoenas for the following witnesses:

- Mr. James Harney
- Mr. Michael Robertson

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

Mr. James Harney

Mr. Harney was present with his client, Richard Detore, when the United States Attorney who was questioning Mr. Detore, attempted to solicit false information about alleged unlawful activities involving Congressman Traficant.

Mr. Harney has personal knowledge that J.J. Cafaro produced a "demand note" for reimbursement of the monies given to Al Lange for the purchase of Congressman Traficant's boat. Mr. Harney advised his client, Al Lange, on this matter.

Mr. Michael Robertson

Mr. Robertson relied on evidence that was produced in an untimely manner and incomplete. After further investigation into the matter post-trial, Mr. Robertson, based on his professional experience as a former Secret Service agent, testimony will show that the money transactions offered as evidence at trial are inconclusive at best.

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515-6328

July 10, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406
Fax Number: 330-702-1230

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

We have reviewed your July 10, 2002 revised application for subpoenas for Mr. James Harney and Mr. Michael Robertson in the above-captioned matter. Your revised application for subpoenas for these individuals is denied because, among other reasons, you have failed to proffer specific testimony the witnesses would provide that would be relevant to the proceedings in this matter.

With regard to Mr. James Harney, in your revised application you state that the witness was present when prosecutors questioned Richard Detore and "attempted to solicit false information about alleged unlawful activities involving Congressman Traficant." However, you have not proffered detailed or specific testimony that Mr. Harney would provide that any government witness in *United States of America v. James A. Traficant, Jr.*, Case No. 4:01 CR 207 (N.D.OH) provided false evidence that is material to the counts in the Statement of Alleged Violations. You have, for example, failed to provide the Subcommittee with specific descriptions of either portions of testimony given by government witnesses that Mr. Harney alleges were false or explained in what way those portions of testimony were false. Without such specific, detailed descriptions of allegedly false, material evidence, your proffer regarding testimony Mr. Harney would provide about Richard Detore's interaction with federal prosecutors remains the type of broad, general allegation of government misconduct that the Subcommittee has previously informed you is irrelevant to these adjudicatory proceedings. (See July 8, 2002 letter to the Honorable James A. Traficant, Jr. *In the Matter of James A. Traficant, Jr.* from the Honorable Joel Hefley, Chairman and the Honorable Howard L. Berman, Ranking Minority Member).

We also note that, according to your proffer, Mr. Harney's knowledge of alleged facts related to Richard Detore and Al Lange is based on interactions he had with these witnesses while he was serving as their attorney. Mr. Detore's and Mr. Lange's communications with Mr. Harney are therefore presumptively protected by attorney client privilege. Testimony from Mr. Harney based on information he obtained as a result of such privileged communications would be inadmissible at the adjudicatory hearing in this matter. See Committee Rule 24 (i) (1).

With regard to Mr. Michael Robertson, we note that we previously denied your application for a subpoena for this witness without providing you with the opportunity to submit a revised application. We have, nevertheless, reviewed your revised application and determined that there is no basis to reconsider our original denial of your application for a request for a subpoena for this witness. Although you proffer that Mr. Robertson's testimony would be based on "further investigation into the matter post-trial," your description of the matters about which the witness would testify at the adjudicatory proceedings establishes that they are duplicative of the matters about which he testified during the trial of *United States v. Traficant*. As noted in the Subcommittee's July 8, 2002 letter to you, the witness' testimony is therefore cumulative. Moreover, as previously noted, to the extent that the witness would provide opinion testimony regarding the quality and sufficiency of the evidence, his testimony is irrelevant to these proceedings. It is for the members of the Subcommittee, as the finders of fact, to make determinations regarding the ultimate question of whether the evidence presented is sufficient to prove any count in the Statement of Alleged Violations by clear and convincing evidence.

For the foregoing reasons, your revised applications for subpoenas for James Harney and Michael Robertson are denied. Although in the Subcommittee's July 8, 2002 letter we provided you with the opportunity to cure your application for subpoenas for Mr. Harry Manganero and Mr. John Vogel, you did not submit a revised application for subpoenas for those witnesses. The Subcommittee hereby issues its final decision to deny your original application for subpoenas for Mr. Manganero and Mr. Vogel. The Subcommittee will not provide you with any further opportunity to cure the defects in your July 5 application. With regard to your application for a subpoena for Mr. Richard Detore, the Subcommittee voted on July 9 to issue the subpoena. We will attempt to effect service of the subpoena on Mr. Detore prior to the commencement of the adjudicatory hearing on July 15. We again note that, because he is a former co-defendant in *United States v. Traficant* and is scheduled to begin the trial in the case against him on July 29, 2002, Mr. Detore may choose to assert his Fifth Amendment privilege not to testify before this Subcommittee. As we have previously informed you, if Mr. Detore chooses to exercise his Fifth Amendment privilege, the Subcommittee is unlikely to compel his testimony.

If you have questions regarding any of the above matters, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

July 10, 2002

By Facsimile and FEDEX
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Fax Number: 330-702-1230

Re: ***In the Matter of Representative James A. Traficant, Jr.***

Dear Representative Traficant:

The attached summary of the testimony of defense witness Russell Saadey, Jr. was inadvertently omitted from the "Additional Defense Witnesses" Section of the Evidence Brief previously distributed to Members of the Adjudicatory Subcommittee and sent to you. We have now distributed copies of the summary of this witness' testimony to Members of the Adjudicatory Subcommittee, and a copy is being provided to you with this letter so that you have a complete copy of the Evidence Brief in this matter.

Please do not hesitate to contact me at (202) 225-7103 if you have any questions regarding this document.

Sincerely,

Robert L. Walker
Chief Counsel

Saadey.doc
7/9/2002 3:45 PM

Russell Saadey, Jr.

His brother-in-law, **James Sabatine**, told him that he was being forced to cooperate with the FBI or he would loose everything he had. **Sabatine** told him he had never bribed Traficant (**Sabatine** Racketeering Act). **Testimony ruled inadmissible by the Court because Representative Traficant destroyed a prior statement (tape) by the witness and the jury never heard this evidence.**

Count 1: **Bucci Bribery Conspiracy**
Count 8: **Tax Evasion (1998)**
Count 10: **RICO (Racketeering Act 1)—Bribery relating to Bucci**
RICO (Racketeering Act 8)—Illegal gratuity relating to Sabatine[1]

Voir Dire Testimony on March 27, 2002

Called as a defense witness by Representative Traficant. Represented by an attorney who he frequently consulted with.

Voir Dire Direct (T5079-5106): Nickname Champ. (T5079). Related to Traficant by marriage. Related to **James Sabatine** also, **Sabatine** is his brother-in-law. **Sabatine** is married to Saadey's sister, Geri. Met with **Sabatine** shortly after an FBI visit to **Sabatine**. **Sabatine** seemed quite nervous. (T5080) He was visibly shaking. He is very close to **Sabatine**, loves him. Shortly after he met with the FBI, he made a statement to Saadey. When he made the statement he was still in a state of stress. He was nervous about being forced to cooperate or he would loose everything he had. (T5082) He was just upset that he had to cooperate with the government or he would loose everything he had. He also stated that he had never bribed Traficant. **Sabatine** has been pretty stressed since this whole thing began but was very stressed out after meeting the FBI. Saadey refused to state if he had met with the FBI (Took 5th on advice of counsel). Admitted that he had been convicted of a felony and has yet to be sentenced. Admitted being contacted by the FBI. FBI asked him questions about Traficant. Refused to state what he told the FBI. He understood if he cooperated with the FBI he would be given consideration. The AUSA's were not mentioned in that conversation. He was told consideration meant leniency or possibly immunity. Believed these were promises by the FBI. It was his impression that his statements had to be truthful. His impression was that whatever information he could give would bring him consideration. They were putting a lot of pressure on him. Whether they wanted him to lie, he could not say. On advise of counsel he cannot discuss his case. There are things about Traficant's case that he has personal knowledge of with **Sabatine** he would like to talk about. In his opinion, pressure was put on witnesses in tough positions. It was Saadey's impression that if Saadey cooperated, he would be given leniency or immunity. The FBI told him if he did not cooperate, he would

[1] The trial jury found Representative Traficant did not commit the Sabatine Racketeering Act.

face serious problems. Refused to answer the following question by Rep. Traficant on advice of counsel: "I am going to ask a direct question one last time. Was it your impression that if you lied, all of your problems would go away?"

His impression when **Sabatine** made the statements to him was, "he was doing whatever he had to do to save his ass." (T5095) **Sabatine** said he did not give a bribe or gratuity to Rep. Traficant, but that he gave him campaign contributions. Gave money every time Traficant ran, at fundraisers.

Rep. Traficant asked if Saadey had any personal knowledge that FBI SA Speranza raped a Traficant constituent. (T5096) Court sustained the objection.

Government asked for a copy of a tape Traficant said he had with Saadey.[2] Traficant said he "destroyed" the tape. (T5097) Government made motion to prevent further testimony by Saadey because Traficant had destroyed a prior statement by the witness. (T5098) Traficant stated he destroyed the tape to "protect the interests of Mr. Saadey, period." (T5100) He stated the tape confirmed the fact that **Sabatine** had told his brother-in-law shortly after meeting with the FBI, in a stressful situation, that he did not bribe or give gratuities of any kind to the congressman. (T5101) **Sabatine** also said on the tape that he had millions to loose, his family, his own blood.

Voir Dire Cross (T5207-27): Took 5th, refused to state if convicted of RICO and ten felony counts. Took 5th repeatedly when asked if he fixed criminal cases with the Mahoning County Prosecutor's office. Awaiting sentencing, wants to preserve his appellate rights. **Sabatine** told him he gave political contributions to Traficant, not bribes. He does not know specifically what **Sabatine** was charged with. **Sabatine** was under pressure to do certain things so he could protect himself. Saadey believed the pressure was coming from the FBI. The FBI threatened him with everything he had. He said that in their conversation. He does not know if the threat was from the FBI or whether it was **Sabatine's** reaction to the visit by the FBI. Saadey believed the pressure on **Sabatine** originally came from the FBI. Agreed there certainly was a threat of prosecution. Agreed the FBI was in the business of developing cases to prosecute people. Refused to answer a series of questions about his family's involvement in Democratic politics.

Saadey believed he was indicted in December of 2000. He had one meeting with the FBI before he was indicted. FBI promised him leniency or immunity if he cooperated. Can't remember if they said the promise of leniency or immunity had been approved by the U.S. Attorney's Office. Nobody specifically asked him to lie. Asked the question: "Did an FBI agent tell you, in his own words, that you could get a deal to benefit yourself, and it didn't matter if you told the truth or if you lied?" Answered, "I think he never specifically said if I lied." Admitted that it was correct that "telling a lie and getting a benefit for it was going through his mind." They wanted any information he had, Philomena (county prosecutor), Traficant, not exclusively Traficant.

[2] On March 26, 2002, Rep. Traficant told the court he had a tape by Saadey concerning Sabatine. (T4962-69)

Voir Dire Re-direct (T5228-35): The FBI told him they would give him leniency if he made statements against Traficant. **Sabatine** said he was under pressure to cooperate. In all the time he has known **Sabatine** he had never seen him that nervous and upset.

A. TRAFICANT, JR.
17TH DISTRICT, OHIO

RN HOUSE OFFICE BUILDING
SHINGTON, DC 20515
(202) 225-5261

5 MARKET STREET
ROOM 311
NGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-6643

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5021

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 10, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In accordance with the Committee's letter dated June 27, 2002, and pursuant Rule 24(g), I am hereby transmitting a list of individuals I wish to call as witnesses and additional evidence I intend to present in the above captioned matter.

In addition to the information provided herein, I intend to rely on all testimony and evidence presented in *United States v. James A. Traficant, Jr.* No. 4:01CR207.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

WITNESS LIST

1. Dennis Johnson

Mr. Johnson will testify regarding conversations he had with J.J. Cafaro that he (Cafaro) and Congressman Traficant were not involved in any illegal activity

2. Sandy Ferrante

Mrs. Ferrante witnessed repayments of loans to Deblasio and O'Nesti. Also, see affidavit (Exhibit GG)

3. Linda Kovachik

Ms. Kovachik will testify regarding a conversation she had with former staff member Charles O'Nesti and that O'Nesti told her that he did not give kickbacks to Congressman Traficant. Also see affidavit (Exhibit AA)

4. John Culbertson

Mr. Culbertson will testify that he overheard a telephone conversation between Congressman Traficant and Henry Deblasio, where they discussed that they had committed no illegal acts and pressures by the government to gain false information.

5. Michael Antonoff

See affidavit (Exhibit FF)

6. Rene Lanzaro

Ms. Lanzaro will testify as witnessing the activities that took place between Michael Antonoff and agents of the FBI.

7. Brian Kidwell

Mr. Kidwell will testify that since trial, agents of the government have gone to his place of employment and inquired into his tax information/status and other personal information. Also, see affidavit (Exhibit BB)

8. John Innella

See affidavit (Exhibit HH)

9. Harry Manganaro

I

Mr. Robertson will provide more complete testimony regarding money transactions of Raymond Allen Sinclair. In addition, as a former financial investigator with the U.S. Secret Service, he will provide a financial analysis of Congressman Traficant's money activities.

11. Russell Saadey, Jr.

Mr. Saadey will testify that the government offered him a "walk" if he would provide false testimony against Congressman Traficant. Also, Mr. Saadey can testify to his personal knowledge of FBI Agent Speranza's threats because of the Congressman's investigation of the local FBI.

12. Richard Rovnak

Mr. Rovnak can provide testimony to refute testimony regarding the staff work at the Traficant farm.

13. James Kerchum

See affidavit (Exhibit EE)

14. Frederick Hudach

Mr. Hudach will testify of personal experiences while investigating FBI and mob connection in the Youngstown area and how those interactions caused him to believe that he was in danger and made Congressman Traficant a target of the FBI.

4/7/10/02 WED 03:00 FAX

EVIDENTIARY INDEX

A. Notes provided by Michael Robertson to Congressman Traficant regarding money transactions in Sinclair accounts. – 2 pages

B. Raymond Allen Sinclair FBI 302 – 2 pages

C. Supreme Court letter regarding reprimand of Atty. Sinclair – 9 pages

D. Raymond Allen Sinclair's deposits into IOLTA account – 3 pages

E. FBI Forensic Report detailing no fingerprints of Congressman Traficant on any evidence – 1 page

F. KAS Enterprise lease information regarding 11 Overhill Road Office – 7 pages

G. DiBlasio June 7, 1999 letter to Congressman Traficant regarding what Sinclair owes him for Overhill property – 1 page

H. Diblasio furniture sale agreement with Congressman Traficant – 4 pages

I. Diblasio July 7, 2000 letter to Congressman Traficant regarding what Sinclair owes him and how (AUSA) Morford ruined his life because of investigation – 3 pages

J. Old lease information regarding 11 Overhill Road Office – 2 pages

K. Diblasio January 24, 2000 letter to Congressman Traficant intimidation by the FBI – 3 pages

L. Attorney James Harney FBI 302

M. Boat survey for Al Lange on Congressman Traficant' boat – 18 pages

N. Note from Congressman Traficant to Richard Detore regarding the sale of vehicles to J.J. Cafaro – 1 page

O. Transcript of a taped phone conversation between Congressman Traficant and Richard Detore outlining the pressure exerted by the government to elicit false testimony by Mr. Detore against Congressman Traficant – 30 pages

P. Corvette rental agreement, which was paid for by Congressman Traficant – 1 page

Q. Letter from Ralph Cacarella that AUSA Morford did not contend that former staff member Charles O'Nesti was a member of La Cosa Notrsa – 1 page

R. Congressman Traficant's motion for hearing on the prosecutorial misconduct of AUSA Craig Morford – 15 pages

S. FBI Surveillance Request Form indicating that both Congressman Traficant and Charles O'Nesti are targets of a FBI investigation – 2 pages

T. Letter from George Alexander to Congressman Traficant discussing misconduct by agents of the government to gain information about the Congressman and others – 3 pages

U. Letter from John Vogel to Congressman Traficant regarding the FBI's knowledge of Buccella's involvement with the DUI/Swaney case – 4 pages

V. Transcript of taped phone conversation between Harry Manganaro and Congressman Traficant regarding the FBI investigation of the matter involving David Sugar – 6 pages

W. Transcript of taped phone conversation between Robin Best and Congressman Traficant regarding the conduct of the FBI in their investigation of the Congressman – 42 pages

X. Transcript of taped phone conversation between Pete Bucheit and Congressman Traficant regarding how Bucheit felt threatened by agents of the government when questioned about the Congressman – 20 pages

Y. Transcript of taped phone conversation between Henry Diblasio and Congressman Traficant where there are statements that neither were involved in any illegal activity – 18 pages

Z. Transcript of taped phone conversation between Pete Bucheit and Congressman Traficant regarding the government's threats against Bucheit and his son – 12 pages

AA. Affidavit of Linda Kovachik regarding the error in the trial transcript regarding statements of Congressman Traficant receiving kickbacks from Charles O'Nesti – 1 page

BB. Affidavit of Brian Kidwell regarding the missing welder – 2 pages

CC. Affidavit of Orlando Ferrante regarding pressure by the FBI against his wife, Sandra – 2 pages

DD. Affidavit of Susan Bucci regarding allegations of favors for the Bucci family – 3 pages

EE. Affidavit of James Kerchum regarding Congressman Traficant being the FBI's number one target – 2 pages

FF. Affidavit of Michael Antonoff regarding activities of individuals who are believed to be agents of the FBI – 1 page

GG. Affidavit of Sandra Ferrante regarding unlawful tactics used by the FBI to elicit false information from Ms. Ferrante about Congressman Traficant – 2 pages

HH. Affidavit from John Innella regarding a conversation he witnessed between Congressman Traficant and Henry Nemenz about Nemenz's interview with AUSA Morford and how Morford was attempting to "put words in his (Nemenz's) mouth" – 2 pages

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

July 11, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406
Fax No. 330-702-1230

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

We have reviewed your list of witnesses, summaries of their expected testimony and copies of documents you wish to use during the adjudicatory hearing in the above-captioned matter. We have set forth below our decisions regarding whether the documentary evidence and proffered witness testimony will be admissible as evidence at the hearing.

It is also appropriate to reiterate here the Subcommittee's previous notice to you that it views allegations of government "pressure tactics" or other government misconduct as irrelevant to these adjudicatory proceedings to the extent that any such allegations are not supported by a direct and specific proffer, or evidence, that particular material evidence at trial was false and that the supposedly false material evidence was obtained as a result of the alleged government misconduct. The Subcommittee will therefore not allow argument on, or statement or presentation of, a defense based on a theory of government misconduct unrelated to specific material evidence presented by the prosecution at the trial of *United States v. James A. Traficant, Jr.*, Case No. 4:01 CR 207 (N.D.OH).

Admissibility of Proffered Witness Testimony

Your July 10, 2002 submission lists 14 witnesses whom you expect to call. We have determined that the testimony of one witness, Linda Kovachik, will be allowed at the adjudicatory hearing. The testimony of seven of the remaining witnesses (Michael Antonoff, Rene Lanzaro, Brian Kidwell, John Innella, Russell Saadey, Jr., James Kerchum and Frederick Hudach) will not be allowed to be presented at the adjudicatory hearing.

Committee Rule 24 (g) requires the respondent or counsel to provide the Subcommittee with the names of the witnesses expected to be called as well as "*summaries of their expected testimony.*" (Emphasis added) We have determined that with regard to the six remaining witnesses (Dennis Johnson, Sandy Ferrante, John Culbertson, Harry Manganaro, Michael Robertson and Richard Rovnak) the proffered description of witness testimony in your submission is insufficient under this standard because it fails to provide sufficient notice or information of the alleged facts about which the witness is expected to testify. The Subcommittee must therefore, at this time, deny any request to present testimony from these witnesses based on these insufficient summaries of their testimony. **As specified below, you may, however, attempt to cure this defect by providing the Subcommittee with a detailed, point-by-point summary of each witness' expected testimony by 10:00 a.m. on Friday, July 12, 2002.** The Subcommittee will notify you by fax of its final decision with regard to these witnesses by 6:00 p.m., July 12, 2002.

The following sets forth the Subcommittee's decision as to each of the 14 proffered witnesses, based on the summaries provided with your July 10 submission.

Dennis Johnson – This witness' name was crossed out in blue ink on the copy of your July 10 submission that was hand-delivered to the Committee's office on that date. However, the version of the submission that was partially faxed to the Committee's office continues to list Mr. Johnson as a witness you expect to call. As noted above, the summary of Mr. Johnson's testimony provided in your submission is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. You may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony "regarding conversations he had with J.J. Cafaro" to the effect that Mr. Cafaro and the respondent "were not involved in any illegal activity" **by 10:00 a.m. on Friday, July 12, 2002.**

Sandy Ferrante – The summary of Ms. Ferrante's testimony provided in your July 10 submission is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. With regard to that portion of Ms. Ferrante's proffered testimony concerning "repayment of loans to Deblasio and O'Nesti", you may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony that she "witnessed repayments of loans to Deblasio and O'Nesti." **by 10:00 a.m. on Friday, July 12, 2002.** Your submission also relies, however, on Exhibit GG, an affidavit from Ms. Ferrante in which she describes alleged interactions among herself, her husband and federal agents during which an alleged murder-for-hire scheme was discussed. Any testimony from Ms. Ferrante, or any other witness, on these points is irrelevant to the counts in the Statement of Alleged Violations and therefore inadmissible at the adjudicatory hearing. We emphasize that, if you choose to attempt to cure your summary of Ms. Ferrante's anticipated testimony regarding alleged loan repayments and you call her as a witness, you *may not* elicit any testimony from her regarding the matters set forth in Exhibit GG.

Linda Kovachik – Your summary of this witness' anticipated testimony is supplemented by Exhibit AA, an affidavit from Ms. Kovachik that provides a detailed explanation of the substance of her expected testimony. This witness' testimony regarding her alleged conversation with Charles O'Nesti will be admitted. If you intend to introduce Exhibit AA into evidence, you must provide the Subcommittee with the original affidavit bearing the Notary Public's seal.

John Culbertson – Your summary of this witness' anticipated testimony is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. With regard to that portion of Mr. Culbertson's proffered testimony concerning "a telephone conversation between Congressman Traficant and Henry DiBlasio, where they discussed that they had committed no illegal acts", you may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony concerning that conversation **by 10:00 a.m. on Friday, July 12, 2002.** However, the Subcommittee will not allow the proffered testimony from Mr. Culbertson regarding "pressures by the government" unless it is clearly linked to specific, material false information that was allegedly presented by the government during the trial of *United States v. Traficant.*

Michael Antonoff – Your summary of this witness' anticipated testimony is supplemented by Exhibit FF, an affidavit from Mr. Antonoff in which he describes "activities of individuals" the witness "believed to be agents of the FBI" who were taking pictures of the witness' home, is irrelevant to these proceedings and will not be allowed at the adjudicatory hearing.

Rene Lanzaro – Your summary of this witness' anticipated testimony is insufficient. However, based on the Subcommittee's review of Exhibit FF (Mr. Antonoff's affidavit) and the brief description of her anticipated testimony you provided in your submission, it is apparent that Ms. Lanzaro is Mr. Antonoff's estranged wife and would testify to the facts set forth in his affidavit. This testimony is irrelevant to these proceedings and will not be allowed at the adjudicatory hearing.

Brian Kidwell – Your summary of this witness' anticipated testimony is supplemented by Exhibit BB, an affidavit from Mr. Kidwell. This witness' proffered testimony regarding the activities of individuals who apparently confiscated the welder that had been in his possession is irrelevant to these proceedings and will not be allowed at the adjudicatory hearing.

John Innella – Your summary of this witness' anticipated testimony is set forth in Exhibit HH, an affidavit from Mr. Innella in which he describes a "conversation he witnessed between Congressman Traficant" and Henry Nemenz regarding alleged attempts by Assistant U.S. Attorney (AUSA) Craig Morford to "'put words in his (Nemenz's) mouth'." The Subcommittee will not be relying on any testimony provided by Henry Nemenz, and testimony regarding payments made by you to Mr. Nemenz for work allegedly done at your farm is irrelevant to the counts in the Statement of Alleged

Violations. The proffered testimony from Mr. Innella is therefore irrelevant to these proceedings and will not be allowed at the adjudicatory hearing.

Harry Manganaro - The summary of Mr. Manganaro's anticipated testimony regarding David Sugar's alleged admission "that he . . . did nothing illegal with Congressman Traficant" is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. You may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony that regarding Mr. Sugar's alleged admission **by 10:00 a.m. on Friday, July 12, 2002.** With regard to your proffer that the witness would also testify that Sugar "was pressured to lie to protect his family," to the extent that this testimony involves allegations of general government misconduct unrelated to specific material evidence presented by the prosecution in *United States v. James A. Traficant, Jr.*, Case No. 4:01 CR 207 (N.D.OH), such testimony is irrelevant to these proceedings and will not be allowed during the adjudicatory hearing.

Michael Robertson - The summary of Mr. Robertson's testimony provided in your submission is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. You may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony regarding "money transactions of Raymond Allen Sinclair" and "financial analysis of Congressman Traficant's money activities" **by 9:00 a.m. on Friday, July 12, 2002.** Your proffered documentary evidence did not include a financial analysis of your "money activities." **If you intend to rely on any documentary financial analysis as part of, in connection with, or in preparing for this witness' testimony, you must also provide a copy of that analysis by 10:00 a.m. on July 12, 2002.**

The Subcommittee notes that in your July 5, 2002 application for a subpoena for this witness, you proffered that the witness would provide opinion testimony regarding the quality and sufficiency of the evidence. As stated in the Subcommittee's July 8, 2002 letter regarding your application for subpoenas, such testimony is irrelevant to these proceedings and will not be allowed during the adjudicatory hearing.

Russell Saadey, Jr. – This witness' proffered testimony regarding an alleged government offer of "a 'walk' if he would provide false testimony" against you and alleged "threats" by an FBI agent because of your "investigation of the local FBI" is unrelated to any specific material evidence offered by the government in the trial of *United States v. Traficant*. It is therefore irrelevant to these proceedings and will not be allowed during the adjudicatory hearing.

Richard Rovnak – Your summary of this witness' anticipated testimony is insufficient. This witness may therefore not be called to provide testimony at the adjudicatory hearing. You may attempt to cure the submission by providing a detailed, point-by-point summary of the witness' anticipated testimony refuting "testimony regarding the staff work at the Traficant farm" **by 10:00 a.m. on Friday, July 12, 2002**.

James Kerchum – You have supplemented the summary of this witness' expected testimony with Exhibit EE, an affidavit from Mr. Kerchum. However, the witness' proffered testimony regarding "the government's tactics to obtain untrue testimony of witnesses in order to create charges against" you is unrelated to any specific material evidence offered by the government in the trial of *United States v. Traficant.* It is therefore irrelevant to these proceedings and will not be allowed during the adjudicatory hearing.

Frederick Hudach - This witness' proffered testimony regarding his "personal experiences while investigating FBI and mob connection in . . . Youngstown . . and how these interactions caused him to believe that he was in danger and made Congressman Traficant a target of the FBI" is unrelated to any specific material evidence offered by the government in the trial of *United States v. Traficant.* It is therefore irrelevant to these proceedings and will not be allowed during the adjudicatory hearing.

Admissibility of Other Proffered Evidence

Exhibit A – Notes of Michael Robertson regarding money transactions in Sinclair account – Will not be admitted subject to possible cure.

These notes have not been authenticated in any way and are therefore unreliable. The Subcommittee deems such unauthenticated and unreliable documents as irrelevant to these proceedings because, without some indicia of reliability (i.e., some indication that the documents are in fact what they purport to be), the documents have no probative value.[1] **You may be able to cure this defect if you are able to cure the defects in your summary of Mr. Robertson's anticipated testimony by 10:00 a.m. on July 12, 2002.** Otherwise, the Subcommittee has determined that Exhibit A will not be admitted at the adjudicatory hearing.

Exhibit B – FBI FD 302 of January 24, 2001 Interview of Sinclair – Will be admitted.

This item of proffered evidence has not been authenticated. However, the Subcommittee notes that this document bears certain indicia of reliability, in that based on its format and other factors, it appears to be what it purports to be, an FBI form FD 302. The Subcommittee will therefore allow this exhibit to be admitted as evidence at the adjudicatory hearing.

---

[1] The Subcommittee is guided in its analysis by federal courts' traditional analysis of the relationship between authenticity and relevance. See, e.g., *United States of America v. Sliker*, 751 F.2d 477 (1984), cert. Denied 105 S.Ct. 1772 (March 18, 1985) ("In order for a piece of evidence to be of probative value, there must be proof that it is what its proponent says it is. The requirement of authentication is thus a condition precedent to admitting evidence."); See also, Wright & Miller 31 Fed. Prac. & Proc. Evid. Section 7103 ("Until an item of evidence is shown to be what its proponent claims it to be, it is irrelevant and has no probative value or weight.")

Exhibit C – Letter from the Ohio Supreme Court regarding reprimand of Sinclair – Will be admitted **if a certified copy obtained from the Ohio Supreme Court is offered.**

Exhibit D – Sinclair's IOLTA bank deposits – Will not be admitted.

The documents making up this exhibit are unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1).

Exhibit E – FBI Forensic Report – Will be admitted.

This item is already in the Subcommittee's possession as it was admitted as an exhibit at the trial of *United States v. Traficant.* Although the exhibit is therefore cumulative, the Subcommittee will admit it as an exhibit for respondent at the adjudicatory hearing.

Exhibit F – Lease information regarding Overhill Road office – Will be admitted.

The documents making up this exhibit are already in the Subcommittee's possession as they were admitted as exhibits at the trial of *United States v. Traficant.* Although the exhibit is therefore cumulative, the Subcommittee will admit it as an exhibit for respondent at the adjudicatory hearing.

Exhibit G – DiBlasio June 7, 1999 letter to respondent – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its contents (setting forth complaints by DiBlasio of money owed to him by Sinclair) appear to be irrelevant to these proceedings.

Exhibit H – DiBlasio furniture sale agreement with respondent – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its contents appear to be irrelevant to these proceedings.

Exhibit I – DiBlasio July 7, 2000 letter to respondent - Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its contents (setting forth complaints by DiBlasio of money owed to him by Sinclair and allegations that AUSA Morford ruined his life) appear to be irrelevant to these proceedings.

Exhibit J – Old lease information regarding Overhill Road Office – Will be allowed.

This document is unauthenticated. However, because it bears certain indicia of reliability that it is, as it purports to be, a House of Representatives District Office Lease Agreement, the Subcommittee will admit it as an exhibit for respondent in the adjudicatory proceedings.

Exhibit K – DiBlasio January 24, 2000 letter to respondent regarding FBI intimidation – Will not be admitted.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its contents (setting forth complaints of alleged intimidation by the FBI) are irrelevant to these proceedings.

Exhibit L – FBI 302 of Interview of James Harney – Will not be allowed.

Although this unauthenticated document bears some indicia of reliability as an FBI form FD 302, the Subcommittee views significant portions of the witness' remarks regarding Albert Lange and Richard Detore as likely to be protected by attorney client privilege and therefore inadmissible at the adjudicatory hearing. The Subcommittee notes that in your July 9, 2002 revised application for a subpoena for Mr. Harney, you indicated that Mr. Lange and Mr. Detore had been clients of Mr. Harney. In addition, based on the contents of this exhibit, it appears that there is a significant likelihood that his status as their attorney was the means by which Mr. Harney gained the knowledge of events described in the 302.

Exhibit M – Boat survey for Al Lange on respondent's boat – Will be allowed.

The documents making up this exhibit are already in the Subcommittee's possession as they were admitted as exhibits at the trial of *United States v. Traficant*. Although the exhibit is therefore cumulative, the Subcommittee will admit it as an exhibit for respondent at the adjudicatory hearing.

Exhibit N – Note from respondent to Detore re sale of vehicles – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1).

Exhibit O – Transcript of taped telephone conversation between respondent and Detore – Will not be admitted.

The Subcommittee will not allow the transcript, or the tape, of this conversation to be offered because it contains no information regarding the circumstances under which the tape was made. Specifically, in addition to the fact that the tape has not been satisfactorily authenticated, it is unclear whether Mr. Detore had given his permission to be tape-recorded or whether the taping itself was legal under the laws of the applicable jurisdiction or jurisdictions.

Exhibit P – Corvette Rental Agreement – Will be allowed.

The documents making up this exhibit are already in the Subcommittee's possession as they were admitted as exhibits at the trial of *United States v. Traficant.* Although the exhibit is therefore cumulative, the Subcommittee will admit it as an exhibit for respondent at the adjudicatory hearing.

Exhibit Q – Letter from Ralph Cacarella regarding O'Nesti – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its content is irrelevant to these proceedings.

Exhibit R – Respondent's motion regarding AUSA Morford in *United States v. Traficant.* – Will not be allowed.

The motion is irrelevant to these proceedings because, as previously stated, it sets forth allegations of prosecutorial misconduct unrelated to the introduction of specific material false evidence in the trial of *United States v. Traficant.* (Although we are not relying on its decision in this regard, we note that the motion was denied by the trial court.)

Exhibit S – FBI Surveillance Report – Will not be allowed.

Even if this exhibit were deemed to bear sufficient indicia of authenticity as an FBI surveillance report, its contents (describing reason for surveillance of respondent and Mr. O'Nesti) are irrelevant to these proceedings.

Exhibit T – Letter from George Alexander to respondent – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its content is irrelevant to these proceedings.

Exhibit U – Letter from John Vogel to respondent – Will not be allowed.

This document is unauthenticated and therefore unreliable and irrelevant to these proceedings. (See footnote 1). The Subcommittee further notes that, even if the document were authenticated, its content is irrelevant to these proceedings. As the Subcommittee set forth in its July 8 letter regarding your application for a subpoena for Mr. Vogel, a general, non-specific claim of government pressure on Mr. George Buccella because of the Swaney D.U.I. case is irrelevant to these proceedings.

Exhibit V – Transcript of taped phone conversation with Harry Manganaro – Will be allowed.

The Subcommittee has determined that the actual tape recording of this conversation is the appropriate evidence of this conversation. We will allow you to use the transcript of the taped conversation as an aid for the Subcommittee's review. The substance of the conversation appears to be relevant to these proceedings because allegations that Mr. Sugar was pressured by the government are linked to specific allegations that the alleged pressure caused him to give false testimony about whether he performed work at your farm without payment. The Subcommittee will therefore allow you to use the tape as an exhibit on your behalf at the adjudicatory hearing. We anticipate that the tape of the conversation will meet minimal authenticity requirements in that the members of the Subcommittee will be able to determine for themselves whether it is your voice on the tape and the individual with whom you are conversing identified himself as Harry Manganaro. If you choose not to attempt to, or are unable to, cure your summary of Mr. Manganaro's expected testimony and he is not called as a witness during the adjudicatory hearing, the members of the Subcommittee will determine for themselves whether they accept the individual's self-identification on the tape as sufficient to establish the speaker's identity.

Exhibit W – Transcript of taped phone conversation with Robin Best

The Subcommittee will not allow the transcript, or the tape, of this conversation to be offered as evidence. In addition to the fact that the tape has not been satisfactorily authenticated, it is clear from the tape and the transcript that Ms. Best specifically asked respondent not to tape their conversation and that respondent assured her that he was not taping her, even though he was recording the conversation. Elsewhere in the conversation, Ms. Best insisted that she did not want the conversation to be taped, yet you continued taping her, again without informing her. It appears, therefore, that this tape was procured by trickery and deceit. Moreover, it is unclear whether the taping itself was legal under the laws of the applicable jurisdiction or jurisdictions.

Exhibit X , Exhibit Y and Exhibit Z – Transcripts of taped conversations between respondent and Pete Bucheit (Exhibit X and Exhibit Z) and Henry DiBlasio (Exhibit Y) – Will not be allowed.

The Subcommittee will not allow the transcripts, or the tapes, of these conversations to be offered because it has no information regarding the circumstances under which the tapes were made. Specifically, in addition to the fact that the tapes have not been satisfactorily authenticated, it is unclear whether Mr. Bucheit or Mr. DiBlasio had given his permission to be tape-recorded or whether the taping itself was legal under the laws of the applicable jurisdiction or jurisdictions. In addition, with regard to Exhibits X and Z, in which Mr. Bucheit asserts that he felt threatened by the government, the contents of the tapes are irrelevant to the proceedings in this matter to the extent that

they are not linked to specific false material evidence alleged to have been presented by the government in *United States of America v. Traficant.*[2]

Exhibit AA – Affidavit of Linda Kovachik – Will be allowed if the original affidavit bearing the Notary seal is presented. (See the Subcommittee's discussion of the admissibility of Ms. Kovachik's testimony, above.) **You must notify the Subcommittee by 10:00 a.m. on Friday, July 12, 2002 if you will present the original notarized affidavit.**

Exhibit BB – Affidavit of Brian Kidwell – Will not be allowed. (See the Subcommittee's discussion of Mr. Kidwell's proffered testimony, above.)

Exhibit CC – Affidavit of Orlando Ferrante – Will not be allowed. (See the Subcommittee's discussion of the portions of Sandy Ferrante's proffered testimony regarding an alleged murder scheme, above).

Exhibit DD – Affidavit of Susan Bucci – Will be allowed if the original affidavit bearing the Notary seal is presented. **You must notify the Subcommittee by 10:00 a.m. on Friday, July 12, 2002 if you will present the original notarized affidavit.**

Exhibit EE – Affidavit of James Kerchum – Will not be allowed. (See the Subcommittee's discussion of Mr. Kerchum's proffered testimony, above.)

Exhibit FF – Affidavit of Michael Antonoff – Will not be allowed. (See the Subcommittee's discussion of Mr. Antonoff's proffered testimony, above.)

Exhibit GG – Affidavit of Sandra Ferrante – Will not be allowed. (See the Subcommittee's discussion of Mr. Antonoff's proffered testimony, above. Ms. Ferrante's testimony regarding loan repayments may still be allowed if a sufficient summary is provided to the Subcommittee by 10:00 a.m. on July 12, 2002.)

Exhibit HH – Affidavit of John Innella – Will not be allowed. (See the Subcommittee's discussion of Mr. Innella's proffered testimony, above.)

In sum, for the reasons set forth above, the Subcommittee will not allow presentation of testimony from: Michael Antonoff, Rene Lanzaro, Brian Kidwell, John Innella, Russell Saadey, Jr. or Frederick Hudach. You have the opportunity to attempt to cure your proffers regarding Dennis Johnson (if he remains on your list of expected witnesses), Sandy Ferrante, John Culbertson, Harry Manganaro, Michael Robertson and Richard Rovnak by providing the Subcommittee with sufficient, point by point summaries of expected testimony from those individuals by **10:00 a.m. on Friday, July 12, 2002**. The Subcommittee will disallow testimony from those witnesses if you do not

[2] The Subcommittee did not receive the first, fourth and fifth pages of Exhibit Z, the transcript of the taped conversation with Mr. Bucheit.

provide sufficient summaries of their expected testimony by that deadline. Presentation of testimony from Linda Kovachik will be allowed.

The Subcommittee notes that you have not identified yourself as an expected witness at the adjudicatory hearing. We understand from your failure to do so that you will not be testifying at that proceeding. If we are incorrect on this point, please provide us with written notice of your intention to testify **by 10:00 a.m. on July 12, 2002**.

With regard to your submission of expected documentary and other evidence to be presented at the adjudicatory hearing, we will not allow presentation of Exhibit A unless you are able to call Mr. Robertson as a witness by providing a sufficient summary of his expected testimony by 10:00 a.m. on July 12. Exhibit C will be allowed only if a certified copy from the Ohio Supreme Court is presented. We will not allow presentation of Exhibits D, G, H, I, K, L, N, O, Q, R, S, T, U, W, X, Y, Z, BB, CC, EE, FF, GG or HH. We will allow admission of Exhibits B, E, F, J, M, P, V (in the form of the original taped conversation with the transcript as an aid), AA (original bearing Notary seal required) and DD (original bearing Notary seal required). You must inform the Subcommittee by 10:00 a.m. on July 12 of whether you will be presenting the original notarized versions of Exhibits AA and DD at the adjudicatory hearing.

We also hereby provide you final notice that at the adjudicatory hearing, Committee Counsel will include in its evidence in this matter certified copies both of the plea proceedings and the plea agreement in *United States v. Henry A. DiBlasio*, Case No. 1:02 CR003 (N.D.OH). You have already been provided with copies of these documents, including the certified copy of the plea agreement in that case. The Subcommittee will provide you with a certified copy of the transcript of the plea proceedings before the adjudicatory hearing. The original certified copies are available to be inspected, reviewed, copied or photographed by you in the Committee's offices, Room HT-2, The Capitol.

As the Subcommittee previously informed you in its June 27, 2002 letter, Committee counsel and you, as the respondent, will each be allowed five hours to present his case, inclusive of the time allotted for opening and closing arguments.

If you have any questions regarding the above, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

07/11/02 THU 16:33 FAX

7-11-02

ETHICS COMM.

SINCE I HAVE NOT HAD A CONFIRMATION OF APPROVAL OF MY WITNESS LIST, I WILL NOT ATTEND THE HEARING!!

I WAS RAILROADED ONCE IN CLEVELAND, OHIO AND DON'T NEED ANYMORE CHARGES OF A TRIAL WITH NO PHYSICAL EVIDENCE NO LESS!!

UNLESS MY WITNESS LIST IS APPROVED -- YOU CAN GO FORWARD AND EXERCISE YOUR WILL WHICH IS EVIDENT IN THE COMMUNICATIONS I HAVE RECEIVED!

I WAS PROHIBITED FROM OFFERING A DEFENSE IN CLEVELAND -- I THOUGHT THE CONGRESS JUST MIGHT BE CONCERNED WITH 6TH AMENDMENT RATES AND POLITICAL TARGETING BECAUSE OF DEMJANJUK, IRS, FBI, AND A GOVT. THAT AMERICA FEARS!

[signature]

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LaTOURETTE, OHIO
ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS
SUITE HT-2, THE CAPITOL
(202) 225-7103

July 11, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, Ohio 44406

Re: *In the Matter of Representatives James A. Traficant, Jr.*

Dear Representative Traficant:

At 4:35 p.m. today we received by facsimile a handwritten letter (copy attached) which purports to be from you and which states, in part, "Since I have not had a confirmation of approval of my witness list I will not attend the hearing." Elsewhere the note states, "Unless my witness list is approved - you can go forward . . . ."

Today, prior to receipt of the attached letter from you, we notified you in detail in writing of our determinations regarding your proposed witnesses and documentary evidence. This written notification was sent, by hand or by fax, to multiple locations in an attempt to get it to you. As far as you have made us aware, this method of service has worked on all occasions in the past when we have corresponded with you. If you have not received the notification letter, and wish to do so, please inform us immediately.

As to your statement that you will not attend the hearing, we reiterate, and you should understand clearly, that the adjudicatory hearing in this matter will commence at 10:00 a.m. on Monday July 15, 2002, in Room 2118 of the Rayburn House Office Building. **In light of the attached letter, if you fail to appear in a timely manner for this hearing you will be deemed to have waived your rights under Committee and House Rules and the hearing will proceed without you.**

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

07/11/02 THU 16:35 FAX

7-11-02

ETHICS COMM.

SINCE I HAVE NOT HAD A CONFIRMATION OF APPROVAL OF MY WITNESS LIST, I WILL NOT ATTEND THE HEARING!!

I WAS RAILROADED ONCE IN CLEVELAND, OHIO AND DON'T NEED ANYMORE CHARGES OF A TRIAL WITH NO PHYSICAL EVIDENCE AND LESS!!

UNLESS MY WITNESS LIST IS APPROVED -- YOU CAN GO FORWARD AND EXERCISE YOUR WILL WHICH IS EVIDENT IN THE COMMUNICATIONS I HAVE RECEIVED!

I WAS PROHIBITED FROM OFFERING A DEFENSE IN CLEVELAND -- I THOUGHT THE CONGRESS JUST MIGHT BE CONCERNED WITH 6TH AMENDMENT RATES AND POLITICAL TARGETING BECAUSE OF DEMJANJUK, IRS, FBI, AND A GOVT. THAT AMERICA FEARS!

[signature]

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE H1-2, THE CAPITOL
(202) 225-7103

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

July 11, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

Enclosed is a copy of the certified copy of the transcript of Henry DiBlasio's June 25, 2002 plea proceeding in *United States v. Henry A. DiBlasio*, Case No. 1:02 CR 003.

If you have any questions please call me to the Committee, at (202) 225-7103.

Sincerely,

Robert L. Walker
Chief Counsel

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 12, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In light of the technical problems in receiving your facsimile dated July 11, 2002 regarding my witnesses and evidence I intend to present at the hearing in the above caption matter and due to the late hour it was received, I would respectfully request that the time to respond to this issue be extended until 12:00 p.m. today, July 12, 2002.

I will await your response via facsimile to (330) 702-1230.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

07/12/2002 11:42 FAX 202 225 7102
JUL. 12. 2002 9:49AM NO. 0043 P. 1

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA M. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARB L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

July 12, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

We received your fax of 9:00 a.m. July 12, 2002 in which you have requested an extension until Noon today to respond to the Subcommittee's July 11, 2002 letter regarding your evidence and witnesses for the July 15 adjudicatory hearing. **Your request for an extension is granted. You now have until noon today to provide your response to the Subcommittee's July 11, 2002 letter.**

If you have any questions please call me to the Committee, at (202) 225-7103.

Sincerely,

Robert L. Walker
Chief Counsel

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

Congress of the United States
House of Representatives
Washington, DC 20515–3517

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

July 12, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In response to your facsimile dated July 11, 2002, I am transmitting the following information in order to cure defects in witness testimony and evidence for submission in the above captioned matter.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

Exhibit A – Notes of Michael Robertson regarding money transactions in Sinclair account

Cured through attached proffered testimony.

Exhibit C – Letter from the Ohio Supreme Court regarding reprimand of Sinclair

A **certified copy from the Ohio Supreme Court** will be submitted.

Exhibit D – Sinclair's IOLTA bank deposits

These documents are a summary of the transactions for Mr. Sinclair's IOLTA account. In order to authenticate these documents, copies of Mr. Sinclair's Home Savings and Loan bank statements will be submitted, at which time the Committee can determine their authenticity and relevance. These documents could not be obtained within the time limit set forth by the Committee. This evidence is being submitted in order to show a pattern of deposits during a specific time when Atty. Sinclair alleges he was paying $2500 kickbacks to Congressman Traficant. Mr. Robertson's proffered testimony will provide additionally relevance with regard to these documents.

Exhibit L – FBI 302 of Interview with James Harney

The Committee cannot assert the attorney-client privilege regarding this document. Additionally, since this information has been disclosed to a third party, the privilege has been waived.

Exhibit O – Transcript of taped telephone conversation between Congressman Traficant and Richard Detore

As previously determined, Mr. Detore will be issued a subpoena to testify in this matter. During his examination, the Committee can easily reconcile the issue whether Mr. Detore's had knowledge of the tape, at which point it can be determined if the tape is authentic for the requirements of the Committee. The **original** tape will be submitted as evidence using the transcript to follow.

Exhibits AA and DD – Affidavit of Linda Kovachik and Affidavit of Susan Bucci

The **original documents bearing the Notary seal** will be submitted.

Dennis Johnson

Due to his wife's pregnancy and subsequent illness, Mr. Johnson will not be able to attend the proceedings. An original sworn affidavit will be submitted in lieu of his testimony. The affidavit will meet the requirements of the Committee, in that it will be specific to the nature and substance of a conversation with J.J. Cafaro as previously noted. Because of his current situation, Mr. Johnson cannot submit the affidavit within the time limit set forth by the Committee, but will be submitted prior to the start of the hearings in the form of the **original document bearing the Notary seal** for the Committee's consideration, at which point the Committee can determine it's authenticity and relevance.

Sandy Ferrante

Ms. Ferrante will testify that on several occasions over the past 10 – 15 years, she witnessed Congressman Traficant repay loans to Henry DeBlasio and Charles O'Nesti. These cash payments took place at the Traficant Farm and other locations. The payments varied in amounts.

Michael Robertson

Mr. Robertson, a former U.S. Secret Service agent who specialized in financial investigations, conducted an investigation into the financial transactions of R. Allen Sinclair. Mr. Robertson's testimony will consist of the information contained in Exhibit A to show that there is evidence to refute the allegations that Mr. Sinclair gave kickbacks to Congressman Traficant. Additionally, through his experience as a financial investigator, Mr. Robertson will discuss the methodology used in the government's investigation was insufficient and did not result in conclusive proof that there were alleged kickbacks. Mr. Robertson will also be relying on the bank account information as previously detailed in Exhibit D. Mr. Robertson's financial analysis of Congressman Traficant could not be submitted within the time frame set by the Committee, but will be submitted prior to the start of the hearings, in the form of an the **original document bearing the Notary seal** for the Committee's consideration, at which point the Committee can determine it's authenticity and relevance.

John Culbertson

Mr. Culbertson will testify that on several occasions he was warned by Federal Agents (1811 series), not to pursue certain avenues of investigation with respect to oversight and or reform of government agencies or he would face possible reprisal.

Additionally Mr. Culbertson will testify to a general strategy on the part of Administration officials in 1999 to discredit Mr. Traficant in order to interfere with investigations and defeat legislation reforming government agencies. The testimony will include specific acts undertaken by officials to undermine Mr. Traficant as reported to Mr. Culbertson by Federal Agents (1811 series).

Mr. Culbertson will testify to overhearing a conversation between Mr. Traficant and an individual under investigation prior to the indictment where the party expressed his belief that he had committed no illegal acts in connection with interfacing with Mr. Traficant. The party went on to state that he was being pressured to conform to testimony desired by investigators with regard to Mr. Traficant and the government attorneys had made threats against him to compel his cooperation.

Mr. Culbertson will provide testimony and evidence regarding discoveries made by Mr. Traficant's office regarding the actions of the Department of Justice, Department of the Treasury and the Department of Energy as well as other agencies in 1999 and before that would place these agencies in an embarrassing position and would also expose liabilities, serious threats to national security and unlawful acts on the part of government officials.

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

July 12, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406
Fax No. 330-702-1230

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

We have reviewed your July 12, 2002 revised witness summaries and proffers regarding your proposed documentary exhibits. Our decisions regarding whether the defects in your initial submission have been cured are set forth below.

Preliminarily, the Subcommittee hereby informs you that Richard Detore is not expected to attend the adjudicatory hearing on July 15, 2002. Mr. Detore was served with a subpoena to appear at the adjudicatory hearing. After he was served, Mr. Detore communicated with the Chairman of the Subcommittee twice by letter. He also spoke to Committee counsel on the telephone after he was served with the subpoena. Based on all of the facts and circumstances surrounding these communications, including Mr. Detore's affirmative assertions that he would not testify at the hearing in this matter without a grant of immunity, we have determined that, based on concerns arising from his rights under the Fifth Amendment to the Constitution, Mr. Detore would not testify at the adjudicatory hearing without a grant of immunity. Because he is pending trial in United States District Court for the Northern District of Ohio on criminal charges arising from actions and events about which he would likely be questioned at the Adjudicatory Subcommittee hearing in this matter, the Subcommittee will not grant him immunity in order to compel Mr. Detore's testimony in these proceedings. Because his testimony will not be compelled, the Subcommittee will inform Mr. Detore that he will not be expected to attend the adjudicatory hearing.

With regard to your revised summaries of expected witness testimony, the Subcommittee has determined that the revised summary for Sandy Ferrante is minimally sufficient. Ms. Ferrante will therefore be allowed to testify at the adjudicatory hearing about "loan repayments" she observed from the respondent to Henry DiBlasio and

Charles O'Nesti" at the "Traficant farm and other locations." However, as we explained in our July 11, 2002 letter regarding your proffered witnesses and exhibits, ***Ms. Ferrante will not be allowed to testify to alleged interactions with government agents regarding a murder scheme.***

Your revised summaries of expected testimony from Dennis Johnson, Michael Robertson and John Culbertson are either insufficient, encompass matters that are irrelevant to these proceedings or rely on references to documents that have not been provided to the Subcommittee within the required deadline and will, therefore, be excluded as untimely. Testimony from these witnesses will not be allowed at the adjudicatory hearing. Our reasoning with regard to each of these witnesses is as follows.

Dennis Johnson – In lieu of a summary of expected testimony for this witness, you refer to an affidavit that was not provided to the Subcommittee by the July 10, 2002 deadline and has still not been provided to us. This affidavit must therefore be disallowed as untimely. The revised summary is otherwise insufficient and testimony from this witness will not be allowed at the adjudicatory hearing.

Michael Robertson – This summary remains insufficient and testimony from this witness will therefore be disallowed. You refer in this summary to a "financial analysis of the Congressman." This document has not been provided to the Subcommittee within the required deadline, or the extended deadline, and will therefore not be allowed as evidence at the adjudicatory hearing.

John Culbertson – This revised summary differs from the portion of the original proffer that we allowed you the opportunity to attempt to cure. In your July 10 submission regarding Mr. Culbertson, you indicated that Mr. Culbertson would testify to overhearing a "telephone conversation between Congressman Traficant and Henry DiBlasio, where they discussed that they had committed no illegal acts." In your revised proffer, you have substantially changed this aspect of the proffer, now stating that the conversation overheard was between respondent and "an individual under investigation prior to the indictment." Testimony regarding such an unnamed individual is irrelevant to these proceedings. The remainder of your revised summary is both insufficient and irrelevant to these proceedings in that it sets forth alleged government misconduct unrelated to the material evidence relied upon by the prosecution in *United States v. Traficant*, Case No. 4:01 CR 207 (N.D.OH). Testimony from Mr. Culbertson will not be allowed at the adjudicatory hearing.

With regard to your revised proffers concerning Exhibits A, C, D, L, O, AA and DD, as the Subcommittee has previously noted, you will be allowed to admit Exhibits C, AA and DD if, as you proffer you will, you provide a certified copy of the Ohio Supreme Court attorney discipline materials and the originals of the affidavits from Ms. Kovachik and Ms. Bucci if they bear visible notary seals. The defects previously noted regarding Exhibits D, L and O were fatal to your proffer and the Subcommittee did not allow you the opportunity to attempt to cure your submission regarding those exhibits. However, we nevertheless reviewed your revised proffers regarding those exhibits and determined

that your revised proffers do not cure the defects noted in our July 11, 2002 letter and those exhibits will not be allowed at the adjudicatory hearing.

Specifically, with regard to Exhibit D, the Sinclair IOLTA bank deposits, these documents are unauthenticated, unreliable and therefore irrelevant. Your reference to additional unauthenticated documents that you assert would authenticate the exhibit is also unauthenticated and would not cure the authentication issue regarding the summaries of the bank records.

With regard to Exhibit L, Committee Rule 24(i)(1) provides that relevant evidence is admissible at these proceedings "*unless the evidence is privileged.*" (Emphasis added). The contents of Exhibit L, which appears to be an FBI form 302 summary of an interview with an attorney who represented both Albert Lange and Richard Detore, appears on its face to contain privileged attorney client communications. The document is therefore presumptively privileged and inadmissible at the adjudicatory hearing. You assert that the interviewee has waived the attorney client privilege by communicating with the interviewers regarding the matters described in the document. However, the interviewee was Mr. Lange's and Mr. Detore's attorney. Only they, not he, could waive the attorney client privilege.

With regard to Exhibit O, the transcript of the taped conversation between the respondent and Mr. Detore, as noted above the Subcommittee expects, based on information provided by Mr. Detore, that he will not be available at the adjudicatory hearing. This exhibit is therefore inadmissible in that it is unauthenticated and raises serious concerns regarding the legality of the circumstances under which the tape was made.

For the reasons set forth above, the Subcommittee will allow testimony from Sandy Ferrante. It will not allow testimony from Dennis Johnson, Michael Robertson or John Culbertson. Exhibits C, AA and DD will be allowed if certified copies and/or the original of each affidavit bearing a notary seal is offered. Exhibits A, D, L and O will not be allowed into evidence at the adjudicatory hearing.

If you have any questions regarding the above, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 12, 2002

VIA FACSIMILE
The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515-6328

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In addition to the information I have forwarded regarding cure for testimony and evidence, I respectfully request that the Committee subpoena Mr. Harry Manganaro so that he may authenticate the nature and substance of the tape transcript, Exhibit V. The original tape cannot be located at this time.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

July 13, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, Ohio 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

The Committee received your July 12, 2002, fax, sent at 12:08 p.m., requesting the issuance of a subpoena for Mr. Harry Manganaro.

In previous correspondence the Chairman and Ranking Minority Member of the Adjudicatory Subcommittee informed you that the recorded conversation with Mr. Manganaro, of which your proposed Exhibit V purports to be a transcript, would be admitted at the hearing. In the July 12 fax referenced herein you indicate that you are requesting the subpoena for Mr. Manganaro because "the original tape cannot be located at this time" and you therefore need Mr. Manganaro as a witness to authenticate the transcript.

The Committee is in possession of a copy of the relevant tape recording of the conversation with Mr. Manganaro and will make that copy available for your use at the adjudicatory hearing. Therefore, leaving aside the issue that the request for a subpoena was made beyond the deadline set for such requests, a subpoena for Mr. Manganaro will not be needed for the purpose you have set forth.

If you have any questions please call me at (202) 225-7103.

Sincerely,

Robert L. Walker
Chief Counsel

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 15, 2002

MOTION TO DISMISS
THE STATEMENT OF ALLEGED VIOLATIONS

Respondent, James A. Traficant, Jr., *pro se*, and pursuant to the Rules of the Committee on Standards of Official Conduct, Rule 1 (c), hereby requests that the Committee immediately dismiss the above captioned matter in the interest of Justice.

The following Memorandum of Points and Authorities accompanies this motion in support of dismissal.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF RESPONDENT'S MOTION TO DISMISS THE STATEMENT OF ALLEGED VIOLATIONS

I. Subcommittee has denied Traficant witness through illegal acts and has violated the civil rights of Richard Detore.

On July 5, 2002 pursuant to the rules of the Committee the Respondent applied to the Committee for Subpoenas in order to compel testimony in defense of the Respondent. The Committee responded by approving only one person for which approval had been sought, namely one Richard Detore.

On July 8, 2002 the Committee informed the Respondent that it had approved the Subpoena for Mr. Richard Detore.

On July 11, 2002 the Committee served Mr. Detore with the subpoena near the close of business for that day allowing him only one business day in which to secure counsel and prepare for the hearing.

Committee Rule 27(k) states:

> *Witnesses shall be afforded a reasonable period of time, as determined by the Committee or subcommittee, to prepare for an appearance before an investigative subcommittee or for an adjudicatory hearing and obtain counsel.*

One business day is not sufficient time to be considered as "reasonable" and as such serves to deny the witness the full protection of the law and rights as might reasonably be expected in dealing with a Committee of the House of Representatives.

Mr. Detore subsequently contacted the Committee on July 12, 2002 and requested a delay in his appearance date as he was under the care of a physician and under strict orders to rest and not to travel. In addition Mr. Detore stated that he was the defendant in an upcoming criminal trial and wanted to discuss his Fifth Amendment rights.

The Committee acting through its chief counsel then issued threats to Mr. Detore regarding his being held in contempt of Congress.

At some point on or about July 5, 2002 and through on or about July 12, 2002 the Committee contacted the Pre Trial Services division of the US Courts regarding Mr. Detore and disclosed information regarding his subpoena and proposed testimony as well as other relevant confidential information in violation of Rules 7 and 27(l) of the Committee Rules.

On July 12, 2002 Pretrial Services officer Kimberly Walker acting under orders of Judge Leslie Wells contacted Mr. Detores attending physician and relayed information regarding the subpoena issued to Mr. Detore by the Committee. Walker then represented that she had obtained written authorization from Mr. Detore for the release of his medical records, when asked by the physician to fax the release over for inspection Walker could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18USC1001. In addition because the act is against a witness under subpoena in a proceeding before Congress could constitute Witness Tampering and Obstruction of Justice as defined in 18USC1512.

Following the telephone call as described above and within one half hours time the Committee acting through staff member Bernadette Sargeant contacted Mr. Detore's attending physician. Sargeant also represented that she had obtained written authorization from Mr. Detore for the release of his medical records, when asked by the physician to fax the release over for inspection Sargeant could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18USC1001. In addition because the act is against a witness under subpoena in a proceeding before Congress could constitute Witness Tampering and Obstruction of Justice as defined in 18USC1512.

The Committee has thus by fraudulent means attempted to circumvent the right of Mr. Detore to his Physician-Patient Confidentiality.

Mr. Detore's physician verified the medical situation and orders to the Committee.

Subsequent to the above referenced telephone calls Mr. Detore was contacted via fax by the Committee and advised that the Committee had made a determination that Mr. Detore would not testify without immunity. The Committee had at this point had no substantive discussions with Mr. Detore regarding his Fifth Amendment Rights.

Further the Committee in its letter falsely stated that it had not been able to confirm that he was suffering from a medical condition, this statement is in apparent violation of 18USC1001.

The Committee finally stated that it would not require Mr. Detore to attend the hearing. It is unclear whether or not the Committee met to vote on rescinding the subpoena.

The Committee has performed unlawful acts and has violated House rules in its handling of Witness Detore.

Further the Committee has harassed Mr. Detore and has released him from testifying effectively denying the Respondent with defense witness testimony.

Additionally the Committee has ignored the civil rights of Mr. Detore and has acted in a manner so as to prejudice his case and to defame his character thus depriving him of due process in his upcoming federal Criminal Trial.

II. Chairman Hefley has denied the Respondent due process by making statements to the press prejudicial to the Respondent.

Chairman Hefley is quoted in the July 15, 2002 edition of Roll Call as stating:

> *'he will not allow the proceedings to turn into a "**sideshow or a circus**"'*

Utilizing the term "sideshow or circus" in connection with the hearings is defamatory and demeaning to the Respondent and thus prejudicial.

III. Subcommittee staff has denied the Respondent due process by making statements to the press prejudicial to the Respondent.

Subcommittee staff is quoted in the July 15, 2002 edition of Roll call as stating:

> *'"**Everybody is just filled with dread**" one committee aide told Roll Call. "**This is not good for the institution.**"'*

This statement is prejudicial to the Respondent and is made in violation of Rule 6(f) and Rule 7 of the Committee Rules.

In accordance with the intent and spirit of Rule 7 of the Committee Rules, the Respondent seeks immediate relief by dismissal of the Statement of Alleged Violations.

In accordance with the requirements of Rule 7 of the Committee Rules, the Respondent respectfully requests that the Committee immediately undertake an investigation of the breaches of confidentiality.

In accordance with the requirements of clause 3(a)(3) of Rule XI of the Rules of the House of Representatives, and in accordance with Rule 29 of the Committee Rules the Respondent respectfully requests that the alleged criminal acts as described herein be referred to Federal Authorities for further investigation and possible prosecution.

Richard E. Detore
13303 Balmoral Greens Avenue
Clifton, Virginia 20124
(703) 830-7619, fax:(703) 830-8218

July 15, 2002

The Honorable Joel Hefley
Chairman
Committee on Standards of Official Conduct
United States House of Representatives
Washington, DC

Sent via fax: (202) 225-1942

Dear Representative Hefley:

In regard to the upcoming Adjudicator Subcommittee of the Committee on Standards of Official Conduct hearing on Monday, July 15, 2002 I am very concerned about what appears to be a significant confidentially breach on the part of the Committee in regard to my appearance.

Last week I was contacted by pretrial services, which are responsible for me prior to my hearing before the U. S. District Court in Northern Ohio who advised they were aware I was being subpoenaed to appear before the Committee, and wanted to know how I would be handling it.

First of all I had not made mention to anyone regarding the upcoming Committee hearing and was quite taken that pretrial services was even aware of it.

Secondly, I was concerned in that pretrial was seeking information as to how I would respond to the subpoena, especially in light of my medical condition. Feeling they had no right to this information, I declined to answer other than I would have to proceed under the advise of my physician who was treating a medical condition that had recently caused me to be hospitalized for two days. The physicians were requiring me to remain at low stress, no travel, no driving, and no work until further notice.

Third, I advised both pretrial, and the Committee that they could contact my physician to verify the above conditions of my medical treatment, although I advised both that I was not releasing my patient / physician confidentially or rights, in response to their statements that the physicians note was insufficient, and the issue they had over a handwriting difference in which the physician and nurse had both written on the same note.

My concern comes over the fact that both pretrial and the Committee in contacting the physician's office, which came within the same half hour, advised that they had written authorization provided by me for the release of my medical records, which was clearly untrue. At no time have I ever signed such a wavier with respect to these proceedings, or for release of my medical information.

This was also very upsetting to the physician's staff as they were being lied to by those seeking confidential information regarding my medical information, which is protected by the laws of the United States. These are the same individuals in which should be trying to uphold not circumvent the laws.

The physician's office staff requested that pretrial and the Committee send a copy of the release and upon its receipt, and review they would then consider its release after verification with me. Neither group provided a copy of their stated release of information by me. The physician's office provided verification as to the veracity of the note and provided both groups with an additional written clarification on the above conditions regarding my medical treatment. The information was faxed to them on July 12, 2002.

This brings additional concerns about the Committee which at this point had been provided clear information from the physician stating that I could not be in attendance during the requests July 15, 2002 date as a result of the medical condition, but still asserts in a letter received at 5:11p.m. on July 12, 2002 some three hours after they had spoken to my physician that:

"Further, based in part on your assertions, which we were still unable to confirm, that you are suffering from a medical condition that would prevent you from appearing on Monday,..."

The fact that the physician could not have been any clearer regarding that my medical condition precluded my from being able to testify on Monday I have to be very concerned about the motives of the Committee in saying they could not verify the medical condition after they had a full verification and direct instructions provided them by one of the treating physicians.

Additionally, there was no reply by the Committee to other issues I had made them aware of that same day, by letter, sent by fax: In this letter to Chairman Joel Hefley I stated:

"I also have not been provided with information regarding the Committee Rules, my rights as a witness and the pertinent facts of the case that is subject of the subpoena."

Finally, the fact that the Committee refuses to discuss my legitimate Fifth Amendment concerns is highly prejudicial and infers that the Committee may have an agenda separate from full discovery of the facts, or is simply reckless.

By issuing a subpoenas with unreasonable time constraints and then withdrawing it without respect to my legitimate concerns, you have damaged my due process rights, possibly irreparably.

In the space of two days you have:

- Issued a subpoena for my testimony.
- Violated my right to privacy with respect to this proceeding.
- Attempted to perpetrate a fraud upon my physician.
- Attempted to violate my privacy rights with respect to my medical records.
- Refused to discuss my Fifth Amendment concerns.
- Trampled on my rights to due process.
- Cancelled the subpoena for my testimony

Please indicate which of these actions supports my Constitutional Rights and instills confidence that your proceeding is fair and above board.

Sincerely,

Richard E. Detore

Cc: J. Dennis Hastert, Speaker of the House

JUL. 12. 2002 5:11PM LANIER NO. 040 P. 1

DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
CHRIS CANNON, UTAH
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER
CHIEF COUNSEL/STAFF DIRECTOR

BARI L. SCHWARTZ
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER

ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

July 12, 2002

By Facsimile
Richard E. Detore
13303 Balmoral Greens Avenue
Clifton, Virginia 20124
Fax No. (703) 830-8218

Dear Mr. Detore:

We have received your July 12, 2002 letter to Chairman Hefley in which you acknowledge receipt of a subpoena requiring your appearance before the Adjudicatory Subcommittee of the Committee on Standards of Official Conduct at a hearing on Monday, July 15, 2002. Subsequent to receipt of that letter, we received another July 12 letter from you to the Chairman regarding your subpoenaed appearance at the hearing. We have also been apprised by Committee counsel of your statements to them in a July 12 telephone conversation. In that conversation, you stated that, in light of your concerns about the possibility that statements you make in the adjudicatory hearing would be used against you during an upcoming trial in United States District Court in the Northern District of Ohio, you would not testify at the hearing in this matter without a grant of immunity.

Based on all the facts and circumstances surrounding these communications, we have determined that in fact you would not testify at the hearing unless you are granted immunity. Further, based in part on your assertions, which we were unable to confirm, that you are suffering from a medical condition that would prevent you from appearing on Monday, we will not compel you to appear at the hearing simply to assert further your Fifth Amendment rights. Therefore, we hereby inform you that you will not be required to attend the hearing.

If you have any questions, please call Robert L. Walker, Chief Counsel to the Committee, at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JUL-15-2002 MON 10:00 AM FAX NO. P. 01

NEUROSCIENCE
CONSULTANTS, PLC
12007 Sunrise Valley Drive, Suite 120
Reston, VA 20191
(703) 478 0440 FAX (703) 742-9218
www.necpic.com

ADULT NEUROLOGY
Jon D. Peters, MD
Ruben Cintron, MD
Lisa Kurtz, MD

PEDIATRIC NEUROLOGY
Terry Wallin, MD

July 15, 2002

Dear Mr. Debore:

Per your request I am forwarding a copy of the document faxed to Ms. Kimberly Walker @ 703-299-2278. She indicated that she needed to provide this information to the Judge. Also, I made 8 attempts to fax it to Ms. Bernadette Sergeant @ 202-226-7392 and the fax confirmation did finally come back okay.

I would also like to mention that both Ms. Walker & Ms. Sergeant indicated that, with your permission, I was to discuss your case with them. I would like to remind you, as I indicated to both parties, that in order to divulge any Doctor/Patient information we require documentation with, your signature indicating whom this information may be discussed with. During previous conversations with Dr. Kurtz, you were very adament that your case "should not" be discussed with anyone.

We look forward to seeing you at your next appointment.

Sincerely,

Maria Luster-Johnson

Maria Luster-Jonnison
Front Office Team Leader

Attn: Bernadette S.

NEUROSCIENCE
CONSULTANTS, PLC

12000 Sunrise Valley Drive, Suite 120, Reston, VA 20191 (703) 476-0880

☐ Terry Watkin, M.D.
DEA No. AW1867451

☒ Lisa Kurtz, M.D.
DEA No. [illegible]

☐ Rubeen Cintron, M.D.
DEA No. [illegible]

☐ Jan D. Peters, M.D.
DEA No. [illegible]

Name Richard Detore Date 7/12/02

Address Age

℞ To Whom It May Concern:
Please excuse Mr. Richard Detore from work and work related travel secondary to his medical condition.

Thank you,
L Kurtz, MD
Signature of Prescriber

☐ Label
Refill _____ Times
☐ Dispense as Written
☐ Voluntary Formula Permitted

☐ WV

If neither box is marked, a Voluntary Formulary product must be dispensed.

Note: Mr. Detore is unable to ride or drive in a car. LHK

TRANSACTION REPORT

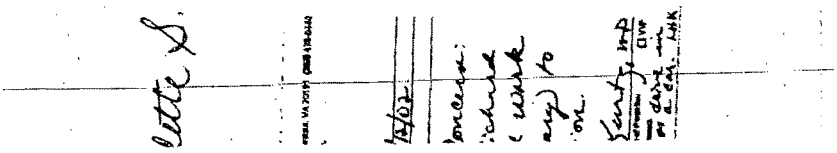
P.01

JUL-12-2002 FRI 02:28 PM

FOR:

DATE START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	MM DP
JUL-12 02:29 PM	2022257392	23"	1	SEND	OK	084

TOTAL : 23S PAGES: 1



JUL-15-2002 MON 10:01 AM FAX NO. P. 03

Attn: Kimberly Walker

NEUROSCIENCE
CONSULTANTS, PLC

17007 Sow in Valley Drive, Suite 130, Reston, VA 20191 (703) 476-0440

☐ Ruben Clinton, M.D.
DEA No. BC4028229

☐ Jon D. Peters, M.D.
DEA No. AP1612[illegible]

☐ Terry Walkin, M.D.
DEA No. AW1857451

☒ Lisa Kurtz, M.D.
DEA No. [illegible]

Name Richard Detore Date 7/12/02

Address Age

℞ To Whom It May Concern:

Please excuse Mr. Richard Detore from work and work related travel secondary to his medical condition.

Thank you,

L. Kurtz, MD
Signature of Prescriber

☐ Label
Paid _____ Times
☐ Dispense as Written
☐ Voluntary Formula Permitted

Prescriber Box is marked, a Voluntary Formulary product must be dispensed. ☐ WF

Note: Mr. Detore is unable to ride or drive in a car. LHK

JUL-15-2002 MON 10:01 AM FAX NO. P. 02

P. 01

TRANSACTION REPORT

JUL-12-2002 FRI 02:30 PM

FOR:

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
JUL-12	02:28 PM	7032992278	15"	1	SEND	OK	085	

TOTAL : 15S PAGES: 1

Attn: Kevin

NEUROSCIENCE CONSULTANTS, PLC

Name Richard Detore Date 7/12/02

Address Age

To Whom It May Concern
Please excuse Mr. Richard
Detore from work and we
related travel secondary
this medical condition
Thank you, Joseph

Note: Mr. Detore is unable to ride on [illegible]

Richard Detore
13303 Balmoral Greens Avenue
Clifton, VA 20124
(703) 830-7619 / fax: (703) 830-8218

Fax

To:	Kimberly Walker	**From:**	Richard Detore
Fax:	703 299-2278	**Pages:**	1
Phone:	703 299-2268	**Date:**	7/12/02
Re:	Medical Information	**CC:**	

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

Dear Ms. Walker:

Thank you for your fax of the "Authorization To Release Information" received July 12, 2002 at 12:33p.m. I am reviewing it and need to seek counsel's advise, and will get back to you on it.

At this point, I have requested that the neurologist verify with you her conditions for me of no driving, no travel and no stress and no work until further notice and that the note was in fact from her. Additionally, the physician can verify that additional tests have been scheduled and that they are treating an actual medical condition, one in which I just recently was hospitalized two days for. I hope you can understand that at this time, I would like to maintain my full rights afforded under Patient / Physician Confidentiality.

The neurologist, Dr Lisa Kurtz, call be reached at (703) 478-0440. Thanks for your attention to this matter.

Sincerely,

Richard Detore

Richard E. Detore
13303 Balmoral Greens Avenue
Clifton, Virginia 20124
(703) 830-7619, fax: (703) 830-8218

July 12, 2002

The Honorable Joel Hefley
Chairman
Committee on Standards of Official Conduct
United States House of Representatives
Washington, DC

Sent via fax: (202) 225-7392 and
(202) 225-1942

Dear Representative Hefley:

I received a subpoena on July 11, 2002 for my appearance before the Adjudicatory Subcommittee on Monday, July 15, 2002 at 10:00a.m. As I discussed with Rob Walker I am currently under the medical care of several physicians and have just recently returned home after a several day stay in the hospital to treat my current medical condition. I was directed by these physicians that until further notice and the completion of additional testing I am not to drive, travel or be exposed to stress.

I authorized Mr. Walker to verify this with the physician and provided him with a written copy of a note provided by the doctor although, I did not waive my right of confidentiality in regard to my patient / physician information.

As I would like to be able to testify before this subcommittee I would like to request a rescheduling at a point that I have recovered from this current medical condition.

I am also very concerned as to my fifth amendment rights being prejudiced by this hearing before my scheduled trial and would like to request immunity from its use in any other proceedings.

Thank you for your consideration and attention to this matter.

Sincerely,

Richard E. Detore

Subpoena Ad Testificandum

By Authority of the House of Representatives of The Congress of the United States of America

To: Mr. Richard Detore
13303 Balmoral Greens Avenue
Clifton, Virginia 20124

You are hereby commanded to appear before the Adjudicatory Subcommittee of the Committee on Standards of Official Conduct of the House of Representatives of the United States, of which the Honorable Joel Hefley is chairman, in Rm. 2118 of the Rayburn House Office Building, in the city of Washington, at 10:00 a.m. on Monday, July 15, 2002, to answer questions concerning matters of inquiry committed to said Subcommittee.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 9th day of July, 2002.

The Honorable Joel Hefley
Chairman
Committee on Standards of Official Conduct

The Honorable Howard L. Berman
Ranking Minority Member
Committee on Standards of Official Conduct

Attest:

Jeffrey Trandahl
Clerk of the House

Subpoena for Richard Detore to appear before the Adjudicatory Subcommittee of the Committee on Standards of Official Conduct, U.S. House of Representatives.

Served .....

.....

.....

.....

.....

.....

.....

.....House of Representatives

SUPPORTING DOCUMENTS

Letter to Chairman Hefley – Complaint by Detore

Letter from Chairman Hefley to Detore – July 12, 2002

Letter to Mr. Detore from Attending Physician – July 15, 2002

Original Note from Physician to Committee – 7-12-2002

Transaction Report on fax to Committee from Physician – 7-12-2002

Original note from Physician to Pre-Trial – 7-12-2002

Transaction Report on fax to Pre-Trial from Physician – 7-12-2002

Fax regarding medical records to Pre-Trial from Detore – 7-12-2002

Letter from Detore to Chairman Hefley – 7-12-2002

Copy of Detore Subpoena dated 7-10-2002 and served 7-11-2002

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 15, 2002

MOTION TO REFER ALLEGED CRIMINAL ACTS AND RULES VIOLATIONS

Respondent, James A. Traficant, Jr., *pro se*, and pursuant to the Rules of the Committee on Standards of Official Conduct, Rule 7 and in accordance with the requirements of clause 3(a)(3) of Rule XI of the Rules of the House of Representatives, and in accordance with Rule 29 of the Committee Rules, hereby requests that the alleged criminal acts and breaches of Committee Rules as described herein be referred to the Committee and to the Federal Authorities for further investigation and possible prosecution.

The following Memorandum of Points and Authorities accompanies this motion in support of dismissal.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF RESPONDENT'S MOTION TO REFER ALLEGED CRIMINAL ACTSAND RULES VIOLATIONS

I. Subcommittee has has violated the civil rights of Richard Detore and has committed illegal acts and violated Committee Rules.

On July 5, 2002 pursuant to the rules of the Committee the Respondent applied to the Committee for Subpoenas in order to compel testimony in defense of the Respondent. The Committee responded by approving only one person for which approval had been sought, namely one Richard Detore.

On July 8, 2002 the Committee informed the Respondent that it had approved the Subpoena for Mr. Richard Detore.

On July 11, 2002 the Committee served Mr. Detore with the subpoena near the close of business for that day allowing him only one business day in which to secure counsel and prepare for the hearing.

Committee Rule 27(k) states:

> *Witnesses shall be afforded a reasonable period of time, as determined by the Committee or subcommittee, to prepare for an appearance before an investigative subcommittee or for an adjudicatory hearing and obtain counsel.*

One business day is not sufficient time to be considered as "reasonable" and as such serves to deny the witness the full protection of the law and rights as might reasonably be expected in dealing with a Committee of the House of Representatives.

Mr. Detore subsequently contacted the Committee on July 12, 2002 and requested a delay in his appearance date as he was under the care of a physician and under strict orders to rest and not to travel. In addition Mr. Detore stated that he was the defendant in an upcoming criminal trial and wanted to discuss his Fifth Amendment rights.

The Committee acting through its chief counsel then issued threats to Mr. Detore regarding his being held in contempt of Congress.

At some point on or about July 5, 2002 and through on or about July 12, 2002 the Committee contacted the Pre Trial Services division of the US Courts regarding Mr. Detore and disclosed information regarding his subpoena and proposed testimony as well as other relevant confidential information in violation of Rules 7 and 27(l) of the Committee Rules.

On July 12, 2002 Pretrial Services officer Kimberly Walker acting under orders of Judge Leslie Wells contacted Mr. Detores attending physician and relayed information regarding the subpoena issued to Mr. Detore by the Committee. Walker then represented that she had obtained written authorization from Mr. Detore for the release of his medical records, when asked by the physician to fax the release over for inspection Walker could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18USC1001. In addition because the act is against a witness under subpoena in a proceeding before Congress could constitute Witness Tampering and Obstruction of Justice as defined in 18USC1512.

Following the telephone call as described above and within one half hours time the Committee acting through staff member Bernadette Sargeant contacted Mr. Detore's attending physician. Sargeant also represented that she had obtained written authorization from Mr. Detore for the release of his medical records, when asked by the physician to fax the release over for inspection Sargeant could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18USC1001. In addition because the act is against a witness under subpoena in a proceeding before Congress could constitute Witness Tampering and Obstruction of Justice as defined in 18USC1512.

The Committee has thus by fraudulent means attempted to circumvent the right of Mr. Detore to his Physician-Patient Confidentiality.

Mr. Detore's physician verified the medical situation and orders to the Committee.

Subsequent to the above referenced telephone calls Mr. Detore was contacted via fax by the Committee and advised that the Committee had made a determination that Mr. Detore would not testify without immunity. The Committee had at this point had no substantive discussions with Mr. Detore regarding his Fifth Amendment Rights.

Further the Committee in its letter falsely stated that it had not been able to confirm that he was suffering from a medical condition, this statement is in apparent violation of 18USC1001.

The Committee finally stated that it would not require Mr. Detore to attend the hearing. It is unclear whether or not the Committee met to vote on rescinding the subpoena.

The Committee has performed unlawful acts and has violated House rules in its handling of Witness Detore.

Further the Committee has harassed Mr. Detore and has released him from testifying effectively denying the Respondent with defense witness testimony.

Additionally the Committee has ignored the civil rights of Mr. Detore and has acted in a manner so as to prejudice his case and to defame his character thus depriving him of due process in his upcoming federal Criminal Trial.

In accordance with the requirements of Rule 7 of the Committee Rules, the Respondent respectfully requests that the Committee immediately undertake an investigation of the breaches of confidentiality.

In accordance with the requirements of clause 3(a)(3) of Rule XI of the Rules of the House of Representatives, and in accordance with Rule 29 of the Committee Rules the Respondent respectfully requests that the alleged criminal acts as described herein be referred to Federal Authorities for further investigation and possible prosecution.

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROA
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 15, 2002

MOTION TO STAY FURTHER ACTION OF THE COMMITTEE

Respondent, James A. Traficant, Jr., *pro se*, and pursuant to the Rules of the Committee on Standards of Official Conduct, Rule 1(c) of the Committee Rules, hereby requests that the Committee stay further actions in the interest of justice.

The following Memorandum of Points and Authorities accompanies this motion in support to stay further action.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 16, 2002

MOTION TO DISMISS
THE STATEMENT OF ALLEGED VIOLATIONS

Respondent, James A. Traficant, Jr., *pro se*, and pursuant to the Rules of the Committee on Standards of Official Conduct, Rule 1 (c), hereby requests that the Committee immediately dismiss the above captioned matter in the interest of Justice.

The following Memorandum of Points and Authorities accompanies this motion in support of dismissal.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF RESPONDENT'S MOTION TO DISMISS THE STATEMENT OF ALLEGED VIOLATIONS

I. Respondent has filed with the Committee, on July 15, 2002, a Motion to Dismiss the Statement of Alleged Violations.

On July 15, 2002, pursuant to the rules of the Committee, the Respondent filed a Motion to Dismiss the Statement of Alleged Violations along with a Memorandum of Points and Authorities in Support of Respondents Motion To Dismiss the Statement of Alleged Violations.

On July 15, 2002 the Respondent filed supporting documents along with the Memorandum of Points and Authorities in Support of Respondent's Motion To Dismiss the Statement of Alleged Violations.

The Committee has violated the rights of the Respondent through its illegal acts and its actions in violation of Committee Rules.

The Committee has harassed witness Richard Detore and has violated his rights through its illegal acts and in its actions in violation of Committee Rules.

The Committee has refused to place Committee Staff Member Bernadette Sargeant under oath and the Respondent has provided the Committee with evidence in conflict with the statements she made before the Committee on July 15, 2002.

In accordance with the intent and spirit of Rule 7 of the Committee Rules, the Respondent seeks immediate relief by dismissal of the Statement of Alleged Violations.

In accordance with the requirements of Rule 7 of the Committee Rules, the Respondent respectfully requests that the Committee immediately undertake an investigation of the breaches of confidentiality.

In accordance with the requirements of clause 3(a)(3) of Rule XI of the Rules of the House of Representatives, and in accordance with Rule 29 of the Committee Rules, the Respondent respectfully requests that the alleged criminal acts as described herein be referred to Federal Authorities for further investigation and possible prosecution.

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 17, 2002

The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
HT-2 Capitol
Washington, DC 20515

Dear Chairman Hefley:

Attached is a copy of Mr. Richard Detore's immunity agreement as provided in a letter dated August 18, 2000, from Assistant U.S. Attorney Craig Morford.

This document is being provided per the request of Congressman Steve LaTourette during Subcommittee proceedings last evening, July 16, 2002.

Respectfully,

James A. Traficant, Jr.
Member of Congress

Enclosure

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

U.S. Department of Justice

United States Attorney
Northern District of Ohio
Organized Crime Strike Force Unit

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

August 18, 2000

Lawrence D. Huntsman, Esq.
10368 Democracy Lane
Fairfax, VA 22030
Fax No. (703) 591-0922

Re: Richard Detore

Dear Mr. Huntsman:

I write to confirm matters about which we spoke during our telephone conversation today. As I previously advised you, we are investigating the extent and nature of relationship between your client's former employer, U.S. Aerospace, and Congressman James A. Traficant, Jr. I advised you that although your client is not a target of this investigation, we believe he may have information relevant to this inquiry. I further advised you that the government is interested in obtaining any information Mr. Detore may regarding this investigation. You advised me that you are willing to provide to me a written proffer describing Mr. Detore's knowledge of any and all dealings between Congressman Traficant and persons associated with U.S. Areospace and its related entities. The purpose of this letter is to memorialize the terms and conditions of such a proffer.

First, your client must be completely truthful, candid and forthright at all times during the proffer process; failure to do so could subject him to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information. Fourth, in the event your client ever becomes a witness in any judicial proceeding, including but not limited to testimony before a grand jury or trial, and offers testimony materially different from any statement made or other information provided during the proffer, an attorney for the government may cross-examine your client with, and introduce rebuttal evidence concerning, the statements he made and the information he

provided during the proffer. The government may also introduce against your client any statements made and information provided during the proffer in the event your client is ever charged with providing false information during the course of this proffer or is ever charged with committing perjury in any subsequent judicial proceeding. These provisions are necessary to ensure that your client does not abuse the opportunity for a proffer, does not make materially false statements during the course of the proffer and does not commit perjury while testifying in subsequent proceedings.

We trust that you will find these ground rules fair and reasonable. Please sign and have your client sign this letter where indicated below. Signing this letter will confirm that you and your client agree with and accept the terms of this letter and that you have advised your client of his rights under the Fifth and Sixth Amendments of the United States Constitution.

Please do not hesitate to call me at (216) 622-3921 if you have any questions regarding this matter.

Very truly yours,

Craig S. Morford
Assistant U.S. Attorney

APPROVED:

Richard Detore

Lawrence D. Huntsman, Esq., ATTORNEY FOR RICHARD DETORE

8/29/00

Date

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225–7103

July 17, 2002

By Facsimile
The Honorable James A. Traficant, Jr.
United States House of Representatives
2446 Rayburn House Office Building
Washington, D.C.
20510

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

As the Chairman informed you at the close of the adjudicatory hearing today, regardless of whether a decision in this matter has been reached the next public session of the Adjudicatory Subcommittee will be at 10:00 a.m., Thursday, July 18, 2002, in Room 2237 of the Rayburn House Office Building. The Chairman also informed you that you should attend this session.

Sincerely,

Robert L. Walker
Chief Counsel

ATTACHMENT II

U.S. House of Representatives

Committee on Standards of Official Conduct

In the Matter of Representative James A. Traficant, Jr.

May 22, 2002

Statement Of Alleged Violations

I. SUMMARY OF RELEVANT STANDARDS OF CONDUCT

At all times relevant to the violations hereafter alleged, the following provisions of law and House Rules, as summarized, are relevant:

Clause 1 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House shall conduct himself at all times in a manner that shall reflect creditably on the House."

Clause 2 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House shall adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof."

Clause 3 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress."

Clause 2 of the Code of Ethics for Government Service provides that "[a]ny person in Government service should . . . [u]phold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion."

18 U.S.C. § 201(b)(1)(A) provides, in pertinent part, that "[w]hoever . . . directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent . . . to influence any official act" shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

18 U.S.C. § 201(b)(2)(A) provides, in pertinent part, that "[w]hoever . . . being a public official or person selected to be a public official, directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity, in return for . . . being influenced in the performance of any official act" shall be fined or imprisoned, or both, asprovided in Title 18 of the United States Code.

18 U.S.C. § 201(c)(1) provides, in pertinent part, that

> Whoever . . . otherwise than as provided by law for the proper discharge of official duty—
>
> (A) directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official, former public official, or person selected to be a public official; or
>
> (B) being a public official, former public official, or person selected to be a public official, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally for or because of any official act performed or to be performed by such official or person;

shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

18 U.S.C. § 371 provides that "[i]f two or more persons conspire to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined under this title or imprisoned not more than five years, or both."

18 U.S.C. § 1503 provides, in pertinent part, that "[w]hoever . . . corruptly or by threats or force, or by any threatening letter or communication, influences, obstructs, or impedes, or endeavors to influence, obstruct, or impede, the due administration of justice, shall be punished as provided in" Title 18 of the United States Code.

26 U.S.C. § 7206 provides in pertinent part that "[a]ny person who . . . [w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter . . . shall be guilty of

a felony and" shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

II. ALLEGED VIOLATIONS

For each of the following alleged violations, the Investigative Subcommittee has determined there is "substantial reason to believe that a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of official duties or the discharge of official responsibilities by a Member, officer, or employee of the House of Representatives has occurred." See Rule 20(e), Rules of the Committee on Standards of Official Conduct.

At all times relevant to this Statement of Alleged Violation, James A. Traficant, Jr. was a Member of the United States House of Representatives representing the 17th District of Ohio. References to Representative Traficant's farm refer to a farm located in or in the vicinity of Greenford, Ohio, operated by Representative Traficant and owned by Representative Traficant or a member or members of his family. References to Representative Traficant's convictions of a criminal offense refer to the jury verdict in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States Court for the Northern District of Ohio, Eastern Division.

Count I: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately December 1986 through approximately October 1996, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Anthony Bucci, Robert Bucci, and companies they controlled, for which Anthony Bucci, Robert Bucci, companies they controlled, and others acting at their request agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(b)(1)(A), 201(b)(2)(A), and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the

Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count II: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately April 1999 through approximately late April 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Arthur David Sugar, Mr. Sugar's son, and companies Mr. Sugar controlled, for which Arthur David Sugar and companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count III: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1997 through approximately March 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of James J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated with USAG, for which James J. Cafaro, companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value. The aforementioned things of value included numerous meals, a welder, a generator, the loan or provision of

automobiles, and/or the payment for repairs, slip fees, and related expenses for Representative Traficant's boat. As part of the aforementioned course of conduct, Representative Traficant, John J. Cafaro, and others engaged in a scheme under which John J. Cafaro would use his own or company funds to purchase Representative Traficant's boat, but make it falsely appear that an employee of USAG was purchasing the boat in his individual capacity. In connection with this scheme, John J. Cafaro provided the funds necessary to reimburse the employee for thousands of dollars in funds expended for boat repairs and slip fees, and gave Representative Traficant an envelope containing $13,000 in cash, representing approximately one-half of the purchase price of the boat. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count IV: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1998 through approximately January 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did employ Raymond Allen Sinclair as a member of Representative Traficant's congressional district staff, for which Raymond Allen Sinclair agreed to and did provide Representative Traficant with things of value, including (1) an agreement to rent additional office space to Representative Traficant for use as a congressional district office, and (2) the payment by Raymond Allen Sinclair of $2,500 per month of his congressional salary to Representative Traficant. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C.

§§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count V: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1998 through approximately January 2000, Representative Traficant demanded, sought, received, accepted and agreed to receive and accept $2,500 per month from the congressional salary of Raymond Allen Sinclair for or because of Representative Traficant's official acts of hiring and continuing to employ Raymond Allen Sinclair on his congressional staff and of renting and continuing to rent space used by Representative Traficant as a congressional office. Through this conduct – for which Representative Traficant was convicted of receiving an illegal gratuity in violation of the federal bribery statute (*see* 18 U.S.C. § 201(c)(1)(B)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count VI: Conduct In Violation of Clause 1 and Clause 2 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

From approximately January 21, 2000 until approximately February 29, 2000, Representative Traficant endeavored to persuade Raymond Allen Sinclair to destroy evidence and to provide false testimony and information to a federal grand jury. Through this conduct – for which Representative Traficant was convicted of violating the federal obstruction of justice statute (*see* 18 U.S.C. § 1503) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count VII: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately the late 1980's until approximately early 2000, Representative Traficant engaged in a course of conduct in which he defrauded the United States of money and property (1) by soliciting and accepting payments from the salaries of congressional employees (including Raymond Allen Sinclair), which salaries were drawn from funds of the United States Treasury; (2) by directing members of his congressional staff to perform personal labor and services to maintain and repair Representative Traficant's boat, and which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries; and (3) by having members of his congressional staff perform personal labor and services at Representative Traficant's farm, which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries, and which labor and services included baling hay, running and repairing farm equipment, maintaining and repairing structures on the farm, building a horse corral, converting a corn crib to another use, electrical repair, or plumbing repair. Through this conduct – for which Representative Traficant was convicted of conspiracy

to defraud the United States (*see* 18 U.S.C. § 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count VIII: Conduct In Violation of Clause 1 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

On approximately April 15, 1999, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife for the calendar year 1998, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was substantially in excess of the reported amount of $138,985. Through this conduct – for which Representative Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count IX: Conduct In Violation of Clause 1 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

On approximately October 16, 2000, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself

and his wife for the calendar year 1999, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was substantially in excess of the reported amount of $140,163. Through this conduct – for which Representative Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count X: Continuing Pattern and Practice of Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

Representative Traficant engaged in a continuing pattern and practice of official misconduct, through which he misused his office for personal gain, and which comprised the following instances of conduct, or any combination thereof: the instances of conduct alleged in each of Counts I, II, III, IV, V and VII, above, separately and inclusive; and/or the course of conduct, during approximately 1990 through approximately 1998, in which Representative Traficant agreed to and did perform official acts on behalf of Pete Bucheit, for which Bernard "Pete" Bucheit and companies he controlled agreed to and did provide Representative Traficant with things of value, including free labor and materials for use at Representative Traficant's farm. Through this continuing pattern and practice of misconduct Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official

Conduct (current House Rule 23); and (4) failed to uphold the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

ATTACHMENT III

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

June 27, 2002

The Honorable Joel Hefley
Chairman
The Honorable Howard L. Berman
Ranking Minority Member
Committee on Standards of Official Conduct
HT-2, The Capitol
Washington, D.C. 20515

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley and Ranking Minority Member Berman:

Pursuant to Rule 23(g) of the Rules of the Committee on Standards of Official Conduct, we herewith transmit the attached Statement of Alleged Violations adopted unanimously by the Investigative Subcommittee in the above-captioned matter. Also attached is the Answer of the Respondent to the Statement of Alleged Violations, and the following pleadings of the Respondent and related responses of the Investigative Subcommittee: the Respondent's Motion for a Bill of Particulars dated June 3, 2002; the Investigative Subcommittee's response to the Motion for a Bill of Particulars dated June 4, 2002 (granting the motion in part and denying the motion in part); the Respondent's Motion to Dismiss dated June 14, 2002; and the Investigative Subcommittee's response to the Motion to Dismiss dated June 17, 2002 (denying the motion).

We also herewith transmit the evidence relied upon by the Investigative Subcommittee to prove the charges set forth in the Statement of Alleged Violations, which materials consist of the certified trial transcript in *United States of America v. James A. Traficant, Jr.*, Criminal No. 4:01CR207 (N.D. Ohio) (Eastern Division), and certified copies of exhibits admitted into evidence in that trial.

In addition to memorializing the transmittal of the aforementioned documents, this letter also constitutes the Report of the Investigative Subcommittee to the full Committee regarding this inquiry.

Background

This Investigative Subcommittee was established on April 17, 2002, and was given jurisdiction to determine whether Representative Traficant violated the Code of

Official Conduct, or any law, rule, regulation, or other standard of conduct applicable to his conduct in the performance of his duties or the discharge of his responsibilities, with respect to any or all of the matters for which Representative Traficant stood trial in *United States of America v. James A. Traficant, Jr.*, Criminal No. 4:01CR207 (N.D. Ohio) (Eastern Division).

During its inquiry, the Investigative Subcommittee obtained and reviewed a complete certified transcript of Representative Traficant's trial, as well as certified copies of all exhibits admitted into evidence during that trial. The Investigative Subcommittee also obtained and reviewed materials from the U.S. Department of Justice that that department represented were furnished to the government by Representative Traficant in connection with his criminal prosecution. Those materials included audio tapes, apparent bank records, and other documents.

In accordance with Committee Rule 20(a)(3), the Investigative Subcommittee provided Representative Traficant with "an opportunity to present, orally or in writing, a statement, which must be under oath or affirmation, regarding the allegations and any other relevant questions arising out of the inquiry." By letter dated April 24, 2002, Representative Traficant was invited to appear before the Investigative Subcommittee at the offices of the Committee on Standards of Official Conduct on May 1, 2002 at 3:00 p.m. As an alternative, Representative Traficant was invited to submit a written statement to the Investigative Subcommittee by May 1, 2002. Representative Traficant did not provide any written notification to the Subcommittee as to whether he would decline his opportunity to submit a written statement or make an oral statement, and in fact he did not submit a written statement by May 1, 2002.[1] Absent any notification or response from Representative Traficant, and in the event that he would appear to make an oral statement at the time scheduled, the Investigative Subcommittee convened at 3:00 p.m. on May 1, 2002 for the purpose of hearing from Representative Traficant. As the record of that meeting reflects, Representative Traficant did not appear that day to make an oral statement, nor did he submit a written statement pursuant to Committee Rule 20(a)(3).

At a time after the adjournment of the aforementioned meeting of the Investigative Subcommittee, the Investigative Subcommittee received a letter from Representative Traficant requesting that the Investigative Subcommittee furnish him with a copy of the transcript of his criminal trial, and further that he be granted a "a 30-day extension from the time [he] receive[d] the transcripts to respond."[2] After considering his letter and the circumstances presented, the Investigative Subcommittee determined to deny Representative Traficant's request for a 30-day extension. The Investigative Subcommittee determined, however, that the particular interests of proceeding expeditiously in this matter would be well-served by granting his request for a copy of

[1] It was requested of Representative Traficant, in writing, that he inform the Investigative Subcommittee by April 30, 2002 if he did not intend to present a statement (either orally or in writing) pursuant to Committee Rule 20(a)(3).

[2] Absent from Representative Traficant's request was a specific indication as to what aspect of the Investigative Subcommittee's proceedings his requested extension would apply.

the trial transcript. Accordingly, on May 3, 2002, the Investigative Subcommittee transmitted to Representative Traficant a complete set of copies of the certified trial transcript in *United States of America v. James A. Traficant, Jr.*, Criminal No. 4:01CR207 (N.D. Ohio) (Eastern Division), as well as a complete set of copies of certified copies of the exhibits admitted into evidence during that trial.[3]

On May 8, 2002, pursuant to Committee Rule 27(c), the Investigative Subcommittee provided Representative Traficant with a copy of a Statement of Alleged Violations ("SAV") it intended to adopt in this matter.[4] On that date, the Investigative Subcommittee further advised Representative Traficant, *inter alia*, that the copies of certified transcripts and exhibits it had previously furnished to him constituted all the evidence it intended to use to prove the charges set forth in the SAV that the Investigative Subcommittee intended to adopt.[5] In addition, although not obligated to do so under any Committee or House Rule, in the interest of full disclosure, the Investigative Subcommittee also determined to, and did, make the materials furnished by the U.S. Department of Justice in this matter available for inspection by Representative Traficant at the offices of the Committee on Standards of Official Conduct.[6]

On May 22, 2002, the Investigative Subcommittee voted to adopt the attached SAV. Subsequent to this event, Representative Traficant filed the aforementioned Motion for a Bill of Particulars and Motion to Dismiss, to each of which the Investigative Subcommittee responded. Representative Traficant filed an Answer to the SAV on June 27, 2002.

Discussion of Statement of Alleged Violations

Dozens of witnesses gave sworn testimony during Representative Traficant's criminal trial, and hundreds of pages of documentary evidence were admitted into evidence during that proceeding. Although the Investigative Subcommittee took notice

---

[3] The Investigative Subcommittee also provided Representative Traficant with a compact disc containing uncertified copies of the trial transcripts.

[4] In its accompanying letter to Representative Traficant, the Investigative Subcommittee also notified him that it was considering proceeding pursuant to Committee Rule 23(e)(2), which permits an investigative subcommittee to reduce the time periods set forth in Committee Rule 23 for a respondent to file an answer or motions. After consideration of the issue and after receipt of a letter from Representative Traficant objecting to a reduction in the aforementioned time periods, the Investigative Subcommittee determined not to alter the time periods set forth in Committee Rule 23.

[5] The Investigative Subcommittee waived the requirement under Committee Rule 27(f) that evidence provided pursuant to Committee Rule 27(c) shall be made available to a respondent only after the respondent (and the respondent's counsel, if any) agrees in writing that none of the evidence shall be made public until the time specified under Committee Rule 27(f). The fact that the evidence in this matter was already publicly known and available was a factor considered by the Investigative Subcommittee in waiving Committee Rule 27(f) in the instant matter.

[6] The Investigative Subcommittee similarly offered to make available to Representative Traficant the copies of the publicly available motions, court orders, and other filings it possessed from Representative Traficant's criminal trial. Representative Traficant was further advised that although the Investigative Subcommittee did not make a determination that it possessed any exculpatory evidence in this matter, by providing him with, or making available to him, all the evidentiary records in its possession, the Investigative Subcommittee had complied with Committee Rule 26, concerning exculpatory evidence.

of the fact that Representative Traficant was indicted and found guilty of ten felony offenses, the charges in the SAV are based on the certified transcript of and the certified copies of the exhibits from his trial. We note for your information that under Committee Rules, an investigative subcommittee may adopt a Statement of Alleged Violations only if it determines "that there is a *substantial reason to believe* that a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of official duties or the discharge of official responsibilities by a Member, officer, or employee of the House of Representatives has occurred." *See* Committee Rule 20(e) (emphasis added). It is the unanimous opinion of the Investigative Subcommittee, however, that the trial testimony and other evidence far exceeded this evidentiary standard.[7]

Each of the counts in the SAV alleges egregious conduct that reflects directly on Representative Traficant's official and representative responsibilities. As charged in Count X of the SAV, and as shown by the trial testimony and evidence, during the time periods alleged in the SAV, Representative Traficant engaged in a continuing pattern and practice of official misconduct, through which he misused his office for personal gain. To illuminate the nature of Representative Traficant's conduct in this matter, several specific examples of his conduct are summarized below.

First, as set forth in Count I of the SAV, Representative Traficant agreed to and did perform official acts on behalf of Anthony Bucci, Robert Bucci, and companies they controlled, for which Anthony Bucci, Robert Bucci, companies they controlled, and others acting at their request agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Among other official acts, on behalf of the Buccis and companies they controlled, Representative Traficant intervened in matters pending before the Ohio Department of Transportation and the United States Department of Labor. David Dreger, a former deputy director within the Ohio Department of Transportation testified that at a meeting with Representative Traficant, Representative Traficant communicated to him that there would be trouble for that department if, in its enforcement of a contract with the Buccis, it "caused the Bucci brothers to lose their business." Indeed, Anthony Bucci testified that in exchange for the things of value provided by him and his brother to Representative Traficant (including forgiveness of a nearly $13,000 debt owed by Representative Traficant to the Buccis), "we were going to own him."

As set forth in Count II of the SAV, Representative Traficant agreed to and did perform official acts on behalf of Arthur David Sugar, Sugar's son, and companies Sugar controlled, for which Arthur David Sugar, companies he controlled, and others acting at his request agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Among other official acts performed by Representative Traficant for

[7] We note that it was upon the same evidence that Representative Traficant was found guilty *beyond a reasonable doubt* of ten felony offenses in his criminal trial, a higher burden of proof than either "substantial reason to believe" or "clear and convincing evidence," which is the standard that would be applicable in an adjudicatory hearing in this matter.

the Sugars, Representative Traficant took actions in connection with the incarceration of Arthur David Sugar's son following a DUI conviction. For example, Representative Traficant wrote a letter for attachment to a bond motion to be filed with the Licking County Court of Common Pleas, and directed a staff member to contact the director of a Youngstown half-way house regarding Arthur David Sugar's son. After learning he was under investigation, Representative Traficant gave Sugar an unsolicited check for $1,142 and took other steps to conceal his request for and acceptance of free labor and materials from the Sugars.

As described in Count III of the SAV, Representative Traficant agreed to and did perform official acts on behalf of John J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated with USAG, for which John J. Cafaro, companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value. The aforementioned things of value included numerous meals (worth approximately $3,675), a welder and related supplies (worth approximately $3,050), a generator (worth approximately $2,700), the loan or provision of four automobiles, and/or the payment for repairs, slip fees, and related expenses for Representative Traficant's boat (worth approximately $26,000). As part of the aforementioned course of conduct, Representative Traficant, John J. Cafaro, and others engaged in a scheme under which Mr. Cafaro would use his own, or company funds to purchase Representative Traficant's boat, but make it falsely appear that an employee of USAG was purchasing the boat in his individual capacity. In connection with this scheme, Mr. Cafaro provided the funds necessary to reimburse the employee for thousands of dollars in funds expended for boat repairs and slip fees. Moreover, in addition to the other expenditures he made or authorized regarding Representative Traficant's boat, Mr. Cafaro gave Representative Traficant an envelope containing $13,000 in cash, representing approximately one-half of the purchase price of the boat. In exchange for the aforementioned things of value, Representative Traficant took numerous official actions to promote the laser-guided technology marketed by USAG, including facilitating a meeting between USAG officials and the Chairman of the Federal Aviation Administration during which this technology was flight-tested. When John J. Cafaro was asked during the trial "[w]hat, if any, promises was the Congressman making with regard to Army – the potential for Army contracts for USAG?", he testified that Representative Traficant "said he had great relationships with the military and armed forces subcommittee, and that it was possible to get funding for this type of equipment through that particular subcommittee."

Counts IV and V of the SAV each relate to a course of conduct by Representative Traficant in which he employed attorney Raymond Allen Sinclair as a member of his congressional district staff, in exchange for Mr. Sinclair's agreement to rent additional office space to Representative Traficant for use as a congressional district office, and to pay Representative Traficant $2,500 per month of his congressional salary. In his testimony, Mr. Sinclair described in detail how he placed $2,500 in an envelope each month which he deposited under the door of Representative Traficant's private office, and how he continued to maintain his full-time private law practice while a salaried congressional employee of Representative Traficant. Also in connection with this

conduct, Count VI of the SAV addresses Representative Traficant's effort to persuade Mr. Sinclair to destroy evidence of salary kickbacks and to provide false testimony to a federal grand jury. Mr. Sinclair detailed in his testimony how at the direction of Representative Traficant and in Representative Traficant's presence, envelopes used to transmit such funds to Representative Traficant were burned in a tub in the basement of Mr. Sinclair's office building. The partially burned envelopes were admitted into evidence during Representative Traficant's trial.

Count VII of the SAV relates to a course of conduct in which Representative Traficant defrauded the United States of money and property (1) by soliciting and accepting payments from the salaries of congressional employees (including Raymond Allen Sinclair, former administrative assistant Henry DiBlasio, and former district director Charles O'Nesti), which salaries were drawn from the funds of the United States Treasury; (2) by directing members of his congressional staff to perform personal labor and services to maintain and repair Representative Traficant's boat; and (3) by having members of his congressional staff perform personal labor and services at Representative Traficant's farm. The personal labor and services of Representative Traficant's congressional staff were performed at his farm and/or boat for no compensation other than their congressional salaries. The labor and services on behalf of Representative Traficant at his farm included baling hay, running and repairing farm equipment, maintaining and repairing structures on the farm, building a horse corral, converting a corn crib to another use, among other labor and services. Among other witnesses that testified on this subject, one former member of Representative Traficant's congressional district staff, George Bucella, testified that he termed going to the farm as "going south," and that he did so to perform work at Representative Traficant's farm between 100 and 300 different days. Richard Rovnak, a part-time employee in Representative Traficant's district office, testified that at Representative Traficant's direction, he spent most of his time at Representative Traficant's farm doing work that included plumbing, wiring, and other "handyman" work. Rovnak also spent time in Washington, D.C. as part of his part-time employment for Representative Traficant, but he performed no duties at Representative Traficant's congressional office. Instead, he performed work on Representative Traficant's boat that included painting, varnishing, and replacing brass fittings.

Counts VIII and IX relate to federal income tax returns for the calendar years 1998 and 1999, which were made and subscribed by Representative Traficant on behalf of himself and his wife, and which income tax returns were verified by written declarations by Representative Traficant that were verified under penalties of perjury, and were filed with the Internal Revenue Service. As set forth in these Counts, Representative Traficant did not believe the income tax returns to be true and accurate as to every material fact in that he knew he and his wife's total income was substantially in excess of the amounts reported in those returns. In essence, Representative Traficant filed two false income tax returns with the Internal Revenue Service that failed to report the substantial income accrued to him in connection with the gratuities and/or bribes and salary kickbacks he received and accepted during the calendar years 1998 and 1999.

Finally, as noted, Count X of the SAV charges Representative Traficant with engaging in a continuing pattern and practice of official misconduct, through which he misused his office for personal gain, and which comprised the following instances of conduct, or any combination thereof: the instances of conduct alleged in each of Counts I, II, III, IV, V, and VII of the SAV, separately and inclusive; and/or the course of conduct in which Representative Traficant agreed to and did perform official acts on behalf of Bernard "Pete" Bucheit, for which Bucheit and companies he controlled agreed to and did provide Representative Traficant with things of value. On behalf of Bucheit, Representative Traficant intervened with United States government authorities with respect to a contract dispute between Bucheit's company and Prince Mishaal of Saudi Arabia, and/or with respect to an investment in the Gaza Strip. Officials contacted by Representative Traficant on behalf of Bucheit included Vice President Al Gore, Secretary of State Madeline Albright, Secretary of State James Baker, United States Ambassador to Saudi Arabia Charles Friedman, and United States Ambassador to Kuwait Ryan Crocker, among other high ranking United States officials. In exchange for these official acts, Representative Traficant received free labor and materials for use at Representative Traficant's farm. Among others who testified they performed work at Representative Traficant's farm at the expense of Bucheit, David Manevich testified that he repaired a wooden deck at Representative Traficant's farm, as well as constructed a privacy fence, enclosed a room on the deck, and built a gazebo, for which he was paid $26,994 by Bucheit.

Based on the conduct alleged in the SAV, Representative Traficant is charged in that document with violating multiple provisions of the Code of Official Conduct (current House Rule 23), as well as a provision of the Code of Ethics for Government Service. As charged in the SAV, with respect to the conduct alleged in each and every one of the ten Counts in the Statement of Alleged Violations, Representative Traficant violated Clause 1 of the Code of Official Conduct (current House Rule 23), which provides that "[a] Member of the House shall conduct himself at all times in a manner that shall reflect creditably on the House." In addition, with respect to the conduct alleged in each of Counts I, II, III, IV, V, VI, VII, and X of the SAV, Representative Traficant is charged with violating Clause 2 of the Code of Official Conduct (current House Rule 23), which provides that "[a] Member of the House shall adhere to the spirit and letter of the Rules of the House and to the rules of duly constituted committees thereof." With respect to the conduct alleged in each of Counts I, II, III, IV, V, VII, and X of the SAV, Representative Traficant is charged with violating Clause 3 of the Code of Official Conduct (current House Rule 23), which provides that "[a] Member . . . of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress." Finally, with respect to Counts VI, VIII, IX, and X of the SAV, Representative Traficant is charged with violating Clause 2 of the Code of Ethics for Government Service, which provides that "[a]ny person in Government service should . . . [u]phold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion."

In the view of the Investigative Subcommittee, Representative Traficant violated the letter and spirit of each of the aforementioned standards of conduct. Indeed, as noted previously, the examples of Representative Traficant's misconduct set forth in this letter are only a partial list of the egregious misconduct for which Representative Traficant is charged in the Statement of Alleged Violations. The charges in the Statement of Alleged Violations are of the most serious nature and are abundantly supported by the evidence in the record, and which evidence demonstrates that Representative Traficant continually traded his office and the duties he swore to uphold for money and a wide range of other things of value.

Violations Not Charged in the Statement of Alleged Violations

As noted, the Investigative Subcommittee's jurisdiction encompassed any and all of the matters for which Representative Traficant recently stood trial. To the extent possible, in the interests of clarity and in conducting its inquiry expeditiously, the Investigative Subcommittee focused its examination of the evidence to that relating to matters for which Representative Traficant was indicted by a grand jury and, subsequently, found guilty by a jury.

Specifically, the Investigative Subcommittee examined the record to determine whether the evidence adduced during the trial that resulted in Representative Traficant's conviction of ten felony offenses also supported findings that Representative Traficant committed violations of the Code of Official Conduct, or any law, rule, regulation, or other standard of conduct applicable to his conduct in the performance of his duties or the discharge of his responsibilities. *See* Committee Rule 19(a). Although Representative Traficant was convicted of all ten felony offenses for which he was indicted, with respect to Count 10 of the indictment – the "racketeering" count – the jury found that Representative Traficant committed only eight of the 11 "racketeering acts" alleged.[8] While the Investigative Subcommittee reviewed the evidence pertaining to the remaining three "racketeering acts," and considered whether the evidence regarding those acts supported independent findings that Representative Traficant violated the Code of Official Conduct (among other violations for which he could be sanctioned by the House), it ultimately determined not to charge those acts in the SAV. This determination was made not because the evidence would not support a finding of a violation, but to avoid any unnecessary controversy that may have arisen as a result of the Investigative Subcommittee charging a violation for the same acts that a jury did not conclude Representative Traficant committed based upon the same evidence. The Investigative Subcommittee made this determination notwithstanding the different standards, precedents, and burden of proof applicable to this ethics process. In brief, the Investigative Subcommittee was satisfied that the Statement of Alleged Violations it adopted more than amply describes and encompasses, even without additional charges, the wide range of ongoing official misconduct engaged in by Representative Traficant,

[8] According to the "Special RICO Verdict Form" executed by the jury, Representative Traficant committed numbers 1, 2, 4, 5, 7, 9, 10, and 11 of the 11 alleged racketeering acts in the indictment. In order to reach its finding of guilt, the jury had to conclude that Representative Traficant committed a minimum of two of the 11 racketeering acts alleged by the federal grand jury.

through which he repeatedly misused his office for personal gain. The fact that additional charges were not adopted should not preclude consideration or charging of similar matters in future Committee inquiries.

Indeed, again in the interest of expediting proceedings where a Member has been found guilty of ten felony offenses, the Investigative Subcommittee did not pursue to conclusion other violations by Representative Traficant potentially supported by the evidence in the trial record. For example, clause 5(a)(1)(A) of current House Rule 25 (the "Gift Rule") provides that a Member may not knowingly accept a gift except as provided in clause 5 of House Rule 25. Clause 5(a)(2)(A) defines the term "gift" as "a gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value," as well as "gifts of services, training, transportation, lodging, and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred." In the view of the Investigative Subcommittee, the same evidence in the trial record that supported the charges in the SAV, in all likelihood, could have supported a finding that Representative Traficant received scores of gifts in violation of the Gift Rule in the form of money, meals, automobiles, farm equipment, free labor at his farm, and/or free labor to repair and maintain his boat, among other gifts.[9] The record did not support a finding that Representative Traficant's acceptance of these items fell within any exception contained in the Gift Rule. Compounding the mere receipt of these apparent gifts – potential violations in and of themselves – was the fact that the gifts were often solicited by Representative Traficant, and were in connection with official favors he performed for those who gave him the gifts.

In connection with his apparent receipt of gifts, and in apparent violation of Clause 2 of current House Rule 26, and of Title I of the Ethics in Government Act of 1978, and despite the instructions provided to him, Representative Traficant failed to disclose the source, a brief description, and the value of the aforementioned gifts on his annual financial disclosure statements. We note that Representative Traficant certified on each of his annual financial disclosure statements that his statements thereon and on all attached schedules were "true, complete and correct to the best of [his] knowledge and belief."[10]

Other possible violations of the Code of Official Conduct or other rules stem from testimony indicating that Representative Traficant may have lived in his congressional district office with the rent for that office being borne by taxpayers, and indicia in the

---

[9] The trial record evinces other apparent gifts that may have been received by Representative Traficant. For example, a licensed private investigator who was a defense witness for Representative Traficant testified that while his standard fee to clients was as high as $150 per hour, he was only charging Representative Traficant a total of one dollar. The Investigative Subcommittee was also concerned that Representative Traficant may have received free or discounted aid from one or more attorneys during his criminal trial.

[10] The failure to disclose his receipt of gifts was not Representative Traficant's only apparent violation of Clause 2 of current House Rule 26. For example, during trial testimony it was revealed that Representative Traficant had liabilities, such as a debt of approximately $13,000 owed to Anthony Bucci or a company controlled by him, that were not disclosed on his annual financial disclosure statements as required by Title I of the Ethics in Government Act of 1978.

trial record that a member of Representative Traficant's congressional staff may have provided Representative Traficant with trial assistance, possibly in lieu of her official duties.[11] This list is not intended to be exhaustive.

As we noted, the Investigative Subcommittee determined not to pursue separate allegations based on the aforementioned apparent Gift Rule and other violations. The core conduct of Representative Traficant for which he stood trial and which the Investigative Subcommittee was established to investigate – that is, his misuse of his official office for personal gain – is fully encompassed in the Statement of Alleged Violations. To pursue other avenues further would have required the Investigative Subcommittee to undertake new and time-consuming avenues of inquiry, and possibly to seek expansion of its jurisdiction. It was the unanimous opinion of the Investigative Subcommittee that the interests of the House would be best served by proceeding as rapidly as possible to the adjudicatory stage of the ethics process with respect to the matters alleged in the Statement of Alleged Violations.

Recommendation

In light of the need to preserve public confidence in the legislative process when a Member of Congress has been convicted of ten felony offenses relating directly to his misuse of public office, the Investigative Subcommittee recommends that this matter proceed to an adjudicatory hearing as expeditiously as possible.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

Roger F. Wicker
Member
Investigative Subcommittee

John Lewis
Member
Investigative Subcommittee

Attachments

[11] Pending before the trial judge is a motion by the government to find Representative Traficant in contempt of court for his conduct during his criminal trial. While not explored by the Investigative Subcommittee, conduct that would constitute contempt of court is also a matter for which the House could sanction Representative Traficant. *See* Clause 1 of current House Rule 23 (providing that "[a] Member . . . of the House shall conduct himself at all times in a manner that shall reflect creditably on the House.")

JAMES A. TRAFICANT, JR.
2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 903
NILES, OH 44446
(330) 652-5649

749 WEST 7th STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

June 27, 2002

VIA FACSIMILE
Chairman Doc Hastings
U.S. House of Representatives
Committee on Standards of Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings,

In accordance with Committee Rule 23, please accept this letter as my Answer to the Statement of Alleged Violations in the above referenced matter.

With regard to Counts I – X outlined in the Statement of Alleged Violations transmitted by the Subcommittee, I unequivocally deny each and every count. The Subcommittee can refer to the Extension of Remarks as published in the *Congressional Record*, Vol. 48, Nos. 72, 73, 74, 77 and 81for relevant information supporting my position on several of the counts.

I would remind the Committee, and Congress, of the John Demanjuk case, where a man was subject to the death penalty and whose case was considered so sensitive that Congress wouldn't hold a hearing. After I had placed all the evidence I had attained in that case into the *Congressional Record*, it was determined that Demanjuk was not Ivan the Terrible.

It is my belief that the Subcommittee has some preconceived notions regarding my guilt in this matter based on an inherently faulty criminal trial conviction in *United States v. James A. Traficant, Jr.* 4:01CR207. This was the first RICO conviction in U.S. history with no physical evidence, no wiretaps, no tapes and no admissions beyond the extorted testimony of witnesses.

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

During the adjudication process by the Committee, I plan on presenting evidence and testimony that will not only confirm my innocence, but also refute the unreliable evidence offered in my criminal case.

I look forward to an fair and just resolution in this matter.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

Sworn to and subscribed before me on this 27 day of June, 2002.

James A. Traficant

Brenda G. Innella
Notary Public

BRENDA G. INNELLA
Notary Public - State of Ohio
My Commission Expires April 27, 2003

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225–7103

April 15, 2002

The Honorable James A. Traficant, Jr.
U.S. House of Representatives
2446 Rayburn House Office Building
Washington, DC 20515

Dear Colleague:

The Committee hereby notifies you that your recent conviction in the District Court of the United States for the Northern District of Ohio for multiple crimes—for each of which, under federal law, you may receive a sentence of two or more years of imprisonment—brings into operation House Rule 23 (the Code of Official Conduct), clause 10. This rule provides that any Member convicted of any such crime

> should refrain from voting on any question at a meeting of the House or of the Committee of the Whole House on the state of the Union, unless or until judicial or executive proceedings result in reinstatement of the presumption of his innocence or until he is reelected to the House after the date of such conviction.

This provision of House Rules was promulgated to preserve public confidence in the legislative process when a sitting Member of Congress has been convicted of a serious crime. Although, as the relevant legislative history indicates, this provision is not mandatory, we emphasize in the strongest possible terms that if you violate the clear principles of this provision—that is, for example, by voting in the House—you risk subjecting yourself to action by this Committee, and by the House, in addition to any other disciplinary action that may be initiated in connection with your criminal conviction.

This letter will be released publicly. If you have any questions you may call Committee Chief Counsel Robert L. Walker at 5-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

April 17, 2002

BY HAND DELIVERY
The Hon. James A. Traficant, Jr.
2446 Rayburn House Office Building
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Traficant:

In accordance with Clause 3 of House Rule XI and Rules 15 and 19(e) of the Rules of the Committee on Standards of Official Conduct ("Committee"), which authorize the Committee to establish an investigative subcommittee, the Committee has voted to establish an investigative subcommittee to conduct a formal inquiry.

Pursuant to the Committee's action, the investigative subcommittee shall have jurisdiction to determine whether you violated the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to your conduct in the performance of your duties or the discharge of your responsibilities with respect to: any or all of the matters for which you recently stood trial in *United States of America v. James A. Traficant, Jr.*, Case Number 4:01CR207, in the District Court of the United States for the Northern District of Ohio, Eastern Division.

Representative Doc Hastings will serve as Chairman of the investigative subcommittee, and Representative Zoe Lofgren will serve as its Ranking Minority Member. The other two members of the subcommittee are Representative Roger Wicker and Representative John Lewis.

Consistent with Committee Rule 18(g), you shall have ten days after the transmittal of this letter to object to the participation of any member of the investigative subcommittee. Any such objection must be in writing and must be on the grounds that the investigative subcommittee member cannot render an impartial and unbiased decision. The investigative subcommittee member against whom such an objection is made shall be the sole judge of his or her disqualification.

If you intend to be represented by counsel in this matter, please inform the Committee of the name, address and telephone number of your counsel. Should you or your counsel have any questions regarding this letter, please call Committee Chief Counsel Robert L. Walker or Counsel Paul Lewis at (202) 225-7103.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 2nd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

April 22, 2002

VIA FACSIMILE
Joel Hefley, Chairman
U.S. House of Representatives
Committee on Standards of Official Conduct
Washington, DC 20515

In Re: In the Matter of Representative James A. Traficant, Jr.

Chairman Hefley:

I will be representing myself in the above entitled action. I request that this session be open to the public and the matter be heard by the full Committee on Standards of Official Conduct in conjunction with the full House Judiciary Committee, as well.

In addition to the issues in this case having a significant impact on the separation of powers, there also exists a concern that the decision of the court will serve as a trigger dismantling the privilege maintained in the Speech and Debate Clause. These results will ultimately have an effect on future Congresses.

I will be serving as lead counsel and may or may not be assisted by co-counsel. I will notify this committee should I decide to employ co-counsel.

Sincerely,

James A. Traficant, Jr.

Cc: Howard Berman, Ranking Minority Member

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515-6328

April 23, 2002

The Honorable James A. Traficant, Jr.
U.S. House of Representatives
2446 Rayburn House Office Building
Washington, DC 20515

Dear Colleague:

We received your April 22, 2002, letter and have referred it to the Investigative Subcommittee in this matter for its response, where relevant. We address points raised in your letter where they concern Committee procedures generally.

It is the Committee's intention that this matter will proceed in accordance with its Rules. Under these Rules, the initial phase of a formal inquiry is undertaken by an Investigative Subcommittee, the establishment and membership of which, in this matter, you were notified of in our April 17, 2002, letter to you. At the Investigative Subcommittee stage the Committee's Rules do not allow for proceedings to be open to the public. Under Committee Rules, if a matter reaches the adjudicatory stage or the sanction stage and hearings are conducted, such hearings are open to the public, unless otherwise determined.

As to your request that this matter be heard by the full Committee "in conjunction with the full House Judiciary Committee," Committee Rules provide that at the Investigative Subcommittee stage proceedings occur only before the four members of that subcommittee. If, in a matter, the adjudicatory phase is reached, the adjudicatory subcommittee consists of those members of the full Committee not on the Investigative Subcommittee. Any sanction hearing in a matter occurs before the Committee. Committee Rules do not allow for its investigative, adjudicatory or sanction proceedings to occur in conjunction with any other committee of the House. Therefore, Committee proceedings in this matter will not be held in conjunction with the Judiciary Committee.

Finally, we inform you as a general matter that Committee Rules provide a respondent the opportunity to provide a statement, under oath or affirmation, to an Investigative Subcommittee, to present a defense at an adjudicatory hearing and to present oral or written submissions at a sanction hearing. We do not here decide,

however, whether any of the "issues" referred to in your letter–including any that you claim may implicate the Speech or Debate Clause of the Constitution–would be deemed relevant at any stage of the proceedings in this matter.

We are enclosing a copy of the Committee's Rules with this letter.

Sincerely,

Joel Hefley
Chairman

Howard L. Berman
Ranking Minority Member

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LaTOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

April 22, 2002

By Federal Express
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Suite C
Canfield, OH 44406

Dear Representative Traficant:

Enclosed for your information is a copy of the Rules of the Committee on Standards of Official Conduct for the 107th Congress and a copy of the Rules of the House of Representatives for the 107th Congress.

For your convenience, the Rules of the Committee on Standards of Official Conduct may be accessed online at http://www.house.gov/ethics/Rules_107th.htm. In addition, the Rules of the House of Representatives may be accessed online at http://www.house.gov/rules/house_rules_text.htm.

If you have any questions, please contact me or my co-counsel Paul M. Lewis at (202) 225-7103.

Sincerely,

Kenneth E. Kellner
Counsel

Enclosures

JOEL HERLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

April 24, 2002

The Honorable James A. Traficant, Jr.
U.S. House of Representatives
2446 Rayburn House Office Building
Washington, DC 20515

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

As you know from the April 17, 2002, letter to you from the Committee on Standards of Official Conduct, on April 17 the Committee established an Investigative Subcommittee to conduct a formal inquiry into whether you violated any applicable standards of conduct in connection with the matters for which you recently stood trial. Therefore your April 22, 2002, letter to the Chairman of the Committee was referred to the Investigative Subcommittee for response where appropriate. We have considered the requests set forth in your letter.

Insofar as your letter may be construed as a request that the proceedings of the Investigative Subcommittee be open to the public, we respond first to that request. The procedures of the Investigative Subcommittee are governed by the Rules of the Committee on Standards. Committee Rule 20(a)(1) provides that in an inquiry undertaken by an investigative subcommittee "all proceedings . . . shall be conducted in executive session . . .." Pursuant to this Rule, therefore, the proceedings of this Investigative Subcommittee must be in executive session and may not be open to the public.

With regard to the work of this Investigative Subcommittee, your requests that this matter be heard by the full Committee and by the House Judiciary Committee are also inconsistent with Committee Rules. Committee Rule 8(a) provides that an investigative subcommittee shall consist of four members designated by the Chairman and Ranking Minority Member of the Committee. Therefore any investigative proceedings in this matter shall occur only before the four members of this Subcommittee, and appropriate staff. The Rules do provide that if a matter proceeds to the adjudicatory or sanction phases, hearings at either phase are open to the public, unless there is a vote by the relevant members to close any such hearing.

By Committee Rule you have the right to be represented by counsel in this matter, at your own expense. You state in your letter, however, that you will be representing yourself in this matter. In light of this statement, please provide us, immediately and in writing, with: 1) an address where you will receive overnight mail or other packages or correspondence from the Investigative Subcommittee; 2) a telephone number (or telephone numbers) at which you may be reached directly and at which messages may be left for you; and 3) a fax number. You should provide this information to us by fax at (202) 225-7392.

Lastly, pursuant to Committee Rule 20(a)(3) the Investigative Subcommittee is hereby providing you "an opportunity to present, orally or in writing, a statement, which must be under oath or affirmation, regarding the allegations and any other relevant questions arising out of the inquiry." (The scope of this inquiry was set forth in the Committee on Standard's April 17, 2002, letter to you, a copy of which we enclose with this letter.) **If you choose to present the Investigative Subcommittee with a written statement, it should be received by the Investigative Subcommittee in the offices of the Committee on Standards, Room HT-2, The Capitol, no later than 5 p.m., Wednesday, May 1, 2002. If, instead, you choose to present an oral statement you should appear before the Investigative Subcommittee, in Room HT-2, The Capitol, at 3 p.m., Wednesday, May 1, 2002.** Please advise the Subcommittee in writing by 5 p.m., Tuesday, April 30, 2002, whether you intend to appear on May 1 for the purpose of presenting an oral statement and, if so, whether you will be represented by counsel during your appearance before the Subcommittee. If you do not intend to present any statement to the Investigative Subcommittee, either orally or in writing, we ask that you so inform the Subcommittee in writing by 5 p.m. on April 30.

We emphasize, that whether you choose to present a written statement to the Investigative Subcommittee or you choose to present an oral statement, any such statement *must*, by Committee Rule, *be under oath or affirmation*. We also emphasize that Committee Rule 20(a)(3) provides only that the respondent in a matter before an investigative subcommittee shall be provided an opportunity to make a statement; this Rule does not provide an opportunity for witnesses to present statements to an investigative subcommittee.

If you have any questions regarding the matters discussed in this letter, or Investigative Subcommittee procedures generally, please contact Subcommittee Counsel Paul Lewis or Ken Kellner at (202) 225-7103. Any correspondence with the Investigative Subcommittee may be faxed to (202) 225-7392.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

05/01/02 WED 11:33 FAX 001

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5865 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

May 1, 2002

VIA FACSIMILE
Doc Hastings, Chairman
U.S. House of Representatives
Committee on Standards of Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings:

This letter is to serve as official notice that I will be representing myself in the above captioned matter, although I would like to reserve the right to have co-counsel assist on specific issues, if necessary. I will notify this Committee of all pertinent information as soon as possible should I decide to employ co-counsel.

I have been receiving correspondence from the Committee, but have provided below the contact information you have requested.

Overnight mail can be sent to:	4590 Boardman-Canfield Road Canfield, OH 44406
Phone number:	(330) 702-1272
Fax number:	(330) 702-1230

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

MAY-01-2002 14:59 US REP JAMES H TRAFICANT 202 225 3719 P.01

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

120 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5821

Congress of the United States
House of Representatives
Washington, DC 20515–3517

May 1, 2002

VIA FACSIMILE
The Honorable Doc Hastings, Chairman
Committee on Standards of Official Conduct
Investigative Subcommittee
Suite HT-2, The Capitol
Washington, DC 20515

ATTN: Paul Lewis, Subcommittee Counsel

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings:

This letter is to officially inform you that I will be *pro se* before the Committee on Standards of Official Conduct. However, I will be receiving limited technical and consultative assistance from Attorney Percy Squire and Attorney Lloyd Pierre-Louis.

They are hereby authorized to communicate with the subcommittee on my behalf regarding transcripts, document requests, and other necessary issues that arise throughout this process. All communication initiated by the subcommittee should continue to be directed to me personally at the address, fax, and telephone number disclosed to you in my earlier letter of May 1, 2002.

Respectfully,

5/1/2002

James A. Traficant, Jr.
Member of Congress

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

Congress of the United States
House of Representatives
Washington, DC 20515-3517

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5640

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5521

May 1, 2002

VIA FACSIMILE
The Honorable Doc Hastings, Chairman
Committee on Standards and Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings:

In the interest of justice and due to the dubious nature of the proceedings in *United States of America v. James A. Traficant, Jr.*, Case Number 4:01 CR 207, I would respectfully request the Investigative Subcommittee in this matter to provide me with the transcripts of the trial. Furthermore, I would ask that the Subcommittee grant a 30-day extension from the time I receive the transcripts to respond, at which time I will be better prepared to present sufficient materials to meet the needs of the Subcommittee and address the overriding issues that concern both the Congress and my defense.

This is not a tactic for delay, but because of the irreparable harm that that could be done to both Congress and myself it is of the utmost importance that the above request is granted.

Be advised, that I never reviewed any of my letters or documents that were subject to the Speech and Debate Clause, but simply forwarded all my documents to the General Counsel for their consideration and interpretation of law relative to this issue. Furthermore, be advised, I have yet to do so and believe that the Subcommittee should take no action until they are absolutely satisfied that the Congress has not been converted into an advisory board by *United States v. Traficant*.

Respectfully,

James A. Traficant
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

May 2, 2002

BY OVERNIGHT MAIL AND FAX
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, Ohio 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

This responds to your letter to the Investigative Subcommittee—received by fax at 4:05 p.m., May 1, 2002—requesting "a 30-day extension" (without specific indication of what aspect of the Investigative Subcommittee's proceedings this extension would apply to) and also requesting that the Investigative Subcommittee provide you with transcripts of your recent criminal trial.

Given what the Investigative Subcommittee believes to be the special circumstances posed by the number and gravity of the potential violations in this matter, it is necessary to the preservation of the integrity of the institution of Congress to have this Investigative Subcommittee's consideration of these potential violations proceed as expeditiously as possible, consistent with the interests and requirements of fairness. Therefore, and for the reasons set forth below, we deny your request for a 30-day extension in this matter. However, we also believe that the particular need to proceed expeditiously in this matter would be served by providing you with copies of the transcripts of your trial. Therefore, as further explained below, we enclose with this letter a copy of the complete set of the transcripts of your trial on computer CD, to be followed by the overnight mailing of hard copies of the certified trial transcripts.

In support of your request for an extension in this matter you state in your faxed letter that there are certain "overriding issues" arising from your trial relating to your defense in the matter before the Investigative Subcommittee. We are not persuaded that the issues you refer to, very generally, in your letter merit any delay in this matter. First, given the fact that you were present throughout your trial—acting as your own counsel, questioning each witness and challenging the presentation and admission of evidence—it is reasonable to conclude that you have more than sufficient familiarity with that trial, and any issues arising therefrom, to proceed without delay in the matter before the Investigative Subcommittee. Second, we note, without reaching any conclusions as to any specific issue, that what may constitute a valid issue in a motion for a new criminal

trial or on appeal in a criminal case, does not necessarily constitute a valid or cognizable issue before the Committee on Standards of Official Conduct or an investigative subcommittee thereof. Third, we note that, to the extent any of the issues you allude to in your faxed letter would be relevant to the proceedings in this matter, and pursuant to Committee Rules, if the Investigative Subcommittee adopts a Statement of Alleged Violations and transmits it to you, you would have the opportunity to raise such issues in writing and have them considered at that point; you would also have the opportunity to raise issues and present a case in your defense if this matter reaches the adjudicatory phase.

As stated above, under the special circumstances which it believes prevail in this matter, the Investigative Subcommittee agrees to provide copies of the transcripts of your trial to you immediately and, further, will provide you with copies of the exhibits at your trial. We note that, at this stage of a matter, Committee Rules do not require an Investigative Subcommittee to provide a respondent with any evidence or potential evidence in a matter. We have decided to provide the transcripts and exhibits to you now, however, not only because of the circumstances already discussed, but also because these transcripts and exhibits are already a matter of public record and because provision of the transcripts and exhibits to you would not otherwise have adverse consequences to the ongoing investigation by the Investigative Subcommittee or witnesses thereto, if any. So that you may begin making use of the transcripts in this matter as soon as possible we are enclosing with this letter a computer CD containing a complete set of the uncertified transcripts of your trial (if you wish, you may also contact Subcommittee counsel to arrange for a set of the transcripts to be e-mailed to you). By overnight mail tomorrow we will send you hard copies of a complete set of certified copies of the transcripts of your trial as well as a complete set of copies of certified copies of the exhibits in your trial.*

Finally, we note that although the Investigative Subcommittee offered you the opportunity, pursuant to Committee Rule 20, to present an oral or written statement to the Subcommittee on May 1, 2002, you neither appeared before the Subcommittee nor submitted any written statement on that date. Further, you did not notify the Subcommittee in a timely manner of your intentions as to the submission of such a statement. In our April 24, 2002, letter to you, which we understand you received in due time, we asked that you notify the Investigative Subcommittee by April 30, 2002, of your intentions regarding the submission of a statement or the appearance before the Subcommittee. Had you needed additional time in connection with such a statement you could have requested it on or before April 30, 2002, or, at the least, prior to the time—3 p.m. on May 1, 2002—that the Investigative Subcommittee had set, and notified you of, for your appearance.

---

* Committee Rule 27(f) prescribes certain conditions when evidence is turned over to a respondent or counsel in connection with the forwarding of a draft Statement of Alleged Violation. We note that this matter is not at the stage of proceedings specifically covered by that rule; but, even to the extent that the disclosure concerns upon which that rule are based might obtain in another investigative matter that had reached the stage that this matter has currently reached, the special and specific circumstances, discussed above, prevailing in this matter mitigate, and would appear to eliminate, those concerns here.

Subcommittee counsel will contact you or your attorneys to make any necessary arrangement regarding the mailing to you of the hard copies of the transcripts and exhibits from your trial.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

cc: 2446 Rayburn House Office Building

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

May 2, 2002

By Overnight Courier

Mr. Lloyd Pierre-Louis
513 East Rich Street, Suite 300
Columbus, Ohio 43215

Re: In the Matter of Representative James A. Traficant, Jr.

Dear Mr. Pierre-Louis:

Enclosed is a copy of a letter transmitted to Representative Traficant by the Investigative Subcommittee today. Also enclosed is a copy of the Rules of the Committee on Standards of Official Conduct for the 107th Congress and a copy of the Rules of the House of Representatives for the 107th Congress.

If you have any questions, please contact me or my co-counsel Paul M. Lewis at (202) 225-7103.

Sincerely,

Kenneth E. Kellner
Counsel

Enclosures

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

May 3, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: In the Matter of Representative James A. Traficant, Jr.

Dear Representative Traficant:

Pursuant to the Investigative Subcommittee's letter to you dated May 2, 2002, enclosed in two boxes are a complete set of copies of the certified trial transcript in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207 (N.D. Ohio) (Eastern Division), as well as a complete set of copies of certified copies of the exhibits in your trial.

As requested by your attorneys, Percy Squire and Lloyd Pierre-Louis, these documents are being delivered directly to you at the above-listed address by Federal Express on Saturday, May 4, 2002. As also requested by your attorneys, we are authorizing Federal Express to deliver this shipment to you without obtaining a signature.

If you have any questions, please contact me or my co-counsel Paul M. Lewis at (202) 225-7103.

Sincerely,

Kenneth E. Kellner
Counsel

Enclosures

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT-2, THE CAPITOL
(202) 225-7103

May 8, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

Pursuant to Rule 27(c) of the Rules of the Committee on Standards of Official Conduct (enclosed), "[n]ot less than 10 calendar days before a scheduled vote by an investigative subcommittee on a Statement of Alleged Violation, the subcommittee shall provide a respondent with a copy of the Statement of Alleged Violation it intends to adopt together with all evidence it intends to use to prove those charges which it intends to adopt . . .."

In accordance with Rule 27(c), enclosed is a copy of a Statement of Alleged Violation the Investigative Subcommittee intends to adopt in the above-captioned matter.[1] With respect to the Investigative Subcommittee's obligation under Rule 27(c) to furnish evidence to you, we note here that on May 3, 2002, the Investigative Subcommittee transmitted to you a complete set of copies of the certified trial transcript in *United States of America v. James A. Traficant, Jr.*, Criminal No. 4:01CR207 (N.D. Ohio) (Eastern Division), as well as a complete set of copies of certified copies of the exhibits in that trial. These materials constitute all the evidence the Investigative Subcommittee intends to use to prove the charges set forth in the Statement of Alleged Violation that the Investigative Subcommittee intends to adopt in this matter. *See* Committee Rule 27(c). We further advise you that the Investigative Subcommittee hereby waives the requirement under Committee Rule 27(f) that evidence provided pursuant to Committee Rule 27(c) shall be made available to a respondent only after the respondent (and the respondent's counsel, if any) agrees in writing that none of the evidence shall be made public until the time specified under Committee Rule 27(f). Special and specific circumstances, such as the fact that evidence in this matter is already

[1] The Investigative Subcommittee may make technical, stylistic, or grammatical corrections to the enclosed Statement of Alleged Violation prior to any vote to adopt. Such changes will not trigger an obligation to provide you with the corrected Statement of Alleged Violation before voting on whether to adopt that document.

publicly known and available, warrant the Investigative Subcommittee's waiver of Committee Rule 27(f) in the instant matter.

We note here also that the Investigative Subcommittee has obtained materials from the U.S. Department of Justice which that department represents were furnished to the government by you in connection with your criminal prosecution. These materials include seven audio tapes, apparent bank records, and other documents. The Investigative Subcommittee also possesses copies of publicly available motions, court orders, and other filings in your criminal prosecution. Although not obligated to do so under any Committee or House Rule, in the interest of full disclosure, the Investigative Subcommittee has determined to make these materials available to you for inspection during regular business hours at the offices of the Committee on Standards of Official Conduct, HT-2, The Capitol, Washington, D.C. 20515. You or your attorneys should make arrangements with Investigative Subcommittee counsel Kenneth E. Kellner or Paul M. Lewis if you wish to review these materials.[2]

In addition, we note that under Committee Rule 27(b), a respondent may seek to waive (subject to Committee or subcommittee approval, as appropriate) *any* "procedural rights or steps in the disciplinary process." Accordingly, one procedural step for which a respondent may seek a waiver would include the obligation that an investigative subcommittee wait 10 calendar days before adopting a Statement of Alleged Violation provided to a respondent pursuant to Committee Rule 27(c). A respondent's waiver of a procedural step at the Investigative Subcommittee stage, including any steps or periods of time set forth in Committee Rule 27, would expedite commencement of public adjudicatory hearings in a matter, if any.

We also take this opportunity to inform you that if, as this letter notifies you the Investigative Subcommittee intends to do, the Investigative Subcommittee votes to adopt a Statement of Alleged Violation in this matter and transmits it to you pursuant to Committee Rule 20(c), we may consider proceeding pursuant to Committee Rule 23(e)(2). Committee Rule 23(e)(2) provides:

> If the ability of the respondent to present an adequate defense is not adversely affected and special circumstances so require, the Chairman of the Investigative Subcommittee may direct the respondent to file an answer or motion prior to the day prescribed [in clauses (a), (b) and (c) of Committee Rule 23].

In this matter the Investigative Subcommittee may consider reducing the periods of time set forth in clauses (a), (b) and (c) of Rule 23. It appears to the Investigative Subcommittee preliminarily that because, among other reasons, the conduct with which you would be charged in this matter is the conduct for which you recently stood trial

---

[2] Although we have made no determination that we possess any exculpatory evidence in this matter, by providing you with, or making available to you, the aforementioned documents and records, which materials constitute all evidentiary records in its possession, the Investigative Subcommittee has complied with Committee Rule 26, concerning exculpatory evidence.

(which you thus should be fully conversant with) and the evidence upon which such charges would be based would consist of the transcripts of and the evidence admitted at that trial (which you should thus also be fully conversant with), your ability to present an adequate defense in a proceeding here may not be adversely affected by a reduction of the time periods noted above. Further, the Investigative Subcommittee believes that the continuing need to preserve public confidence in the legislative process when a Member of Congress has been convicted of ten felony offenses reflecting directly on a Member's official and representative functions, may present special circumstances requiring reduction of these time periods. The Investigative Subcommittee will consider any objection you may have to its possible reliance on Committee Rule 23(e)(2); you should inform the Investigative Subcommittee of any such objections, fully and in writing, by May 17, 2002.

If you have any questions, please Investigative Subcommittee counsel at (202) 225-7103.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

Enclosures

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1314

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5648

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-6921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

May 17, 2002

VIA FACSIMILE
Chairman Doc Hastings
U.S. House of Representatives
Committee on Standards and Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings:

In response to the Investigative Subcommittee's letter dated May 8, 2002, I hereby object to the Subcommittee's consideration for proceeding pursuant to Committee Rule 23(e)(2) and reducing the time periods set forth in sections (a), (b) and (c) of the aforementioned Rule.

It is unreasonable for the Subcommittee to make the presumption that because I represented myself as a *pro se* defendant and I should be familiar with the issues in my case, I should also be able to present an **immediate** defense. In fact, the situation is converse. Because I did represent myself, as I will continue to do relevant to particular issues, I cannot possibly be expected to submit to the Subcommittee my response to these alleged violations any sooner than the time permitted under the Committee Rules.

Moreover, the Committee has informed me of seven tapes obtained from the Department of Justice to be used as part of evidence. These tapes were never entered into evidence and therefore are not part of the trial record or transcripts. On one hand, the Committee wants to reduce my time to prepare a defense by relying on my familiarity with the subject matter as presented at trial, and on the other hand, the Committee makes clear its intent to make judgment on material not in the trial transcript. The Committee should not have it both ways.

The Subcommittee also appears to maintain reliance on the fact that I was *pro se* during trial, but ignores the fact that the co-counsel named in my letter to the Committee dated May 1, 2002 was not present at the trial and is not familiar with the subject matter. This significantly alters the process, limits my rights as provided under the Committee's

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

own rule book and prohibits co-counsel from providing me with thorough and effective representation.

Co-counsel has raised issues of judicial procedure within the Article III criminal proceedings, which are still pending and which may, in fact, result in a new trial. Furthermore, each of the allegations within the Statement of Alleged Violations are premised upon the flawed statement that I have been "convicted" as a matter of course.

I have not been "convicted" as a matter of law. A conviction must include the imposition of a final judgment and sentence under the Federal Rules of Criminal Procedure. FRCRP 32(d)(1) states:

> Judgment. In general. A judgment of conviction must set for the plea, the verdict or findings, the adjudication, and the sentence. If the defendant is found not guilty, or for any other reason is entitled to be discharged, judgment must be entered accordingly. The judgment must be signed by the judge and entered by the clerk.

In a criminal prosecution, finality generally "is defined by a judgment of conviction *and* the imposition of a sentence." *Florida v. Thomas*, 532 U.S. 774, 777 121 S.Ct. 1905, 1908 (2001) (emphasis added) (citing *Ft. Wayne Books, Inc. v. Indiana*, 489 U.S. 46, 54, 109 S.Ct. 916 (1989)). Although the sentencing date is June 27, 2002, the Court also has authority to discharge me between the time of adjudication and sentencing if there is a legally based reason.

On each of April 22, 2002 and May 6, 2002, I filed a motion and supplemental pleadings in support for a new trial pursuant to Rule 29 of the Federal Rules of Criminal Procedure. The motion chiefly raises the issue of whether the Juror Selection Plan adopted by the Northern District of Ohio, from which the jury in my case was empanelled, failed to comply with provisions of 28 U.S.C.A. § 1867(a), the Jury Selection and Service Act, and the 6th Amendment of the United States Constitution. The Sixth Circuit Court of Appeals has enunciated the standard for this motion: "Challenges brought under the JSSA are reviewed under the same standard as a Sixth Amendment claim of denial of a jury representing a fair cross section of the community." *United States v. Ovalle*, 136 F.2d 1092 (6th 1998). A showing of under representation is necessary to establish a prima facie violation of the Sixth Amendment's cross section requirement. *Duren v. Missouri*, 439 U.S. 357 (1979).

The motion, which my co-counsel faxed to you is far from frivolous, and includes statistical evidence that the Juror Selection Plan unlawfully diminishes citizens' opportunities to be selected for jury service within the Youngstown division. Dr. Deborah Wasserman, Ph.D., an expert in demographic research, performed an independent analysis of the Juror Selection Plan and determined that the mathematical odds of a Cleveland Division juror being picked for jury duty are 66% greater than that of a Youngstown Division juror. This violates the mandate of the JSSA. The Government offered no evidence to refute our factual and statistical findings, and no counterargument

to our legal analysis concerning the Jury Selection Plan's noncompliance with Federal law and the US Constitution. As of this date, the Court has not issued a ruling.

The Subcommittee seeks to move more quickly than its Rules provide because it "believes that the continuing need to preserve the public confidence in the legislative process...may present special circumstances requiring reduction of these time periods" (see May 8th letter, last paragraph). At the recommendation of the Committee, I have refrained from legislative matters. This argument is void of legal basis and common sense. Additionally, this objective is not served by denying me equal protection under the law. The facts and law, as I have proven, demonstrate that I have not been convicted, as a matter of law that the House participated in drafting. Further, the issues do not raise issues of national security or national emergency that warrant a reduction of the prescribed time limit within the Subcommittee Rules.

The Subcommittee expresses an interest in protecting the House and its integrity. To do so would be to respect its own rules and provide the appropriate due process afforded to *any* Member of Congress. For the Committee to arbitrarily waive the time limits under this Rule would be completely contrary to the intention of the Rule where such a waiver would adversely affect my ability to present an adequate defense. I retain the right to appeal and have stated my intention to do so. I maintain my innocence and will not, therefore, waive my rights under the House Rules to present a comprehensive defense.

Due to the serious nature of these allegations, the complexity of the issues and the substantial amount of related information, the Committee should consider the time required to organize this material for presentation and the irreparable harm that may result by limiting my defense. In the interest of justice, it is imperative that I be allowed the amount of time as prescribed by the Committee Rules.

Respectfully,

James A. Traficant
Member of Congress

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

May 22, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

By a unanimous vote of its Members, the Investigative Subcommittee today voted to adopt a Statement of Alleged Violations in the above-referenced inquiry. Pursuant to Rule 20(e) of the Rules of the Committee on Standards of Official Conduct, we are hereby transmitting a copy of the Statement of Alleged Violations to you and to the attorneys assisting you, Percy Squire and Lloyd Pierre-Louis.

Please be advised that the enclosed Statement of Alleged Violations contains minor technical and stylistic changes from the draft document transmitted to you on May 8, 2002, pursuant to Committee Rule 27(c). A "redlined" version of the document highlighting the changes is also enclosed. Investigative Subcommittee counsel are available to discuss the changes to the Statement of Alleged Violations with you or Mr. Squire or Mr. Pierre-Louis.

In the Investigative Subcommittee's letter to you dated May 8, 2002, you were advised that we were considering proceeding pursuant to Committee Rule 23(e)(2) and reducing the time periods set forth in Committee Rule 23 for you to submit an answer and/or motions if a Statement of Alleged Violations were adopted in this matter. After consideration of this issue, and after receipt of your letter of May 17, 2002, we have determined not to alter the schedule provided in Committee Rule 23; this determination should not, however, be taken as an indication that the Investigative Subcommittee agreed with any of the grounds set forth in your May 17 letter. Accordingly, under Committee Rule 23(a)(1), you may submit an answer to the Statement of Alleged Violations within 30 days after its transmittal. Thus your answer will be due by Friday, June 21, 2002. The failure to file an answer within the time prescribed will be considered a denial of each count in the Statement of Alleged Violations. Pursuant to Committee Rule 23(a)(1), if you submit an answer, it must be in writing and under oath, and both you and any counsel representing you in this matter must sign it.

Under Committee Rule 23(b), you also have the option of filing a Motion for a Bill of Particulars within ten days of the transmittal of the Statement of Alleged Violations. Pursuant to Committee Rule 23(f), this motion must be filed by Monday, June 3, 2002, as the tenth day after transmittal falls on a Saturday (June 1). Should you file a Motion for a Bill of Particulars, you will not be required to file an answer until 20 days after the Subcommittee has replied to your motion.

In addition, under Committee Rule 23(c)(1), you may file a Motion to Dismiss within ten days of the date of transmittal of the Statement of Alleged Violations (or by no later than June 3, 2002, in accordance with Committee Rule 23(f)), or if a Motion for a Bill of Particulars has been filed, within ten days of the date of the Subcommittee's reply to the Motion for a Bill of Particulars. Pursuant to Committee Rule 23(c)(1), if you file a Motion to Dismiss, you will not be required to file an answer until 20 days after the Subcommittee has replied to the Motion to Dismiss, *unless* you have previously filed a Motion for a Bill of Particulars, in which case you will not be required to file an answer until ten days after the Subcommittee has replied to the Motion to Dismiss. We remind you that under Committee Rule 23(d), a Memorandum of Points and Authorities must accompany any motion that you file with the Subcommittee pursuant to Committee Rule 23.

We also wish to correct your characterization of the evidence the Investigative Subcommittee intends to use to prove the charges set forth in the Statement of Alleged Violations. As we specifically stated in our May 8, 2002, letter to you, those materials, furnished to you on May 3, 2002, consist of the certified trial transcript of your recent criminal trial and certified copies of the exhibits from that trial. Although in our letter we advised you of our possession of certain materials (including audio tapes) that the U.S. Department of Justice represented were furnished to the government by you in connection with your criminal prosecution, it is inaccurate for you to state, as you do in your letter of May 17, 2002, that these materials are "to be used as a part of evidence" in this ethics proceeding, or that the Committee "inten[ds] to make judgment on material not in the trial transcript." The aforementioned trial transcripts and exhibits admitted into evidence, as you know, do not include the audio tapes referenced in your letter. We have never intended, and do not intend now, to use these audio tapes to prove the charges set forth in the Statement of Alleged Violations, nor has the Investigative Subcommittee or its staff represented to you that these tapes would be so used.[1]

We further note, in response to the assertion in your letter that you have not been "'convicted' as a matter law," that your technical distinction, if such a distinction exists, is irrelevant. Although the Statement of Alleged Violations in various places notes certain offenses "for which [you were] convicted," the charges set forth in the Statement

[1] As we stated in our May 8, 2002, letter to you, and as we restate here, in the interest of full disclosure, the materials obtained by the Investigative Subcommittee from the U.S. Department of Justice are available for inspection by you during regular business hours at the office of the Committee on Standards of Official Conduct. We further note that the Investigative Subcommittee now possesses ten audio tapes, as opposed to the previously number of cited seven tapes, among the materials obtained from the U.S. Department of Justice.

of Alleged Violations are not premised on whether or not you were "convicted" as that term may be defined for certain purposes in the Federal Rules of Criminal Procedure. The charges in the Statement of Alleged Violation are based on the transcripts of and the other evidence adduced during the trial, and comprise violations of House Rules and related standards, rather than criminal statutes. Further, use of the term "convicted" to refer to the status of a respondent after a jury has returned a verdict of guilty, but before a sentence has been imposed, is consistent with relevant House and Committee precedent.

Finally, we note that at the direction of the Investigative Subcommittee, on May 20 and 21, 2002, counsel for the Investigative Subcommittee attempted without success to speak with you to clarify whether you are being represented by legal counsel in this ethics proceeding. Although you did not return any of the three telephone messages left at your office by Investigative Subcommittee counsel, Percy Squire did call Investigative Subcommittee counsel Paul Lewis on May 21, 2002. According to Mr. Squire, he and Lloyd Pierre-Louis represent you in the instant proceeding solely with respect to "jury selection," an issue you are raising before the U.S. District Court for the Northern District of Ohio in an attempt to obtain a new trial. Mr. Squire further stated in his conversation with Investigative Subcommittee counsel that you are representing yourself before the Investigative Subcommittee with respect to every other aspect of this inquiry.

The issue of "jury selection" does not, at present, appear relevant to this inquiry, although you may raise any legal issue you deem relevant in a Motion to Dismiss in response to the Statement of Alleged Violations adopted by the Investigative Subcommittee (we do not hereby indicate how the Investigative Subcommittee would rule regarding such issues). At this juncture, notwithstanding your repeated statements to the Investigative Subcommittee that you are proceeding *pro se* in this matter, we have no objection to your being represented by legal counsel with respect to that limited issue. In the event that your arrangements for legal representation in this matter change, however, the Investigative Subcommittee reserves the right to review those arrangements to determine whether they are consistent with the orderly administration of these, or any subsequent related, proceedings.

If you have any questions, please contact Investigative Subcommittee counsel at (202) 225-7103.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

Roger F. Wicker
Member
Investigative Subcommittee

John Lewis
Member
Investigative Subcommittee

Enclosures

cc: Percy Squire, Esquire
Lloyd Pierre-Louis, Esquire

U.S. House of Representatives

Committee on Standards of Official Conduct

In the Matter of Representative James A. Traficant, Jr.

May 22, 2002

Statement Of Alleged Violations

I. SUMMARY OF RELEVANT STANDARDS OF CONDUCT

At all times relevant to the violations hereafter alleged, the following provisions of law and House Rules, as summarized, are relevant:

Clause 1 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House shall conduct himself at all times in a manner that shall reflect creditably on the House."

Clause 2 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House shall adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof."

Clause 3 of the Code of Official Conduct (current House Rule 23) provides that "[a] Member . . . of the House may not receive compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress."

Clause 2 of the Code of Ethics for Government Service provides that "[a]ny person in Government service should . . . [u]phold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion."

18 U.S.C. § 201(b)(1)(A) provides, in pertinent part, that "[w]hoever . . . directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent . . . to influence any official act" shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

18 U.S.C. § 201(b)(2)(A) provides, in pertinent part, that "[w]hoever . . . being a public official or person selected to be a public official, directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity, in return for . . . being influenced in the performance of any official act" shall be fined or imprisoned, or both, asprovided in Title 18 of the United States Code.

18 U.S.C. § 201(c)(1) provides, in pertinent part, that

> Whoever . . . otherwise than as provided by law for the proper discharge of official duty—
>
> (A) directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official, former public official, or person selected to be a public official; or
>
> (B) being a public official, former public official, or person selected to be a public official, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally for or because of any official act performed or to be performed by such official or person;

shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

18 U.S.C. § 371 provides that "[i]f two or more persons conspire to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined under this title or imprisoned not more than five years, or both."

18 U.S.C. § 1503 provides, in pertinent part, that "[w]hoever . . . corruptly or by threats or force, or by any threatening letter or communication, influences, obstructs, or impedes, or endeavors to influence, obstruct, or impede, the due administration of justice, shall be punished as provided in" Title 18 of the United States Code.

26 U.S.C. § 7206 provides in pertinent part that "[a]ny person who . . . [w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter . . . shall be guilty of

a felony and" shall be fined or imprisoned, or both, as provided in Title 18 of the United States Code.

II. ALLEGED VIOLATIONS

For each of the following alleged violations, the Investigative Subcommittee has determined there is "substantial reason to believe that a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of official duties or the discharge of official responsibilities by a Member, officer, or employee of the House of Representatives has occurred." See Rule 20(e), Rules of the Committee on Standards of Official Conduct.

At all times relevant to this Statement of Alleged Violation, James A. Traficant, Jr. was a Member of the United States House of Representatives representing the 17th District of Ohio. References to Representative Traficant's farm refer to a farm located in or in the vicinity of Greenford, Ohio, operated by Representative Traficant and owned by Representative Traficant or a member or members of his family. References to Representative Traficant's convictions of a criminal offense refer to the jury verdict in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States Court for the Northern District of Ohio, Eastern Division.

Count I: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately December 1986 through approximately October 1996, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Anthony Bucci, Robert Bucci, and companies they controlled, for which Anthony Bucci, Robert Bucci, companies they controlled, and others acting at their request agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(b)(1)(A), 201(b)(2)(A), and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the

Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count II: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately April 1999 through approximately late April 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of Arthur David Sugar, Mr. Sugar's son, and companies Mr. Sugar controlled, for which Arthur David Sugar and companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value, including free labor, materials, supplies, or equipment for use at Representative Traficant's farm. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count III: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1997 through approximately March 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did perform official acts on behalf of James J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated with USAG, for which James J. Cafaro, companies he controlled, and others acting at his request, agreed to and did provide Representative Traficant with things of value. The aforementioned things of value included numerous meals, a welder, a generator, the loan or provision of

automobiles, and/or the payment for repairs, slip fees, and related expenses for Representative Traficant's boat. As part of the aforementioned course of conduct, Representative Traficant, John J. Cafaro, and others engaged in a scheme under which John J. Cafaro would use his own or company funds to purchase Representative Traficant's boat, but make it falsely appear that an employee of USAG was purchasing the boat in his individual capacity. In connection with this scheme, John J. Cafaro provided the funds necessary to reimburse the employee for thousands of dollars in funds expended for boat repairs and slip fees, and gave Representative Traficant an envelope containing $13,000 in cash, representing approximately one-half of the purchase price of the boat. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C. §§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count IV: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1998 through approximately January 2000, Representative Traficant engaged in a course of conduct in which he agreed to and did employ Raymond Allen Sinclair as a member of Representative Traficant's congressional district staff, for which Raymond Allen Sinclair agreed to and did provide Representative Traficant with things of value, including (1) an agreement to rent additional office space to Representative Traficant for use as a congressional district office, and (2) the payment by Raymond Allen Sinclair of $2,500 per month of his congressional salary to Representative Traficant. Through this course of conduct – for which Representative Traficant was convicted of conspiracy to violate the federal bribery statute (*see* 18 U.S.C.

§§ 201(c) and 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count V: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately November 1998 through approximately January 2000, Representative Traficant demanded, sought, received, accepted and agreed to receive and accept $2,500 per month from the congressional salary of Raymond Allen Sinclair for or because of Representative Traficant's official acts of hiring and continuing to employ Raymond Allen Sinclair on his congressional staff and of renting and continuing to rent space used by Representative Traficant as a congressional office. Through this conduct – for which Representative Traficant was convicted of receiving an illegal gratuity in violation of the federal bribery statute (*see* 18 U.S.C. § 201(c)(1)(B)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count VI: Conduct In Violation of Clause 1 and Clause 2 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

From approximately January 21, 2000 until approximately February 29, 2000, Representative Traficant endeavored to persuade Raymond Allen Sinclair to destroy evidence and to provide false testimony and information to a federal grand jury. Through this conduct – for which Representative Traficant was convicted of violating the federal obstruction of justice statute (*see* 18 U.S.C. § 1503) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count VII: Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23).

From approximately the late 1980's until approximately early 2000, Representative Traficant engaged in a course of conduct in which he defrauded the United States of money and property (1) by soliciting and accepting payments from the salaries of congressional employees (including Raymond Allen Sinclair), which salaries were drawn from funds of the United States Treasury; (2) by directing members of his congressional staff to perform personal labor and services to maintain and repair Representative Traficant's boat, and which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries; and (3) by having members of his congressional staff perform personal labor and services at Representative Traficant's farm, which personal labor and services were performed by members of his congressional staff for no compensation other than their congressional salaries, and which labor and services included baling hay, running and repairing farm equipment, maintaining and repairing structures on the farm, building a horse corral, converting a corn crib to another use, electrical repair, or plumbing repair. Through this conduct – for which Representative Traficant was convicted of conspiracy

to defraud the United States (*see* 18 U.S.C. § 371) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); and (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official Conduct (current House Rule 23).

Count VIII: Conduct In Violation of Clause 1 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

On approximately April 15, 1999, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife for the calendar year 1998, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was substantially in excess of the reported amount of $138,985. Through this conduct – for which Representative Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count IX: Conduct In Violation of Clause 1 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

On approximately October 16, 2000, Representative Traficant made and subscribed a joint U.S. Individual Income Tax Return, Form 1040 on behalf of himself

and his wife for the calendar year 1999, which income tax return was verified by a written declaration by Representative Traficant that was made under the penalties of perjury, and was filed with the Internal Revenue Service. Representative Traficant did not believe the aforementioned income tax return to be true and correct as to every material matter in that he knew and believed that the true and correct amount of his and his wife's total income was substantially in excess of the reported amount of $140,163. Through this conduct – for which Representative Traficant was convicted of filing a false tax return (*see* 26 U.S.C. § 7206(1)) – Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); and (2) acted to evade the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

Count X: Continuing Pattern and Practice of Conduct In Violation of Clause 1, Clause 2, and Clause 3 of the Code of Official Conduct (current House Rule 23), and Clause 2 of the Code of Ethics for Government Service.

Representative Traficant engaged in a continuing pattern and practice of official misconduct, through which he misused his office for personal gain, and which comprised the following instances of conduct, or any combination thereof: the instances of conduct alleged in each of Counts I, II, III, IV, V and VII, above, separately and inclusive; and/or the course of conduct, during approximately 1990 through approximately 1998, in which Representative Traficant agreed to and did perform official acts on behalf of Pete Bucheit, for which Bernard "Pete" Bucheit and companies he controlled agreed to and did provide Representative Traficant with things of value, including free labor and materials for use at Representative Traficant's farm. Through this continuing pattern and practice of misconduct Representative Traficant (1) acted in a manner that did not reflect creditably on the House of Representatives in violation of Clause 1 of the Code of Official Conduct (current House Rule 23); (2) failed to adhere to the spirit and letter of the Rules of the House in violation of Clause 2 of the Code of Official Conduct (current House Rule 23); (3) received compensation and permitted compensation to accrue to his beneficial interest, the receipt of which occurred by virtue of influence improperly exerted from his position in Congress in violation of Clause 3 of the Code of Official

Conduct (current House Rule 23); and (4) failed to uphold the laws and legal regulations of the United States in violation of Clause 2 of the Code of Ethics for Government Service.

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5849

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

May 31, 2002

VIA FACSIMILE
Paul M. Lewis, Esq.
U.S. House of Representatives
Committee on Standards of Official Conduct
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Attorney Lewis,

This letter is to inform you that I have engaged Messrs. Squire and Pierre-Louis, et. al., as co-counsel in the above named action pending before the Committee. These counselors will assist with not only the Jury Selection and Service Act matter, but also all salient legal issues relevant in my appeal.

Pursuant to House Rules, I prefer all communications regarding this matter be in writing.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/llp

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

06/03/02 MON 16:14 FAX

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

June 3, 2002

VIA FACSIMILE
The Honorable Doc Hastings
Committee on Standards of Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings,

In response to the Subcommittee's letter dated May 22, 2002 outlining the Statement of Alleged Violations and in accordance with the Committee Rules, I am hereby transmitting a Motion for Bill of Particulars pursuant Committee Rule 23(b).

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

MOTION FOR A BILL OF PARTICULARS

Respondent, James A. Traficant, Jr., *pro se*, and pursuant the Rules of the Committee on Standards of Official Conduct, Rule 23(b), hereby requests that the Subcommittee furnish the following particulars on which the Committee will rely in reference to the Statement of Alleged Violations in the above captioned matter:

COUNT I
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct)

1. Identify the alleged "official acts" that were performed by the respondent.
2. Identify all individuals and companies for which the alleged "official acts" were performed.
3. Identify the specific date the last alleged "official act" was performed.
4. Identify all alleged "things of value" that were conferred upon the respondent.
5. Identify all individuals and companies for which the alleged "things of value" were conferred.
6. Identify the specific date the last alleged "thing of value" was conferred.
7. Identify the accounting that supports any debt that the respondent owes the Bucci's.
8. Identify the debts that the Bucci's owe respondent.
9. Identify any and all plea agreements or possible plea agreements in association with the testimony provided for this count.

COUNT II
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct)

10. Identify the alleged "official acts" that were performed by the respondent.
11. Identify all individuals and companies for which the alleged "official acts" were performed.
12. Identify the specific date the last alleged "official act" was performed.
13. Identify all alleged "things of value" that were conferred upon the respondent.
14. Identify all individuals and companies for which the alleged "things of value" were conferred.

15. Identify the specific date the last alleged "thing of value" was conferred.
16. Identify where Sugar was not paid by the respondent for his services.
17. Identify all plea agreements relevant to the testimony provided in this count.
18.

COUNT III
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct)

19. Identify the alleged "official acts" that were performed by the respondent.
20. Identify all individuals and companies for which the alleged "official acts" were performed.
21. Identify all those individuals involved in the alleged "scheme" to purchase respondent's boat.
22. Identify the manner in which John J. Cafaro allegedly gave the respondent $13,000.
23. Identify the relationship between John J. Cafaro and the USAG employee involved in the alleged boat "scheme" (i.e. whether the former employee's legal fees were paid for by John J. Cafaro and whether John J. Cafaro continues to maintain this former employee on an insurance plan, although the employee is no longer employed by USAG.)
24. Identify whether John J. Cafaro produced a demand note, with regard to the purchase of the boat, for the employee to sign.
25. Identify whether the employee was in fact entitled to the monies he received from John J. Cafaro.
26. Identify whether the Ethics Committee was contacted with regard to the purchase of the boat.
27. Identify how the welder and generator were part of the illegal scheme.
28. Identify who is in possession of the welder.
29. Identify any and all plea agreements associated with the testimony in this count.
30. Identify whether John J. Cafaro has previously presented perjured testimony in a federal trial to avoid punishment.

COUNT IV & COUNT V
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct)

31. Identify the location of the congressional office space that the respondent rented from Raymond Allen Sinclair.
32. Identify the name of the company from which the congressional office space was rented and their principles.
33. Identify the monthly cost to the respondent for the rental of the congressional office space.
34. Identify the manner in which Raymond Allen Sinclair gave the alleged $2500 a month to the respondent.
35. Identify what action(s) the government and/or House of Representatives have taken against Raymond Allen Sinclair for this alleged conduct.
36. Identify any/all suspensions of Raymond Allen Sinclair for which he was subject to loss of his law license.
37. Identify whether Raymond Allen Sinclair had previously provided information to any federal agents that are contradictory to the testimony provided at trial in this matter.
38. Identify any and all plea agreements associated with the testimony provided in this count.
39. Identify all physical evidence confirmed through forensic investigation and testing corroborating the testimony in this count.
40. Identify whether Raymond Allen Sinclair made any large purchases/investments during the years 1998-2001.

COUNT VI
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct and Clause 2 of the Code of Ethics for Government Service)

41. Identify all "evidence" that the respondent allegedly persuaded Raymond Allen Sinclair to destroy.

42. Identify the manner in which the respondent allegedly persuaded Raymond Allen Sinclair to destroy "evidence."
43. Identify all "false testimony and information" that the respondent allegedly persuaded Raymond Allen Sinclair to provide to the federal grand jury.
44. Identify the manner in which the respondent allegedly persuaded Raymond Allen Sinclair to provide "false testimony and information" to the federal grand jury.
45. Identify whether Raymond Allen Sinclair had previously provided information to any federal agents that are contradictory to the testimony provided at trial in this matter.
46. Identify any and all plea agreements associated with the testimony provided in this count.
47. Identify whether Raymond Allen Sinclair was comprised to provide perjured testimony to avoid investigation/prosecution for illegal acts not associated with the respondent.

COUNT VII
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct)

48. Identify all congressional staff members from which the respondent allegedly received payments from their congressional salaries.
49. Identify all congressional staff members which allegedly performed "personal labor and services" for the respondent with regard to his boat.
50. Identify all congressional staff members which allegedly performed "personal labor and services" for the respondent with regard to his farm.
51. Identify whether the congressional staff members were working during hours in which they were to be conducting congressional business.
52. Identify whether the congressional staff received *any* benefit for allegedly performing "personal labor and services" for the respondent.
53. Identify the manner and means in which the congressional members were allegedly solicited to perform "personal labor and services" for the respondent.

54. Identify whether any of the congressional staff members were comprised to provide perjured testimony to avoid investigation/prosecution for illegal acts not associated with the respondent.

COUNT VIII & IX
(Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct and Clause 2 of the Code of Ethics for Government Services)

55. Identify any and all corroborating evidence to support that the respondent did not believe that the tax returns for 1998 and 1999 were true and correct to every material matter.
56. Identify any and all corroborating evidence to support that the respondent believed that the true and correct amount of his and his wife's total income was substantially in excess of the reported amounts for tax returns for 1998 and 1999.
57. Identify any and all agents who provided testimony in these counts.

COUNT X
((Conduct in violation of Clause 1, Clause 2 and Clause 3 of the Code of Official Conduct and Clause 2 of the Code of Ethics for Government Services)

58. Identify any and all physical evidence associated with any or all of the counts.
59. Identify any and all testimony that is corroborated by physical evidence.
60. Identify any and all evidence that exceeds circumstantial evidence in the 10 counts.
61. Identify any and all physical evidence that was affirmed by forensic testing.
62. Identify any and all evidence, beyond circumstantial that supports a conspiracy charge.
63. Identify any and all wiretaps, authorizations for audio or video evidence or any permission to infringe upon the respondent's right to privacy that would corroborate any or all of the charges.
64. Identify any and all federal agents associated with the investigation of this charge and their testimony of their investigation.

65. Identify all principles with immunity and/or placed in protective custody to solicit their testimony.
66. Identify any of the counts that would not be relevant under the statute of limitations if not supported by a RICO charge.
67. Identify why the charges of the murder-for-hire scheme and the $100,000 barn favor, which became nationally known, were not included as part of the conspiracy charge.

WHEREFORE, the respondent respectfully requests that the Subcommittee grant the Motion For Bill of Particulars.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

MEMORANDUM IN SUPPORT OF MOTION FOR BILL OF PARTICULARS

Although the Federal Rules of Criminal Procedure are not applicable in matters before the U.S. House of Representatives, the foregoing Motion For Bill Of Particulars was drafted using FRCP Rule 7, as well as the Fifth and Sixth Amendments to the United States Constitution, as guidelines.

The purpose of a bill of particulars is to describe to the respondent that nature of the charges, insofar as it is made certain that he: (1) understands the charges, (2) can prepare a defense, (3) can avoid prejudicial surprise [at trial], and (4) can be protected against the possibility against [retrial] for the same offense. United States v. Butler, 822 F.2d 1191 (D.C. Cir. 1987). The information sought by the respondent is necessary in the preparation of his defense for consideration by the Committee on Official Standards of Conduct and possibly before the U.S. House of Representatives.

The Subcommittee cannot assert that the respondent knew of the particulars demanded, for these matters have not been resolved by a majority of the Members of the U.S. House of Representatives. Additionally, the bill of particulars focus is on the facts *alleged* by the Subcommittee, not the facts as they may have occurred. United States v. Ramirez, 602 F. Supp. 783 (S.D.N.Y. 1985).

For the foregoing reasons and in the interest of justice, the respondent respectfully requests that the Subcommittee make known to him the particular facts upon which it will rely in making its and reporting its decision to the Committee.

Respectfully submitted,

James A. Traficant, Jr.
Member of Congress

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

June 4, 2002

By Overnight and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, Ohio 44406

Re: In the Matter of Representative James A. Traficant, Jr.

Dear Representative Traficant:

Pursuant to Rule 23(b) of the Rules of the Committee on Standards of Official Conduct ("Committee"), the Investigative Subcommittee responds to your Motion for a Bill of Particulars ("Motion") and related Memorandum in Support of Motion for Bill of Particulars ("Memorandum"), which the Investigative Subcommittee received by fax on June 3, 2002.

In the Motion, you assert the "purpose of a bill of particulars is to describe to the respondent" the "nature of the charges, insofar as it is made certain that he: (1) understands the charges, (2) can prepare a defense, (3) can avoid prejudicial surprise [at trial], and (4) can be protected against the possibility against [retrial] for the same offense." (insertions in original)(citation omitted). In addition you assert that the information sought in the Motion is necessary to prepare your defense before the Committee and possibly before the House of Representatives. You further assert the Motion focuses on the facts alleged by the Investigative Subcommittee, not the facts "as they may have occurred."(citation omitted) Finally, the Motion concludes that for these reasons and in the interests of justice, the Investigative Subcommittee must identify the particular facts upon which it will rely in making and reporting its decision to the Committee.

The Investigative Subcommittee has carefully reviewed your Motion and supporting Memorandum. As specified below, the motion is hereby granted in part and denied in part. Additional information provided pursuant to the partial granting of this motion is found in Attachment A. All particulars denied are not relevant to this Motion or beyond the scope of a Bill of Particulars. The Committee has previously stated that pursuant to a Bill of Particulars the Committee is not required to reveal the details of its evidence or its proof. In the Matter of Representative Charles H. Wilson, H. Rep. No. 96-930, 96th Cong., 2d Sess., 65-67 (1980). In Wilson, Committee Counsel stated, "the object of a bill of particulars is the disclosure of facts necessary to permit preparation of a defense, not the legal reasoning upon which the prosecution intends to base its case." In Wilson, the Committee also determined that conclusions of law or legal theories are not a proper subject for such a motion. Wilson at 65, 67. Committee Counsel stated, "[Q]uestions asking how certain conduct violated the particular standard are unquestionably aimed at other than factual information." Id. at 67. The Committee has broad discretion to grant or deny a Motion for a Bill of Particulars. Id. at 66.

With regard to your request that the Investigative Subcommittee provide certain particulars in connection with Counts I, II and III of the Statement of Alleged Violations, the Investigative Subcommittee has determined as follows:

Count I

1-5.	Granted.
6-9.	Denied.

Count II

10-15.	Granted.
16-17.	Denied.
18.	No request.

Count III

19-21.	Granted.
22-30.	Denied.

In addition, the "things of value" alleged in Count III, although not requested in the Motion, are voluntarily provided in the Attachment.

With regard to your request that the Investigative Subcommittee provide certain particulars in connection with Counts IV through X of the Statement of Alleged Violations, the Investigative Subcommittee has determined as follows:

Counts IV and V

31-33. Granted.
34-40. Denied.

Count VI

41. Granted.
42. Denied.
43. Granted.
44-47. Denied.

Count VII

48-50. Granted.
51-54. Denied.

Counts VIII and IX

55-57. Denied.

Count X

58-67. Denied

In addition, the "official acts" and "things of value" alleged in Count X with respect to Bernard "Pete" Bucheit, although not requested in the Motion, are voluntarily provided in the Attachment.

Pursuant to Committee Rule 23(c)(1), you may file a Motion to Dismiss within ten days of the Subcommittee's reply to your Motion for a Bill of Particulars. Therefore, should you desire to file a Motion to Dismiss, it must be received by the Investigative Subcommittee by Friday June 14, 2002. Under Committee Rule 23(c)(2), a Motion to

Dismiss may be made on the grounds that the Statement of Alleged Violations fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement.

If you desire to file an answer, you will be required to file it ten days after the Subcommittee has replied to the Motion to Dismiss. If you desire only to file an answer and not a Motion to Dismiss, you will be required to file it twenty days after the Subcommittee has replied to your Motion for a Bill of Particulars. Therefore, pursuant to Committee Rule 23(c)(1) and Committee Rule 23(f), should you desire to file an answer, and not a Motion to Dismiss, the answer must be received by the Subcommittee by Monday June 24, 2002. You are reminded that under Committee Rule 23(a)(1), the answer must be in writing and under oath, signed by respondent and respondent's counsel. Failure to file an answer within the time prescribed shall be considered by the Committee as a denial of each count. Under Committee Rule 23(a)(2) the answer shall contain an admission to or denial of each count set fort in the Statement of Alleged Violation and may include negative, affirmative, or alternative defenses and any supporting evidence or other relevant information.

We remind you that under Committee Rule 23(d), a Memorandum of Points and Authorities must accompany any motion that you file with the Investigative Subcommittee pursuant to Committee Rule 23

A copy of this response to your Motion for a Bill of Particulars will be sent to your co-counsel, Mr. Percy Squire. If you have any questions, please contact counsel for the Investigative Subcommittee, Paul Lewis or Ken Kellner at (202) 225-7103.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

Roger F. Wicker
Member
Investigative Subcommittee

John Lewis
Member
Investigative Subcommittee

Attachment

cc: Percy Squire, Esquire

ATTACHMENT A

Count I

1. The "official acts" performed by the respondent included all such acts for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following acts:

- A letter to warden of the federal prison facility in NC asking that Anthony Bucci be transferred to a federal prison in Pennsylvania, dated approximately November 4, 1992.
- A letter to the Director of the CCA in Youngstown to mitigate disciplinary action taken against Anthony Bucci, dated approximately March 22, 1993.
- A meeting with David Dreger complaining about Inspector Tom Williams, on approximately September 2, 1992.
- A telephone call with Inspector Tom Williams, Anthony Bucci, and Robert Bucci on approximately May 26, 1995.
- A telephone call to ODOT Director Jerry Wray regarding the Bucci brothers and their problems with Inspector Tom Williams, on approximately June 8, 1995.
- A telephone call to ODOT Director Wray complaining that ODOT rejected a bid from a Bucci company which was the lowest bid received, on approximately June 24, 1996.
- A telephone call to Wilbert Baccus, about debarment of Robert Bucci, Asphalt Specialist and possible Prime Contractors, on approximately April 8, 1993.
- A letter to Wilbert Baccus, notifying him that Anthony Bucci opposed his debarment, dated approximately April 8, 1993.
- A letter to DOT Secretary Pena on Bucci debarment issue, dated approximately May 20, 1993.
- A memorandum to DOL regarding Bucci debarment, dated approximately March 27, 1996.
- Telephone calls to Jack Buckley regarding Bucci case, approximately March 23, 1996 and April 1996.

- A telephone call to DOL investigator Jack Buckley regarding Bucci debarment, dated approximately May 8, 1996.

- A meeting with Anthony Bucci, Robert Bucci and George Buccella discussing Weathersfield Township's withholding of payment to the Bucci brothers, approximately mid-1990's.

- A meeting between Charles O'Nesti and Edward Pannutti regarding the Mahoning County paving contract for 1996, approximately September 1996.

2. Anthony R. Bucci, Robert T. Bucci, Asphalt Specialist, Inc. and Prime Contractors, Inc.

3. See Response 1, above.

4. The "things of value" provided to the respondent by Anthony R. Bucci, Robert T. Bucci, Asphalt Specialist, Inc. and Prime Contractors, Inc. included all such things for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following things:

   - Forgiveness of an approximately $10,000-$12,000 debt owed by Representative Traficant in the late 1980's.

   - Between approximately 1995 and 1996 an employee of a Bucci company drove a tractor, helped install a sub-floor in barn, installed fence posts, constructed a horse stall, helped fix roofing, provided landscaping work, and baled hay at Representative Traficant's farm.

   - Individuals delivered approximately 30 loads of sawdust to Representative Traficant's farm for horse bedding between approximately 1995 and 1996.

   - An employee of a Bucci company re-graded the drainage on a stallion barn and re-supported the foundation to the barn at Representative Traficant's farm between approximately 1995 and 1996.

   - An employee of a Bucci company re-slagged a driveway and slagged in the back of Representative Traficant's farm between approximately 1995 and 1996.

   - An employee of a Bucci company hauled away stumps and garbage from Representative Traficant's farm between approximately 1995 and 1996.

- An employee of a Bucci company re-graded and reshaped roads on Representative Traficant's farm between approximately 1995 and 1996.

- Provided Representative Traficant a riding lawn mower between approximately 1995 and 1996.

- Purchased and hauled approximately 300 tons of slag to the farm. Put some of the slag in an outdoor riding arena at Representative Traficant's farm between approximately 1995 and 1996.

- Loaned a Ford pickup truck to Representative Traficant between approximately 1995 and 1996.

- During the mid-1990's the Bucci brothers also provided the following items and services to Representative Traficant:

  - Fill dirt and manufactured sand.

  - Hauled debris and removed garbage.

  - Delivered sawdust for horse bedding over a period of time.

  - Delivered oats to the farm.

  - Corrected a drainage problem with a driveway by adding more slag and re-grading it.

  - Used hay wagons from Dan Bucci's farm when he baled hay.

- Merrill Whippo baled hay and hauled heavy equipment to Representative Traficant's farm on four or five occasions during the 1990's, including any or all of the following:

  - Hauled a bulldozer out to the farm once.

  - Hauled a backhoe to the farm.

  - Hauled at least three loads of slag to the farm.

  - Worked with his sons baling hay for Representative Traficant once.

- James Razazzine delivered sawdust to Representative Traficant's farm on four or five occasions during the mid-1990's.

- Tim Walsh was directed by Tony Bucci to help Representative Traficant and made three or four trips to the farm to dump sawdust and several other trips to haul away debris in early 1990's.

- Bruce Pierce performed work on the farm for about three days and traveled to Columbus to pick up a horse for Representative Traficant during the early 1990's.

- Donald Burkey spent about a day and half at the farm during the early 1990's running the bulldozer and leveling off the gravel and pushed off topsoil and leveled the area around the horse arena.

5. James A. Traficant, Jr. We read this particular as asking to whom the "things of value" were conferred.

6. See Response 4, above.

Count II

10. The "official acts" performed by the respondent included all such acts for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following acts:

    - A letter to Judge Spahr of the Licking County Court of Common Pleas, dated approximately July 6, 1999.

    - Two telephone calls to the Director of the Youngstown Community Corrections Association, approximately 1999.

    - A letter to the Youngstown Community Corrections Association, dated approximately July 15, 1999.

11. Arthur David Sugar, Sr., Arthur David Sugar, Jr. and Honey Creek Contracting Company, Inc.

12. See response10, above.

13. The "things of value" provided to the respondent by Arthur David Sugar, Sr., Arthur David Sugar, Jr. and Honey Creek Contracting Company, Inc. included all such things for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following things:

- Arthur David Sugar, Sr. provided about $10,000-12,000 work at Representative Traficant's farm between approximately April 1999 and approximately April 2000. This work included:
    - Drainage repairs and cutting the swell of his field so the hay would not be wet.
    - Cleaned out a ditch and moved trees.
    - Cut a road between a field and trees.
    - Hauled stone from a quarry. Spread the stone.
    - Put in drainage pipes and constructed a new road. Put in 12 inch and 15 inch culvert pipes.
    - Fixed several roads.
    - Constructed a road around a barn.
    - Grading in front of the barn.
    - Prepared an area for a manure pit.

14. James A. Traficant, Jr. We read this particular as asking to whom the "things of value" were conferred.

Count III

19. The "official acts" performed by the respondent included all such acts for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following acts:
    - Fax from Paul Marcone to Detore, dated approximately March 26, 1998.
    - Fax from Paul Marcone to USAG and attached news release (dated approximately April 14, 1998), dated approximately April 17, 1998.
    - News release dated approximately June 18, 1998.
    - Fax from Paul Marcone to Richard Detore and attached news release, dated approximately August 4, 1998.

- Fax from Paul Marcone to Richard Detore and attached letter to FAA Administrator Jane Garvey, dated approximately November 4, 1998.

- Fax from Paul Marcone to Richard Detore and attached draft letter to FAA Administrator Jane Garvey, dated approximately January 21, 1999.

- Demonstration for FAA Adminstrator Garvey, approximately May 4, 1999.

- Arranged meeting in congressional office between Detore and FAA official, approximately spring 1998.

- Arranged and participated in meeting between representatives of USAG and the FAA, approximately September 29, 1999.

- Fax from Paul Marcone to Richard Detore, dated approximately October 28, 1999.

- Demonstration for Representative John Duncan, between approximately 1998 and 1999.

- Testimony before Aviation Subcommittee of Committee on Transportation and Infrastructure, approximately 1998 or 1999.

- Obtained appropriation for approximately $1.3 million, approximately 1998 or 1999.

20. James J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated USAG.

21. John J. Cafaro, Albert Lange, Jr., Richard Detore and/or the respondent.

22. In addition, the "things of value" provided to respondent, although not requested in the Motion, are voluntarily provided in this Attachment. The "things of value" provided to the respondent by James J. Cafaro, U.S. Aerospace Group, LLC ("USAG"), and/or other persons or entities affiliated USAG, included all such things for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following things:

    - USAG funds used to pay for approximately 31 meetings between Representative Traficant, Richard Detore and/or others at the Taverna restaurant in Washington, DC., between approximately April 1998 and approximately December 1999. See Government Exhibit 8-62(1)-(2) provided to the respondent on May 3, 2002.

- Offered Representative Traficant a cashier's check for approximately $26,948.18, approximately July 28, 1998.

- Provided approximately $26,000 in repairs, slip fees and other expenses for Representative Traficant's boat, between approximately July 1998 and January 2000.

- Gave Representative Traficant approximately $13,000 in cash, approximately November 14, 1998.

- Purchased a generator and delivered it to Representative Traficant, approximately April 1999.

- Purchased and deliver a welder to Representative Traficant, approximately April or May, 1999.

- Rented a Corvette for Representative Traficant, approximately November or December 1999.

- Loaned an four-door Avanti automobile to Representative Traficant, between approximately the late 1980's through approximately December 1999.

- Loaned a Jeep automobile to Representative Traficant, between approximately 1998 and December 1999

- Loaned an Avanti convertible to Representative Traficant, between approximately 1990 and December 1999.

Counts IV and V

31. 11 Overhill Road, Youngstown, Ohio, also identified as "11 Overhill Drive, Boardman, Ohio".

32. KAS Enterprises, Kimberly A. Sinclair, and/or R. Allen Sinclair.

33. The government paid a monthly rent of approximately $656.00 a month.

Count VI

41. See Government Exhibits 1-1(1)-(17), provided to the respondent on May 3, 2002.

43. See Government Exhibits 1-2, 1-5(1)-(2), 1-6 and 1-7, provided to the respondent on May 3, 2002.

Count VII

48. R. Allen Sinclair, Henry DiBlasio, and/or Charles O'Nesti.

49. All congressional staff identified at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following individuals: Christopher Whitehead, West Richards, Richard Rovnak, Anthony Traficanti, Charles McCradden, and/or Daniel Blair.

50. All congressional staff identified at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following individuals: George Buccella, Richard Rovnak, and/or Anthony Traficanti.

Count X

Count X includes all of the instances of conduct alleged in Counts I, II, III, IV, V and VII above, separately and inclusively' and/or the "official acts" provided by the respondent to Bernard "Pete" Bucheit and the "things of value" provided to respondent by Bernard "Pete" Bucheit.

Although not requested in the Motion, the "official acts" and/or "things of value" involving Bernard "Pete" Bucheit are voluntarily provided. The "official acts" provided by the respondent to Bernard "Pete Bucheit included all such acts for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following acts:

- Letter from Representative Traficant to Secretary of State James Baker, dated approximately March 19, 1990.

- Letter from Representative Traficant to the Ambassador of Saudi Arabia, dated approximately June 8, 1990.

- Letter from Representative Traficant to Mary Helen Carlson, U.S. Department of State, Legal Claims, dated approximately June 18, 1990.

- Letter from Representative Traficant to Mary Helen Carlson, U.S. Department of State, Legal Claims, dated approximately September 10, 1990.

- Letter from Representative Traficant to the Saudi Ambassador, dated approximately September 26, 1990.

- Letter from Representative Traficant to David Mack, Deputy Assistant Secretary of State for Near Eastern Affairs, dated approximately October 18, 1990.

- Letter from Representative Traficant to Charles Friedman, U.S. Ambassador to Saudi Arabia, dated approximately January 8, 1991.

- Letter from Representative Traficant to Alan Weiner, U.S. Department of State, Office of International Claims, dated approximately January 18, 1991.

- Letter from Representative Traficant to Salah Rajhy, First Secretary, Embassy of Saudi Arabia, dated approximately March 20, 1991.

- Letter from Representative Traficant to Salah Rajhy, dated approximately April 22, 1991.

- Letter from Representative Traficant to Secretary of State James Baker, dated approximately July 16, 1991.

- Letter from Representative Traficant to Salah Rajhy, dated approximately July 16, 1991.

- Letter from Representative Traficant to Ambassador Bandar, dated approximately July 23, 1991.

- Letter from Representative Traficant to Secretary of State James Baker, dated approximately September 27, 1991.

- Letter from Representative Traficant to King Faud of Saudi Arabia, dated approximately October 31, 1991.

- Letter from Representative Traficant to Eugene McAllister, Assistant Secretary of State for Economic and Business Affairs, dated approximately August 19, 1992.

- Letter from Representative Traficant to Vice President Al Gore, dated approximately May 22, 1997.

- Letter from Representative Traficant to Vice President Gore, dated approximately June 17, 1997.

- Letter from Representative Traficant to Vice President Gore, dated approximately January 20, 1998.

- Letter from Representative Traficant to Secretary of State Madeleine Albright, dated approximately February 9, 1998.

- Briefing memorandum and letter, dated approximately July 16, 1998.

- Letter from Representative Traficant to Ryan Crocker, U.S. Ambassador to Kuwait, dated approximately August 1, 1997.

- Letter from Representative Traficant to Sabah Al-Salim Al-Sabah, Ambassador of the State of Kuwait, dated approximately November 17, 1997.

The "things of value" provided by Bernard "Pete" Bucheit, included all such things for which testimony and/or evidence was adduced at trial in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States District Court for the Northern District of Ohio, Eastern Division, including but not limited to, any or all of the following things:

- David Manevich did the following work, worth approximately $27,000 at Representative Traficant's farm between approximately April and October 1993, including any or all of the following:

  - Put posts under the deck.

  - Fixed the door to the cellar under the deck.

  - Added two-by-two spindles to the railing on the deck.

  - Enclosed a portion of the deck that had a two-story roof above it. Added sliding glass doors or picture windows, drywall, electrical and siding.

  - Built a privacy fence in another area of the farm.

  - Built a gazebo in another area of the farm.

- Thomas Passewitz did several thousand dollars worth of electrical work at Representative Traficant's farm, during approximately the summer and fall of 1993, including any or all of the following:

  - Wiring.

  - Put up light fixtures.

  - Put in some breakers in the basement. Replaced the entire breaker panel.

  - A continuing agreement by Bernard "Pete" Bucheit not to bill Representative Traficant for the above work.

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: INVESTIGATIONS AND OVERSIGHT
AVIATION

Congress of the United States
House of Representatives
Washington, DC 20515–3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

June 14, 2002

VIA FACSIMILE/HAND DELIVERY
Chairman Doc Hastings
U.S. House of Representatives
Committee on Standards of Official Conduct
Investigative Subcommittee
Washington, DC 20515-6328

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hastings,

In accordance with Committee Rules 23(c)(1) and (2), as well as Rule 23(d), please find the attached Motion to Dismiss and supporting documentation regarding the above referenced matter.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

MOTION TO DISMISS
THE STATEMENT OF ALLEGED VIOLATIONS

Respondent, James A. Traficant, Jr., *pro se*, and pursuant the Committee on Standards of Official Conduct (hereinafter "Committee") Rules 23(c)(1) and (2) requests that the Subcommittee dismiss the Statement of Alleged Violations In the Matter of Representative James A. Traficant, Jr.

In accordance with Rule 23(d) the following Memorandum of Points and Authorities are provided in support of Respondent's Motion to Dismiss.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

MEMORANDUM OF POINTS AND AUTHORITIES
IN SUPPORT OF REPSONDENT'S MOTION TO DISMISS
THE STATEMENT OF ALLEGED VIOLATIONS

I. Subcommittee's failure to state facts that support a claim with regard to their Response to Respondent's Motion for Bill of Particulars and untimely claims.

Committee Rule 19(d) states:

> An inquiry shall not be undertaken regarding any alleged violation that occurred before the third previous Congress *unless* a majority of the Committee determines that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

COUNT I

The Subcommittee has brought this inquiry in violation of Rule 19(d), where the alleged acts are alleged to have occurred prior to the time limit of the third previous Congress as required by the rule. In addition the Committee did not make a determination as required in Rule 19(d) that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 6 certain facts that are at the heart of the charges against the Respondent. The question asks for specific factual information specific to the act alleged.

Further the Subcommittee failed to disclose evidence supporting the charges against the Respondent in item 7. Evidentiary items are subject to inspection and scrutiny and are the very basis for the development of the facts in the case, thus under Wilson are required to be disclosed to the Respondent. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT II

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 16 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific

factual information specific to the act alleged. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT III

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 26 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks confirmation as to whether or not the Ethics Committee was contacted regarding the sale of the Boat which is at the heart of the allegation. This factual item goes specifically to motive and intent as well as to the willingness of the Respondent to comply with rules thereby eliminating the possibility of any Ethics Violation. The question asks for specific factual information specific to the act alleged. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT IV

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 34 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT V

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 34 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT VI

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 42 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of Particulars specifically requested in item 44 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT VII

The Subcommittee has brought this inquiry in violation of Rule 19(d), where the alleged acts are alleged to have occurred prior to the time limit of the third previous Congress as required by the rule. In addition the Committee did not make a determination as required in Rule 19(d) that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 51 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Moreover, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of Particulars specifically requested in item 52 certain facts that are at the heart of the charges against the Respondent, in particular the

Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Furthermore, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of Particulars specifically requested in item 53 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT VIII

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 55 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself as it relates to the Respondents belief or lack of belief that the filing of the Tax Return was indeed factual. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of Particulars specifically requested in item 56 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information in the form of supporting evidence specific related to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT IX

The Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 55 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information specific to the act alleged and in particular to the mechanism of the alleged violation itself as it relates to the Respondents belief or lack of belief that the filing of the Tax Return was indeed factual.. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of Particulars specifically requested in item 56 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The question asks for specific factual information in the form of supporting evidence specific related to the act alleged and in particular to the mechanism of the alleged violation itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

COUNT X

In as much as this Count X relies substantially on Counts I and VII, the Subcommittee has brought this inquiry in violation of Rule 19(d), where the alleged acts are alleged to have occurred prior to the time limit of the third previous Congress as required by the rule. In addition the Committee did not make a determination as required in Rule 19(d) that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

In addition the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required In the matter of Representative Charles H. Wilson, H. Rep. No.96-930, 96th Cong., 2d Sess., 65-67 (1980). Respondents Motion for a Bill of Particulars specifically requested in item 58 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of any and all evidence of the alleged act itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Moreover, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson.

Respondents Motion for a Bill of particulars specifically requested in item 59 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Furthermore, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of particulars specifically requested in item 60 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Also, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of particulars specifically requested in item 61 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

Additionally, the Subcommittee has failed to provide the Respondent with disclosure of facts necessary to permit preparation of a defense as required under Wilson. Respondents Motion for a Bill of particulars specifically requested in item 62 certain facts that are at the heart of the charges against the Respondent, in particular the Respondents Motion seeks the specific description of the alleged act itself. The failure of the Subcommittee to do so through its denial of Respondents Motion thereby reduces or eliminates the ability of the respondent to mount a factual defense of the charges.

II. Subcommittee's unreasonable reliance on the jury verdict.

The violations alleged by the Subcommittee are based a jury verdict in United States of America v. James A. Traficant, Jr., Criminal No. 4:01CR207, in the United States Court for the Northern District of Ohio, Eastern Division.

The assertions by the Subcommittee, which were established on the aforementioned verdict, fail due to the assumption that Congressman Traficant was afforded a fair trial. The charges in this matter cannot be relied upon because of the irregularities associated with the jury selection procedure, as well as other arguments advanced by Congressman Traficant in his motion seeking a new trial. (See Respondent's Exhibit A - Motion for New Trial and Supplemental Materials)

WHEREFORE, for the foregoing reasons, Respondent respectfully requests that the Subcommittee grant the Motion to Dismiss the Statement of Alleged Violations.

Respectfully Submitted,

James A. Traficant, Jr.
Member of Congress

EXHIBIT A

FILED
02 JUN 12 PM 4:07
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
YOUNGSTOWN

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	:	CASE NO. 4:01CR00207
PLAINTIFF,	:	JUDGE LESLEY WELLS
vs.	:	
JAMES A. TRAFICANT, JR.,	:	
DEFENDANT.	:	

REPLY TO GOVERNMENT'S RESPONSE TO
CONGRESSMAN TRAFICANT'S SUPPLEMENTAL MEMORANDUM
IN SUPPORT OF HIS MOTION FOR NEW TRIAL

Introduction

The Response of the United States to Mr. Traficant's claim that the N.D. Ohio Jury Selection Plan unlawfully excludes persons from the Youngstown Division is deficient on both evidentiary and procedural grounds. The most glaring fallacy in the Response of the United States is its failure to address in any manner whatsoever the Plan's lack of compliance with its own terms. Specifically, the Plan states in pertinent part:

H. METHOD AND MANNER OF RANDON SELECTION

1. At the clerk's option, and after consultation with the Chief Judge, the selection of names from a complete source list database n electronic media for the master jury when may be accomplished by a purely randomized process through A properly programmed electronic data processing system. Similarly, at the option of the clerk and after consultation with the court, a properly programmed electronic data processing system for pure randomized selection may be used to select names from the mater wheel for the purpose of summoning persons to serve as grand or petit jurors. Such random selections of names from the source list for inclusion in the master wheel by data computer personnel must insure that each county within the jury division is substantially proportionally represented in the master jury when in accordance with 28 USC Sec 1863(b)(3). The selections of names from the source list and the master wheel, and the qualified wheel must also insure that the mathematical odds of any single name being picked are substantially equal. (emphasis added.)

The Government has asserted four counterarguments to Mr. Traficant's jury challenge: 1) that Mr. Traficant's jury selection challenge is untimely; 2) that Mr. Traficant is merely restarting arguments that persons from the 17th Congressional District should have been included in the jury pool; 3) that persons from a particular geographic area are not a protected class under the Jury Selection and Service Act ("JSSA"), and the Fifth and Sixth Amendments; and 4) that the expert opinion submitted by Dr. Deborah Wasserman is based upon incorrect assumptions. This Reply addresses each of the arguments of the United States. Moreover, this Reply reiterates Mr. Traficant's request for an evidentiary hearing and oral argument to fully develop the record concerning the unlawfulness of the N.D. Ohio Plan.

I. Congressman Traficant's challenges to the Plan are not untimely.

Congressman Traficant is challenging the N.D. Ohio Plan's failure to generate substantial equality in the likelihood of selection among the various jury divisions. This inequality constitutes both a violation of the JSSA and the Fifth and Sixth Amendments. It is well settled that a Fifth and Sixth Amendment challenge, as in this case, may be raised at the post-trial stage. See, *Ford v. Seabold*, 841 F.2d 677 (6th Cir. 1988). Accordingly, the Government's timeliness argument is inapposite and of no moment.

The United States contends that Mr. Traficant's challenge was untimely for the reason it was raised subsequent to the Court's motion deadline. This argument ignores the statutorily established timeframe for challenges under the Jury Selection and Service Act and well established precedence for asserting jury selection challenges under the Sixth Amendment.

The JSSA provides at 28 U.S.C. § 1867(a) as follows:

> In criminal cases before the voir dire examination begins, or within seven days after the defendant discovered or could have discovered by the exercise of diligence, the ground therefore, whichever is earlier, the defendant may move to dismiss the indictment or stay the proceedings against him on the ground of substantial failure to comply with the provisions of this title in selecting the grand or petit jury.

Voir dire examination began in this action on February 5, 2002. Mr. Traficant's challenge was clearly raised prior to this date. To the extent that the Government contends the Court's motion deadline alters the timeframe for challenge established by the JSSA, the JSSA timeframe must control.

It is axiomatic that a court may not by order alter a statutorily prescribed timeframe for challenge. Aside from the obvious erroneous basis of the argument that the Court's motion deadline established the time for jury selection challenges, it is well established that where, as here, a jury selection challenge rises to Constitutional dimensions, the JSSA does not prescribe

or limit the timeframe for challenge. In point of fact, "Subsection (e) of § 1867 of the Jury Selection and Service Act contains the following provision: 'Nothing in this section shall preclude any person or the United States from pursuing any other remedy, civil or criminal, which may be available for the vindication or enforcement of any law prohibiting discrimination on account of race, color, religion, sex, national origin or economic status in the selection of persons for services on grand or petit juries." *United States v. DeAlba-Conrado* 481 F.2d 1266, 1269 (5th Cir. 1973). The Court in *DeAlba-Conrado* held "when a defendant's motion raises sufficient constitutional implications asserting that a jury selection plan systematically and arbitrarily excludes a cognizable class from jury service, and that such a procedure defeated a fair possibility for obtaining a representative cross-section of the community, then a district court should grant him a new trial."

Assuming *arguendo*, however, that Congressman Traficant's arguments under the JSSA are untimely, his motion for a new trial due to violations of his Fifth and Sixth Amendment rights survive this procedural hurdle as a matter of law. E.G., *United States v. Jackman*, 46 F.3d 1240 (2nd Cir. 1995). In *Jackman*, the defendant objected to the jury plan after discovery that his venire contained one (1) African-American and no Hispanics. *Id.* at 1249 (J. Walker dissenting). After orally objecting, *Jackman* filed a written motion within seven (7) days of discovering the Plan's violations raising claims under the JSSA, the Fifth Amendment and the Sixth Amendment. *Id.* While his oral motion was timely, it did not contain a sworn statement of facts which, if true, would constitute a violation of the JSSA pursuant to 28 U.S.C.A. § 1867(d). *Id.* And although *Jackman's* written motion contained a sworn statement of noncompliance with the JSSA, the written motion was untimely. *Id.* at 1249-50. Despite the procedural defects of *Jackman's* JSSA claim, the Second Circuit determined that his Fifth and Sixth Amendment

claims not only survived, but warranted the Court's review of the juror selection plan at issue. *Id.* at 1244.

This case presents a striking procedural similarity to *Jackman*. Congressman Traficant, acting *pro se*, objected to the jury and juror selection plan on numerous occasions prior to trial, which the Court overruled. Congressman Traficant then renewed his objections after the jury's guilty verdict in a motion for a new trial containing a sworn statement of facts which, if true, would constitute a violation of the JSSA, the Fifth and Sixth Amendments. The defendant in *Jackman* similarly raised these same objections following the guilty verdict, and before the sentencing hearing. *Id.* at 1244. Hence, even if he is procedurally barred from the JSSA claim, the Court must still assess Mr. Traficant's Fifth and Sixth Amendment claims.

II. Congressman Traficant has challenged the systematic exclusion of Youngstown Division jurors under the Plan.

The Government has again misrepresented Mr. Traficant's argument concerning the Plan -- that he had a right to Youngstown jurors; that is not the argument. The N.D. Ohio Plan, the JSSA, and the Fifth and Sixth Amendment all preclude a procedure where a person has a substantially greater chance of being called for jury duty merely by reason of their place of residence. It is this disparity in the N.D. Ohio Plan that is being challenged here.

The new trial motion is based on the failure of the Plan to generate a cross-section of the community as required by the rule established in *United States v. Ovalle*, 136 F.3d 1092 (6th Cir. 1998). The Plan creates increased odds of selection if a citizen and potential juror resides in the Cleveland Division. This is unconstitutional according to *Ovalle*. "The customarily required showing of under-representation is one of three elements with which a litigant may establish a prima facie case of a JSSA violation. Such a prima facie case creates a presumption of intentional discrimination which may then be rebutted by the Government." *Id.* at 1099. A

litigant may demonstrate a JSSA violation with direct evidence, or with inferential assistance from statistical analysis, although such assistance is not always necessary. *Id.*

In this case, Mr. Traficant not only provided direct testimony of Dr. Wasserman, an authority on demographics, in the form of an affidavit, his motion also provides the statistical data to bolster his claim.

The issue of fair jury selection is of much greater public importance than the prosecution of Congressman Traficant. Very substantial and credible unrebutted evidence has been presented here that indicates that the Plan is flawed. The Fifth and Sixth Amendments and the JSSA require that jurors be drawn in such a manner as to include representatives of all of the geographical groups of a community. *United States v. Florence*, 456 F.2d 46, 49 (4th Cir. 1972).

III. The Government's Assertions that Persons from the Youngstown Division are Not a "Distinctive Group" Under the JSSA and Sixth Amendment Runs Afoul the US Supreme Court Case Law.

On page 9 of its response, the Government twice asserts without any legal authority cited that geographic origin is neither a "distinctive group" nor a "protected class" for purposes of JSSA and Fifth and Sixth Amendment analysis. The Government further argues that members of such groups and classes are limited to those having immutable characteristics of race, gender and ethnic origin. However, the United States Supreme Court has long recognized that federal courts cannot systematically exclude persons from designated geographic areas even decades before enactment of the JSSA. In *Thiel v. Southern Pacific Co.*, 328 U.S. 217, 220 (1946), the Supreme Court plainly stated that such exclusions are impermissible:

> The American tradition of trial by jury, considered in connection with either criminal or civil proceedings, necessarily contemplates an impartial jury drawn from a cross-section of the community. *Smith v. Texas*, 311 U.S. 128, 130; *Glasser v. United States*, 315 U.S. 60, 85. This does not mean, of course, that every jury must contain representatives of all the economic, social, religious, racial, political and *geographical groups* of the community; frequently such

> complete representation would be impossible. But it does mean that prospective jurors shall be selected by court officials without systematic and intentional exclusion of any of these groups. (emphasis added).

Thiel was a civil negligence case in which the plaintiff, who was injured when he fell off a moving train, challenged the California Federal District Court's jury selection plan, which systematically excluded prospective jurors on account of economic status. The Supreme Court determined that the systematic exclusion of working class people, whether intentional or unintentional, and whether in the civil or criminal context, required that the verdict be reversed, and the complainant be granted the relief requested based upon the selection plan's flaws. *Id.* at 223-24, 225.

The Government's Response, at page 10, correctly states that the Supreme Court has not explicitly defined the term "distinctive group" under the JSSA. As noted above, however, the Supreme Court in *Thiel* has explicitly indicated persons who are logically and properly included within the spirit of the term. Hence, the Government's short list of persons protected by the JSSA and the Fifth and Sixth Amendments actually should actually preclude discrimination on account of geographic origin, race, ethnicity, religion, sex,[1] socioeconomic class and political affiliation under the Supreme Court's guidelines. Other Federal Courts have also reorganized geographic origin as a distinctive group.

In *United States v. Osorio*, 801 F.Supp. 966 (D.Conn. 1992), the Court examined the jury selection procedures for the Hartford Jury Division and determined that the Plan violated the Sixth Amendment guarantee of a fair cross-section of the community because it excluded residents of the cities of Hartford and New Britain. The Second Circuit not only recognized this

[1] See also *Duren v. Missouri*, 439 U.S. 357 (1979) and *Taylor v. Louisiana*, 419 U.S. 522 (1975) (women may not be systematically excluded from jury service); *J.E.B. v. Alabama ex rel. T.B.*, 114 S.Ct. 1419 (1994) (men may not be systematically excluded through use of peremptories).

defect in the Plan, but also labeled it a "systematic exclusion" of its residents." *Jackman*, 46 F.3d at 1243.

At the hearing on the Plan underlying the *Jackman* appeal, the Government offered no evidence, arguing only that the defendant's venue was an isolated non-prejudicial incident. *Id.* at 1244. Similarly in this case, the Government has not offered any opposing affidavits or sworn statements of fact to rebut evidence of Congressman Traficant.

Moreover, the goals of the JSSA and the Fifth and Sixth Amendment would be subverted if a jury selection plan may lawfully systematically exclude a group of cities within a division. A city with a large ethnic or racial minority population can be unfairly discriminated against. For example, the City of Youngstown, which is heavily populated by ethnic and racial minorities, can be systematically excluded on grounds that the geographic origin discrimination is legal, while suburban residents having very small minority populations have greater opportunities to serve on juries.

IV. Congressman Traficant has Presented a Prima Facie Violation of the JSSA and Fifth and Sixth Amendment Cross-Section Requirement.[2]

A. The underrepresentation of Youngstown Division residences violates the Sixth Amendment.

To establish a prima facie violation of the fair cross-section requirement of the Sixth Amendment, the defendant must show that: 1) the group alleged to be excluded is a 'distinctive group" in the community; 2) the representation of this group in venires from which juries are selected is not fair and reasonable in relation to the number of such persons in the community; and 3) this underrepresentation is due to the systematic exclusion of the group in the jury

[2] Congressman Traficant has already presented his argument under the JSSA in his supplemental memorandum in support of his motion for a new trial are relies upon the evidence and arguments therein for the JSSA issue.

selection process. *Ford v. Seabold*, 841 F.2d 677, 681 (6th Cir. 1988) (citing *Duren*, 439 U.S. at 364.).

As demonstrated above, the Youngstown Division residents are clearly a "distinctive group,"[5] and satisfies the first prong of the test. The Congressman satisfied the second prong of the *Duren* test with the statistical factual evidence and the sworn statement of Dr. Deborah Wasserman. Dr. Wasserman opined that the statistical odds of a Youngstown Division juror being selected are 66% less than that of a Cleveland Division juror being selected.

The Government's Response fails to differentiate between the argument that Youngstown Division residents should have been included in Mr. Traficant's jury pool and the argument that the N.D. Ohio Plan systematically excludes Youngstown Division residents from the chance of selection at an unusually high rate. The latter argument is akin to a Voting Rights claim, which is also discussed later in this brief. See also Vikram David Amar, *Jury Service as Political Participation Akin to Voting*, 80 Cornell L.Rev. 203.

The Government's response to Mr. Traficant's argument concerning the unlawfulness of the Plan completely fails to rebut Dr. Wasserman's affidavit with any credible evidence or expert affidavit. The Government has presented absolutely no evidence whatsoever to rebut the sworn opinion of Dr. Deborah Wasserman that the Plan systematically excludes persons from a certain geographic area of the District from jury service. The Government's Response is totally insufficient in this respect.

By reason of the mathematical disparities discussed by Dr. Wasserman, the Plan fails to generate a cross-section of the community as required by the rule established in *United States*

[5] Even the sole dissenting judge in *Jackman* states, "...the patent, non random exclusion of Hartford and New Britain residents by the use of a defective wheen would have sufficed to prove a violation of [the JSSA], independent of the effect on the representation of racial minorities." *Jackman*, 46 F.3d 1240, 1250 (J.Walker dissent).

v. Ovalle, 136 F.3d 1092 (6th Cir. 1998). The Plan creates increased odds of selection if a citizen and potential juror resides in the Cleveland Division. This is unconstitutional according to *Ovalle*. "The customarily required showing of under-representation is one of three elements with which a litigant may establish a *prima facie* case of a JSSA violation. Such a *prima facie* case creates a presumption of intentional discrimination which may then be rebutted by the Government." *Id.* at 1099. A litigant may demonstrate a JSSA violation with direct evidence, or with inferential assistance from statistical analysis, although such assistance is not always necessary. *Id.*

In this case, Mr. Traficant not only provided direct testimony of Dr. Wasserman, an authority on demographics, in the form of an affidavit, his motion also provides the statistical data to bolster his claim.

As the only evidence produced concerning whether under the N.D. Ohio Plan the mathematical odds of any single name being selected are substantially equal, Dr. Wasserman's affidavit, establishes unequivocally that the odds of selection are substantially unequal depending on whether a person resides in the Cleveland or Youngstown Division. It is this inequality that is violative of the JSSA and the Fifth and Sixth Amendments, and the focus of the challenge here. The United States merely argues, without any evidentiary support, that contrary to Dr. Wasserman's assumption, the assignment of criminal cases among N.D. Ohio judges is unequal. In other words, the Government advances the curious argument that active judges in N.D. Ohio do not receive an equal share of criminal cases, a proposition for which the Government provides no evidence, merely argument. Moreover, the Government argues that Dr. Wasserman believed there is a single master wheel, a proposition plainly contradicted by

Dr. Wasserman's report. See Enclosure 2 to Dr. Wasserman's affidavit where she constructs a chart that states affirmatively that separate wheels exist for Cleveland, Akron and Youngstown.

Instead of providing counter affidavits or any other form of evidence to traverse Mr. Traficant's jury selection claim, the Government merely argues. The Government despite its vast resources, i.e. the Clerk's office, the juror commissioner's staff, the Justice Department, and the Federal Judicial Center has failed to produce an iota of evidence to contradict Dr. Wasserman. The Government's response is pure rhetoric.

Accordingly, given the failure of the Government to respond, the third prong of the *Duren* test is already satisfied for the reason the systematic exclusion of Youngstown district residents occurred as a result of the Jury Selection Plan.

B. The Plan violates the Fifth Amendment Equal Protection Clause.

The underrepresentation of the Youngstown Division residents unfairly discriminates against those residents and violates Congressman Traficant's Fifth Amendment guarantees under the equal protection clause. Criminal defendants may have third party standing to assert the rights of prospective jurors. *Powers v. Ohio*, 499 U.S. 400, 413-14.

The right to serve upon a jury is a fundamental right of all citizens akin to the right to vote. *Id.* at 407 ("with the exception of voting, for most citizens the honor and privilege of jury duty is their most significant opportunity to participate in the democratic process."); *see also Reynolds v. Sims*, 377 U.S. 533 (1964). Because jury service is a fundamental right, any governmental action infringing that right receives heightened scrutiny regardless of discriminatory intent.

The Plan used in Congressman Traficant's trial discriminates against Youngstown Division residents. The residents of the Youngstown Division, of which Mr. Traficant is one,

have a fundamental right to participate in this most sacred aspect of the trial system, jury service. A plan that permits reduced odds of selection as a juror for residents of an entire division, such as the Plan in this case, violates Mr. Traficant's rights guaranteed by the equal protection clause of the Fifth Amendment.

V. The Government has not Offered any Statistical or Expert Evidence to Rebut Congressman Traficant's Evidence.

The Government's response to Mr. Traficant's argument concerning the unlawfulness of the N.D. Ohio Juror Selection Plan not only misses the point, but also implicitly requests that this Court ignore the systematic under-inclusion of the Youngstown Division jurors from participating in one of the most fundamental aspects of the democratic process – jury service. The Government has presented absolutely no evidence whatsoever to rebut the sworn opinion of Dr. Deborah Wasserman that the Plan systematically excludes persons from certain geographical areas of the District from jury service. Rather, without the benefit of their own expert, drafters of the plan or even the Commissioner of Juries for the Northern District, the Government has taken aim at Dr. Wasserman's expert analysis.

In this case, there is unrebutted evidence of a 66% disparity against the Youngstown Division residents. The Government has a right to rebut Congressman Traficant's claim by demonstrating a significant interest in the procedure used. *Duren*, 439 U.S. at 367. But since the Government has failed to rebut his *prima facie* showing, the under representation of Youngstown Division residents violates Congressman Traficant's Sixth Amendment right to a fair cross-section of the community on his jury venire. See *Jackman*, 46 F.3d at 1248.

VI. Conclusion.

Mr. Traficant has established a *prima facie* case of a violation of the JSSA and Sixth Amendment. The only evidence in the record is Dr. Wasserman's uncontradicted affidavit.

Given this state of matters, further proceedings should be conducted, as recognized in cases such as *United States v. DeAlba-Conrado, supra*, to determine whether the N.D. Ohio Jury Selection Plan is lawful.

The claim here implicates more than Mr. Traficant's case. This claim goes to the integrity of the trial process in the N.D. Ohio. For this reason, an immediate evidentiary hearing and oral argument are requested. Accordingly, Mr. Traficant requests that the Court reject the arguments raised by the United States and schedule further proceedings in this action to fully develop the extent of geographical disparity now inherent in the operation of the N.D. Ohio Plan.

Respectfully submitted,

James A. Traficant, Jr.
125 Market Street
Youngstown, Ohio 44503
Telephone: (330) 743-1918
Facsimile: (330) 702-1230

And

Percy Squire (0022020)
Law Office Percy Squire Co., LLC
513 East Rich Street, Suite 101
Columbus, Ohio 43215
Telephone: (614) 224-6528
Facsimile: (614) 224-6529
Co-Counsel for Defendant

OF COUNSEL:
Lloyd Pierre-Louis (0068086)
Law Office of Lloyd Pierre-Louis
513 East Rich Street, Suite 300
Columbus, Ohio 43215
Telephone: (614) 224-6526
Facsimile: (614) 224-6529

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and forgoing Second Reply to Government's Response to Congressman Traficant's Motion for New Trial was served this 12th day of June 2002 upon the following via facsimile and Federal Express:

Craig A. Morford, Esq.
Assistant United States Attorney
600 Superior Avenue, 18th Floor
Cleveland, OH 44114
Telephone: (216) 622-3600
Facsimile: (216) 522-8354

Peggy Squire

JOEL HEFLEY, COLORADO
CHAIRMAN
DOC HASTINGS, WASHINGTON
JUDY BIGGERT, ILLINOIS
KENNY C. HULSHOF, MISSOURI
STEVEN C. LATOURETTE, OHIO

ROBERT L. WALKER,
CHIEF COUNSEL/STAFF DIRECTOR
VIRGINIA H. JOHNSON,
COUNSEL TO THE CHAIRMAN
BARI L. SCHWARTZ,
COUNSEL TO THE RANKING
MINORITY MEMBER

ONE HUNDRED SEVENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515–6328

HOWARD L. BERMAN, CALIFORNIA
RANKING MINORITY MEMBER
ED PASTOR, ARIZONA
ZOE LOFGREN, CALIFORNIA
STEPHANIE TUBBS JONES, OHIO
GENE GREEN, TEXAS

SUITE HT–2, THE CAPITOL
(202) 225–7103

June 17, 2002

By Overnight Courier and Facsimile
The Honorable James A. Traficant, Jr.
4590 Boardman-Canfield Road
Canfield, OH 44406

Re: *In the Matter of Representative James A. Traficant, Jr.*

Dear Representative Traficant:

This letter is in response to your Motion to Dismiss and related Memorandum of Points and Authorities received by the Investigative Subcommittee on June 14, 2002.

Committee Rule 23(c)(2) provides that a Motion to Dismiss "may be made on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations in the Statement." After thoroughly considering your motion and supporting memorandum, the Investigative Subcommittee has determined that each of the counts comprising the Statement of Alleged Violations (hereafter "SAV") states facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, and that the Committee has jurisdiction to consider the allegations contained in each count of the SAV. *See* Committee Rule 23(c)(2). Accordingly, on June 17, 2002, with the unanimous approval of all Members present, the Investigative Subcommittee determined to deny the Motion to Dismiss. The specific arguments made by you in support of your motion are addressed below.

Committee Rule 19(d)

With respect to Counts I and VII of the SAV, and with respect to Count X of the SAV to the extent that it incorporates conduct alleged in Counts I and VII, you argue that in purported violation of Committee Rule 19(d), "the alleged acts are alleged to have occurred prior to the time limit of the third previous Congress." Memorandum of Points and Authorities in Support of Respondent's Motion to Dismiss the Statement of Alleged Violations ("Mem.") at 1, 3, 5. Committee Rule 19(d) states that "[a]n inquiry shall not be undertaken regarding any alleged violation that occurred before the third previous Congress unless a majority of the Committee determines that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress."

As the Committee stated in its letter to you dated April 17, 2002, this Investigative Subcommittee was established pursuant to Committee Rule 19(e), which provides, in pertinent part, that "[a]n inquiry shall be undertaken by an investigative subcommittee with regard to *any felony conviction* of a Member . . . of the House of Representatives in a Federal, state, or local court." (Emphasis added.) This rule further provides that "[n]ot withstanding this provision, an inquiry may be initiated at any time prior to sentencing." Thus, by its language, Committee Rule 19(e) provides an independent jurisdictional basis for this proceeding, and it is not modified by Committee Rule 19(d). Pursuant to Committee Rule 19(e), the jurisdictional basis for this inquiry flows from your felony convictions before the United States District Court for the Northern District of Ohio. Consistent with its scope of jurisdiction, the Investigative Subcommittee did not investigate or charge any violations by you beyond the matters for which you stood trial in that court. Therefore no aspect of the SAV adopted by the Investigative Subcommittee violates Committee Rule 19(d).

To the extent that Committee Rule 19(d) may apply in this matter, we note that the felony convictions that provided the basis under Committee Rule 19(e) for the inquiry undertaken by this Subcommittee occurred during the current Congress, and not "before the third previous Congress." Further, even if Committee Rule 19(d) were applicable to an inquiry arising out of Committee Rule 19(e), as discussed below all alleged violations inquired into by this Investigative Subcommittee, and ultimately charged in the SAV, are not only properly within the Investigative Subcommittee's scope of jurisdiction, but are within the time limits of Committee Rule 19(d).

First, as made plain by the statement of jurisdiction set forth in the Committee's April 17 letter to you, the alleged violations into which this Investigative Subcommittee was tasked to undertake an inquiry included "any or all of the matters for which you recently stood trial in *United States of America v. James A. Traficant, Jr.*, Case Number 4:01CR207, in the District Court of the United States for the Northern District of Ohio, Eastern Division." These matters for which you stood trial included five conspiracy counts, inclusive of the relevant acts and circumstances constituting these counts, and specifically included the conspiracy counts cited in, and encompassing the conduct forming the basis of, Counts I and VII of the SAV and, by incorporation, of part of Count X. While some of the acts included in a conspiracy may have pre-dated the third previous Congress, each conspiracy for which you were charged and stood trial continued for years; each charged conspiracy began, or continued, into the period during or after the formation of the third previous – that is, the 104th – Congress. It is well settled as a matter of criminal law that a conspiracy always endures for a period of time, and that that period of time may last many years. *See, e.g., United States v. Hitt*, 249 F.3d 1010 (D.C. Cir. 2001) (a conspiracy lasts as long as there are overt acts committed in furtherance of the object of the conspiracy). Indeed, one of the important consequences of the fact that conspiracy is a continuing offense is that an applicable statute of limitations runs not from the formation of the conspiracy, but from its termination. *See, e.g., Fiswick v. United States*, 329 U.S. 211, 216 (1946) (statute of limitations on a conspiracy prosecution begins to run "from the last overt act during the existence of the

conspiracy"). Accordingly, since the alleged violations which the Investigative Subcommittee was charged by the Committee on Standards of Official Conduct to investigate included the multiple conspiracy offenses for which you were indicted, and the acts and circumstances constituting these conspiracies, and since each of those conspiracy offenses for which you were indicted continued during and/or after the third previous Congress, these "alleged" violations occurred during the time period set forth in Committee Rule 19(d), and were properly considered by the Investigative Subcommittee in its inquiry.

Further, as charged in the SAV adopted by this Investigative Subcommittee, each of Counts I, VII, and X (as well as every other Count in the SAV), alleges violations by you for conduct that occurred after formation of the 104th Congress (the third previous Congress to the 107th Congress). Count I of the SAV alleges "a course of conduct" by you that occurred "[f]rom approximately December 1986 through approximately October 1996," in which you "agreed to and did perform official acts on behalf of Anthony Bucci, Robert Bucci, and companies they controlled," for which they provided you with things of value. As alleged in the SAV, this course of conduct began in approximately December 1986 and continued through approximately October 1996, well after the formation of the 104th Congress. Similarly, Count VII of the SAV alleges a course of conduct through which you defrauded the United States of money and property that continued until approximately early 2000, or during the 106th Congress. The violation alleged in each of these counts is the course of conduct as a whole, i.e., the alleged violation in each case is a single continuing offense. The actions and circumstances alleged to constitute each of these continuing offenses do not themselves, as charged, form separate, or separable, alleged violations. Similarly, with respect to Count X of the SAV, each of the alleged instances of conduct constituting the continuing pattern and practice of official misconduct alleged in that count (with the exception of Count V – a substantive offense which started and ended within the last three Congresses) is a continuing offense that began in and/or continued to occur into, during or after the 104th Congress.[1] Since the SAV is in compliance with Committee Rule 19(d), your challenge based on that rule must fail.

Sufficiency of Response to Motion for a Bill of Particulars

With respect to each Count of the SAV, you argue that "the Subcommittee has failed to provide the disclosure of facts necessary to permit preparation of a defense as required," and you refer to the Investigative Subcommittee's response to your Motion for a Bill of Particulars (granted in part and denied in part by the Investigative Subcommittee on June 4, 2002). This argument is also without merit. The Investigative Subcommittee has more than amply disclosed facts to you necessary to permit preparation of your defense as to each count of the SAV. Indeed, we have already fully addressed these issues in our response to your Motion for a Bill of Particulars, and no amplification of our

[1] We note that Count X of the SAV comprises several instances of conduct, separately and inclusive, which conduct includes that alleged in each of Counts I, II, III, IV, V, and VII of the SAV. Thus, even if one or more constituent parts of Count X were to fail, this would not be determinative of the viability of that count.

response to that motion is necessary.[2] Therefore, your Motion to Dismiss on this basis is denied.

Alleged Irregularities That Occurred During Criminal Trial

With respect to the SAV in its entirety, you argue that the violations alleged by the Investigative Subcommittee "are based on a jury verdict in *United States v. James A. Traficant, Jr.*," and that this is improper "because of the irregularities associated with the jury selection procedure, as well as other arguments advanced by Congressman Traficant in his motion seeking a new trial."[3] Mem. at 6. The basis upon which you are now appealing your conviction of ten felony offenses (including "alleged irregularities with the jury selection procedure" during your criminal trial) is not relevant to this ethics proceeding. Indeed, absent from your Motion to Dismiss and supporting memorandum is any explanation of the relevance of your "jury selection" argument to this process. As we already stated to you in our letter of May 22, 2002, the charges in the SAV are not premised on whether or not you were convicted, but upon the testimony, transcripts of, and other evidence adduced during your trial. We note again that your criminal conviction is relevant to the extent that it contributed to the jurisdictional basis for this inquiry (*see* Committee Rule 19(e)); however, relevant House precedent supports a Committee inquiry arising out of a criminal conviction, notwithstanding the pendency of a legal challenge to that conviction. *See In the Matter of Michael J. Myers*, H. Rep. 96-1387 (Vol. 1), 96th Cong., 2d Sess. (Sept. 24, 1980) at 2 (Committee rejected request to stay its inquiry pending court ruling on motion challenging criminal conviction. Committee also used evidence adduced during trial as basis disciplinary proceedings.); *see also, e.g., In the Matter of Charles C. Diggs, Jr.*, H. Rep. 96-351 (Vol. I), 96th Cong., 1st Sess. (July 19, 1979) at 2, 8, 146 (Committee affirmed recommendation of its special counsel that "precedents of the Congress do not prevent the exercise of discretionary authority by the House and the Committee to proceed with an inquiry into the conduct of [the Respondent] and to pursue the inquiry to the ultimate conclusion of imposing a disciplinary sanction, notwithstanding ongoing judicial proceedings concerning [the Respondent's] conviction."). Your Motion to Dismiss on this basis is also denied.

---

[2] The Investigative Subcommittee's response to your Motion for a Bill of Particulars is incorporated by reference herein.

[3] Although your motion makes reference to "other arguments," we note that the accompanying copy of your pleading to the United States District Court for the Northern District of Ohio in support of your motion for a new trial only addresses jury selection.

Pursuant to Committee Rule 23(c)(1), your answer is due by June 27, 2002, should you choose to file an answer.

Sincerely,

Doc Hastings
Chairman
Investigative Subcommittee

Zoe Lofgren
Ranking Minority Member
Investigative Subcommittee

APPENDIX 1

STENOGRAPHIC MINUTES
Unrevised and Unedited
Not for Quotation or
Duplication

Committee Hearings

of the

U.S. HOUSE OF REPRESENTATIVES



OFFICE OF THE CLERK
Office of Official Reporters

RPTS O'ROURKE

DCMN BURRELL

ADJUDICATORY HEARING IN THE MATTER

OF REP. JAMES A. TRAFICANT, JR.

Monday, July 15, 2002

House of Representatives,

Committee on Standards

of Official Conduct,

Adjudicatory Subcommittee,

Washington, D.C.

The committee met, pursuant to call, at 10:00 a.m., in Room 2118, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Biggert, Hulshof, LaTourette, Berman, Pastor, Tubbs Jones, and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargeant, Counsel; Virginia Johnson, Counsel to the Chairman; Bari Schwartz, Counsel to Ranking Member; and Joanne White, Administrative Assistant.

The Chairman. Good morning, Mr. Traficant.

Mr. Traficant, are you ready to proceed?

Mr. Traficant. I don't know if my microphone is on.

The Chairman. Is mine on?

Mr. Traficant. I can hear you now.

The Chairman. I can hear you.

Mr. Traficant. I would like to know what the process is, and I would like to start out by making a statement that Friday, if I could --

The Chairman. You will be given an opportunity to make a statement. I will outline the process at the beginning of the hearing.

Mr. Traficant. Relative to witnesses, Mr. Chairman.

The Chairman. Mr. Lewis, Mr. Kellner, are you ready to proceed?

Mr. Lewis. Yes, we are.

The Chairman. The committee will come to order. I would like the record to show that the committee is present in its entirety except for Mr. Green. Mr. Green had a medical situation in Houston and will arrive later, but is unable to be here at the outset of the meeting, and he wanted me to express that he takes his responsibilities on this committee very seriously and sorry he can't be here this morning, but he will be here as soon as he can.

This hearing of the Adjudicatory Subcommittee of the

Committee on Standards of Official Conduct in the matter of Representative James A. Traficant, Jr., will come to order. Pursuant to rule 24 of the Rules of the Committee on Standards of Official Conduct, the Adjudicatory Subcommittee is authorized to conduct this hearing to determine whether any of the 10 counts contained in the Statement of Alleged Violations in the matter of representative James A. Traficant, Jr. adopted on June 27, 2002, have been proven by clear and convincing evidence.

On June 27, 2002 a bipartisan full member Investigative Subcommittee of the Committee on Standards of Official Conduct cochaired by Doc Hastings and Ranking Minority Member Zoe Lofgren adopted by unanimous vote a Statement of Alleged Violations in the matter of Representative James A. Traficant, Jr. Representatives Roger Wicker and John Lewis also served on the Investigative Subcommittee.

The Statement of Alleged Violations contained 10 separate counts of areas in which the Investigative Subcommittee found there is substantial reason to believe that Representative Traficant violated the Code of Official Conduct or a law, rule, regulation or other standard of conduct applicable to Mr. Traficant's performance of his official duties or the discharge of his official responsibilities as a Member of the House of Representatives.

At the adjudicatory hearing, the burden of proof rests on

committee counsel to establish the facts alleged in each count of the Statement of Alleged Violations by clear and convincing evidence. Two attorneys who are on the nonpartisan staff of the Committee on Standards assisted the Investigative Subcommittee throughout the course of its proceedings. Those attorneys, Paul Lewis and Ken Kellner, will present the evidence supporting the charges of the Statement of Alleged Violations to the Adjudicatory Subcommittee. The Adjudicatory Subcommittee will follow the procedures contained in the rules of the committee.

The order of the adjudicatory hearing will be as follows: Upon completion of my opening statement and if Mr. Berman has any opening remarks -- he has indicated he does not -- I will recognize Mr. Kellner for the committee and Mr. Traficant, who is representing himself, for any opening statements they wish to make. Each party will have 1 hour to make his opening statement.

Testimony from witnesses and other pertinent evidence will be received in the following order: Committee counsel will present their evidence. Committee counsel do not intend to call any witnesses. We estimate the committee counsel will require approximately 90 minutes to present their case. Mr. Traficant will present his witnesses and any other evidence he chooses to offer consistent with the prior rulings of the chairman and the ranking member of the Adjudicatory

Subcommittee regarding proffered witnesses. Mr. Traficant will call two witnesses at this hearing. Committee counsel will be given an opportunity to cross-examine Mr. Traficant's witnesses. Members of the subcommittee will also be given the opportunity to question witnesses under the 5-minute rule.

And I might point out, Mr. Traficant, I am unclear as to whether or not you plan to testify as a witness in this case, and at some point you need to let me know that. Committee counsel and Mr. Traficant will each be allowed 5 hours to present their case, inclusive of time allotted for opening statements and closing arguments.

After all testimony and evidence has been presented, committee counsel and Mr. Traficant will be permitted to make a closing argument. Each side will be allowed one hour for closing argument. Thereafter members of the Adjudicatory Subcommittee will be given an opportunity to question committee counsel and Representative Traficant under the 5-minute rule.

At the conclusion of the foregoing proceedings, the Adjudicatory Subcommittee will consider each count contained in the Statement of Alleged Violations and will determine by a majority vote of its members whether each count has been proved. If any one of the 10 counts in the Statement of Alleged Violations is proved, the full committee of the Committee on Standards will conduct a hearing to determine

what sanction, if any, the committee should recommend to the House of Representatives.

The allegations contained in the Statement of Alleged Violations are most serious. We take seriously our obligations to conduct these proceedings fairly, impartially, and with the dignity and decorum befitting any proceeding before the House of Representatives. This is a forum to discharge our responsibilities as set forth in the rules of this committee. The adjudicatory hearing will be conducted subject to the rules and the decorum of the House of Representatives.

All participants will be required to observe strictly and promptly all evidentiary, procedural and other rulings of the chairman of the subcommittee. All participants will be required to avoid unruly, appropriate language or behavior. I expect all parties to these proceedings to conduct themselves at all times in a manner that reflects credibility on the House of Representatives. Any breach of decorum of these guidelines by any of the participants may result in a determination by the subcommittee to close the remainder of the adjudicatory proceedings and proceed in Executive Session as permitted by rule 24(e).

Mr. Berman having no opening statement, I call on Mr. Kellner for his opening statement.

Mr. LaTourette. Mr. Chairman, before proceeding with the

opening remark I am wondering if this is an appropriate time for a parliamentary inquiry. I am in possession of a letter from the committee to Mr. Traficant of July 11 that was supplied, and I think it is in that document that the findings that you and the ranking member made relative to the admissibility, who could come as witnesses and what evidence is permitted. My question is if there is -- and I don't disagree with the witnesses but I have a couple of questions about exhibits -- do the rules permit the remainder of the subcommittee to review those decisions that you and Mr. Berman have made or not? That is my inquiry.

The Chairman. Yes, they do.

Mr. LaTourette. Further parliamentary procedure, when would be the time to do that?

The Chairman. I think it would be appropriate to do it now or after the opening statements, whichever you would prefer.

Mr. LaTourette. I am happy to do it now. Specifically, it is my understanding that the Respondent submitted a number of exhibit requests, some were permitted and some were denied. But specifically Exhibit O, which is a transcript of a taped telephone conversation between the Respondent and somebody else, and then X, Y and Z, which are either transcripts or similar telephone conversations. And my inquiry is this: I understood from previous discussions that if it was

duplicative, if it was not relevant, and I think another tape was excluded because it wasn't relevant, this exclusion is, as I understand what the Chair and the ranking member have written, is based upon the fact that the claim that the tape is not authenticated, which I assume could be done through a witness. And then, two, it looks like there is a Linda Tripp-Monica Lewinsky reference and we don't know what the law or the jurisdiction is relative to taping telephone conversations. In Ohio, at least when I had the pleasure of serving as a prosecutor there, and maybe my colleague Ms. Tubbs Jones could help me, the law was in Ohio that if one party consented to the taping of the telephone call it was appropriate. So that set of reasons for exclusion causes me to question that decision and would inquire what the procedure is to review that more formally.

The Chairman. I think you raise an interesting point and I think we should discuss this. I am going to ask that we go into Executive Session and try to discuss this and come to a conclusion on it that will be fair and appropriate for both sides. So the committee will stand in recess briefly.

[Recess.]

The Chairman. The committee will come back to order. The issue that was raised --

Mr. Traficant. Mr. Chairman, your microphone is not on, and I do have several motions to make before counsel begins

his opening statement.

The Chairman. Now the microphones are on.

Mr. Traficant. I ask to do so after I hear what your decision was on the statements made by Congressman LaTourette.

The Chairman. Congressman LaTourette, would you like to comment on the statement at this point?

Mr. LaTourette. The observations that I made, it is my understanding that the committee at an appropriate time, based upon who testifies and who doesn't testify, that we will revisit the issues relative to the issue of exhibits which the committee has notified the Respondent may not be admitted at this point given the state of the expected witnesses to testify, and so we have agreed to hold that in abeyance until that moment in time comes.

Mr. Traficant. Question. Since I made all those tapes and I am here and under Ohio law if one party is the consenting partner to that conversation, then under those terms, isn't it practicable, unlike the case in Cleveland, that I be allowed to introduce those tapes and transcripts from witnesses that are relevant to rebut the case at hand that were not allowed in Cleveland.

The Chairman. Mr. Traficant, I think at the appropriate time, when you would like to introduce those as evidence, if you would like to present them, then we will consider it at that time.

Now do you have motions you would like to make before the opening statements?

Mr. Traficant. Yes. I have four motions. First dealt with the issue at hand, that all tapes and transcripts of same that I have made and were party to and have personal knowledge of and/or others who have overheard those conversations or which were consent tapes be considered at the time of my testimony for admissibility.

The Chairman. Mr. Traficant, do you plan to testify --

Mr. Traficant. Yes, I do, and I would plan to introduce them since I made the tapes.

The Chairman. Then we will consider them at that time when you are ready to introduce them.

Mr. Traficant. Second of all, my two witnesses will not be available today. I was notified at 6:10 p.m. Friday, July 12. I checked my fax at 5:55. At 6:10 p.m. I received a fax from your committee that was time stamped 5:03 p.m. The two witnesses that you allowed, one that had previously been allowed and was denied to participate in Cleveland, Linda Kovachik was not available. The other one, Sandy Ferrante, was not in town. Neither can be here today but can be here by noon tomorrow. And I believe it would be a travesty not to have these two witnesses and, second of all, I believe the rules of the committee at least allow me a reasonable amount of time to present witnesses insofar as I believe I requested

over 30 witnesses, was allowed only Richard Detore, and I will get into that matter later.

So I ask that those witnesses be allowed to testify tomorrow afternoon. They can be here approximately noon. I cannot have them here today, and I have made every arrangement to do so, no attempt to delay. Under the circumstances and the fact that you have not allowed hardly any witnesses to rebut this hearsay circumstantial evidence in a RICO case, I believe the request I am making is very fair.

The Chairman. Mr. Traficant, you have known about the time period. We have tried to admit all the witnesses that were relevant to this particular case that weren't repetitive of the other case. So I am going to deny your request at this point but subject to rearview.

Mr. Traficant. I object to that. I would like to state for the record that these witnesses are not cumulative nor repetitive. I had nine witnesses who were voir dire outside the presence of the jury at my trial under oath who were not allowed to testify before the jury. None of these witnesses that I requested offered any testimony that was ever heard by any jury. Now, as far as Ms. Ferrante, I wasn't notified until Friday at 6:10 p.m. that she would be eligible. She was out of town and has a husband who has had two strokes since the so-called murder scheme that I was involved with that made national news. Now I think this committee can give a Member

an opportunity to bring two witnesses that were not allowed to testify relative to the issues in Cleveland, and I object to that and cite it as unfair.

The Chairman. Mr. Traficant, it will be reconsidered at the appropriate time. We are going to proceed with the case at this point, but as we get further along in the day you may have the privilege of raising this point again.

Mr. Traficant. I have two more motions. Third motion is all affidavits from witnesses that were excluded as requested, their affidavits be included in this hearing and be spread across this record for consideration in these procedures and to be reviewed, evaluated, distilled, digested by this committee for their relevance. These are all witnesses who are not able to present these salient points to a jury.

The Chairman. Mr. Traficant, do you intend to testify as to the relevance of their testimony and/or affidavits?

Mr. Traficant. I do.

The Chairman. We will reconsider that at the appropriate time as well.

Mr. Traficant. Number four, pursuant to the rules of the Committee on Standards of Official Conduct, rule 1, subparagraph (c), I hereby request the committee immediately dismiss the above captioned matter in the interest of justice, and this is my motion. The subcommittee has denied me, the Respondent, a witness through what now considers to be

unusual, if not illegal acts and has violated the civil rights of one Richard Detore, who was a part of a superseding indictment to keep him out of this process of my trial in Cleveland.

On July 5 of 2002, pursuant to the rules of the committee, I responded and applied to the committee for subpoenas in order to compel testimony in defense of myself. The committee responded by approving only one person for which approval had been sought; namely, one Richard Detore. On July 8, the committee informed Respondent that it approved the subpoena for Mr. Richard Detore. On July 11, last Thursday, the committee served Mr. Detore with the subpoena near the close of the business day for that day allowing him but one business day in which to, number one, secure counsel and, number two, prepare for a hearing that subjects that individual to jeopardy since he is facing criminal charges in a superseding indictment of the Traficant case in Cleveland.

Committee rule 27(k) states clearly witnesses shall be afforded a reasonable period of time as determined by the committee or subcommittee to prepare for an appearance before an Investigative Subcommittee or for an adjudicatory hearing and obtain counsel. One business day is not sufficient time to be considered as, quote-unquote, reasonable and as such serves to deny the witness the full protection of the law and rights as might reasonably be expected in dealing with the

committee of the House of Representatives no less, the peoples' House.

Mr. Detore subsequently contacted the committee on July 12 of this year requesting a delay in his appearance date as he was under the care of a physician and under strict orders to rest and not to travel. In addition, Mr. Detore stated he was a defendant in an upcoming criminal trial and wanted to discuss his fifth amendment rights. The committee, acting through its chief counsel, then issued threats to Mr. Detore and Mr. Detore's words regarding his being held in contempt of Congress. At some point on or about July 5 of this year and through on or about July 12, the committee contacted the Pretrial Services Division -- this committee -- of the U.S. Courts regarding Mr. Detore and disclosed information regarding his subpoena and proposed testimony as well as other relevant confidential information in violation of rules 7 and 27 parentheses (1) of our own committee rules. On July 12, 2002, pretrial services officer Kimberly Walker acting under orders of Judge Lesley Wells, Cleveland, contacted Mr. Detore's attending physician -- and I would ask the committee listen to this.

The Chairman. I am paying very close attention and I think most of the committee is as well.

Mr. Traficant. I ask that all the committee listen to it.

On July 12 of 2002, Pretrial Services Officer Kimberly Walker, acting under orders of Judge Lesley Wells, Cleveland, contacted Mr. Detore's attending physician and relayed information regarding the subpoena issued to Mr. Detore by the committee. Walker then represented that she had obtained written authorization from Mr. Detore for the release of his medical records. When asked by the physician to fax the release over for inspection, Walker could not comply. Mr. Detore has not had at any time in connection with this proceeding or his Federal Court case ever signed such a waiver. Making a false statement in this matter is a violation of 18 U.S.C. 1001; in addition, because the act is against a witness under subpoena in a proceeding before Congress, could technically constitute tampering and obstruction of justice as defined in 18 U.S.C. 1512. And I make that statement.

Following the telephone call described above and within one-half hour's time, the committee acted -- through staff member Bernadette Sargeant, contacted Mr. Detore's attending physician. Sargeant also represented that she had obtained written authorization from Mr. Detore for the release of his medical records. When asked by the physician to fax the release over for inspection, Sargeant could not comply. Mr. Detore has not at any time in connection with this proceeding or his Federal Court case ever signed again such a waiver.

Citing the first statement, making a false statement in this matter is a violation of 18 U.S.C. 1001. In addition, because the act is against a witness under subpoena in a proceeding before Congress it could constitute again tampering and obstruction.

The committee has thus probably unbeknownst to its members by fraudulent means attempted to circumvent the right of Mr. Detore to his physician-patient confidentiality. Mr. Detore's physician verified the medical situation and orders to the committee. Subsequent to the above referenced telephone calls, Mr. Detore was contacted via fax by the committee and advised the committee had made a determination that Mr. Detore would not testify without immunity.

The committee had at this point had no substantive discussions with Mr. Detore regarding his fifth amendment rights. Let me add that he never said he would invoke the fifth, he wanted to discuss his fifth amendment rights and pending a criminal trial in a superseding indictment in a Cleveland case. That is a reasonable request from any American seeking any consideration in any hearing or process.

Further, the committee in its letter falsely stated that it had not been able to confirm that he was suffering from a medical condition. This statement is an apparent violation of, again, 18 U.S.C. 1001.

The committee finally stated that it would not require

Mr. Detore to attend the hearing. It is unclear whether or not the committee met to vote on rescinding this subpoena, and I would request before it is over to know if in fact this committee did meet and did vote on rescinding that subpoena. If that is the case, the committee has performed, knowingly or unknowingly, unlawful acts and has violated its own House rules in the handling of Witness Detore.

Further, the committee has harassed Mr. Detore and has released him from testifying, effectively denying me any defense witness testimony until 6:10 p.m. this Friday -- past Friday. Additionally, the committee has ignored the civil rights of Mr. Detore and has acted in a matter so as to prejudice this case and defame his character, thus depriving him of due process in his upcoming Federal criminal trial, and I have concern for him.

Chairman Hefley, from the information I have, and I cannot corroborate this, has denied the Respondent the opportunity of making statements to the press and me making statements to the press relative to the prejudicial aspects of this matter. Chairman Hefley is quoted in July 15, 2002 edition of Roll Call as stating he will not allow the proceedings to turn into a sideshow or a circus. That is not my purpose here. I am facing probably 100 years and $3 million on a bunch of hearsay. To Utilize the term "sideshow" or "circus" in connection with the hearings is defamatory and

demeaning to Respondent at this point and prejudicial and places me in a bad light in trying to bring forward a case without witnesses to rebut hearsay evidence only that once again will be presented against me.

Another subcommittee's staff is quoted in the July 15, 2002 edition of Roll Call as stating that everybody just feels with dread. One committee aide told Roll Call this is not good for the institution. Well, it certainly isn't a walk in the park for me. This statement is prejudicial to me, is made in violation of rule 6(f) and rule 7 of our own committee rules.

In accordance with the intent and spirit of rule 7 of the committee rules, I seek immediate relief by dismissal of the Statement of Alleged Violations, and in accordance with the requirements of rule 7 of the committee rules, I respectfully request the committee immediately undertake an investigation of the breaches of the confidentiality which have violated the rights of Mr. Detore subject to jeopardy and harm in an upcoming criminal procedure and trial. In accordance with the requirements of clause 3, subsection (a) subsection (3) of rule 11 of the Rules of the House of Representatives and rule 29 of the committee rules, Respondent respectfully requests that the alleged criminal acts described therein be referred to Federal authorities for further investigation and possible prosecution.

Now, Mr. Detore has stated to me through his contacts that he never said he would invoke the fifth. He wanted to discuss the fifth. Second of all, he was contacted by Cleveland relative to personal confidential medical information that was related to him by this committee staff whom I don't know. But if that be the case they have certainly violated his rights.

So here I sit as I did in Cleveland with no witnesses and now have learned several things were not disclosed to me under Brady. And in addition, the possibility of judicial misconduct since it was reported to me that the Cafaro company did have dealings with the attorney husband of Judge Lesley Brook Wells. Attorney Clarke, husband of Judge Lesley Brook Wells is in fact a member of Squire, Sanders and Dempsey and has received remuneration from the Cafaro company, and I put it on the record.

The Chairman. I want you to get whatever you want on the record. We want you to get whatever witnesses you need to make your case that are relevant and not repetitive. But I think you are getting into an opening statement phase here. Do you make the motion that these be --

Mr. Traficant. I make the motions that the witnesses that I asked to be subpoenaed here be allowed to testify because they are not repetitive, and I want to know who made the decision they are repetitive because they never testified

in Cleveland, were not allowed to testify in Cleveland and none of my tapes were allowed to be introduced in Cleveland and none of my evidence was allowed to be introduced in Cleveland.

The Chairman. We hear your motion, Mr. Traficant. And to my knowledge, many of the statements that you made don't comply with the facts, as I understand them or know them. I am going to ask before ruling on this motion, I am going to ask that Bernadette Sargeant, the person you referred to several times and was primarily responsible for their contacts with Mr. Detore, if you would go to a microphone.

Mr. Traficant. I would ask at this point we all be placed under oath, including Mr. Walker and anybody else, Ms. Sargeant -- including your counsel.

The Chairman. Sit down, Mr. Traficant. We are not ready for the oath yet at this point. You made those statements that you just made not under oath and I want to ask Ms. Sargeant to explain. If we need to place her under oath at a later time we will, but if you go to a microphone, Ms. Sargeant.

Mr. Traficant. I would ask that they be placed under oath.

The Chairman. Mr. Traficant, if I placed you under oath for the statements you just made, I think some of those statements are false and I don't think you want to be placed

under oath.

Mr. Traficant. I am willing to be placed under oath and I am asking you to place your staff under oath relative to the communications they had with the Northern District Court of Ohio relative to Mr. Detore's physical condition, the contacts with his physician and the statements that I have alleged.

The Chairman. I want Ms. Sargeant to explain what she did and then we will go from there.

Mr. Traficant. Is she under oath?

The Chairman. She is not at this point and nor were you.

The Chairman. Would you state your name, please?

Ms. Sargeant. My name is Bernadette Sargeant, S-a -r-g-e-a-n-t.

The Chairman. And where are you employed?

Ms. Sargeant. I am employed with the Committee on Standards of Official Conduct in the counsel's office. My title is Counsel.

The Chairman. And describe your duties in that office.

Ms. Sargeant. In that office I both provide advice and education for its members and employees and their staff, and I participate in investigations of allegations of misconduct that are made against staff, officers or Members of Congress.

The Chairman. Do you have knowledge of the efforts the committee made to serve subpoena on Richard Detore?

Ms. Sargeant. Yes, I do.

The Chairman. Would you describe those efforts?

Ms. Sargeant. Well, Mr. Chairman, I will do so to the best of my recollection at this time. Mr. Detore was approved by the chairman and the ranking member for issuance of a subpoena pursuant to Mr. Traficant's request. I made efforts to secure the issuance of the subpoena and the service of the subpoena by the U.S. Marshal's Office, which was done.

I would note that with regard to notice to the witness, Chief Counsel of the office and myself spoke with Mr. Detore several days before he was actually served. So he had, I would estimate, in excess of a week's notice before he was served that a subpoena was coming. He represented to us initially that he was in the process of getting an attorney and would have an attorney the next day.

The week before this hearing, which would be last week, I participated in I believe it was two speaker phone conversations with Mr. Detore and Chief Counsel. My recollection is that Mr. Detore offered several excuses about why he would not be willing or able to come to the hearing today. He said that he was ill, and he said he had a doctor's note that said he couldn't work or travel and he also told us that his doctor said he could not be in any stressful situations and that he did not think he would come to the hearing, because of those medical reasons that he would be unable to come to the hearing.

The Marshals Service did serve him with a subpoena -- I should say from the very beginning in our first conversation with Mr. Detore, he raised his fifth amendment concerns. He said he did not have counsel at the time but he was afraid anything that he said at the hearing could be used against him. He said without being able to consult with an attorney, he couldn't tell whether there were some areas he could go into without incriminating himself. He would not commit one way specifically whether he would invoke his privilege or not initially. He said he wanted to wait until he had counsel.

In subsequent conversations he had been unable to obtain counsel. He repeatedly raised both his illness, fear of fifth amendment, and he asked about whether he would be able to get immunity that would affect the prosecution that is now pending against him by the Department of Justice. With regard to the Department of Justice prosecution, Chief Counsel made clear to him that we had no authority to interfere with that proceeding in terms of immunity. It was the chairman and the ranking member's decision that immunity for these proceedings would not be granted in order to compel Mr. Detore's testimony. There were several factors he repeatedly raised, his illness. He said he was afraid that statements would be used against him at his trial and if the committee did not give him immunity he would not testify.

In our last -- what I recall to be our last telephone

conversation with him on speaker phone, Chief Counsel asked Mr. Detore, because he was being very evasive in his answers, he asked him are you saying you will not testify, that you will invoke your fifth amendment privilege and you will not testify without a grant of immunity? And Mr. Detore said yes. He said he had no counsel. He would not testify without immunity. He repeatedly raised the issue of his illness. Mr. Detore told us on the phone that he wanted to maintain patient-physician confidentiality, however, he did not object to us verifying the authenticity of a doctor's note he had faxed to us. He gave us -- Mr. Detore gave us the specific extension for his doctor, telling us we could get through the main switchboard by calling the extension directly. That is what we did. The doctor's office called back and got through to me. Chief Counsel was not available, I believe. I spoke with them. I never represented that we had a written waiver from Mr. Detore to obtain any confidential information from the doctor. Mr. Detore had told us that he had called the doctor's office and had given them permission to talk to us orally. The nurse in the office or the administrative person in the office that I spoke to said that would be insufficient, that there would have to be a waiver in writing and they did not have that. She did not give me any subsequent information about his medical condition other than to verify what was in the note, and I did not put her in the awkward position of

asking her information since she had told me that they had no sufficient waiver.

Subsequently it was decided by the committee through the chairman and ranking member that Mr. Detore would be excused for various reasons, preliminarily because of his assertion of his fifth amendment in the form of saying he would not testify without a grant of immunity. We are not able to verify the bona fides of his statement of his medical condition because we could not talk to his physician about the details of their discussions or his condition.

The Chairman. Mr. Traficant, you have no standing to raise the violation of Mr. Detore's fifth amendment rights and we cannot advise as to whether or not he should exercise those rights. I see no legitimate basis for the accusations that you have made here. I think it has been explained to my satisfaction. Motion denied, and we will continue with opening statements.

Mr. Traficant. I would like to comment on that, Mr. Chairman.

The Chairman. No comment on that at this point.

Mr. Traficant. I have a letter from Mr. Detore that refutes that.

The Chairman. Mr. Kellner.

Mr. Kellner. Thank you, Mr. Chairman. As you noted, Mr. Chairman, this proceeding follows an inquiry made by an

Investigative Subcommittee, an inquiry in which an Investigative Subcommittee reviewed and deliberated extensively over more than 6,000 pages of trial transcripts and hundreds of pages of documentary evidence. It should be noted that each and every determination and finding of the Investigative Subcommittee throughout its inquiry was made unanimously. This includes the subcommittee's unanimous adoption of the Statement of Alleged Violations, which charges Representative Traficant as a result of his conduct with violations of the Code of Official Conduct for Members of the House and of the Code of Ethics for Government Service.

As set forth in its report to the full committee, the four members of the Investigative Subcommittee were in unanimous agreement that the charges against Representative Traficant were of the most serious nature and were abundantly supported by the evidence in the record.

Members of the subcommittee, this case is about Representative Traficant's conduct, for which the same conduct Representative Traficant was found guilty of 10 felony offenses on April 11, 2002 in the United States District Court for the Northern District of Ohio. In that criminal matter, for the same conduct relevant to this proceeding, Representative Traficant was found guilty beyond a reasonable doubt of four counts of conspiracy to violate the Federal bribery statute, one count of receiving illegal gratuities

under the Federal bribery statute, one count of violating the Federal obstruction of justice statute, one count of conspiracy to defraud the United States, two counts of filing a false income tax return, and one count of racketeering.

What the matter now before the subcommittee is about is whether the same evidence of misconduct that led a jury to find Representative Traficant guilty of these 10 felony offenses supports a finding that Representative Traficant violated the rules applicable to Members of the House. The evidence we will show will support such findings. The evidence we will show includes the sworn testimony of more than 50 witnesses during Representative Traficant's trial. The evidence includes that trial testimony plus the hundreds of pages of documents admitted into evidence during that trial.

By clear and convincing evidence, we will show that Representative Traficant engaged in a continuing pattern and practice of official misconduct through which he misused his elected office for personal gain. The evidence will show that Representative Traficant in a pattern of conduct that repeated itself over and over and over again traded his office and the duties he swore to uphold for money, farm equipment, free labor and a myriad of other things of value to him. He requested, demanded, received and accepted gratuities from individuals and businesses in exchange for which he promised

to use his office to help these individuals and businesses, and he kept his end of the bargain. Applying the weight and authority of his office, upon Federal, State and local government agencies, all at the behest of businessmen who, as one witness testified, owned him.

And the evidence will show that Representative Traficant did more than just trade his office for money and other things. The evidence will show that he directed his congressional staff; that is, employees paid by United States taxpayers to perform official congressional business, he directed that staff to perform his personal bidding. The personal labor and services Representative Traficant required of his congressional staff could no way be characterized as isolated or technical violations of the rules. Far from it. Representative Traficant had his congressional staff laboring at his farm in Ohio, baling hay in the hot summer, building and repairing horse stalls, doing plumbing, electrical work, construction and much more. But that is not all. Here in Washington, Representative Traficant had congressional staffers laboring on his boat, painting, scraping paint, varnishing and more. Representative Traficant did not pay these congressional staffers for their work. The only pay they received from this work was from their congressional salaries.

But that is not all. The evidence will show that

Representative Traficant received salary kickbacks from staff. Just one such person was Raymond Allen Sinclair, an attorney hired by Representative Traficant for his congressional district office. As a condition of Representative Traficant's hiring and continuing to employ Mr. Sinclair, Mr. Sinclair was required by Representative Traficant to give him $2,500 per month of his congressional salary.

Before introducing Representative Traficant's conduct and the evidence in more detail, let me describe the rules violated by Representative Traficant. Specifically with respect to the conduct described in all 10 counts of the Statement of Alleged Violations, Representative Traficant violated clause 1 of the Code of Official Conduct. That rule provides that a Member of the House shall conduct himself at all times in a manner that shall reflect credibly on the House.

With respect to the conduct described in Counts I, II, III, IV, V, VI, VII and X, Representative Traficant violated clause 2 of the Code of Official Conduct, which provides that a Member of the House shall adhere to the letter and spirit of the Rules of the House and to the rules of duly constituted committees thereof. With respect to the conduct described in Counts I, II, III, IV, V, VII and X, Representative Traficant violated clause 3 of the Code of Official Conduct, which provides that a Member of the House may not receive

compensation and may not permit compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence and properly exerted from his position in Congress.

Finally, with respect to his conduct described in Counts VI, VIII, IX and X of the Statement of Alleged Violations, Representative Traficant violated clause 2 of the Code of Ethics for Government Service. That provision provides any person in government service shall uphold the Constitution, laws and legal regulations of the United States and of all governments therein and never be a party to their evasion.

We will now take this opportunity to describe by count the conduct for which Representative Traficant is charged in the Statement of Alleged Violations. The evidence we will present will prove the following.

Count I, Representative Traficant owed brothers Anthony Bucci and Robert Bucci almost $13,000 for paving work at his farm and Representative Traficant was not paying them. The Bucci brothers even hired a lawyer to collect the debt from Representative Traficant and to send him letters. In the end the Buccis and Representative Traficant worked out an arrangement. Representative Traficant agreed to use his office on behalf of Anthony Bucci and Robert Bucci for which they agreed to forgive the debt owed to them by Representative Traficant and to provide Representative Traficant with

additional things of value, including free labor, materials, supplies and equipment for use at Representative Traficant's farm. Seventeen witnesses testified at Representative Traficant's trial as to this arrangement, either as to the work they performed at Representative Traficant's farm for which they were paid by the Buccis or as to official acts performed by Representative Traficant on behalf of the Buccis.

For example, Joseph Altiero was assigned by the Buccis, quote, to go to Jim's farm, do whatever he needed and make him happy, unquote. Altiero himself testified that he was paid by the Buccis to work on and off at Representative Traficant's farm for 6 months. He repaired tractors, did landscaping, fixed fence posts, among other work.

An individual named Merrill Whippo testified how the Buccis paid him to bale hay and haul equipment to Representative Traficant's farm. Timothy Walsh was paid by the Buccis to dump sawdust and haul away debris at Representative Traficant's farm.

Anthony Bucci himself testified as to the scheme, including the decision of him and his brother to forgive the approximately $13,000 debt Representative Traficant owed them. Indeed, in Anthony Buccis' own words, for this amount of money they were going to own Representative Traficant. And the evidence will show that Representative Traficant fulfilled his end of the bargain with the Buccis. Anthony Bucci testified,

for example, how at his request Representative Traficant worked to have Bucci transferred to a halfway house in Youngstown, Ohio, from a prison in North Carolina, where Bucci was serving a 6-month jail sentence.

The evidence will also show that Representative Traficant intervened with the Department of Transportation and the Department of Labor when those departments were considering debarring the Buccis from bidding on Federal contracts.

Representative Traficant similarly intervened with the Ohio Department of Transportation regarding the Buccis. Indeed, Anthony Bucci testified that when Ohio Department of Transportation inspector Tom Williams sought to enforce the terms of a paving contract in order to prevent the Buccis from disrupting public access to a State park on a holiday weekend, Bucci called Representative Traficant to get Tom Williams, quote, straightened out right away, unquote.

In essence, Representative Traficant was asked to take the side of the businessmen to whom he was indebted over the interests of Ohio residents who wanted to use a State park over a holiday weekend. And that is what Representative Traficant did. At the request of Anthony Bucci, Representative Traficant called the inspector who was making things difficult for the Buccis and said he was going to have his job.

The trial transcript contains not only the trial

testimony of this inspector, Mr. Tom Williams, but also the testimony of his supervisor, Mr. David Dreger, who testified that Representative Traficant told him that there would be trouble for the Ohio Department of Transportation if it, quote, caused the Bucci brothers to lose their business, unquote.

Count II: Arthur David Sugar was looking to obtain a lesser sentence for his son who had a DUI offense. And he wanted his son transferred from the Licking County Jail to a Youngstown, Ohio, halfway house, which was closer to home, and he asked Representative Traficant to help him. The evidence will show that Representative Traficant did use his influence as a Congressman to help Sugar. And, in return, Sugar supplied Representative Traficant with labor and materials for use at Representative Traficant's farm.

He also testified that he believed the work he had performed for Representative Traficant was something he needed to do without compensation because of the work Representative Traficant was doing for him. Why did he think this? Because, as Sugar testified, after he asked Representative Traficant for help, Representative Traficant took Sugar to his farm and showed him what he should do.

Later when Representative Traficant became concerned that he was under investigation and wanted to make the work Sugar performed appear legitimate, Representative Traficant gave

Sugar an unsolicited check. Representative Traficant told Sugar, quote, I better give you this, unquote, because the FBI was watching him real close.

Count III: John J. Cafaro and his family had invested millions of dollars in a new company called the U.S. Aerospace Group, or USAG for short. That company had a new laser-guided technology. But in order for the company to market their product they needed certification from the Federal Aviation Administration, and they sought Representative Traficant's help.

As with the Bucci Brothers and Arthur David Sugar, Representative Traficant made an arrangement with John J. Cafaro. According to the trial testimony of Cafaro and others, Representative Traficant used his office to promote the laser-guided technology marketed by USAG. Representative Traficant even arranged a meeting between USAG officials and the Chairman of the Federal Aviation Administration, Jane Garvey.

When John J. Cafaro was asked during the trial, quote, what, if any, promises was the Congressman making with regard to the potential for Army contracts for USAG, unquote, Cafaro testified that Representative Traficant, quote, said he had great relationships with the military and Armed Forces Subcommittee and that it was possible to get funding for this type of equipment through that particular subcommittee,

unquote.

In exchange for these favors, Cafaro and others gave Representative Traficant thousands of dollars in restaurant meals as well as a Miller Syncrowave 250 amp welder worth more than $2,000, a Honda generator worth approximately $2,700, and the loan or gift of four automobiles.

In addition, Cafaro or his company paid about $26,000 for repairs, slip fees and other expenses for Representative Traficant's boat, a boat that was in a state of disrepair.

Cafaro also arranged to buy Representative Traficant's boat. But USAG's chief engineer, Albert Lang, was knowledgeable about boats and told his bosses that USAG did not need a boat, and that Representative Traficant's boat was a poor choice even if it did need a boat.

RPTS THOMAS

DCMN MAYER

Mr. Kellner. Lange testified that he was told by his bosses, quote, "Jim was doing favors for us, and we needed to do a favor for Jim," unquote. But Cafaro could not buy the boat directly from Representative Traficant because Representative Traficant became worried as to how it might look to the public.

So Representative Traficant and Cafaro concocted a scheme under which Cafaro would supply money to pay Representative Traficant for his boat, but make it falsely appear that Cafaro's employee, Albert Lange, was purchasing the boat personally for himself. In connection with this scheme, Cafaro gave Representative Traficant $13,000 in cash representing a partial payment on the purchase price of the boat.

Counts IV, V and VI: These counts each relate to a course of conduct I mentioned earlier in which Representative Traficant employed Attorney Raymond Allen Sinclair as a member of his congressional district staff in exchange for which Mr. Sinclair agreed to rent additional office space to Representative Traficant for use as a congressional district office and agreed to pay Representative Traficant $2,500 per month of his congressional salary.

In his testimony, Mr. Sinclair described in detail how

for 13 months he placed $2,500 in cash in an envelope and gave it to Representative Traficant either in person or by deposit in Representative Traficant's private office. Mr. Sinclair also testified that at some point Representative Traficant became concerned that he was under investigation and Representative Traficant endeavored to persuade Mr. Sinclair to destroy evidence of salary kickbacks and to provide false testimony to a Federal grand jury.

Mr. Sinclair described in his testimony how at the direction of Representative Traficant and in Representative Traficant's presence envelopes used to transmit kickbacks to Representative Traficant were burned in a tub in the basement of Mr. Sinclair's house.

Count VII: From approximately the late 1980s to early 2000, Representative Traficant engaged in a course of conduct in which he defrauded the United States of money and property by several means.

One, he solicited and accepted payments from the salaries of congressional employees.

Two, Representative Traficant directed members of his congressional staff to perform labor and services, personal labor and services to maintain and repair his boat.

Three, Representative Traficant had members of his congressional staff perform personal labor and services at his farm.

In addition to the already described testimony of Raymond Allen Sinclair regarding the $2,500 per month in kickbacks he was required to give Representative Traficant -- Jacqueline Bobby, Representative Traficant's former congressional office manager testified as to salary kickbacks made by Representative Traficant's former district director, Charles O'Nesti, and his former administrative assistant, Henry DiBlasio.

Indeed, Henry DiBlasio himself recently entered into a plea agreement in the United States District Court for the Northern District of Ohio in which he swore that he had, quote, "in fact left cash in envelopes for Congressman Traficant under the door of Congressman Traficant's office and given portions of his congressional salary to Congressman Traficant."

The labor and services on Representative Traficant's farm by his congressional staff included baling hay, maintaining and repairing structures on the farm, building a horse corral, among other labor and services.

Among other witnesses that testified on this subject, one former member of Representative Traficant's congressional district staff, George Bucella, testified that he termed going to the farm as "going south," and that he did so to perform work at Representative Traficant's farm between 100 and 300 different days.

Richard Rovnak, a part-time employee in Representative Traficant's district office, testified that at Representative Traficant's direction he spent most of his time at Representative Traficant's farm doing work that included plumbing, wiring, carpentry and other handyman work. Rovnak also spent time in Washington, D.C., as part of his part-time employment for Representative Traficant, but he performed no duties at Representative Traficant's congressional office here. Instead, he performed work on Representative Traficant's boat. That work included painting, varnishing, and replacing brass fittings.

The evidence will show that the personal labor and services of congressional employees George Bucella, Richard Rovnak and others were performed at Representative Traficant's farm and boat for no compensation other than their congressional salaries.

Counts VIII and IX: The evidence will show that Representative Traficant filed two false income tax returns with the Internal Revenue Service for tax years 1998 and 1999. In those returns, Representative Traficant failed to report the substantial income he derived from gratuities and salary kickbacks during those years. The government's expert witness, Bruce Hess, who was an Internal Revenue Service official with more than 30 years' experience, testified at Representative Traficant's trial that Representative Traficant

had unreported income for 1998 and 1999 that totaled more than $75,000. This income included the $13,000 in cash from John J. Cafaro, the $2,500 per month in salary kickbacks from Raymond Allen Sinclair, as well as thousands of dollars of other unreported income from gratuities.

Finally, Count X: In this count, Representative Traficant is charged for engaging in a continuing pattern and practice of conduct through which he misused his office for personal gain, a pattern and practice that continued from about 1986 through the year 2000, almost the entire length of Representative Traficant's membership in the House. This continuing pattern and practice of conduct includes the conduct I already described for Counts I, II, III, IV, V and VII of the statement of alleged violations, but it also includes Representative Traficant's performance of official acts for businessman, Bernard "Pete" Bucheit, which I will now describe.

The evidence will show that Representative Traficant agreed to help Youngstown businessman Pete Bucheit with respect to a contract dispute between Bucheit's company and Prince Mishal of Saudi Arabia, as well as with respect to a Bucheit investment in the Gaza Strip.

For Pete Bucheit Representative Traficant wrote letters to some of the highest-ranking officials in the United States Government including Vice President Al Gore, Secretary of

State Madeline Albright and Secretary of State James Baker, among other high-ranking United States Government officials. In exchange for these official acts, Representative Traficant received free labor and materials from Bucheit for use at Representative Traficant's farm.

One of the people who performed work at Representative Traficant's farm at the expense of Bucheit was David Manevich. Mr. Manevich testified that he repaired a wooden deck at Representative Traficant's farm, as well as constructed a privacy fence, enclosed a room on the deck, and build a gazebo for Representative Traficant for which he was paid $26,994 by Bucheit and for which he was paid nothing by Representative Traficant. In all, eight witnesses testified during the trial either as to official acts performed by Representative Traficant for Bucheit or as to the work they were paid by Bucheit to perform at Representative Traficant's farm.

The evidence of this misconduct by Representative Traficant on behalf of Pete Bucheit, as well as the evidence of misconduct already described for Counts I, II, III, IV, V and VII of the statement of alleged violations, will show that Representative Traficant engaged in a continuing pattern and practice of official misconduct through which he misused his office for personal gain.

Members of the subcommittee, no single charge in the statement of alleged violations can easily be characterized as

the most serious. Each of them separately involves egregious conduct directly related to the privileges bestowed on Representative Traficant by virtue of his position as a Member of the House.

Indeed, the favors for John K. Cafaro or the favors for the Bucci brothers or the favors for Arthur David Sugar, the favors for Pete Bucheit and the favors that Representative Traficant did for others that gave him things and money should not be viewed in isolation from one another. While each of the charges is separately and abundantly supported by the evidence, taken together, they demonstrate a pattern and practice of misconduct by a man who violated the public trust and traded his elective office for personal gain.

We note, in addition, that the Investigative Subcommittee which was keenly aware that some of the witnesses during Representative Traficant's trial were themselves charged with Federal offenses and that some were testifying under plea agreements. Like the jury in Representative Traficant's trial, however, it was not necessary for the Investigative Subcommittee to rely solely on the testimony of such witnesses. The testimony of those witnesses was substantiated and corroborated not only by other witnesses, but also by the letters, faxes, memos, partially burned evidence, and other evidence -- partially burned envelopes and other evidence of Representative Traficant's pattern and practice of official

misconduct.

Like the jury that found Representative Traficant guilty beyond a reasonable doubt of 10 felony offenses, the Investigative Subcommittee concluded that the testimony of witnesses with plea agreements or with unsavory reputations was credible under the circumstances, and further that the testimony of these witnesses was abundantly corroborated by other testimony and documentary evidence.

Likewise, with respect to any or all of the charges adopted by the Investigative Subcommittee, it will be unnecessary for this Adjudicatory Subcommittee to rely on just the testimony of a single witness. There was presented during the trial a whole array of witnesses and documents, all of which portray Representative Traficant's continuing pattern of misconduct going to the core of his representational responsibilities.

In sum, the evidence before you will prove clearly and convincingly that Representative Traficant brought discredit upon the House, that Representative Traficant did not adhere to either the letter or spirit of the rules of the House, that Representative Traficant personally profited by virtue of influence and improperly exerted from his position in Congress, and that Representative Traficant failed to uphold the laws and legal regulations of the United States and was a party to their evasion.

Based on this evidence, you should determine that all 10 counts in the statement of alleged violations have been proved by clear and convincing evidence. Thank you.

The Chairman. Mr. Traficant, you have up to 1 hour for your opening statement.

Mr. Traficant. Can I stand over here?

The Chairman. Do you have a microphone, Mr. Traficant? You have to have a microphone for the record.

Mr. Traficant. I think it's time to put me under oath.

The Chairman. Do you want to waive your opening statement?

Mr. Traficant. No. I am going to make an opening statement, but I want to clarify that my two witnesses will be allowed to testify before this committee because you have just heard the hearsay evidence uncorroborated by any physical evidence which has lowered the bar in a RICO case to a standard that should affront Congress.

The Chairman. Mr. Traficant, this is part of your opening statement. So go ahead and proceed with your opening statement in any way you'd like.

Mr. Traficant. Any way I like? I'm glad to be here. I'm glad to be anywhere. I think it's time to look at this case.

In 1983, I was the only American in the history of the United States, pro se, to defeat the Justice Department in

this, a RICO case. The case boiled down to a confession. The confession was proved to be a fraudulent document, and that's why I'm here.

I have called Janet Reno a traitor. Evidence will show that part of the genesis of this trial was the vindictive nature of Janet Reno and a targeting by the U.S. Justice Department because of my stand relative to RICO relative to Reno not investigating that Chinese money.

To set the foundation for the case -- and the committee is not surprising me, they have presented to you a court document of hearsay. They say 50 witnesses. I would have had 50 witnesses, were they allowed to testify.

There's one common thread that runs throughout the entire case: Every single witness was in jeopardy and harm and got a get-out-of-jail-free card for implicating Traficant in some form of crime.

I have committed no crimes. If I committed crimes, I throw myself at the mercy of this judge, try and get 3, 4 years with the help of some friends in Congress. But I am prepared to go to jail for 10 to 12 years because I didn't commit these crimes. And I'll be damned if I'm going to be pushed around by the Justice Department.

And I want to say to this committee, I love America, but hate the government. I love the elected Members. I've met many of you and love you all. I mean that. That's not

patronizing to get your vote. I don't expect your vote. But we have an aristocracy in the judiciary that is afraid of the FBI and the IRS. They're scared to death of them. And they trampled all over my rights, and I'll be dammed if they're going to do it to me.

So I will take an upward departure and I will die in jail because I did not commit these crimes.

Now let's get down to the business here. I say that Janet Reno has exposed our children to a Chinese bomb, and damn it, I want it on the record. Judge Wells was approved by President Clinton and approved by Janet Reno. I have witnesses that state that they've been looking at me for 20 years and were investigating me when I walked out of that trial in Cleveland, and they'd build a monument to them if they can get anything on me. And when they could get nothing on me, they finally arrested them.

One fellow was arrested on a felony who was adjudicated by a $30 license fee by the IRS on a felony 4, and they never collected it, Kerchum, you didn't allow him to testify. I was not allowed to pursue the vendetta.

Now let's look at the count. Tony Bucci is working on his fourth plea agreement to bring his brother Robert back to America who fled the country on a fugitive warrant. He's a damn liar. And you have known me in Congress, and if you think somebody owns me, you find me guilty like that jury did.

That jury had no choice. They did not hear a defense from Traficant.

I wasn't prosecuted by the Justice Department; I was prosecuted by a judge who did not allow my witnesses as you are not allowing my witnesses.

Now, Count I, Bucci: Bucci is a liar. I was friends with his brother Dan who lived across the street and had a farm. I never owned that farm. My father owned that farm. I did help the Buccis, because I help everybody's company in my district because my district had a 22 percent unemployment rate. And now they're under 8, and I'm not satisfied with it; and I brought back $1.3 billion in funds, and I busted my buns out here to get that money. My people were hurting.

I didn't come down here to make friends, and I sure as hell didn't and you know that.

When Bucci said he owned me, he lied through his teeth. Be advised his sister-in-law, Dan's widow, Susan Bucci, said he was not only a big liar, he took her money, lied about Jim Traficant.

And I asked to borrow -- I had an old bank barn, my father had had an old bank barn there, and we wanted to take that short-height concrete floor out so it would be a taller, higher stall for horses. And they said, we can't let you use those; you can get hurt and we'll get sued. We'll send some guys out.

I didn't want the guys out. I said, if you get close to that bank barn, if you're familiar with an old bank barn, that barn will collapse. Members of the committee, they collapsed my barn.

Harry Manganaro testified that he was out there on other business. If he and I didn't jack up that one northwest corner, the bank barn would have completely collapsed, costing my father thousands and thousands of dollars; and they begged Sandy Ferrante, who lived there and showed horses there, not for me to sue them.

Did I help the Buccis? Yes. But he had to have his family ask to have him transferred.

Now, the U.S. Government paid so many dollars to put a person in a halfway house in North Carolina. Well, damn it, he could have put those Federal dollars in my district that hired people in my halfway house; and his family requested it. And quite frankly I didn't like Tony Bucci; Dan was my friend. And right now they're negotiating a fourth plea agreement to bring Bob back, who fled the country.

Be advised that Tony Bucci's sentence was 6 weeks of house arrest. I've had it with this Bucci business.

Kickbacks: Sinclair said he thought first it was a loan. Look at the January 24th 302. They asked him about the building. No comment. Then they asked him about kickbacks. He says, I'll play no part in getting Jim Traficant.

One week later he signs a plea agreement. Why? I never taped a conversation in my life until Allen Sinclair told me outside the driveway of this building that he was refurbishing that they were going to implicate his wife, who signed a KAS agreement, and that he was worried about that building because he technically was in trouble over the building, as was DiBlasio.

And here's what happened. Documents will prove that Allen Sinclair opened a bank account with Home Savings and Loan under -- KAS Enterprise, President Sinclair. A month later he opened a second one, President Allen Sinclair, Secretary Kimberly Ann Sinclair. Then the secretary of state forms are filed with the agent, known as Kimberly Ann Sinclair. The building was supposedly owned by Kimberly Ann Sinclair.

Evidence will show that on page 2 of the enacting bank account of KAS Enterprise that either Allen Sinclair or his wife could take our rent check to that office and use it without either's consent. And Allen told me personally they were after him because he implicated his wife in the fraud. He already was on probation for being suspended at the Ohio Supreme Court, or the Ohio Bar Association; he was subject to losing his law license.

Now, here's what he told the FBI. He made $50- to $60,000 a year in his law practice and 50,000 to 60,000 a year

with Traficant. In the 2-year period we're talking about, Allen Sinclair, he bought a $300,000 house, a brand-new '98 Buick van, a brand-new car leased for $300, and spent $60,000 on media advertising. Where did he get the money? He made me some small loans, and I repaid them.

DiBlasio made me some small loans. After I was done in Cleveland, the IRS took me to court on the civil case and they took nearly all my pay and I netted $2,400. Henry DiBlasio testified twice truthfully . He called me and told me the government was extorting him and pressuring him. He had a heart attack.

He also tells me on a tape, Jim, I can't afford $250-, $300,000 to defend myself. After I'm convicted he reaches a plea agreement. I don't blame Henry, and I love him. But I don't blame him. I had no gain.

Cafaro, the biggest joke in history. There are two members of this subcommittee that know Attorney Percy Squire. Attorney Percy Squire was the chief clerk of the Northern District of Ohio Chief Judge Thomas Lambrose. I asked Percy Squire, a friend of mine, to testify as a character witness. When he got there -- and I asked for him to be subpoenaed here -- Percy said, what do you want me as a character witness for? I know about the Bucci case and I know about the Cafaro case. And he did not testify as a character witness.

And here's what the chief clerk, who is now handling my

appeal from Columbus, testified to: Cafaro said we were at a public meeting, probably the only time he could show association with me, and waited until everybody left. And then Jim and I walked out together and got in my car, drove around the block. I picked up the centerfold, and he took out the cash.

Here's the testimony of Percy Squire, Attorney Percy Squire, graduate of West Point. Yes, a friend. He wouldn't perjure himself for anything. Percy said, Jim, don't you remember? You were trying to put a quarter percent sales tax together in all three counties, develop an economic development fund, and you asked me to be the counsel for that organization. I got there late and wanted to talk to you. And he says, we're running late, grab me after.

He said, Jim, when I read in the paper that Cafaro said he walked you out, he's lying. He said, I walked you out and I saw you get into the green truck. Brian Kidwell picked me up in the green truck who had a cab on the back. We had, with a couple of friends, made prefab sides for a hunting lodge 8 feet high; they wouldn't fit in the green truck. Went to get my truck. Went out and installed and built that hut.

You had the testimony of Brian Kidwell, Attorney Percy Squire. And if you look closely at the record, J.J. Cafaro testified that he did lie in a previous criminal trial, but didn't perjure himself.

The only deal I had with U.S. Aerospace -- and probably a true patriot that I have met in Washington is Richard Detore -- the deal was very simply this: Cafaro knows all these big guys. Gave money to all the Senators you want to think about, many Members of the House, key Democrats, key people.

I got $4 million in an appropriation bill for U.S. Aerospace. And the deal was that they'd move their headquarters and their jobs to Youngstown, Ohio, for my district. That's the only damn deal I had with them.

What they had on J.J. Cafaro on one of these tapes is very simply this: Cafaro perjured himself in a previous trial of former Mahoning County Sheriff Philip Chance, and they were pressuring him. What I've just found out since then, too, and I haven't corroborated it yet, is the IRS was holding $330,000 over his head at the time.

Bucheit: They kept his equipment. They told him to go to hell. The Prince over there said, sue me. He came to me. I instructed the company to file a civil RICO. As soon as it hit the Washington Post, he'd lose his diplomatic passport. They called me, and I negotiated a settlement for Pete Bucheit.

Sandy Ferrante will testify that Pete Bucheit and my father made up an agreement to shore up a deck that I built that was caving in on one side, and asked my dad to close it

in; and I didn't want that. I had already had the structure built, roof and all, myself, as evidenced by the fact that part of it was falling in.

They said it was $26,000. I've had two construction people with today's prices go out; and the time and money they spent, it couldn't have been more than $12,000. I didn't own the farm. I didn't make the agreement.

The last testimony at trial was Leisel Bucheit that said she'd send out the invoice and doesn't know until today if it was paid. I don't have the burden of proof. So they indict Bucheit. They indict DiBlasio to keep him out.

They indict Detore. They asked Detore to noncivil-suit Cafaro -- almost an unethical act. In addition, one of the attorneys of Richard Detore says that Detore was pressured in his presence to lie by the U.S. prosecutor. Work at the farm?

I found out that George Bucella, a member of my staff, was investigated by the FBI for accepting $2,500 to fix a DUI case in front of a judge named Judge Bailey, which I didn't know about. And to get his deal, he said he spent 300 days out there. Sandy Ferrante was out there, those members of my staff that come out come out the weekends, that like me, and most of them were looking for an a damn raise.

I never forced anybody to do anything. And I am an American; and I have friends, and my friends can help me.

Now, this business on the boat, it boils down to one

afternoon; and I think West Richards testified it was sort of like a bonding thing. Hell, they drank more beer; they didn't do anything on that boat.

Now let's talk about Cafaro here. Cafaro paid for the attorney for Al Lange, as he testified the day before. I have found out since this trial, and there will be new motions now, that Cafaro asked for a demand note for the money extended to Al Lange for the purchase of that boat. Richard Detore gave me that information. Richard Detore gave me a tape that if he didn't have two kids, with the pressure he had from the Justice Department, he'd blow his brains out.

One of the other cases was thrown out by the jury, it was so ridiculous, this businessman ripped the county off for hundreds of millions of dollars, and he said he gave Traficant 25 or $2,000 in a barn. Well, I put all the pictures of the barns up and he couldn't identify the barn. He was so damn poor, the jury threw that one out.

But his own brother-in-law, that was not allowed to testify, said that they pressured him to do that. And he said, I'm going to go to jail for 10 years, lose $15 million; and I feel bad, so I added up all the money I gave to Traficant over the years and said it was a bribe. That never was brought to the jury.

Now let's talk about the jury. I believe a jury is sacred. As Jefferson said, beware at appointment of Federal

judges with lifetime terms. Some hold the Constitution like clay in your hands. God bless juries. And I hold juries sacred.

This jury had no choice. I wasn't prosecuted by the Justice Department. I think these Federal judges are scared to death of this FBI and IRS. And I think that's troubled America. I think the American people are. And Congress has allowed it. I'll be damned if they're going to scare me.

This jury pool was poisoned. The national news was, I was involved in a murder scheme to take the life of a friend of mine, a woman, who's one of those that you've allowed at the last minute to testify. And you must hear her testimony and what they did with her. Her husband had two strokes since, and he's on his death bed, damn near. They have to take him to the rest room he's in so much trouble with all-around-the-clock care.

The second one was the so-called $150,000 barn addition. National news. While here you have a businessman with a conscience, and I'm having lunch with a friend, John Innella, whose affidavit is here. And he walks out from a Rotary meeting -- and he has a conscience -- he sits down, he says, Jim, I'm sorry; I told them what they wanted to hear. I didn't want to get indicted; it would ruin my business. I said, sit down, Henry, tell me happened; and we went over the original deal.

And you look at the Innella affidavit. That charge was never brought because the following day I taped his girlfriend, who admitted that he called his girlfriend and told her that he confided in Traficant that he was pressured and wasn't happy with it.

The pressure from the government to get Traficant courses through every charge. I may not be an attorney, but I can tell when I'm not allowed to bring any witnesses. And they brought 50 witnesses? I'm a former sheriff. I want to get Traficant. You want a confession. Put him away. If you can't get that, do everything possible as a prosecutor, like Mr. LaTourette would recognize, to try and get Traficant to make an admission.

Do you believe from your membership here in Congress there was no wiretaps on the Traficant phone? There's no one wearing a body device to me? Is there no one that sought an admission?

And the real killer was when Sinclair says, well, then Traficant brought me an envelope with $4- or $5,000 in, and I immediately took it to the FBI. Well, folks, they send all these so-called documents, over a thousand, to the FBI and had to admit there was not a fingerprint on any document.

Now, I'm an old sheriff. They testified that I was just too smart, and they couldn't tape a guy like me, and I was touchy-feely.

Let me tell you what, when he took that envelope, this is the FBI, they could have steamed it, marked it, sent it back and said, look, I want no more problem with this Traficant, I'm not going to hurt you in Federal court, take this money, please leave me out of this. But when you get out of that car, you come out of that restaurant, you make sure that envelope's on Traficant.

Hell, they could have had him in an accident with a body cast. They could have put a small microphone up his rectum. They had tapes on Jim Traficant.

Now, thank God, you've just seen Dan Burton go through a case dealing with a guy named Salvati. I was their number one target in the entire country, and without a drop of physical evidence and on the spoken words of witnesses who were not allowed to be rebutted by my witnesses that clearly were eligible under the hearsay exceptions -- and you've done the same thing here, Chairman; you haven't allowed me to bring them forward.

Now let's talk about this Joe Altiero real quick. This is the one that really busts my balloons. A man shows up at the farm so decrepit he tells Mrs. Ferrante who lives there, he's had nothing to eat and been scavenging out of KFC dumpsters. He testified that he cleaned the stalls and let the horses out into the pasture.

Ladies and gentlemen, I don't raise racehorses, and I've

lost money. It's a hobby. It's not even listed as a profit or gain by the IRS. I love to breed the American Saddlehorse. And I do not castrate my horses; and all my stall horses are stud horses, and they'll take your head off.

He said -- and I want to testify, if anybody knows anything about horses, that he would go in and get the horses and turn them out in the pasture, who were never turned in the pasture, which Mrs. Ferrante will attest to, which was surrounded by three strands of barbed wire fence; and then he cleaned their stalls.

Richard Rovnak, who worked for me, he came out to the farm trying to get a job because he had no health insurance, and never came out to the farm after I hired him part-time. After I got him a full-time job and took him off the part-time payroll, he was mad because I wouldn't keep him on the second job. But he tried to help me by telling the jury that he spent 16 hours a day there for 16 straight days and even slept there. And I said, where'd you sleep, with me?

I have never heard a case like this in my life, and I wasn't allowed to defend myself. And I'm going to tell you something; the people back home know that. They know that. There is not one count of which I am guilty. The only thing I'm guilty of is, I've helped thousands of businessmen -- and those Buccis have 250 workers, 70 to 100 full-time; and when they got a contract, was 250. And when they were fighting for

a job, I was fighting for that job for them. And if they didn't have a friend in the world, I was their friend.

Now, the last thing and it's right to the point, I brought that guy home from Israel myself, on the plane, Demjanjuk, and I was labeled an anti-Semite. And I am bringing that up because I am sick of the charge. If that was a Jewish fellow, I would have gone and brought him home. No one in this Congress would look into his plight. He was not "Ivan the Terrible."

And now that the evidence come out of the Israeli Supreme Court, literally Mr. Hefley delivered him to me to an El Al flight, let me bring him home. But Attorney Moscowitz and OSI historians Garand and Dougherty were sitting there in Berlin when the Otto Horn perjured himself and couldn't identify Demjanjuk; but in court, at the naturalization hearing, said they identified the photographs.

I investigated, found the pictures that in fact led to the freedom of Demjanjuk. And I was labeled -- in 1991 a top ranking APAC official was fired. She named the top ten hit list. Number one was President Bush. Number two was Secretary Baker because they enforced Congress' ban on the $12 billion loan guarantee in the West Bank and Gaza Strip, and Israel was putting homesteads in the West Bank and Gaza Strip. Number three was Jesse Jackson. Number four out of 535 members of Congress was Jim Traficant. I'll be damned if I'll

be targeted. The FBI can go to hell.

Now, as astute Members of Congress, not one FBI investigator testified at my trial to give me a shot at cross-examining him. Not one IRS agent testified. Bruce Hess was the summarist. He came in from Philadelphia. He spent 37 days there, seven trips at $175,000 in taxpayers' money and here's what he testified to: I did no investigation. I added up the numbers they gave me. The FBI agent was a rookie, who said he took the documents to the lab, and then he choked and said there were no fingerprints -- on manila envelopes, on a fresh envelope, on plastic bags, on currency, on 1,000 documents? No admission. You could sell this to rotary, buddy. I tell you, you do what you want.

I expect you are going to do what you have to do. And I understand the political dynamics of this, but I'm prepared to be expelled, I'm prepared to go to jail, because I didn't do this.

But I am telling you this: You have allowed RICO to denigrate to the point where mothers are going to be convicted for colluding to buy Kelloggs breakfast cereal. This is RICO.

The last testimony on Bucheit was, we sent him the bill. I don't even know if it was paid. Nine witnesses voir-dired under oath, not allowed to testify to rebut Cafaro, to rebut Bucci, to rebut the work at the farm who saw me repay loans to staff members that I made. And if we're talking about

circumstances, where the hell is the guy at $50,000 a year all of a sudden buy a $300,000 house, have a '98 van a brand-new car at $300 and $60,000 for media advertising. And look at the January 24th 302.

Now let's talk about Detore. Detore was pressured to nonsuit his civil suit against Cafaro. He was told that they didn't want his case up during Traficant's.

I don't know what's so funny up there. Is there something funny with me discussing my life?

I didn't ask Ms. Jones to be recused. She told me she was a friend of Judge Lesley Brook Wells. And I appreciate the support been engendered by Mr. LaTourette. There was not one of these charges corroborated by any physical evidence, and not one of my witnesses was ever rebutted. And when Attorney Percy Squire, another witness, completely refutes Cafaro's testimony, who admits he lied in a previous RICO case, then I have to say, beam me up here.

So what is it, folks? If you get an enemy and they get a couple cases on them and they say you did something, Mr. Pastor, they just go ahead now and they have a pretty good standard don't they? The government lied. Attorney Jay Harney said there was a demand note that Cafaro wanted Lange to sign. If there was a scheme on the boat, what the hell did he want a demand note for for the money?

Cafaro come in with a $26,000 check. I said, get out of

here. He was so happy, all these big contacts he had. Yes, I did get $4 million, but ladies and gentlemen, that technology will save lives. Most planes that miss runways miss so because they land long on a runway. That laser system lands that plane right there. And I not only took Jane Garvey out to demonstrate it, but Chairman Jimmy Duncan.

And Chairman Jimmy Duncan was out in that plane, and wind was blowing like mad. When he saw those laser lights, we landed safely in Manassas. I enjoyed no remuneration from any of these people.

Susan Bucci will tell you that the Buccis owe me money. You didn't allow her to testify. So there I am sitting there.

I'm sitting here. And I know what you're going to do, because I know this institution. But let me tell you something: There's a problem with the institution. You've allowed the executive branch to become so powerful that the American people fear the government.

One of the witnesses in my case, Michael Terlecky, a deputy sheriff, just was notified by the IRS that he owes them $140,000. Another one, Brian Kidwell, who testified that he picked me up in the truck when Cafaro lied, they went to his employer investigating him. And you know what his employer told him? Don't tell Traficant. I don't want the IRS to investigate my company and audit me.

Now David Sugar, friend -- father is a friend of my

father and David, a friend of mine. He admitted over 2 years getting $8,500 from Jim Traficant. I doubt if he did $8,500 worth of work. But Harry Manganaro come to me in a consent tape, I love David, but I don't want to see you get hurt. He said after the second visit from the FBI they told him they were going to involve his wife and his son if he didn't play the script. And that consent tape, I even had him give me a consent tape.

So you have Sugar, you have Bucheit, you have the so-called kickbacks, you have the workers at the farm -- come on, and a businessman owned me? Excuse my mouth, I'd like to kick his ass. There is nobody that has ever owned me. And if you've been in Congress long enough, you know that.

You see, we've allowed political targeting in America. And you've got to watch what you say. And I can remember once the chairman, Mr. Hefley, telling me in the rest room, Members rest room right off the House floor, he said, you be careful, man. I think it was about the time of the Reno matter.

I said it then, and you can put me under oath, Janet Reno is a traitor. She betrayed America by not investigating the Democrat money that was received from a general in the Red Chinese army. And I'm telling it like it is, and I want it on the record that when that Chinese bomb visits this country, somebody in this House set it. And I'll be damned if she put out feelers on me.

And they will go and they will grind and they will scare people and scare people to death and threaten them with taking away their law license, involving their wife, involving their children, taking away their properties. What are they going to do with me?

And, yes, I had an investigation going on. Youngstown, Ohio, made Boston look like a choir group. My investigation, put on a Congressional Record; that will show the FBI and the mob and Youngstown has been together for years. They owned them.

I investigated them and did uncover a rape that the people did not want to believe and that Agent Sporanza threatened me and threatened me that they would get me for investigating them and -- for that rape. And that matter was adjudicated in Judge O'Malley's court in Cleveland Federal court under seal, where he admitted the digital penetration from a woman with a woman who was in a state of mental instability. And in the State of Ohio that is a felony 1 rape.

I'll be damned if the FBI agent would compromise one of my constituents desperately trying to maintain custody of her child in that fashion. If I get a hold of him, I'll break his neck before I go to jail.

But I am firmly convinced that we have an aristocracy in the judiciary. The only way they lose their damn job is if

the IRS or the FBI comes after them.

And I have the greatest respect for Hastings, I'll tell you that, Alcee Hastings. And that isn't to get anybody's vote here. I didn't want to vote to impeach Alcee Hastings, and John Conyers brought it. But I didn't want to go home, here's Traficant the so-called mobster by the local press, who voted to free Alcee Hastings. I didn't know what happened to Alcee Hastings, but he must have been a damn good judge.

These judges are afraid to death of these people. I had to prove Demjanjuk was not guilty. And the people who suborned the perjury and knew Demjanjuk was not guilty as early as 1979 were never tried. Never. The Office of Professional Responsibility goes out and they do damage control for the FBI -- Waco, Ruby Ridge, Traficant.

As far as I'm concerned, the years I've been in Congress, my father would roll over in the grave if he knew I was running as an Independent. Fifty years the Democrats put the laws in and let this country go to hell. Republicans have done some good things, but the Republicans have failed to curb the power of the executive branch and the American people should not in a free republic fear their government. And ladies and gentlemen, they do.

And here's the difference here. I don't fear them. I'm ready to go to jail. And I'm going to make this statement to you, as a gentleman, fellow Ohioan, and Mr. LaTourette, both

of which do a fine job. For they put me in jail in Ohio I might just be the first American to win a congressional seat while incarcerated.

But I'm asking this committee to afford a member some fairness on the light of no physical evidence and the light that my rebuttal witnesses were not allowed to testify. And I'm asking you to allow on short notice at least two witnesses that you have, in fact, allowed on a limited capacity, Mrs. Ferrante and Miss Kovachik, to testify here tomorrow. I mean, one day before you put me away, I don't think it's too much of a request from the son of a truck driver.

But I believe what you did with Mr. Detore was wrong.

Finally, I'm expecting a letter from Mr. Detore's physician, who refutes the statement of Ms. Sargeant. I don't know Ms. Sergeant. I think she's an honorable woman.

There may be some confusion over the matter. But when the confidentiality was breached with the Federal court in Cleveland, you violated, in my opinion, his rights. Detore is a very honest man, and I really feel bad for him. I think if they knew they were going to have such a great opportunity with me, they would have never messed with Detore. And they've got a problem, because Detore was pressured in front of his attorneys to lie.

Manganaro said Sugar was pressured to lie; Dennis Johnson, not allowed to testify, who went to Cafaro trying to

reach him about titles to the car that I purchased. Cafaro come up to him unexpectedly, walked outside, turned around and said, tell your boss we did nothing illegal; don't worry, they're after me for my testimony in another case.

And Dennis Johnson looked at him and says, Mr. Cafaro, I'm here to talk to you about car titles, and Cafaro was completely shocked. Mrs. Ferrante sent loan repayments to both Chuck O'Nesti and Henry DiBlasio. And I find it interesting that people just push money under doors. That's interesting.

By the way, Mr. Detore spent over half a million and has had three motions filed with the Federal court. That attorney asked to be recused because he can't pay no more, and he is without counsel and has yet to go to trial.

So, ladies and gentlemen, you're being addressed by a millionaire truck driver's son. My two trials would have cost me $2.5 million to defend myself by somebody who doesn't know the case as well as me.

I want you to be fair. And one thing you can do is, you can give a Member one day to just bring in two witnesses. But if you were really fair, you would look and listen to the witnesses truthfully who offered testimony in the courtroom and you didn't allow that. And your counsel said that it was cumulative. And there's nothing cumulative about that and they know that. That testimony was voir-dired outside the

presence of the jury. The jury never heard it. And I don't blame the jury; they could only rule on that which was given to them.

And as counsels for the ethics committee, you're also dealing with a Member here. I may not be the most liked and I may have unorthodox measures and may have raided this House for some appropriation money, but I'm a Member too. I'll be damned if I'll be treated like a dog.

Now, those rules say I have reasonable time to produce some witnesses, and I think all these affidavits should be put in evidence, they should be spread across the record. If I am expelled, I'm going to ask some noble-blooded Member to place the Traficant affidavits on the record under extension of remarks, at least for the purpose of historical memorialization. Because the juxtaposition of the testimony, uncorroborated by people who of one common thread, suffering great jeopardy, versus Traficant witnesses who could only be hurt by the government subject to harm should have been allowed.

And, by God, if you don't allow it, where is there justice? If the American people, if a Member of Congress can't come to the Congress, who -- where do the American people go?

So I guess what you're hearing from me is pack my bags. I'm not going to admit to crimes that I did not do, had no

intent to ever commit a crime, and will do the time. And expect a long time to try and shut me up. But let me tell you something, there will be some smoking gun that will come out before it's over in the Traficant case; and you will recognize that you let a Member of Congress be convicted on the most serious count, a RICO case, without a damn drop of physical evidence.

Now, I can get a paper trail on every letter you sent on behalf of your constituents and I can read into anything you want. And there's the one tape of Robin Best who now is so afraid of the IRS she's saying, I don't believe Traficant, I don't believe Traficant. But she says, Jim, Henry can't afford to lose his business. He can't afford to be indicted, and he can't afford the legal fees.

Where are we? Where are we in America? This is a damn joke.

Other than that, I'm feeling fine. If somebody in the audience has a cough drop, I'd appreciate it; my throat is sore. I'm having some rectal disorders, as a matter of fact, as a result of this. My stomach is upset, and I am hard to live with.

I am prepared to be sentenced to jail on the 30th of July because I've been asked to address the national convention in August, and I think everybody's scared to death of what the hell I'm going to say.

But the American people aren't stupid, and they fear government. And these agencies, not all of them, they've interpreted your laws to suit their purposes; they've twisted, distorted those laws. And if there's any count you have doubts with, show me some damn evidence.

Mr. Hefley, if you believe the United States Justice Department went back 15 years on the horse transaction, trying to find a cash transaction, that they weren't after Jim Traficant, you're mistaken.

And let me close by saying this: A horse drinks 5 gallon of water; he's going to urinate 5 gallon of water. They went back 15 years on a horse transaction. They were desperately trying to find one person that Jim Traficant paid cash to.

There was never one cash transaction ever made by Jim Traficant. And my average monthly deposits were $482. And I had an average of $600 cash from the farm in rent and board for horses. They couldn't find one and were afraid to expose me to an FBI or IRS investigator because they'd have been dealing with the Roto-Rooter, believe me.

RPTS O'ROURKE

DCMN BURRELL

[12:05 p.m.]

Mr. Traficant. There is no evidence. I don't blame this jury. This jury could only deal with what they got. What

they got was 50 witnesses. Fifty witnesses that said what? Dan Bucci shared in the sawdust. There is his sister-in-law. Tony Bucci is the biggest liar in the world. Stole money from him. And by the way, I brush out 40 acres of the land every year and personally with my own equipment bale 25 acres of alfalfa to help Dan Bucci, who had some problems, and never got a dime for it. And when he died, her husband told her -- his widow to give me those old farm wagons, and I knew she needed money and I gave her a $1,000 check. I didn't have to give her a dime. And she said that Buccis owed me money. That bastard should be in jail. He got 6 weeks. I heard Cafaro got 0 to 6 months probation, no jail time. Perjured himself in a previous criminal trial. Perjured himself against me, and here I am. I am before a committee of Congress.

Now, finally, Attorney Percy Squire is dealing with the jury selection plan passed by Congress in 1967. I was tried by a jury out of Cleveland. No one from my district. What hurts me is that all 12 have a common thread as well. They said they knew nothing of Jim Traficant. They did lie on that. They knew me. One woman testified after we knew he was flamboyant but most Members of Congress are crooks and he unfortunately got caught. How would you like to hear that? Sound like a used car salesman? Another one said we don't like the way he treated the judge.

I think it is prudent and wise for this committee to exercise some quasi-legislative judicial ingenuity and to afford a Member who is facing the rest of his productive life in a prison the opportunity to at least bring in the limited two witnesses. I think you should also allow to bring in the Secret Service retiree, Michael Robertson, who did an analysis of the kickback scheme because he handled money, fraudulent transactions, and who looked at the Traficant activity of deposits and the Sinclair accounts which the government only showed one and, ladies and gentlemen, they were five.

And let me close on Sinclair by saying this. Every month he is with me, $2500 appeared in his IOLTA legal account. 22 months after Traficant left, not -- $2500 never appeared in his IOLTA account again. He owed Henry DiBlasio over $400,000. They stopped DiBlasio from suing him. Both DiBlasio and Sinclair were pressured on receiving funds from the government under false pretenses of the ownership of their building and receiving the rent. Sinclair was pressured that his wife would sign the lease and would be involved. And from what I understand now, Henry DiBlasio did some work for Pete Bucheit that he charged him for. I can't prove that. And that's the case. They all got a "get out of jail free" card by saying they did something with me. Well, you can say you did something with any one of your Members, too. Categorically deny these. I would like Mr. Robertson to be

brought in. I would like Mrs. Ferrante, who could be here tomorrow by noon. I would like Linda Kovachik to be here, could be here by noon, and I don't think it is an unreasonable period of time to give me one business day to coordinate and arrange for them. And quite frankly you should have brought in all the witnesses I subpoenaed, and I think, Mr. Walker, I think you were wrong in advising your chairman not to.

So with that, I guess that about uses up my hour. I certainly don't want to rest this thing today. I do want my witnesses and I want all of my affidavits put across the record and I have some supporting documents. I have a letter to Chairman Hefley. It is a complaint by Detore. I have a letter from Chairman Hefley to Detore, July 12, 2002. On the record I want this. I want a letter from Mr. Detore from attending physician July 15, 2002. I want the original note from physician to committee 7/12/02. I want the transaction report on fax to committee from physician, 7/12/02. I want the original note from physician pretrial 7/12/02. I want the transaction report on fax pretrial from physician 7/12/02. I want the fax regarding medical records pretrial for Detore 7/12/02. I want the letter from Detore to Chairman Hefley 7/12/02. And I want a copy of the Detore subpoena dated 7/10/02 and served 7/11/02.

Finally -- you know I did endorse you for Supreme Court so you better listen, and that was a good endorsement -- and I

think you should grant a limited immunity relative to the Traficant events on one Richard Detore. He is without counsel. He has spent close to $600,000 yet to go to trial and his attorney was recused by the judge without his presence because the attorneys wanted another $100,000 before they would file a motion. What is it coming to here, folks? Bring in Detore. Bring in Ferrante, bring in Kovachik, bring in Robertson and learn a little bit about the Traficant case and you would be surprised. You will feel better. You will like it.

But I am honored you have given me the chance to come here. It is uncomfortable for me to be here, Chairman, because I have known you and respect you. Quite frankly, Mr. Berman and I haven't got along all that well. I think he always felt a little bit that maybe I was a little one-sided on that Mideast affair, and you are wrong about that, Mr. Berman, I have respect for you. But I think you should afford me the right to bring those witnesses and I think you can wait a day. This is not going to destroy the decorum of this august body, and I think you have the collective wisdom to make that decision, allow my affidavits in addition to the witnesses that I call. I can and have made arrangements to have them here in the noonish hour and would request that we would have them at 1 o'clock to be sure.

Mrs. Ferrante's husband had several strokes since that

murder scheme was announced. By the way, she was advised to go public by the feds and it really hurt me in a jury pool. They say this Traficant must be something. On the jury selection plan, no one from my area. Part of the appeal will be the 1967 Jury Selective Service Plan passed by Congress that I think has been cannibalized by the Judiciary, and there will be other issues. And if in fact -- Freudian slip -- what was that word, smart -- okay. In fact Attorney Clarke, who is well respected, the husband of Judge Wells is a part of Squire, Sanders & Dempsey, Judge Wells under 28 U.S.C. code had the responsibility without question to recuse herself. And if Judge Wells had the responsibility to recuse herself, this jury verdict is moot because it was a defective judge that had a fiduciary, or interest in one of the key participants, that being Cafaro and his relationship with their payments to Squire, Sanders & Dempsey and their agent in Washington.

With that, I would ask the committee not to ask me any questions because I have got to go to the bathroom. I am disgusted, busted, can't be trusted, and I would like for you to give me the opportunity to present witnesses and I think it is in the best interest of the committee. Unless you just want to do the same thing they did in Cleveland and ship my buns off somewhere. If they do, you just go right ahead because I am prepared for that. I am prepared to have them to

take everything I have, all the property I have, all the disgrace that they phased me through, through a press that has beat the hell out of me for years, and many of them are so dumb they could throw themselves at the ground and miss and haven't seen the light yet.

But other than that I harbor no hard feelings and ask for you to, Mr. Chairman, to approve my request to allow witnesses on my behalf and to once again give an opportunity for me. I have not conferred with Mr. Detore. I have stayed personally out of it to see if Mr. Detore -- and I think you should give some limited immunity and that he could have the right to testify to certain things and not to certain things because he knows what happened with U.S. Aerospace and there were no crimes with U.S. Aerospace. And that isn't asking very much for three witnesses. And I want to know if I can now go vote, too.

So I guess my time is up, but I think that is a reasonable request I make of you. I know you want to get this done and I understand your week schedules. And I have been reading in the paper how you expect to have me out of here by Wednesday. But the plans of my total demise I think are premature. And let me say this premature foreplay may cause you problems. I would be very careful in delineating the final outcome of what you do because I am going to make this statement. Everything you have brought is hearsay. You have

brought hearsay, and I haven't been allowed to bring hearsay. And the hearsay you brought was from people under jeopardy. And the testimony I bring is from people that can only be hurt by their truthful testimony and like Terlecky and Kidwell already being hurt. And I ask the committee to do one other thing. Look at the witnesses in the Traficant case. If you throw me out in a fit of jealous rage, in a moment of total disgust to protect those witnesses that truthfully testified on behalf of Jim Traficant who the government is now trying to destroy. Otherwise, I will break out of prison and I will make a necktie out of some of these bureaucrats because, Steven, I have had it.

And with that, I am available for whatever you do, but I think it is only fair, one day wouldn't, I think, upset the Constitution of this great republic. In fact, it might give the American people some hope that maybe they don't have to fear their government, maybe they can stand up to it and the Congress might listen to them when their questions and claims are valid.

The Chairman. Mr. Traficant, thank you for that opening statement and we have offered, as you know, complete latitude for you to make whatever case you wanted to in the opening statement. I will point out that much of your opening statement consisted of discussing the government's misconduct and pressure tactics, and those items are really irrelevant to

this procedure. They, I think, are probably very relevant to any appeal you might have in the judicial system.

Mr. Traficant. I disagree.

The Chairman. I think they are very relevant --

Mr. Traficant. I think they should be the major concern of this subcommittee more than the court.

The Chairman. Mr. Traficant, I gave you an hour and I didn't interrupt you, and if you give me a couple of minutes here without interruption, then we can proceed. I think they may also be relevant for a Government Reform Committee series of hearings or something like that. But here I don't think we are interested in how, why you got here. I think we are interested in did you do the things they accuse you of. That is what we need to know, and we are relying on the testimony and the exhibits of the Federal District Court, the same testimony and exhibits that the jury relied on.

Now during our break, and we are going to break here for lunch and for your restroom break, but during the break --

Mr. Traficant. Thank you.

The Chairman. During the break if you will review the witnesses that you described to us and the affidavits you described to us and determine which ones of those have relevance as it relates to did you do these things that you are going to be accused of and the evidence that is going to be put on, we will reconsider some of those witnesses. We

will consider the time limit that you want for the two witnesses for tomorrow. We will consider the affidavits, if they relate to whether or not you committed these offenses that they claim you committed.

So with that, the committee will stand adjourned until let us say 1:30.

Mr. Traficant. Could you give me a little more time than that, Mr. Chairman? I got here early this morning, 5 o'clock and could use a little more time to go through some of the documents.

The Chairman. You had a good deal of time, but if I adjourn until 2 o'clock will that give you a little more time?

Mr. Traficant. Not necessarily turning back the clock, but I think 2:30 would be more appropriate.

The Chairman. I think we have to proceed.

Mr. Traficant. Are you in that much of a hurry?

The Chairman. I will compromise with you and we will recess until 2 o'clock.

[Whereupon, at 1:20 p.m., the committee was recessed, to reconvene at 2:00 p.m., the same day.]

RPTS O'ROURKE

DCMN BURRELL

[2:15 p.m.]

The Chairman. Committee will come back to order. Mr. Traficant, let me just read from a letter that was sent to you on July 11 as we deal with the issue of relevance here. It was stated in the second paragraph it is also appropriate to reiterate here that the subcommittee's previous notice to you that it views allegations of government pressure tactics or other government misconduct as irrelevant to these adjudicatory proceedings to the extent that any such allegations are not supported by a direct and specific proffer or evidence that particular material evidence at trial was false and that the supposedly false material evidence was obtained as a result of the alleged government misconduct.

So you can deal with government misconduct if it directly affects whether or not your testimony as to whether or not you committed these acts. The subcommittee has met and will permit you to call three witnesses by -- and we will wait until tomorrow, 1 o'clock for your witnesses to be present: Sandra Ferrante, Linda Kovachik and Michael Robertson. Did you in the time we were in recess, did you come up with additional witnesses that you thought were important, Mr. Traficant?

Mr. Traficant. Yes, I did, Attorney Jay Harney. The

committee ruled that Harney's testimony was not privileged and didn't accept it, and now I find that the Harney 302 and the Harney grand jury testimony has been posted on the web site, and Attorney Jay Harney could speak to the Detore matters and should also be subpoenaed by this committee as should Richard Detore. And Detore should be -- in fact, negotiated with his doctor. And before we move forward with other proceedings today, I do have questions since I have supporting documents since the break relative to the statements made by Ms. Sargeant which were incongruent with the information that I have received from the doctors relative to Detore's case and to the handling of waivers and subjects of that regard. In fact, it might be best at this time to put Ms. Sargeant under oath and I would be willing to go under oath on that issue. I would prefer to go under oath after my witnesses complete their testimony, their supporting testimony tomorrow.

I would like to recommend to this subcommittee that for the purposes of justice that they could give a limited immunity relative to the issues concerning the dynamics of the Traficant trial only relative to Mr. Detore, and any other salient points of perhaps criminal investigation and/or machinations could be left apart. He has no counsel. He would have to have arranged with the approval of his physician. That might be able to be arranged, and I think for the sake of justice and for the importance of this matter,

being that there has not been a Member expelled for 140 years, that the committee could take the time to go that step.

The Chairman. Mr. Traficant, we are trying to bend over backwards to give you an opportunity to present your case. We cannot give immunity to Mr. Detore. That is not within our power. We can't do that and so he will not be given immunity. If you can get him here, we would be happy for him to testify. But we can't also put off these proceedings in the vague notion that he is ill. He has used this as a reason not to appear for several other appearances he was required to do, and we don't know when or if he will be in a condition to do that. Even if he does show up, he has indicated to us that he would take the fifth amendment, and I don't blame him. He has got a case he has to deal with himself. We are not putting it off for that purpose. As I said, we will put off the two witnesses or the three witnesses for tomorrow. And I did mention Michael Robertson. Someone mentioned that I did not mention Michael Robertson, I hope I did mention Michael Robertson and Jay Harney.

Mr. Traficant. Attorney Jay Harney that you had ruled was privileged. It is not privileged. It has been posted on the web site now. Speaks to the veracity of witnesses that reflects a key figure in what is a conspiracy situation. And be advised that once it reaches a conspiracy level, it moves the statute of limitations back significantly, which would

have knocked out several of these cases, which was a nice manipulative machination employed by the government.

The Chairman. Let me take that under consideration here just a moment.

I am going to -- in the matter of Jay Harney I am going to put it to a vote of the committee. Do any member of the committee have any questions of Mr. Traficant regarding this particular witness that you would need to ask before you are prepared to vote on -- would you like to --

Mr. Berman. I would like a caucus.

The Chairman. We are going to have a brief recess.

Mr. Traficant. Could I make a comment before you recess, Mr. Chairman? The Web site that the Harney 302 and grand jury testimony has been printed on and has been publicized on is on the Northern District Court of Ohio web site.

[Whereupon, at 2:25 p.m., the committee proceeded in Executive Session.]

[2:30 p.m.]

The Chairman. The committee will come back to order. Ms. Ferrante, Ms Kovachik and Mr. Robertson, we will put off their testimony until tomorrow at 1 o'clock at your request. It is up to you to get them here. They must be ready to proceed at that time, including with counsel if they think they need counsel. I mean that is up to them. I think at this point -- on the point of you waiting to testify until after they have testified, I think what we are going to do now is to go to the counsel, let them present the case against you, and then we are going to expect you to be ready to testify in this proceeding. And if, however, some of the witnesses or some of the events of the hearing prior to its close should make you want to supplement your testimony, you will have the opportunity to call yourself back to the stand for additional testimony.

I would remind you that you have a total of 5 hours. You have used one of it. The cross-examination of you or your witnesses will not be taken from your 5 hours. But you do have that period of time, and as far as possible we want you to use that as you best can present your case. Any questions, Mr. Traficant, before you proceed?

Mr. Traficant. I have another issue dealing with the matter again of Mr. Detore and misrepresentations made to this committee today. And on the break I was able to substantiate

and corroborate some of those misrepresentations, and in fact just relieved. I want to read it.

Dear Mr. Detore, per your request, I am forwarding a copy of the document faxed to Ms. Kimberly Walker. She indicated that she needed to provide this information to the judge. Also, I made nine attempts to fax it to Ms. Bernadette Sargeant and the fax confirmation did finally come back okay. I would also like to mention that both Ms. Walker and Ms. Sargeant indicated that, with your permission, I was to discuss your case with them. I would like to remind you, as I indicated to both parties, that in order to divulge doctor-patient information, we required documentation with your signature indicating whom this information may be discussed with. During previous conversations with doctor -- and I have redacted that for the record -- you were very adamant that your case should not be discussed with anyone. That came from the neurology department relative -- and that was dated July 15. So Ms. Walker and Ms. Sargeant did know that there was no waiver at that point.

The Chairman. Mr. Traficant, if you would put your concerns about this in writing we will be happy to consider it. At this point I think it is irrelevant to our position in the hearing right now. So we are going to go ahead with the counsel's case.

Mr. Traficant. I think it is relevant because I think

Mr. Detore should be brought into this.

The Chairman. We would be happy to have him here if you can get him here. If he is healthy enough to be here, we would like him to be here.

Mr. Traficant. Why don't you subpoena him, Mr. Chairman?

The Chairman. We did subpoena him and he indicated to us that he would take the fifth amendment.

Mr. Traficant. That is not here and I have information that says he would discuss that but did not say he would actually invoke.

The Chairman. That is not what he said to us, and so we are going to proceed on what he said to us.

Mr. Traficant. I have something different in writing here.

The Chairman. Mr. Lewis?

Mr. Lewis. Thank you, Mr. Chairman. At this point I move into evidence hearing exhibit No. 1, which is a certified copy of the trial transcript of the United States vs. Traficant, criminal number 4:01CR207 from the U.S. District Court for the Northern District of Ohio. Hearing exhibit No. 1.

(Exhibit No. 1 was marked for identification.)

The Chairman. Without objection it will be admitted.

Mr. Lewis. I also move into --

Mr. Traficant. I object to it. It is hearsay and

constitutes hearsay. It is uncorroborated by physical evidence and it lacks an investigation by this committee to substantiate it.

The Chairman. Mr. Lewis, what is your response to the objection?

Mr. Lewis. Mr. Chairman, the evidence in the trial transcript is relevant. It is the most relevant evidence to this case. It is the testimony of the witnesses who testified under oath subject to cross-examination, subject to the extensive cross-examination of this Respondent. It would be self-authenticating as a public record if we are proceeding under the Federal Rules of Evidence. Under the strong precedent of this committee in every case where the committee has considered a member that has been convicted, the Myers case, the Genrette case, the Lederer case, the Hansen case, the Biaggi case and the Diggs case, the committee considered the transcript of the record.

Mr. Traficant. My response, Mr. Chairman, is all of these witnesses were subject to jeopardy and harm and were rewarded for testimony by the government. Traficant witnesses which would have rebutted said hearsay were not allowed to testify and are in fact subject to harm and are now being threatened by the government; namely, Michael Terlecky, with 140,000 levy; namely, Brian Kidwell as his employment -- I don't know if this is funny. I see some members up there

laughing and I think this is very important. This is a hearsay document where I was not allowed to offer testimony.

The Chairman. Mr. Traficant, hearsay is allowed under our rules. We have different rules than you have in a U.S. District Court. It is allowed under our rules as long as it is relevant and it does comply with our rules. But let me read to you a line from a letter you wrote me on July 10 and in that letter you said, in addition to the information provided herein, I intend to rely on all testimony and evidence presented in United States vs. James A. Traficant, Jr., No. 4:01CR207. So you intend to rely on this as well. The objection is overruled.

Mr. Traficant. As hearsay. But what I am asking you is you are setting a double standard here by allowing that hearsay, as the judge did in Cleveland, and not allowing hearsay from the defense. And the point is --

The Chairman. We will allow hearsay from the defense if it is relevant.

Mr. Traficant. But the point is you have denied about 20 of my witnesses and only allowed four of them and you have allowed everyone who testified there who is under pressure and jeopardy.

The Chairman. Those witnesses were not disallowed because of hearsay. Most of them were disallowed because of relevance.

Mr. Traficant. No, they weren't. They were disallowed because of hearsay exceptions that the judge overruled.

The Chairman. I am overruling your objection.

Mr. Traficant. I object to that for the record.

Mr. Lewis. Mr. Chairman, I also move into evidence hearing exhibit No. 2, which is a copy of the certified trial exhibits from the same trial. It consists of six volumes of photocopies of the exhibits that were admitted in the trial.

The Chairman. So ordered.

(Exhibit No. 2 was marked for identification.)

Mr. Lewis. And finally, Mr. Chairman, I move into evidence hearing --

Mr. Traficant. Clarification on exhibit 2.

The Chairman. The order has already been issued. Continue. Continue, Mr. Lewis.

Mr. Lewis. Hearing exhibit No. 3, which is a certified copy of the plea agreement and the guilty plea hearing of Henry A DiBlasio, case number 1:02CR03, also for the United States District Court for the Northern District of Ohio.

(Exhibit No. 3 was marked for identification.)

Mr. Traficant. Object.

The Chairman. Mr. Lewis?

Mr. Lewis. Mr. Chairman, this testimony was also given under oath and would be admitted as a public record.

The Chairman. Mr. Traficant, do you want to explain your objection?

Mr. Traficant. The Silvetti evidence was all given under oath too by FBI liars, and he was in jail for 30 years and his partner died when they finally printed it out. Listen, Mr. DiBlasio would have had to spend about half a million dollars to defend himself. I don't blame him for what he did. I have a witness that will testify tomorrow that I repaid loans to him. I think these matters should be held up. You are dealing with hearsay here.

Mr. LaTourette. Mr. Chairman, may I ask a question? I heard what counsel said. It was under oath, and it is not hearsay. I don't understand what the relevance of this plea agreement is to what we are doing here today.

The Chairman. Would you explain the relevance?

Mr. Lewis. The relevance is, Mr. Chairman, that Mr. DiBlasio pled guilty to committee perjury and he stated that the perjury he committed was that he falsely testified in the grand jury investigating Congressman Traficant that he did not make kickbacks to Congressman Traficant, that the truth was that he did in fact make kickbacks to Congressman Traficant. When he falsely stated that in the grand jury he admitted that he committed perjury.

Mr. Traficant. Attorney DiBlasio has been an attorney for many years. He testified twice before a grand jury and

sent a letter saying that he was being pressured and extorted by the prosecutor after my conviction, probably still thinking he didn't want to spend a half a million dollars. I have a witness tomorrow that will say she had in fact seen me repay loans to Henry DiBlasio. You are putting on hearsay. These people say anything to save themselves the money. I think this is after the fact. It was after the trial, and I think you should come up with some corroboration and some proof.

The Chairman. Objection is overruled. Mr. Lewis?

Mr. Lewis. At this point, Mr. Chairman, I will now summarize the evidence presented at the trial that supports the Statement of Alleged Violations, and Mr. Kellner and I will be glad to take questions from the subcommittee at the end of this presentation.

Fifty-five witnesses did testify at Congressman Traficant's trial for the government. However, 29 witnesses did testify under oath before the jury for the defense. So any testimony that you heard that no one was allowed to testify for the defense is not true. Twenty-nine witnesses testified for Mr. Traficant at his trial. In addition, each of the witnesses who testified for the government were subject to cross-examination and was extensively cross-examined by this Respondent.

Count I. Count I charges Congressman Traficant with agreeing and also that he agreed and did exchange official

acts for things of value with Anthony Bucci and Tony Bucci for a 10-year period from 1986 to 1996. 17 witnesses testified for the government at the trial. The key witness was Anthony Bucci. He and his brothers Robert and Daniel owned two highway paving contract companies in the Youngstown, Ohio area, asphalt specialists, and when that went out of business, prime contracting. Mr. Bucci testified that the company employed about 50 individuals. He testified that during the mid-1980s, the company started having trouble with the Operating Engineers Union.

In 1986, they asked Mr. Traficant to help them with their problems with the union. Now Bucci testified he did not know the Congressman well at that point, but the Congressman did have a record of prior success for working out relations between unions and local companies. He testified that the Congressman did work out an arrangement for an agreement between Mr. Bucci's company and the union to pay a nonprevailing rate below the minimum wage that was very beneficial to the Bucci company.

Now in addition to Bucci testifying, there was evidence presented. I ask for you to turn to your hearing booklets that contain the hearing exhibits and look to hearing exhibit No. 4. And a copy of the hearing exhibits have been provided to Congressman Traficant and this is a copy that corroborates Tony Bucci. It is a letter from Asphalt specialists to the

Congressman dated December 5, 1986 by Dan Bucci asking the Congressman for help with the union.

Hearing exhibit No. 5, the next one, is a copy of the agreement that was signed between the union and the Buccis showing that that agreement was in fact made.

Mr. Traficant. Object.

The Chairman. State your objection.

Mr. Traficant. Most of these acts he is talking about occurred more than three previous Congresses. None of them have anything to do but advocacy on behalf of an employer and his employees. The committee rules completely state -- this is talking about 1986. I mean they went back to 1986 looking for cash disbursements on me. What are we into here? The advocacy role of the Congress is in fact to do those things.

Mr. Lewis. Mr. Chairman, I did not interrupt the Congressman. The Congressman knows very well that procedural issues are supposed to be debated before now. The SAD states it goes from 1986 to 1996. 1996 is within three Congresses.

The Chairman. Objection overruled.

Mr. Traficant. What were the acts in 1996?

Mr. Lewis. I will continue with my presentation.

Mr. Traficant indicated to Tony Bucci that he wanted to have some work done at his farm. The testimony at the trial is Representative Traficant had a farm outside the Youngstown area. Tony Bucci went to that farm and after talking to the

Congressman agreed to help him. He thought they would be paid. He sent a series of bills to Congressman Traficant, a series of bills which he received no response. If you look at hearing exhibits No. 6 and 7, those are examples of the invoices sent by the Buccis to the Congressman in 1987 and 1988. He identified hearing exhibit No. 6, dated May, 1987, $10,000 worth of work done at Congressman Traficant's farm, 300 hours of work. Bucci also identified hearing exhibit No. 7. By October 1987 Congressman Traficant owed them a balance of $12,985. If you look at the top of exhibit No. 7, it states for work done at farm, State Road 165, per Mr. Jim Traficant's instructions. Eventually the Buccis had to threaten to file a lawsuit to get their money.

I would ask Mr. Kellner to put up a chart of hearing exhibit No. 9, and there are copies of this exhibit in the members' booklets and Mr. Traficant's booklet.

Mr. Traficant. I didn't hear that.

Mr. Lewis. There is a copy in your booklet.

Mr. Lewis. Chart No. 9 is a letter from Attorney John Spain to Representative John Traficant, dated November 14, 1988, regarding the filing of a lawsuit, an account balance that he owed the Buccis $12,985 as of that date. The Buccis testified that he was worried about the possibility of suing the Congressman, worried about the possibility of losing Federal work projects, but he also said he couldn't afford to

lose almost $13,000 in labor and materials. The dispute was finally resolved. Mr. Bucci went to a meeting with Charles O'Nesti. Charles O'Nesti was Representative Traficant's District Director. Charles O'Nesti told the Buccis if they forgave the debt to the Congressman, the Congressman could do things for them in the future. Bucci then met with the Congressman himself and Mr. O'Nesti. Bucci said that is a lot of money. I would expect a lot of favors from you, and Mr. Traficant said, I can do more for you in the future. Bucci testified they reached an understanding: Number one, that the $13,000 debt would be forgiven; two, that the Congressman wanted continuous work done for him and wanted continuous work done at the farm; three, that the Congressman in exchange would help the Buccis.

Tony Bucci felt that he discussed it with his brother and they felt the $13,000 wasn't a bad price to, quote-unquote, own a Congressman. In exchange, Congressman Traficant agreed to do official acts for the Buccis. In 1991 and 1992, Anthony Bucci was convicted of two Federal charges and was sentenced to 6 months in Federal prison. He was convicted for defrauding the Veterans Administration by failing to pay the prevailing wage rates required by Federal contracts and filing false payroll reports. One conviction was for 10 counts of filing false statements and five counts of mail fraud, and the second conviction was for conspiracy to file false statements.

He was sent to prison in North Carolina. He asked Mr. Traficant to help transfer him to a prison closer to home. And the Congressman did help transfer Anthony Bucci to a halfway house in Youngstown.

The corroborating evidence is exhibit No. 14, which is a letter to the warden of the Federal prison in North Carolina where Mr. Bucci was incarcerated from the Congressman asking for Tony Bucci to be moved. He was transferred to the Youngstown halfway house.

The Congressman also helped Tony Bucci retain privileges at that halfway house. Mr. Bucci was allowed to work for his company while he was at the halfway house, which he testified was very significant that he was able to do so. He was allowed to leave on weekends and he did not come back on a weekend. He did not call in the way he was supposed to and he was going to lose those work release privileges and he asked the Congressman to again intervene for him. Hearing exhibit No. 15 is a fax from Congressman Traficant's office and a letter to the halfway house from the Congressman thanking him for the conversation and thanking him for helping Tony Bucci and not punishing him for violating the privileges.

Congressman Traficant also helped the Buccis with the Department of Transportation. Based on Tony Bucci's conviction, he was going to be disbarred for 3 years from receiving any Federal contracts. His brother Robert was also

convicted of a misdemeanor and was going to be disbarred for a period of time and Asphalt Specialists was going to be disbarred. William Baccus, an attorney for the Department of Transportation for over 25 years, testified in front of the jury that he received a call from Congressman Traficant. First and only call he received from a Congressman in 25 years.

Mr. Kellner will put up chart No. 16, which was a letter from the Congressman to Mr. Baccus. So in addition to the phone call, there was a letter from the Congressman. It corroborates that the Congressman called him thanking him for the phone call and it indicates that through me, his personal representative, Congressman Traficant, Anthony Bucci was requesting that he not be disbarred.

I would also like you to look at exhibit No. 17, which is a letter from Congressman Traficant to the Secretary of Transportation. In this letter the Congressman states that prime contractors should not be disbarred because Cheryl Bucci, the wife of Anthony Bucci, is the President of the company. Anthony Bucci testified that he and his brother ran the company, that Cheryl Bucci did not run the company. But hearing exhibit No. 17 is another example of an official act that the Congressman did for the Buccis. The result, Anthony Bucci's disbarment was lowered from 3 years to 18 months. Robert Bucci's was lowered to 6 months. Asphalt Specialists

was disbarred but Prime Contracting was not disbarred, which allowed the Buccis to stay in business.

There are other official acts. There are official acts with the Department of Labor. In addition to being disbarred from the Department of Transportation, the Department of Labor was going to disbar the Buccis. Congressman Traficant made phone calls to Thomas Buckley, an investigator for the Department of Labor. He worked for Labor for 18 years and he stated this is the first and only call he has ever received from a Congressman.

The Congressman also intervened for the Buccis with State authorities. He intervened with the Ohio Department of Transportation. As Mr. Kellner stated, David Dreger, a supervisor for the Department of Transportation, testified about meetings and phone calls by Congressman Traficant for the Buccis complaining about an investigator Tom Williams. If you look at hearing exhibits 11 and 12, those are copies of personal notes that Mr. Dreger made about phone calls with the Congressman, that the Congressman was threatening to go over his head, threatening to go to the Director of the Ohio Department of Transportation and things of that nature. Hearing exhibit 12 were his notes about a conversation he had with the Congressman on May 26, 1995, about an incident at a State park in Ohio, Mosquito State park. The Buccis wanted to pave on Memorial Day weekend and the State inspector Tom

Williams did not want them to. He felt it was improper. The Congressman said he would call Jerry Ray, who was the head of the Ohio Department of Transportation.

If you look at the next exhibit, hearing exhibit No. 13, those are the notes of Congressman Traficant's Chief of Staff, Paul Marcone, about that meeting. If you look at it at the very top, it identifies the three Bucci brothers. It comments about a phone call from Traficant to the ODOT Director as he stated what he would do to Tom Williams. About 250 jobs. It corroborates the testimony of Tony Bucci and David Dreger, hence the notes of Paul Marcone, the Congressman's former Chief of Staff. The investigator himself testified, Tom Williams. He worked for the Ohio Department of Transportation for 37 years. He recalled the Mosquito Park incident in that Bucci testified that Bucci told him that he asked Traficant to straighten out Williams. Williams said that he talked to the Congressman on the telephone. The Congressman said you have no right to do this. Why are you picking on my friends? Why can't they pave over the holiday weekend? I am going to have a meeting and I am going to have your job. Williams said he would meet Traficant anywhere and Traficant said I don't have to meet with you. I can meet with the head of ODOT and I can meet with the Governor.

Mr. Williams was cross-examined by Traficant. And in response to a question by the Congressman, were you ever mad

at me, was I ever angry at you, Mr. Williams said, the only time I was ever mad at you was at Mosquito Park when you took the side of the Buccis against 3,000 people who were trying to use the State park that weekend. You are supposed to be representing the people and you took the place of two convicts who you constantly refer to as my friends against those 3,000 people.

There are many other official acts. They were very important to the Buccis because they testified that 97 percent of their work was done at the Federal level or with the Ohio Department of Transportation. But as the Congressman said in his opening statement, it is okay for a Congressman to do official acts for a constituent. What is not okay is when he received things of value in exchange for that work. Number one, he forgave the $13,000 debt. Number two, he did provide continuous work -- the Buccis did provide continuous work for the Congressman at his farm for a long period of time.

Mr. Kellner will put up chart No. 10, which is a handwritten list of things that the Congressman told Tony Bucci he wanted done at his farm and Tony Bucci said he did do at his farm. Now the handwriting in hearing exhibit No. 10 was testified to by the Congressman's former secretary, Grace Yavorsky, who stated that was his handwriting. It is also identified as the Congressman's handwriting by Wes Richards, his former Chief of Staff, his Chief of Staff for 3 years.

And Tony Bucci said he was given this list by the Congressman in a restaurant in the mid-1990s and it was a list of things that the Congressman wanted done. If you look at the righthand portion and there is again a copy in your notebooks, it says fill dirt and manufactured sand. Bucci said that was manufactured sand that the Congressman wanted for his corral. It says haul debris. He said that he hauled debris from the Congressman's farm. Another witness who worked for the Buccis, Tim Walsh, came before the jury and testified that he did go to the Congressman's farm on numerous occasions and hauled debris.

Number three, sawdust for horse bedding. Bucci said he brought many loads of sawdust to the Congressman's farm. Tim Walsh also said he did that and James Ragazzine, another employee of the Buccis, said he did that. It was not just a little bit of sawdust but over 30 loads of sawdust.

Number four is oats for horses. Number five talks about driveway and barn lanes. And Bucci said he regraded and added slag to those driveways. Again he said it wasn't de minimis. He said it was over 300 tons.

Grading, another employee of the Congressman's, Bruce Pierce, testified that he did the grading. Hay wagons and finally 429. Bucci testified that dealt with the Congressman's personal residence and he actually did not do that work. Bucci also stated that over the course of 1986 to

1996 he gave the Congressman a Ford pickup truck for 2 years and gave him a 2 or $3,000 riding mower that was never returned.

But it is more than just the testimony of Anthony Bucci. Joseph Altiero also testified. He was an employee of the Buccis. He testified that he worked at the Congressman's farm for 6 months on a regular basis, not every day but on a regular basis. He stated he repaired tractors and fixed fence posts. He repaired and cleaned horse stalls, he worked on landscaping, he fixed the roof, he baled hay, he fed the horses, he fixed the floor of a barn. He was paid by the Buccis. He was not paid by the Congressman. Five other employees of the Buccis testified that they did the same sort of work, not for that long a period of time but the sort of work you see on hearing exhibit No. 10. And in addition, they testified that they did bulldozer, backhoe work just like Bucci said they did.

But another witness testified. Paul Marcone, the Congressman's former Chief of Staff, testified and Paul Marcone did not have immunity and did not have a plea agreement and did not talk about being pressured by the government. The Congressman's former Chief of Staff said at that one point in 1996 a staffer complained to him that he was upset that the Congressman kept asking him to do work for the Buccis. He said why are we doing this, they are crooks,

criminals, they are convicts. As you will see, the Congressman's staffer is right. Tony Bucci is a crook. He has been convicted of four felonies, but his own staff is saying why are we helping this person. That staffer's name was Jim Welfley. Paul Marcone said he went to the Congressman and said why are we helping this person and the Congressman said that is my business. I will take care of it. Don't get involved. So there was work for the Buccis in 1996.

And finally, I would like to read to you about the Buccis from Paul Marcone's testimony. And I direct you to page 1458 of the trial testimony. And on redirect, the Congressman's former Chief of Staff was asked the following question: Do you recall Congressman Traficant asking you if the office of Congressman Traficant treated any company any differently than anybody else. Do you recall that? Answer: Yes. Question: Were there some companies that the office spent more time helping than others? Yes. Question: Where would the Bucheit companies fit? Answer: They would be at the top of the list. Question: How about Cafaro and USAG? Answer from the Chief of Staff: Very high on the top of the list. Question: How about the Buccis? Very high on the list. Question: So it is fair to say that the Bucheits, Cafaro and Bucci received more time and assistance from your office than over the 100 other companies or so you testified you helped over the years? Correct.

That is the testimony of former Chief of Staff who was not pressured, did not have a plea agreement and did not have immunity.

RPTS THOMAS

DCMN MAYER

Mr. Lewis. Now, Mr. Bucci did have immunity and he had a plea agreement. He had immunity for everything but perjury at the trial. He had a 1981 conviction for false tax return. He had the two '92 convictions I told you about. He admitted to a string of other misconduct, uncharged misconduct.

Tony Bucci told the jury that he regularly attempted to hide money from the IRS, that he filed false tax returns, that he filed false wage and employee benefit statements with Federal, State and local agencies, that he fixed paving contracts, that he submitted false change orders on contracts, that he failed to comply with specifications on contracts, that he used less paving material than required in contracts, he said that he stole paving material, et cetera, et cetera, et cetera.

And he admitted to a fourth felony conviction during the late 1990s, he pleaded guilty in 1999 to one count of income tax evasion and mail fraud, was sentenced to 8 to 21 months with no cooperation agreement. So the jury saw the sort of man that they were dealing with, and they also saw the sort of man that the Congressman dealt with.

Tony Bucci told the jury and was extensively cross-examined by the Congressman what his motivations were. After he pled guilty to his fourth felony conviction, he did

go to the government later in the year to see if he could reduce his sentence. He made them a proffer. They said, well, we're going to see if we can a verify your proffer.

And an FBI agent did testify to the trial jury, Special Agent Joseph Bushner testified that the FBI investigated and verified Bucci, that the investigation started an IRS/ Department of Labor case against Bucci and resulted -- and that's how he came forward with the allegations, and that's how they first got the information against Congressman Traficant from Tony Bucci in 1996.

During the course of their investigation, the FBI uncovered other allegations that lead to Count II of the SAV. Five witnesses testified for Count II and involved another local paving contractor, David Sugar. He was the head of Honey Creek Contracting, and as the Congressman said, he was a family friend. He was close friends with the Congressman's father and he was also friends with the Congressman.

Mr. Sugar's son had a DUI conviction, and he went to the Congressman for help. Again, the Congressman said, no problem, I'd be glad to help you. But the very day Mr. Sugar asked him for help, Mr. Traficant said, why don't you come out to my farm and I'll show you some things that I need done.

So just like Count I, Count II, I'll show you the official acts that the Congressman did. If you turn to hearing exhibit No. 18, that was a letter to the court that's

a letter to the judge who sentenced Mr. Sugar's son, from the Congressman asking for help. Hearing exhibit No. 19, another letter to the halfway house in Youngstown, stating that the Congressman and his staff contacted the halfway house and asked for help. And you'll see that is very important to Mr. Sugar. He said that he had lost some workers and it was very important that his son appear on the work release program and help do his work.

In exchange, David Sugar testified under oath that he gave Mr. Traficant $10,000 to $12,000 worth of work at his farm. He did not bill the Congressman for the work. This work was done in April of 1999. There is no bill, "I was not paid by the Congressman until the late fall of 1999 when reports came out that the Congressman was under investigation."

At that point, David Sugar testified that Mr. Congress -- Mr. Traficant did show up, like I said, in his opening statement and gave him a check of over $1,000 to pay for the work; but it was only after Mr. Traficant was publicly under investigation and the Congressman told him, they're watching me very close.

Mr. Sugar also did something. He created fake invoices. He told the jury, I was worried about what I was doing. I figured I'd better have some documentation that I'd actually billed the Congressman. So he created fake invoices and gave

those to the FBI. However, he told the FBI the Congressman was not involved in those fake invoices. So David Sugar pled guilty to lying to the grand jury about not doing the work at the Congressman's farm, witness tampering because his secretary had to back him up on the false invoices, and for false identification of the documents.

Now, you've heard that -- you may hear the testimony of Harry Manganaro. The Congressman said -- he will tell you that David Sugar told him that he testified against the Congressman because he was threatened by the FBI. Well, Mr. Sugar testified about that issue in front of the jury, and he was extensively cross-examined by the Congressman on that issue; and he stated that he was not threatened by the FBI and he was not threatened by the prosecutors and that he was not scared.

As far as Harry Manganaro, he testified in front of the jury, a witness who actually testified under oath on behalf of the defense, and he did testify and told the jury that Sugar told him that he was scared of the FBI. So some of what you're hearing is not new and some of what you're hearing, the jury actually did hear.

Count III: There is evidence of a third agreement between the Congressman and a local businessman. Eight witnesses testified regarding Count III. This dealt with the Cafaro company, which is an important local business in

Youngstown. The company developed malls and manages real estate throughout the country. It's the eleventh largest real estate management firm in the country.

The lead witness was a member of that family, John J. Cafaro. He was -- he told the jury, in the late 1990s he was interested in marketing an enhanced laser technology to airports. In addition to airports, the technology had an nautical and military application as well, helicopters to be used for, and the Army and Navy were interested in it. He told that the Cafaro family funded a new company the U.S. Aerospace Group and invested millions of dollars in it. But they needed FAA certification for the laser system.

The jury heard that there were three key employees at USAG. Cafaro himself handled funding and the end product; Rick Detore was the day head of the company; and Al Lange was the chief engineer. As the Congressman told you in his opening statement, Mr. Detore is the Congressman's codefendant, and it was his codefendant in the superseding indictment which is severed, and he is now waiting trial. You have here that he's been subpoenaed.

Cafaro talked about his background with Congressman Traficant. They met in 1977. He was initially a supporter of the Congressman. They had a fight over a campaign ad, and he admitted to the jury and was quite up front and said that he and the Congressman were bitter enemies for quite a period of

time. However, he went to his local Congressman and asked for help with obtaining the FAA certification for the laser technology; and he stated that the Congressman agreed to help. The Congressman said, I'm on the Transportation Committee, I'm on the Aviation Subcommittee, I can help you. You heard the Congressman say he did obtain a $4 million appropriation for the program.

In exchange, Cafaro agreed to help the Congressman with money and things of value.

The Congressman did begin meeting with USAG officials, he began to have regular dinners with Mr. Cafaro on Capitol Hill and sometimes with Al Lange. As with the other two counts, there is evidence of numerous official acts. There is evidence in the hearing exhibits and throughout the trial record of numerous press releases on behalf of the technology by the Congressman.

Paul Marcone testified that there were meetings with the Congressman and meetings at the Congressman's office with USAG and FAA. There's a demonstration of technology for Jane Garvey, the FAA administrator, and for Congressman Duncan.

I'd like Mr. Kellner to put up chart No. 28, which is hearing exhibit 28. This is just one example of the numerous official actions. It's a fax from Paul Marcone, the chief of staff, to Richard Detore of USAG. At the bottom it says, please make sure J.J. sees this. And that -- testimony at the

trial was that J.J. was John J. Cafaro.

Could you put up the second page? The second page is the letter from the Congressman to Jane Garvey inviting her to the demonstration. And you can see a portion of the document was redacted at the district court level.

Now, what did Cafaro do in exchange for those official acts? He testified that did he the following: That he paid for the repairs, slip fees, and related expenses for Mr. Traficant's boat that were worth about approximately $26,000. He also stated that he gave the Congressman $13,000 in cash as a partial payment for that boat. He also paid for the numerous restaurant meals of the Congressman and Mr. Detore and Mr. Lange that were worth approximately $3,600. He also gave the Congressman a welder that the Congressman requested, costing approximately $3,000, a generator worth approximately $2,700, and the loan, or free use, of four automobiles.

The first issue I'll talk about, the money spent on the repair of the Congressman's boat. When Cafaro asked the Congressman for help with official acts, the Congressman said I need you to help with my boat. The Congressman said, we're doing favors for one another.

At the trial there was testimony by many witnesses about the Congressman's boat. Tony Bucci actually testified that the Congressman wanted help with his boat. Robert Gatti, a witness, who testified for Count X, said that he was brought

down to the dock on the Potomac where the Congressman's boat was and was told that the Congressman needed help with the boat. And finally, Paul Marcone, the Congressman's chief of staff, said that the Congressman was always trying to get people to buy his boat.

There was testimony at the trial about the boat. It was a wooden boat in poor shape. The Congressman asked Cafaro if there was any way that the boat could be -- if fiberglass could be put on the boat. And that was relevant because one of the Cafaro Company projects in the 1980s was the Avanti car company, which is a fiberglass car, so the Cafaros had background with fiberglass.

Traficant really talked to Cafaro about getting the boat bought. He talked about it and he talked about it and he talked about it. Finally, USAG said, we will buy the Congressman's boat and we will use it for the nautical testing purposes of the enhanced laser technology.

Now, both Lange and Cafaro testified that that was not on the up and up because they did not need a wooden boat in bad shape for nautical testing. If they were going to buy a boat to test the laser technology, they would have bought a new boat or they would have bought a fiberglass boat. They wouldn't have bought a wooden boat in bad shape.

The way the boat deal worked was Mr. Detore handled the details. And as you know, Mr. Detore is not here. Cafaro

funded it, and Al Lange actually did the repair work on the boat. Initially, Cafaro just offered to buy the boat outright and he offered the Congressman $26,000. If you look at hearing exhibit No. 21, that's a copy of the cashier's check that Mr. Cafaro offered to the Congressman for the boat.

Cafaro said that Richard Detore, the day operator of the company, came back and said that Traficant did not want to receive the money from Mr. Cafaro, that Mr. Cafaro was too high profile an official in Youngstown and that wouldn't work. Detore suggested that they do a scheme in which it appeared that Al Lange actually bought the boat.

Now, Lange testified to the jury -- and, coincidentally, Al Lange is a yachtsman and had a boat already. He said, I had a very nice fiberglass boat, so there's no way that I was going to buy the Congressman's wooden boat unless it was something that Cafaro told me to do.

Now, they said that they made up a story that apparently Mr. Lange's father worked for the same company that built the Congressman's boat, and that he would say that he was doing it for nostalgic reasons. He testified quite directly to the grand jury -- to the jury that he did not want to buy a wooden boat, particularly a boat in as bad shape as the Congressman's. Cafaro told him and Cafaro told the jury, but we have to do the Congressman a favor, and that Cafaro would pay Lange.

Now, Mr. Kellner is going to put up hearing exhibit No. 41. There are numerous exhibits in the hearing exhibit Nos. 23, 24, 25, 26, and 27 and then 33, 34, 35; those are all photocopies of the checks that were submitted to the jury that are from Cafaro, or from Cafaro to cash to Lange, for the boat and those document the $26,000 that the Cafaro Company spent on the Congressman's boat, repairing the Congressman's boat.

That's not it, Ken. 41, it's a summary chart of the reimbursements by Cafaro to Al Lange.

Now, there was also evidence that Lange actually did have the boat repaired. Government's exhibit 8-36, it's in the actual evidence notebooks, it's 48 pages, so I didn't copy it for the hearing notebooks, but it's 48 pages of receipts, statements, statements from Ernest de Groot, the person who actually worked on the boat; Bruce Senini, who did the survey of the boat, some of them are handwritten, some are printed, some of them are typed.

Hearing exhibit No. 40 is a chart summarizing those expenses, that Lange was paid for the boat, that Lange paid for the boat repairs. Lange testified that he spent a few hours a day after work, or either in the afternoon, for about 2 months working on the boat. His testimony is corroborated by hearing exhibit No. 22, which you'll see in your books is a handwritten purchase and sale agreement of the boat between Mr. Lange and Congressman Traficant.

Lange said that Cafaro made him do it. He wanted to make -- he wanted the sale to look legitimate. Lange said he signed it because if Cafaro backed out of the deal and Traficant tried to sue him, he would actually have a document.

Now, the evidence showed that while Lange was repairing the boat, there was some damage to the boat. It was taken out of the water one day and the plank separated in hot weather and a higher tide than usual occurred and water seeped into the engine. Now the charge has been made that Al Lange actually destroyed the Congressman's boat. Lange testified and told the jury there was a small degree of damage to the water -- to the engines, but that the engines had been turned over rarely in 3 or 4 years; they hadn't been started in that -- after he finished the outside work on the boat, the next step in the boat was going to be repairing the engines, and that he did not actually destroy the engines in the boat.

And the receipts that I just mentioned, exhibit 8-36 indicate that engine work was still needed in the boat.

The next thing of value that was given to the Congressman by Mr. Cafaro was $13,000 in cash. In the fall of 1998, Cafaro testified before the jury that the Congressman asked him to pay him up front half the money for the boat. The holidays were coming up. The Congressman said he was short of money. As you heard in his opening statement, the IRS was attaching his wages, garnishing his wages, and he needed

money. Cafaro agreed to give him $13,000. He said he would give it to Lange. Traficant indicated to him that he wanted the cash from Cafaro. So there was a meeting at Youngstown State University on November 14th, 1998, a committee to promote the future of a General Motors plant in Lordstown.

Now the Congressman indicated that there was -- that was only -- the only time that he had a public meeting with Mr. Cafaro, but I would point you to hearing exhibit No. 30, which is a press release from the Congressman's office indicating that Congressman Traficant appointed Mr. Cafaro to the executive committee that was addressing that Lordstown/General Motors situation.

After the meeting, Cafaro told the Congressman that they had to go for a ride. They got into Cafaro's Cadillac and Cafaro had placed the cash in an envelope on the armrest, the Congressman took it, they drove around the block and he got out.

Now, hearing exhibits 31 and 32, those are check ledgers and the checks for $8,000 and $5,000 dated the day before that incident, November 13th, indicating that Cafaro cashed $13,000 in cash on November 13th. The jury also heard the testimony of Patricia DiRenzo, who worked for the Cafaro Company, who said she actually cashed those checks and gave cash to Mr. Cafaro on November 13th.

If you also look at hearing exhibit No. 29, that's a copy

of Mr. Cafaro's date book that shows that on the morning of Saturday the 14th it indicated that did he have a meeting at 9 a.m. at YSU, for Youngstown State University, Phelps Urban Studies Building, second floor.

Cafaro talked about the end of the scheme with the Congressman. USAG never actually obtained the FAA certificate. Things didn't work out well.

Cafaro actually fired Richard Detore; Lange replaced him. Lange testified before the jury that he, in fact, was not totally straightforward with Detore over that situation. The Congressman was very upset that Richard Detore was fired and that there was bad blood at the end.

The FBI subpoenaed USAG, and Cafaro said it was impossible to continue work with the subpoenas. They were unable to meet the specifications for the Army appropriations, and he shut down the company. Cafaro hired an attorney, and that attorney told Lange that Lange -- since Lange was heading USAG at that point, Lange should get counsel; and since he was still employed by the company, Cafaro agreed to pay and continued to pay for Mr. Lange's legal work.

Their attorneys did not -- Lange's attorney did not talk to Cafaro, did not consult about the testimony. And it was alleged that under long cross-examination by the Congressman that because Lange was -- his attorney was being paid for by Cafaro, that he was actually testifying the way Cafaro wanted

him to.

If you look at what also was told to the jury, in fact, Lange told the jury that he thought Cafaro was not a truthful person; and it turned out that Lange provided the initial evidence that led the FBI to Cafaro. Cafaro pled guilty to conspiracy to provide unlawful gratuities to the Congressman. He also did, in fact, admit to Lange under oath in another matter.

Counts IV and V: Allen Sinclair. Allen Sinclair was the Congressman's administrative counsel in his Youngstown district office, the official office where that -- the Congressman did agree to and did employ Allen Sinclair, that the Congressman rented the district office space in an office building owned by Allen Sinclair and that he continued to employ Sinclair.

The things of value were $32,000 in salary that Mr. Sinclair kicked back to the Congressman in the agreement to rent him the office space. There are four witnesses. This conduct continued from the fall of 1999 through January of 2000. That's -- Count IV is the course of conduct.

Count V, the Investigative Subcommittee charged the actual receipt of the gratuity by the Congressman, the demanding and the receiving of the cash.

Allen Sinclair worked for Henry DiBlasio. Henry DiBlasio was an attorney in Youngstown, who had a private practice. At

the same time Mr. DiBlasio had his private law practice, he was also the full-time administrative assistant to Congressman Traficant. Sinclair worked for him as a personal injury attorney.

In 1998, DiBlasio retired as the Congressman's administrative assistant. Sinclair testified that the Congressman came to him and said, I want you to go to work for me. I've seen you around the office working for DiBlasio and I think you would fit in well.

Allen Sinclair told the Congressman, Congressman, I'm a personal injury attorney. That's all I've ever done. I've got no congressional experience. I've got no experience of this sort. The Congressman said, I really want to you work for me. We've got some economic development work you can do, and I think you can work out. You can even continue to do your own law practice while you're my administrative counsel. There's just one thing, Henry DiBlasio gave me a part of his congressional salary every month and you have to do the same thing. Allen Sinclair agreed to do that.

He also stated that DiBlasio also told him that he gave a kickback to the Congressman every month, and that was part of their deal. DiBlasio also told him, I own the office building and I'm going to sell it and then you can buy it and then you can continue to do your legal work in this district office building, and the government will pay you rent. So hearing

exhibit No. 47 is a chart of the money that Allen Sinclair said he gave to the Congressman.

Now, in your notebooks are hearing exhibits 42 through 46. Those are Allen Sinclair's Congressional paychecks, his bank deposits and bank statements indicating that in the 13 months that he worked for the Congressman, he took out $32,600 in cash. As the Congressman said, that's not direct evidence of a kickback, but it also shows that every month $2,500 in cash was taken out of Allen Sinclair's personal account -- 13 transactions, 13 transactions involving his congressional paycheck for a total of $32,600.

If you look at hearing exhibit No. 48, that's a district office lease agreement between KAS Associates and Traficant. KAS Associates stands for Kimberly Ann Sinclair, Sinclair's wife. Sinclair testified that the building was in his wife's name, but he in fact owned the building. The building was put in his wife's name because Congressmen cannot rent buildings from employees, so it had to be in his wife's name.

Now, we come back to Paul Marcone, the Congressman's chief of staff. Paul Marcone testified to the jury that he strongly opposed hiring Allen Sinclair. He strongly opposed paying Allen Sinclair $60,000 a year with no congressional experience.

Mr. Kellner will put up chart 49 now, and you'll see that when Allen Sinclair was hired, with no experience, he became

the second highest paid person in the Congressman's congressional office, not just his district office but the entire office.

Paul Marcone went to the Congressman and said, that's just not right. Your Washington staff is not happy. You have a legislative director who's worked for you for many years, and he wants to know why a personal injury attorney with no experience is getting paid $60,000.

Count VI: Count VI is a small period of time from January 21st, 2000, to February 29th, 2000. It states that Congressman Traficant endeavored to persuade Allen Sinclair to testify falsely before the grand jury to destroy -- and to destroy evidence. This came about when Sinclair went to the Congressman and told him, I've been subpoenaed and I've actually gone to the FBI and talked to them. Now, I've denied making kickbacks, I denied telling you anything, but I want you to know I have talked to the FBI.

Sinclair said the Congressman said, let's drive around. He said they drove around for hours, they switched cars; that the Congressman being a former sheriff, being a former investigator, did wiretaps, was very worried about being bugged, felt that the cars were bugged, felt that the office was bugged and was very worried. He stated that they finally went to Allen Sinclair's basement, and he said that the Congressman took cash out of a plastic bag and took the cash

out of envelopes in piles, 50s and 100s, and put it in piles of dollars. Sinclair said he gave him $16,000 that night and said, when the FBI asks you about your cash withdrawals, here's your explanation.

Now, significantly, the Congressman also told him that some of the cash came from John Cafaro. They burned the envelopes. They drove back to the office, and Congressman Traficant gave him another $2,500 in more envelopes. Sinclair went back to his house, burned some more of the envelopes, but finally decided he couldn't do it, so he didn't burn all the envelopes. That was a rough night for him. He'll always remember that night because his stepfather had a heart attack that night.

Later he said he got another $6,000 in cash from Congressman Traficant. He gave that cash to the FBI; there are photocopies of that cash in your hearing exhibits. It was shown to the jury. Hearing exhibit No. 50 is just one of the 17 burned envelopes. On those envelopes, Henry DiBlasio's former secretary, identified his handwriting on some of those envelopes saying "JT, personal."

Hearing exhibit No. 53 is an example of a letter from the Congressman to Allen Sinclair during that brief period in January and February 2000. Sinclair testified that the Congressman is in Washington most of the week and he didn't see the Congressman, but he kept coming into the office and

there'd be notes; and the Congressman's -- exhibit No. 53 is an example of one of them, in Congressman Traficant's handwriting to Sinclair, saying, you did not give me any kickbacks.

Sinclair went to the FBI and told them what happened, and he told them that Traficant said that some of the money was from Cafaro. And that's significant because that's July 2000 -- excuse me, January 2000. In January 2000, USAG is still operating, Al Lange has not gone to the FBI yet and Cafaro had not gone to the FBI yet and told them about the 13,000 in cash, and yet Allen Sinclair knew that cash had been given to the Congressman by Mr. Cafaro.

It wasn't just Mr. Sinclair who said that the Congressman pressured him not to tell the truth. Paul Marcone, former chief of staff, not testifying under immunity, not testifying with a plea agreement, said that the Congressman, while he was still employed with the Congressman in the year 2000, the Congressman told him that he wanted him to go to the grand jury and talk about DiBlasio. He said the Congressman tried to put words in my mouth. He said, we have to do it because we have to go on the offense.

The Congressman also called Marcone 2 weeks before he testified at trial, and again Paul Marcone, somebody who said, Congressman Traficant was my mentor, somebody who -- it's the most difficult thing in my life to testify against, tried to

put words in my mouth.

Count number VII: The Investigative Subcommittee charged for a long period of time, from the late 1980s until early 2000, Congressman Traficant engaged in a different course of conduct which defrauded another group, not businessmen, not Allen Sinclair, but the U.S. Government.

Sixteen witnesses testified for Count VII. They testified about three methods, three ways by which the Congressman defrauded the U.S. Government. Kickbacks from his staff, Mr. Sinclair, Mr. DiBlasio and another district staff -- his district director, Charles O'Nesti, charged that each of them gave kickbacks and thus defrauded the Federal Government, that congressional staff worked on the Congressman's farm and that they worked on his boat.

In addition to the trial evidence, you do have the guilty plea and the plea transcript now of Henry DiBlasio stating that did he in fact give the kickbacks to the Congressman. You also -- the jury also heard the testimony of Mr. DiBlasio to Sinclair saying, I gave the kickbacks.

There's also the testimony of two former employees of the Congressman his former officer manager, Jackie Bobby. She testified that during the 1980s, long before an FBI investigation of the Congressman, that Mr. DiBlasio and Mr. O'Nesti both told her that they in fact had to give money back to the Congressman every month. O'Nesti said he wasn't happy

having to do it. In fact, what he really resented was that he had to give the Congressman a kickback, yet he had to pay the tax for that kickback every month.

Jackie Bobby testified that when O'Nesti left the office, she wanted to take over his role as the district director and she sent him a letter, hearing exhibit No 62, asking the Congressman to take over O'Nesti's job. And she said, I'll even do everything that Henry O'Nesti did, but I want to talk to you about that. You can see that in the letter. What she wanted to talk to him about and she told the jury was, she did not want to give any kickbacks like O'Nesti had to do.

The Congressman's former secretary, Grace Yavorsky, testified that she also heard that kickbacks were given by DiBlasio.

There's also testimony by two individuals, Richard Jeren and Nicholas Chuirazzi. They both testified to the jury as follows: They both knew Henry DiBlasio. Henry DiBlasio owned the building where the Congressman's district office was, 11 Overhill Road, Boardman, Ohio. Jeren and Chuirazzi said that DiBlasio went -- or Jeren said, in early 1985 that DiBlasio went to him and said, you've got to buy this building from me. Jeren said, I don't have the funds, I can't buy a building. DiBlasio said, let's just put the building in your name; I have to have the building in your name.

Chuirazzi said the same thing happened in about 1992,

that the building had to be put in his name because DiBlasio said, I cannot be seen as owning this building.

Marcone testified, as with Sinclair, that the Washington staff was very upset about Henry DiBlasio being the administrative assistant. If you look back on the chart, you see that DiBlasio was -- received the second highest salary in the office as the administrative assistant after Chief of Staff Marcone. Marcone testified that staff after staff after staff came to me and said, what does Henry DiBlasio do? He practices law, but we don't know what he does for the Congressman.

The next chief of staff, West Richards, testified to the same thing, that the staff was upset about DiBlasio, that he was getting paid for doing nothing and that Richards said, the Congressman told him to mind your own business, I'll take care of Henry DiBlasio.

Now, the chain of ownership for 11 Overhill Road is important. There are two exhibits that are not in your hearing exhibits, but were in the first set of notebooks that were given to you with the evidence brief that you received 2 weeks ago, and that were given to the Congressman. We just didn't make hearing exhibits of them. But they're government exhibits 1-11 and 1-12. And those are the deeds.

The first deed is from DiBlasio to Richard Jeren in January 1985, and the second is from Jeren to the Trumbull

Land Company in 1992. And the Trumbull Land Company, Chuirazzi testified, is the shell company he formed to own the building.

Hearing exhibit 60 in your packet is the final chain of the transaction. It's the warranty and deed from the Trumbull Land Company to Kimberly Ann Sinclair in 1998.

Was the office building important? Well, you'll hear and the jury heard that in 1993 the Congressman's district office was transferred from Trumbull -- from Overhill Road to the new Youngstown courthouse. Everybody moved except Henry DiBlasio, the Congressman and one other worker. The testimony was that DiBlasio stayed in the district office and the Congressman stayed in the district office in Overhill and Sinclair stayed there because that's the only way Henry DiBlasio and Allen Sinclair could practice law at the same time as receiving a congressional salary. And they had to receive the congressional salary so they could afford to make the kickback to the Congressman.

So that's why those deeds are important and that's why it's important that you see why the Congressman kept two district offices one in Youngstown and one 5 miles away, again over the strong objection of his chief of staff, Paul Marcone. The evidence for that is hearing exhibit No. 56. You'll see that's a letter from Paul Marcone, the chief of staff, to Henry DiBlasio, the administrative assistant, dated December

7th, 1993.

You'll see in this memo Marcone said, if we move the Youngstown office entirely into the new Federal building and do not maintain any presence at the 11 Overhill office even then our expense account would be extremely strained. Maintaining a presence in the 11 Overhill office will further exasperate this problem, our clerk hire account to cover the anticipated shortfall in our expense account. That means the Congressman would be severely limited in backfilling positions and giving raises. Any assistance you could render me in giving -- in convincing the Congressman to not maintain a presence at 11 Overhill Road would be deeply appreciated. It will be extremely difficult for me to justify to the press and to the public the additional expenditures in taxpayer funds to have two district offices within 5 miles of each other. According to the House Finance Office, "such an arrangement is highly irregular," quote, unquote.

My other concern is that this could be used against Jim in further political campaigns and could pose a potential ethics problem.

That's from the chief of staff to the administrative assistant. And you know why that office was kept in Overhill.

The farm: George Bucella, a congressional employee, an employee who worked for Congressman Traficant for 15 years, testified that he worked at Congressman Traficant's farm

between 100 and 300 times during that time period. He did all sorts of work at the Congressman's farm. And he felt he had to do it. He left the Congressman's employ in 1998, and he has not worked at the farm since.

Richard Drawback, a second congressional employee testified that he also worked for a period of about 18 months on a regular, almost daily, basis at the Congressman's farm. In fact, he did not even have an office, a desk at the district office because he never showed up.

A third employee of the Congressman, Anthony Traficanti, who was actually a witness for the defense, testified that he worked at the Congressman's farm during work hours and was not paid by the Congressman, was paid by the Federal Government.

Jackie Bobby, his former secretary, said Bucella, Rovnak and Traficanti all worked at the farm.

Betty Manente, a defense witness and a current employee of the Congressman, said that those three people worked at the farm on a regular basis.

The boat, the testimony was from three witnesses. West Richards, the former chief of staff, stated that one afternoon the Congressman told him to have the staff go work at his boat. Four or five staff members did do that one afternoon. A former staff member, Chris Whitehead, concurred that the staff did that. And Rovnak also testified that when he was in town he worked on the boat on a regular basis.

Counts VIII and IX are the income tax violations. There was testimony by an employee of the IRS that the Congressman failed to include more than $75,000 worth of income in 1998 and 1999 on his tax returns. The income was the income from the kickbacks, the money from Cafaro, and the money from the other schemes.

Count X: Nine witnesses testified for the government regarding Count X. It's the overarching count. It deals with all the courses of conduct and also includes Count V, every count but the obstruction and the tax.

The Investigative Subcommittee felt that in addition to each count standing alone, the counts should be added to Count X to basically show that through the entire period of his congressional career, the Congressman was trading official acts for his personal benefit.

In addition to the other courses of contact in Count V, the gratuity, there is one set of additional evidence in Count X, and that is Peter Bucheit and Bucheit International. It's another course of conduct in which a businessman traded favors in exchange for official acts with the Congressman from 1990 to 1998. As Mr. Kellner stated, there are numerous official acts on behalf of Bucheit and Bucheit International.

In the evidence booklet, hearing exhibit 66 through 89, that includes 20 letters from Congressman Traficant to public officials in the United States and Saudi Arabia regarding

Bucheit. There are letters to Vice President Gore, to Secretary of State Baker, Secretary of State Albright, Department of State officials, the Saudi ambassador, the King of Saudi Arabia, et cetera.

Things of value: Now Count X is the one count in which the actual businessman who made the agreement with the Congressman did not testify. Peter Bucheit did not testify because he's under indictment for giving gratuities to the Congressman. But there was testimony; there was testimony by Robert Gatti, a businessman who said that he was told by Peter Bucheit to have somebody go out and do work at the Congressman's farm. He told David Manevich to go out to the farm.

David Manevich testified, he said that he went out to the farm, started doing a little work on adding an addition to the back of the farmhouse and ended up spending many months at the farm and ended up doing $26,000 worth of work at the farm.

Who asked him to do that? He said that the Congressman asked him to do that. The Congressman would be at the farm, and the Congressman would tell him to keep doing the additional work. Sandy Ferrante was mentioned. He said Sandy Ferrante lived at the farm, "she told us things to do." Manevich said we didn't listen to her. We only did additional work when the Congressman told to us do it.

Thomas Passewitz testified. He said he did about $4,000

of electrical work, rewiring the addition to the farmhouse. In addition to their testimony, there was corroboration. Hearing exhibit 90 is a list of the payments from Bucheit to Manevich, totaling $26,000. Hearing exhibit 91 is the checks from Manevich, the actual checks from Bucheit to Manevich backing up chart number 90.

Hearing exhibit 92, the invoices from Passewitz' testimony, Aey Electric to Bucheit; and hearing exhibit No. 93 are the checks from Bucheit International paying the electric bill.

The last witness was Leisel Bucheit, as the Congressman said, the daughter of Peter Bucheit. She did state that they billed Congressman Traficant, they billed him for $26,000 and that they received no payment between 1993 and 1996 for that. If it was a loan, if it was money that Bucheit owed to the Congressman, I direct your attention to hearing exhibits 95 and 96, which are the Congressman's financial disclosure statements for those years. If he owed Peter Bucheit $26,000, why were they not listed on his financial disclosure statements for those years?

Mr. Hefley, I will only say that the Congressman testified this morning about this trial. We are not here about this trial, but it was a public proceeding, and the transcripts of the trial are on the committee's Web site. And I invite the public and anybody to read the transcripts and to

see if the Congressman was treated fairly or not at that trial.

It was not just the government; it was 29 witnesses that the Congressman was allowed to have. But right now we're just talking about the government's evidence. And Mr. Kellner and I would be glad to take questions from the panel, or recess and take questions from the panel.

We're at your disposal, Mr. Chairman.

The Chairman. Mr. Lewis, you're through with your summary of the evidence?

Mr. Lewis. Yes, Mr. Chairman.

The Chairman. Does any member of the panel have areas that they would like further clarification on that they would like to ask questions?

Mr. Traficant. Mr. Chairman, I would like to take a break to go to the bathroom, 5 minutes.

The Chairman. The committee will stand in recess for 15 minutes.

[Recess.]

RPTS STUART

DCMN ROSEN

The Chairman. The committee will come back to order. We were in the process of asking committee members if they have questions to clarify from Mr. Lewis and Mr. Kelner.

Mrs. Biggert, did you indicate that you had a question?

Mrs. Biggert. Yes.

Thank you, Mr. Chairman. I do have a question for counsel. Mr. Traficant said in his opening statement that the testimony of the witnesses called by the prosecution was all hearsay brought by people under jeopardy, prosecution themselves.

Yet, it seems to me that the evidence that you just went over, that a good many of the witnesses who testified were not involved in plea agreements or other investigations. For instance, Wes Richards and George Bucella, Jackie Bobby and Richard Rovnak and Robert Gatti and Allen Lang.

Could you just respond to that?

Mr. Lewis. Thank you, ma'am. Tony Bucci testified pursuant to a plea agreement. John Cafaro had a plea agreement. David Sugar had a plea agreement.

The following witnesses also had -- and Sinclair had a plea agreement. The following witnesses had immunity. Mr. Bucci also had immunity. Al Lang had immunity. A witness for the defendant, Greg Tyson had immunity. Jackie Bobby had

immunity. Grace Yavorsky had immunity. George Bucella had immunity, and Wes Richards had immunity.

So several of the Congressman's former employees did have immunity. But the majority of the 55 government witnesses did not testify with a plea agreement or independent immunity and would not be subject to legal jeopardy.

Mrs. Biggert. So with that corroboration were most all of the counts there were -- there was testimony that nobody had a plea agreement or had immunity to corroborate those that had that?

Mr. Lewis. That would be correct, ma'am. It is fair to say that for Count I, Count II, Count III and Counts IV and IV, the lead government witness either had a plea agreement or did have immunity.

Mrs. Biggert. Okay. Then I had just one other question. I think it was in Count I, with the Buccis. Was there ever a determination who was the owner or who operated the prime contractors?

Mr. Lewis. Cheryl Bucci was the owner on paper. She was the legal owner. However, the testimony of Anthony Bucci was that my brothers and I operated the company, and that Cheryl was a -- Cheryl did not have control.

Mrs. Biggert. All right. Thank you. Those are the questions I have. Thank you, Mr. Chairman.

The Chairman. Mr. Hulshof.

Mr. Hulshof. Thank you, Mr. Chairman. Mr. Lewis, I have a couple of questions in reference to Counts IV and V dealing with Allen Sinclair. You have indicated and you displayed for us the summary of Congressional salaries and the blow-up which I think -- I am not sure what our exhibit number is, but that in 1999, Mr. Sinclair was an official staffperson on the Congressional district payroll to the tune of $60,169.40 per annum.

In your interview or in review of the transcripts, did Mr. Sinclair ever do any official work for the 17th Congressional District in Ohio?

Mr. Lewis. Yes, he did. He testified that he did do some work for an economic development project for the Congressman. And initially he started working out full-time, but he said towards the end, and he didn't give a time period, but he said at the end I was working maybe about 20 hours a week on Congressional time.

Mr. Hulshof. He maintained his practice of law during the same period of time, or did he put that practice of law in abeyance during his time as a Congressional staffer?

Mr. Lewis. He maintained a full law practice during that period of time.

Mr. Hulshof. The other question I have of clarification is Exhibit 54 that you provided for us. If you could turn to it if you need to. This purports to be from Mr. Traficant to

Mr. Sinclair. A single page with certain exculpatory statements. But the thing that I have a question about, and I will wait until you get there, number 54.

Mr. Lewis. Yes, sir.

Mr. Hulshof. I am having difficulty reading part of it. But it would be what I would characterize at the top one-third, the second paragraph. And I will paraphrase as I can read it. If I am about to stop -- if I am about to stop back Sunday night I will. I want to go over something -- John Valley case. Is that -- am I reading correctly, because again, this is a photocopy? Is your copy any better?

Mr. Lewis. That is what it appears to be. However, he did read what the actual statement was into the trial transcript. So if you wanted to go to the transcript, you could see what Sinclair said. But I don't believe that relates to the obstruction of justice.

Mr. Hulshof. That is what I wanted to clarify again. Is this something that was the part of the -- those Congressional duties that he did perform?

Mr. Lewis. Yes. This was a series of -- Sinclair testified this is a letter from the Congressman about several ongoing projects that he was working on. Then at the end, he talked about the grand jury testimony.

Mr. Hulshof. Okay. Can you make out the latter two sentences in that paragraph, to go over the John Valley case,

apparently some issues, hyphen, and then I can't read that next line.

Mr. Lewis. Bucheit International.

Mr. Hulshof. Okay.

Mr. Lewis. Which is the businessmen that we have been discussing, Peter Bucheit.

Mr. Hulshof. Thank you. Mr. Chairman, that is all that I had.

The Chairman. Mr. Berman.

Mr. Berman. Thank you, Mr. Chairman. I would just like to ask Mr. Lewis one clarifying question. You made reference in your presentation to Mr. Traficant's financial disclosure forms as an exhibit at trial as evidence with respect to the issue of whether or not the money was a loan or simply given to him.

Mr. Lewis. Yes, sir.

Mr. Berman. Just to make it clear, the subcommittee is not alleging violation of the law that imposed the financial disclosure obligations, as I understand it, this was simply for evidence on the question of whether or not that was a loan?

Mr. Lewis. That is correct, Mr. Berman. There is no charge regarding the financial disclosure statement.

Mr. Berman. That was in part because the subcommittee decided, and indicated so in their letter of transmittal, that

it was sticking closely to the issues developed and charged for which there were convictions at trial, and not looking at or investigating other issues that might have arisen which were tangential to those issues?

Mr. Lewis. That is correct, Mr. Berman.

Mr. Berman. Thank you.

The Chairman. Mr. LaTourette.

Mr. LaTourette. Thank you very, much Mr. Chairman. I have some questions on Count II, first of all. In your presentation, Count II dealt with Mr. Sugar. It is my understanding from reviewing the transcript over the weekend, that aside from the check for $1,142 that you talked about in your presentation that Mr. Traficant gave to Mr. Sugar, he also transferred a bed and a piano. The piano had an apprised value of between 5 and $5,500. I just wanted to be -- do you know when the piano was delivered?

Because, I made a note in my notes that it was delivered to Mr. Sugar by Mr. Traficant before any work was done at the farm.

Mr. Lewis. It was before additional work was done at the farm. There was a racketeering -- the 10th count in the trial was RICO. And there were I believe 11 racketeering acts. There was a racketeering act involving Mr. Sugar involving additional official acts and additional things of value that Mr. Sugar did for Mr. Traficant in 2000 that the jury found

Mr. Traficant did not commit.

So the Investigative Subcommittee, in drafting Count II, did not charge the Congressman for violation of any House rule involving the 2000 official acts. So I believe the additional work that you referred to in your review of the transcript was the work for the Congressman that Mr. Sugar did in the year 2000. Count II deals with April 1999.

Mr. LaTourette. Thank you. Count Number III. Mr. Cafaro, it is my understanding Mr. Marcone, when he testified, indicated that he had sought an opinion from this committee, the Committee on Standards, indicating that he had a fellow, or the office had a fellow who there were engaged in constituent service for, who wanted to buy the Congressman's boat. And do you remember that in the transcript?

Mr. Lewis. I remember reading that in the transcript, yes.

Mr. LaTourette. And if I listened to Mr. Marcone's testimony correctly, he was told back by the Ethics Committee that if someone paid him fair market value, that would not be a problem. Do you recall that as well?

Mr. Lewis. Yes.

Mr. LaTourette. Is there anywhere within the transcript that I could find what the boat was worth?

Mr. Lewis. Mr. Marcone testified that he called the bank and was told that the amount of money that was due on the

mortgage was approximately $26,000. There was also a survey done for Mr. Lang that said the boat was between, I believe, 30 and $36,000. If it were in good condition, but that it was not in good condition.

Mr. LaTourette. So the answer to my question I guess is there is no -- aside from those two references, we don't know what the fair market value of the boat was?

Mr. Lewis. Those are the only two references I am aware of.

Mr. LaTourette. Also in Count III there is discussion of three cars that were transferred by Mr. Cafaro to the respondent, and an indication that the respondent paid $7,000 for them.

Mr. Lewis. Yes.

Mr. LaTourette. And am I incorrect that Mr. Cafaro testified that that was, in fact, the fair market value of those three automobiles?

Mr. Lewis. My understanding of his testimony was that the three cars were two Avantis and a Jeep. An Avanti convertible and a four-door that were both worth -- I believe he said one was worth $54,000 and one was worth, I might be wrong here, 40,000. And they were loaned to the Congressman, given to the Congressman to drive around to promote the company and never given back.

He stated that they were the only ones not given back.

The Jeep was a Jeep owned by his family. It was a beat up Jeep. He said it wasn't worth that much money, but that the Congressman needed it. They gave it to him and he never gave it back.

Cafaro actually said he felt that he had loaned those cars to the Congressman, and they were really of no value. The 7,000 was given to him after -- when the Congressman said I am under investigation, they are out to get me, I have got to give you something for this, and actually after a new report in the local papers about the cars, the Congressman came back to Mr. Cafaro and gave him another 3,000 and said we need to make it look better.

So there is no direct testimony as to the cars. He said that they were worth a lot of money at one time. But Cafaro said the cars really didn't mean that much to him. But the subcommittee felt that it was important that a Congressman was given three cars and not charged for the use of two of them for 10 years.

But, it would be hard to put a price on them. But the Congressman did pay 10,000.

Mr. LaTourette. Lastly, in Counts IV and V, Mr. Sinclair. There was -- the subcommittee has just indicated that one of the respondent's witnesses may testify tomorrow, a guy named Robertson or Richardson or -- Robertson, I think. During the course of the trial he testified to a variety of

bank accounts that Mr. Sinclair had under his possession. And what is unclear to me is that I thought I had understood him to say that although Sinclair would take his paycheck of about $3,300, put it in the bank, take out $2,500 in cash, the allegation made by the Government is that the $2,500 in cash wound up with the respondent.

But, I understood Mr. Robertson's testimony to be that he had an interest-bearing trust account required of all lawyers conducting business in the state of Ohio, and that $2,500 a month was going into that account. In the notes prepared by the counsel for the committee, I have indicated -- it says that there is nothing to that thesis.

So could you explain to us why you reached the conclusion that there is nothing to that thesis?

Mr. Lewis. Robertson did testify as a defense witness and did testify that in addition to the personal bank account that the government put up on the chart, that Mr. Sinclair had -- between he and his wife, they had at least four accounts. There is testimony that in addition to his law practice, Sinclair had a vending business of some sort, a cash vending business and received money from that.

So that the thesis of Mr. Robertson was that he had access to a lot of cash, number 1, through the vending business. Number 2. He stated that into the interest bearing accounts, there were -- at the same time period that Sinclair

was cashing -- was getting $2,500 in cash from his personal account, he was depositing $2,500 into the law account.

He was cross-examined by the prosecutor who said, well, the first three examples of deposits of $2,500 are checks. So it is not, in fact, $2,500 of cash, it is checks. And I believe committee counsel was quoting the prosecution's closing argument that the testimony Mr. Robertson didn't make sense then when he is equating checks and cash.

And then Mr. Robertson also admitted that he hadn't finished his analysis, he hadn't even looked at the five accounts. He had identified five accounts, but he hadn't looked at them, and he had not completed his analysis, and that he could not dispute the government analysis. But there was more out there that he could have done, and he didn't have time to do it.

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

The Chairman. Mr. Pastor.

Mr. Pastor. Thank you, Mr. Chairman. I just -- I go to Count VII.

Mr. Lewis. Yes, sir.

Mr. Pastor. I am going to relate it to the evidence you have, 50 and 51, Exhibits 50 and 51. And on page 38 of Count VII, you basically say that it is very difficult to get fingerprints, very difficult to get any direct evidence that

would link, I guess Mr. Traficant, Congressman Traficant with this.

So how was the linkage or what was -- how were they linked?

Mr. Lewis. To the cash or the envelopes?

Mr. Pastor. Well, you have the envelopes and you also have pictures of the cash.

Mr. Lewis. Allen Sinclair testified that the Congressman gave him the envelopes and gave him the cash. The link is Allen Sinclair.

Mr. Pastor. But, the envelopes themselves and the plastic bags that are filled with money, there was no direct evidence.

Mr. Lewis. Other than --

Mr. Pastor. That the FBI could find.

Mr. Lewis. Mr. DiBlasio's former secretary testified that the handwriting on some of the envelopes said JT personal, and she identified that as DiBlasio's handwriting.

Mr. Pastor. But there was no direct linkage.

Mr. Lewis. Other than the testimony of Allen Sinclair. Allen Sinclair said that the Congressman gave it to me. And I would just remind you that in addition to being a Congressman, he is a former sheriff who knew he was under investigation.

And the FBI agent said, we didn't expect that we would get fingerprints from a former sheriff.

Mr. Pastor. Thank you.

Mr. Lewis. The prosecutor argued that. I don't believe the agent said that.

The Chairman. Any further questions? Mr. Berman.

Mr. Berman. Thank you, Mr. Chairman. And going back to the subject raised by Mr. LaTourette. At trial, Mr. Robertson speaking with respect to the Sinclair deposit-withdrawal practices. At the end of this testimony, do you recall how he characterized his testimony?

Mr. Lewis. Robertson?

Mr. Berman. Yes.

Mr. Lewis. The very end of his testimony, the cross-examination by the prosecution, he said is it possible, with looking at what you have seen, that Sinclair could be making kickbacks? And Robertson said yes.

Mr. Berman. Thank you, Mr. Chairman.

The Chairman. Yes, Mr. LaTourette.

Mr. LaTourette. The only thing, there was some discussion in the transcript about who the farm belonged to in Poland, Ohio. Is there -- in the record who is the titled owner? Who was the titled owner at the time of the acts complained of in the SAV?

Mr. Lewis. It went back and forth. At one time during the time period from 1986 to 2000, it was Patricia Traficant, the spouse of the Congressman. Then it was actually deeded to

the Congressman's father. But, if you look at the trial transcript, every witness said, the Congressman is the one that told us to do the work. The Congressman had dominion and control.

If you recall, I stated that Mr. Manevich who did the $26,000 work said, we didn't listen to Sandy Ferrante, we only listened to the Congressman because we knew it was his place. Witness after witness after witness said it was the Congressman's farm.

Mr. LaTourette. Thank you. If I could just follow up on that for one second.

The Chairman. Yes.

Mr. LaTourette. That specifically goes to the financial disclosure form, however, that I was talking about. If a contractor comes in and performs work on a piece of property that is owned by someone and eventually isn't paid, I suppose a mechanics lien can be filed against that property. That flows as a debt to the owner of record, not to somebody that is directing the work; is that is right or not?

Mr. Lewis. That would be true, Yes.

Mr. LaTourette. Thank you.

Mr. Lewis. I would say the SAV charges that the farm is owned by Traficant or members of his family.

Mrs. Jones. Mr. Chairman, I don't have any questions right now. But I would like to reserve the right to ask some

at some subsequent time.

The Chairman. So noted. Mr. Traficant, it is time for you to begin to put on your case.

Do you have any of your witnesses here present in the hearing room, except yourself?

Mr. Traficant. No.

The Chairman. Are you prepared to testify at this time?

Mr. Traficant. They will not be here until 1:00 tomorrow p.m. as you have instructed.

The Chairman. If you are -- what you are about to do is testify, would you raise your right hand and let me swear you at this point.

[Witness sworn.]

The Chairman. You may proceed.

Mr. Traficant. Well, number 1, there is a couple of things fresh on the mind.

The Chairman. Mr. Traficant, I am sorry to interrupt you. Let me just say, I indicated earlier that we were going to follow the District Court procedure, and you have been through it where you would ask the questions and then you would answer the questions. That seems very contrived to me. And I think if it is okay with you, I mean, you are welcome to do it that way if you want.

But, otherwise why don't you just testify. Now, you may be interrupted with objections along the line. But you are

familiar with that. So, and remember that you are under the time limits that we specified earlier.

But, you may proceed as you would like now.

Mr. Traficant. Thank you. Before I get started, while it is fresh in our mind, counsel did give you some misrepresentations. Big time. Al Lang took the skipper course to navigate a 37-foot fly-bridge aft-cabin motor yacht.

Number 2, I found out now that there was a demand note for Mr. Cafaro for Al Lang for the money advanced for the repairs on that boat. Number 3. It was not in good condition to be worth 32,000. I read now from what is evidence, Defense Exhibit AL-101. The basis of the survey, BUC Research material, and my own experience in other offerings by area workers believe the fair market of this vessel to be between 30,000 and $35,000 as is. As is.

And between 38 and $42,000 dollars with repairs and corrections completed. I will get back to the boat except to say this. Cafaro lied when he said that Detore brought me the check for 26,000. J.J. Cafaro brought in a book, and when I opened it, he was so pleased with the $4 million appropriation to save his company because I believed in the laser technology.

When I opened it, like a book marker was the $26,000 certified draft. And I said J.J. I don't want this. You don't want this boat. He lied when he said Detore brought me

that check. And I said Al Lang wants that boat. Al Lang took a skippers course to operate that boat.

Now, if the sale was $26,000, one thing to come out at the trial, there were cash transactions that went from Cafaro to Lang, but nobody ever showed it went into the boat. And they spent $26,000 and sunk my boat. My boat is basically worthless.

So you have misrepresented to this committee the "as is" value of that boat at the time they started the repair. And upon its completion, figured it to be between 42 and 48,000, which would indicate a 12 to $14,000 need to bring that boat up to the standards that it was.

Keep in mind, it was a classic 1970 wooden Egg Harbor, and once restored as a classic, would be worth over $125,000.

The Chairman. Mr. Traficant, let me remind you that -- address the committee rather than the counsel there when you are addressing.

Mr. Traficant. I want to make sure the counsel knows that.

Now, let's get back to Bucci. Count 1. Bucci's partner, Joe Satarelle, said at the trial that he wouldn't believe Tony Bucci if Tony Bucci said his name was Tony Bucci.

Susan Bucci, his sister-in-law, gave you an affidavit. I am going to try and find it here while I go on. She said Tony Bucci and his crew destroyed the Traficant barn, and that the

Bucci brothers owed Traficant money and Tony Bucci was a flat-out liar, that actually took care of her husband, before he died, to their bank account and took a lot of her money.

Sandy Ferrante can testify, and Harry Manganaro can testify, and Manganaro did testify, that he showed up when the barn was tilted, and that bank barn, imagine this is the bank barn and here is where you drive into the second floor. They had to remove the concrete too close and this caved in and this section of the barn collapsed, tilting this way ready to fall, completely destroying that barn, costing more than $15,000 for my father to fix that barn.

I never owned that barn at any time during these deliberations. And I was under investigation, according to affidavits of Jim Kerchum when I walked out of the 1983 trial, because I beat them. The other thing about Bucci, did I write those letters? Yes. He had employees. They were my constituents.

Dominic Paolone testified at the halfway house that Tony Bucci was complaining that he couldn't get Traficant to help him in a problem he had at the halfway house. And Dominic Paolone said, look, I couldn't get help from Traficant unless I have a member of the family call him. That is his policy. He had one of his brothers call. He called his brother, Dan. His brother Dan had Robert sent a letter and I talked to that company. I talked to the halfway house for him.

But, keep in mind, when a Federal prisoner is kept in a halfway house, Chairman, they pay a per diem to that community. Now, that money was either going to go to North Carolina or, in the case of David Sugar, was going to go out of State into, I think, Pennsylvania, or was going to come to my district where my people were employed.

I have helped hundreds of people. It is amazing to me, contrary to what again has been said by counsel in a question asked intelligently by Congressman Biggert. Every important significant witness that is the cause of my conviction was subject to jeopardy and harm: Jail, loss of license or their family involved in an indictment, period.

Tony Bucci saying that this $12,000 that was owed and he was going to own a Congressman was a joke. Many of the people that come out and testify, if you look very carefully through it, they said that they dropped out some slag, or they did a ditch. Tony Bucci was a hustler. Tony Bucci and I were not friends. He went into business with the Greg Tyson and Tony Satarelle. Greg Tyson was given immunity by the government, and Greg Tyson, a black contractor, would not be a front man for Tony Bucci and testified on my behalf, and said that I took his part in the problems with Tony Bucci.

Tony Bucci lied through his teeth. Count II. Sugar. David Sugar's father and mine were good friends. Young Dave and I were friends. David actually started doing some work at

the farm before all of this happened. His son had a DUI. I have helped many people, not to get them out of jail, but to get them moved to halfway houses, or get them moved into a position where they could work, get treatment rather than incarceration, and be reincorporated back into the community, reintroduced.

In the matter of Sugar, here is the bottom line. When this broke in the papers, Sugar had already done work for Jim Traficant. Sugar was concerned because of the high profile that he went back and backdated an invoice to Jim Traficant. There was supposed to be no payment until he completed his work. He owns his own gravel pit and sand pit. He is a very good friend. Mr. LaTourette basically asked the question, Mr. Sugar admitted that he filed on both of his tax returns payments by me. The concrete that was used, I paid TC Ready Mix. TC Ready Mix came out and said the Congressman paid us for the concrete and all he did was pour the concrete.

I gave Sugar no money. Here is what happened to David Sugar. And you have Harry Manganaro's consent tape transcript. Manganaro said after the second visit from the FBI, David Sugar was in a state of distress. Now, if you are familiar with the law, an individual in a state of uttered excitement is eligible for the hearsay exception.

Harry Manganaro, contrary to these 29 witnesses, the nine important witnesses I had were voir dired outside of the

presence of the jury, which would have rebutted this testimony and not allowed it to be presented to the jury. Manganaro was one of them. What Manganaro testified to, though, is he appeared at the farm when the Bucci problem caused the barn to fall, and advised me to jack that northwest corner up, and helped me put two temporary restrainers in there. Then my father had to build a retaining wall of some hundred feet around the front of the barn, reinforce the bank barn and put a side wall on it.

But, David Sugar, after the second FBI visit, confided in friend, Harry Manganaro. Manganaro came to me unsolicited to my house on Saturday before this trial started and the next day, Sunday, in my office at 8:35, gave me a consent tape.

Manganaro said he loved Sugar, he didn't want to get him in trouble. But he said he feels bad for what is happening to you. I feel bad what is happening to you, Jim. He said the FBI came to him and they were going to charge him with backdating an invoice because he told them evidently the grand jury did not back date an invoice, and they tricked his secretary, and his secretary didn't know, and said he backdated an invoice.

They threatened him that they were going to involve his wife and his son in this process with Traficant. And Manganaro said he felt bad, but Sugar went with the government's script and said he did these favors for

Traficant.

Well, let me tell you what the piano was that Mr. LaTourette had referred to. In 1856, there were two, two hand-made Steinway pianos based --

Mr. Lewis. I object. The piano is -- the Investigative Subcommittee is not charging the piano as a thing of value.

Mr. Traficant. No. But it is a matter of relevance to the veracity of the witnesses that have been brought against me, and the types of things that were in fact -- had to be removed because of the absolute absurdity that even the jury had to see.

The Chairman. I am going to overrule the objection, Mr. Lewis.

Mr. Traficant. Thank you. This 1856 -- there were only two of them made, handmade in New York City. He had it evaluated between 5,500 and 6,500. Actually, he got $8,000 and reported it over 2 years on his income tax. David Sugar had no choice, as did many people in this case, but to try and protect his wife and his son. And I don't blame him one bit.

Contrary to Bucci, who was on his fourth plea agreement to bring his brother back from Cuba who fled the country on a fugitive agreement, who now I hear is in Florida, and is going to get off scott-free as well.

Mr. Lewis. I object to what the Congressman hears.

Mr. Traficant. That was said at trial. Read the

transcript.

The Chairman. Objection sustained.

Mr. Traficant. The transcript reflects that I asked Anthony Bucci if he and his attorney had entered in negotiation with the Department of Justice on the return of his brother. And he said, yes, they did.

Mr. Lewis. That I don't object to. I object to the statement that "now I hear."

Mr. Traficant. Well, anyway, the Manganaro tape, you can read it for yourself. It came to me unsolicited. Regular, working guy. Loved David Sugar. Likes me. And didn't want to see me get screwed.

Count III. I am trying to figure through all of these. There is so much of Bucci, you know, you are going to own Jim Traficant. Quite frankly, his own family didn't like him. As far as all of that business with ODOT and Mosquito Lake Park. When I found out the true situation, I believe that the one fellow admitted that I apologized to him and told him to go ahead and stop the work stoppage.

Do I call and did I call government agencies for my people? In a heartbeat. If they needed help, I was right there. And I don't know what other members do. But I surely was aggressive and to help them. If it meant jobs in my district, I was out front. Did I help the Buccis? Yes. Did I like Anthony Bucci? Couldn't stand him. Did I like his

brother Dan? A very good friend. We go cycling together. Had the farm across the street from my dad.

Read Susan Bucci's affidavit. I brush-hogged 40 acres of their land every year with my own equipment and bale 25 acres of alfalfa every year of his third cutting.

And Dan helped me get sawdust and took some of that sawdust himself. And one time my baler broke with about an acre of ground to bale and Dan came over with his equipment and baled it.

Now, what was this? Count Number II. You will have to forgive me. Count Number is Cafaro. This here -- this here is a joke. And I hope that the counselors would pay attention. Cafaro stated, number 1, he gave me $13,000 cash. He said he gave it to me at Youngstown State University. Waited for everyone to leave, and when there were all out, he said, Jim and I walked out to the car, got in the car, drove around the car, and he took the envelope that had the money in it.

Attorney Percy Squires, chief clerk to Chief Judge Tom Landros, Northern District now retired, I asked Percy, my good friend, to be a character witness. He came up and said, what do you want me as a character witness? I know about the Bucci matter, because I handled Greg Tyson, who was a government witness with immunity, who was a black contractor. And he said, I handled, and I walked you out of the YSU building and

saw you get in a green truck.

Brian Kidwell testified that he picked me up on Phelps Street in the green truck. First he said he was late and walked me out. Cafaro testified that he lied during former Maloney County Sheriff Chance's RICO trial.

But then he adds, I didn't perjure myself. His testimony was that the mobster didn't give Mr. Chance the money, he gave him the money. And one of the prosecutors actually said to me, well, you can't lie on the stand without perjuring yourself. And his name was Bernard Smith.

Now, let's talk about United States Aerospace Group, laser technology. Saves lives. Every guardrail is 100 percent funded is my legislation. Every truck stop turn off is my legislation, a 100 percent of the trust fund. I was known on Transportation for highway safety and aviation safety.

Cafaro gave hundreds of thousands of dollars in Democrat National Committee, Republican National Committee. They gave $10,000 to Patrick Kennedy's birthday party.

Mr. Lewis. Objection, relevance.

Mr. Traficant. I am just telling you.

Mr. Lewis. What is the relevance?

Mr. Traficant. They give big money. The bottom line is, they came to their Congressman because they needed help and no one could help them. I did --

The Chairman. The objection will be sustained.

Mr. Traficant. I went over to the appropriators on the strength of the evaluation, as witnessed by Jane Garvey, as witnessed by Chairman Duncan, and displayed the merits and safety of the laser technology. And if you didn't know what that is, then we will take a second.

Doesn't cost the airlines a bit. That is a box about 4-by-4 that is set on the runway. Now, that Arkansas flight that ended in a disaster basically overshot the runway, then hit a light pole and killed the people.

The laser technology works as follows. If you are too far right you see a red light. If you are too far left, you see a green light. When you see the amber light you go right at it. When Jimmy Duncan, Chairman Duncan, had his son in that plane in Manassas, that wind was blowing and the visibility was less than 5 miles. I was scared in that plane.

Richard Detore flew that plane and showed and demonstrated the different colors and then went right in that amber and landed that craft exactly where that plane was supposed to be landed. I believed in it. The deal I had with Cafaro was this: I want that factory that makes them and to cold cap those lights, that are not like incandescent lights that in fact blur vision, and I want the jobs to make these laser technology.

And once they are settled in place, they would move their

headquarters from Manassas to Youngstown. He was so tickled pink he brought me in unsolicited a check for $26,000 and then lied on the stand and said it was Detore that brought it in.

Now, I find out that Cafaro asked Lang to sign a demand note for the money advanced on the purchase of the boat. This is a scam. What is the demand note for? Al Lang's attorney, Jay Harney advised him against it. Now, they said they put $26,000 in the boat. And they said it was only 50 percent done. The reason it was 50 percent done is it slipped off the mooring and they sunk it and have to pickle the engines.

Now, if the water level raised to the level of where the engines had to be pickled, according to the testimony offered at the trial -- does this come out of my time? Boy, you guys have it easy without me.

The bottom line is, this headache has been $26,000, all cash. The government never gave one accounting of what of this $26,000 went into that boat. And I had a boat valued at 32,000 to 38,000 before they started that is now damn near worthless because they sunk it. I should be suing this creep.

Now, let's talk about the cars. It is known as DD-4, I don't know if I even submitted it for evidence here. But when Richard Detore and I testified before the Subcommittee of Aviation in front of Chairman Duncan, I wrote him a note. And this note says, tell J.J. $10,000 is okay. I will get money from the credit union when he gets me the titles. Get the

titles.

And he promised the parts for two Avantis. They don't run. And I accept "as-is" on all three. My name. Get titles. Richard Detore testified to this. They said at trial they were production cars. The one Avanti was made from used cars, even the body, even the chassis, the frame was a used frame.

DCMN MAYER

The other one never did run. I drove it three times, so people could see it in Washington. He didn't even want it back. I stored it at a friend's. The FBI wanted to take it, and the guy wanted $35,000 for storage.

J.J. Cafaro sold the whole company for a dollar, with all of their parts and almost completely built cars. And if something happens with it, he would get a percentage of it. The cars were no issue. The cash was a complete lie. And there was no favors done for U.S. Aerospace. The only thing I did is, I tried to get those jobs for my district, and quite frankly, tried to keep people from dying on aircrafts. That is my job. I don't apologize for advocacy for my people.

Now, they are talking to you about four or five of those people. There was a couple of hundred of these cases that I did. But they all have one common thread to run through them.

I now found out that they are holding Cafaro with $330,000 --

Mr. Lewis. Objection.

Mr. Traficant. -- to the IRS.

The Chairman. State your objection.

Mr. Traficant. -- which was not disclosed to me at trial.

Mr. Lewis. He is stating things that there is no basis for in the record. He is just stating that he has heard.

Mr. Traficant. The committee could ask the government for this. What is why I am bringing it up.

Mr. Lewis. That is not part of our case, Congressman. He is going way off tangent.

Mr. Traficant. I object to that. I think you have gotten in nothing but hearsay. I am telling you that it has come to my --

Mr. Lewis. I have been given testimony, under oath, by 55 witnesses, Congressman. You are talking about, someone told you something.

The Chairman. Mr. Traficant, I don't believe this is relevant to what we are talking about.

Mr. Traficant. Well, the bottom line is this --

The Chairman. Just a moment. The objection is sustained.

Mr. Traficant. Fine.

Dennis Johnson, a member of my staff, he was not allowed to testify. He submitted an affidavit.

Mr. Lewis. Objection. He testified.

Mr. Traficant. Not about Cafaro. He testified about O'Nesti. I object to these objections if you are not factual.

Dennis Johnson was only allowed to testify about what Chuck O'Nesti told him, not about Cafaro.

Mr. Lewis. I withdraw.

Now that you have stated that, that is correct; but your

initial statement was, he was not allowed to testify.

Mr. Traficant. I'd appreciate that you not interrupt me again.

Mr. Lewis. I will object when it is relevant, Congressman.

Mr. Traficant. Now, Dennis Johnson testified under voir dire that I want those titles. And he was in a restaurant called the Crystals Restaurant on Belmont Avenue in the north side of Youngstown. He was with a man named Billy Coleman, who also testified. And, lo and behold, they saw J.J. Cafaro in the back. When J.J. Cafaro was leaving, he unexpectedly walked up to Denny Johnson, and he asked Denny to step outside.

Denny said they walked outside a little bit down the driveway, and Cafaro turned around and said, look, I didn't do anything illegal with your boss. They are after me for my testimony in a previous trial; they are pressuring me.

And Dennis Johnson said, and you see his affidavit, I am not here to talk to you about that. I have called you several times. I want the titles. And he said, Cafaro was absolutely shocked, his mouth dropped.

That was never brought in. He was one of the voir-dired witnesses. Manganaro was voir-dired on the Sugar incident and was not allowed to testify. Brother-in-law to James Sabatine testified that Sabatine lied, voir-dired and was not allowed

to be brought before the jury.

Now, there was absolutely no illegal activity whatsoever with Cafaro. Cafaro was under investigation for perjury in the Champs trial, and was threatening to bring his daughter in as president of U.S. Aerospace. Bottom line.

Count IV, Sinclair: Something very unusual here. He said he thought the first deal was a loan. And then he found out, my God, they were kickbacks. I want you to look at the 302 of the FBI on January 24th with Mr. Sinclair. I am going to read it for you.

Sinclair was asked why DiBlasio did not have the building at 11 Overhill in his own name, which counsel kept talking about, 11 Overhill. Quite frankly, I rented from him. And I don't know who owned them. I am under the impression they checked with the Ethics Committee. These are attorneys, and they know what they are doing. The government rent went to whomever was the listed owner.

Now, the prosecution now has stated part of the problems that both of them had, number one, Sinclair, and why Sinclair is the current owner of that building. And the counsel said Sinclair was the owner. I find that interesting.

And staff member of Congressman James Traficant also did not have this building in his own name. Sinclair advised him it would have been a conflict for DiBlasio to have the building in his name when he worked for Traficant. The same

issue came up when Sinclair was going to buy the building from DiBlasio. And he, Sinclair, was also working as a congressional staff member. Sinclair advised this was cleared through the United States House of Representatives Ethics Committee. Now, that is what he told the FBI.

Now, you are the Ethics Committee. You can certainly check that, couldn't you? And it was acceptable for DiBlasio and Sinclair to own the building as long as they charged the government a reasonable rent.

Sinclair was then asked, why then was -- the building had to be in the name of other people? Sinclair did not answer this question. Then they say, Sinclair advised he made between $50- and $60,000 per year as a private attorney in 1999, and at the same time made about $60,000 a year on congressional staff.

Be advised, the records also show that he did about 5 years of volunteer work in that office. He wasn't just a guy that came in overnight, Johnny-come-lately. And it also come out in that trial that he put together the entire State package for an economic revitalization plan subject to Ohio Revised Code that was an extensive bit of work, and that if it was stated out and marketed out to a private attorney would have cost the valley probably several hundred thousand dollars for the hours put into it.

Sinclair's job for Traficant was to research legislation

and others. He was not Traficant's private attorney. Sinclair advised that he had researched the rules, and it was legal for him to receive outside income while working for Congress because he was not, quote, unquote, "a senior staff."

Neither was DiBlasio. DiBlasio was there 15 years and ended up at $87,000. What are the COLAs every year? What do you start an attorney at full time?

Sinclair advised me he did not kick back any part of his salary to Traficant. Sinclair stated he did not want to be part of, quote, unquote, "getting Traficant." At the end of the interview, Sinclair was advised that he may have to testify before the Federal grand jury.

January 31st, he entered an agreement. Now, here is what the government showed us and here is what the prosecution has showed us about Sinclair. First of all, I don't know how your figures add up. But during the time he said he started to work for me, and 6 months after he left, he purchased a $300,000 house. He brought a brand-new Buick van. He rented a brand-new car at $300 a month, and admitted to $60,000 worth of attorney media advertising. Had a mortgage with a Delaware bank at $276,000.

But the key was that he opened up two accounts. The government showed us one, one account for Sinclair, where he took $2,500 a month out for 12 months, whatever.

The same period of time, regardless of how they said they

did it, they offered no witnesses to show that they paid them any checks; $2,500 went into -- and Mr. LaTourette asked -- into an IOLTA account. After he left the employ of Congressman Traficant for 22 straight months, no money was put into the IOLTA account. The last day before the trial, and at 5:00 in the morning, before Mike Robertson was able to look at it, a Secret Service agent who handled the fraudulent money investigations, we found out Mr. Sinclair had five bank accounts, three of them joint accounts with his wife, the big one, KAS Enterprises.

In December of 1998 -- you have this -- he opens it up with Home Savings & Loan, President Sinclair. That might have been November. In December of 1998, he opens it up again, President Sinclair, Secretary Kimberly Ann Sinclair.

The secretary of state lists KAS Enterprises as like a limited partnership and listed Kimberly Ann Sinclair as the agent. Page 2 of the document you have in front of you, which is evidence, clearly states that either/or, with or without the consent of each other, could take the rent money to come from the United States Government for rent of 11 Overhill Road and use it for themselves.

Allen Sinclair was already suspended for 1 year, and would have lost his law license. Told me out in the parking lot they were threatening to involve his wife because of that KAS and her signing the lease. And the next thing you know,

he gives that kickback. But now you have before you an FBI document.

And when the news broke in the summer, there was a murder scheme, there was a $150,000 barn, and there were fingerprints, latent fingerprints. Naturally, I know they have no latent fingerprints on me. I immediately move with a motion to quash. They have 1,000 documents, envelopes, manila envelopes, plastic bags, currency; and Jim Traficant has a one-of-a-kind right index finger that is scarred, and I am right-handed.

The only FBI agent they brought to the stand was a rookie; and when the judge came to that, quite frankly, she was like a fox smiling in the henhouse. She said, well, since we have a motion, we will dismiss the jury. She dismissed the jury, and the FBI agent said, not one print. Not one.

On plastic bags that hold water. Manila envelopes that will damn near hold water. Hard envelopes. White envelopes. Currency. Not one print. Now, as Robertson says, there is no prints.

The jury pool heard about prints, murders and the $150,000 barn, but here is the key. Sinclair agrees to tape an attorney for the government. Testimony came out that Sinclair's office was like this.

Mr. Lewis. I object to the relevance.

The Chairman. State the relevance, Mr. Traficant.

Mr. Traficant. The relevance is, there was testimony offered that he stated that he said that he couldn't tape me, that I was a touchy-feely guy.

I am trying to show you how it was so easy to tape me.

Mr. Lewis. The fact that he taped another person and he is afraid to tape the Congressman is --

Mr. Traficant. I would like to proceed. I think it is worthy. It was brought out in the trial. It is in the transcript.

Mr. Lewis. The committee counsel stipulates that there are no fingerprints of the Congressman, and that he was not taped.

Mr. Traficant. There is now about corroboration. It speaks to --

The Chairman. Overrule the objection. We are going to allow some leeway here.

Mr. Traficant. His desk was sort of like this. You could only get around it through here. He sat back here. Testimony by all staff said that I had coffee with him in the morning, and I would sit over here.

The testimony of Sinclair said that I was touchy-feely; he was afraid of me.

RPTS O'ROURKE

DCMN BURRELL

[5:20 p.m.]

Mr. Traficant. Testimony said -- Bernard Smith said that the head of the FBI's task force said Traficant is just too smart. We better not or he'll catch us. Ladies and gentlemen of the Congress, you got a very serious charge here. As Mike Robertson said, he wouldn't take a drug dealer to court on this for a $500 cash transaction. Do you want a confession. That would be ideal wouldn't it. But certainly you want an admission.

Now here is what they have. They got an envelope, an envelope, fresh envelope, supposedly with $6,000 in it, hand delivered, supposedly Sinclair's, and allegedly immediately taken to the FBI and then sent to the lab. Now I ask you really some common sense questions. People involved in felonious have dry hands or wet hands? This wasn't toilet tissue. So of course it could not hold the support of print. But it was the ideal time to make their case. Why didn't they make it?

Mr. Lewis. Because it is not relevant. We are not charging fingerprints. It is not relevant.

Mr. Traficant. You are interrupting me.

The Chairman. Are you objecting, Mr. Lewis?

Mr. Lewis. Yes.

The Chairman. Objection sustained.

Mr. Traficant. No wiretaps.

Mr. Lewis. Objection, relevance.

Mr. Traficant. It is in the transcript.

Mr. Lewis. We have not charged him with any wiretaps.

Mr. Traficant. It speaks to the veracity of the witness's testimony in my defense.

The Chairman. I am going to give leeway on that. Overruled.

Mr. Traficant. No prints. You believe this, then you will believe anything. No hidden microphones by anybody. And the Kerchum affidavit says they will build a monument if they get him on Traficant. The bottom line is you have hearsay uncorroborated and Robertson will address that tomorrow. DiBlasio, O'Nesti -- witnesses will address tomorrow to show they saw me repay loans to both.

Tax returns, 1998 and 1999. When the IRS agent left the stand after being crossed by me he walked into the bench right with his crotch. His testimony said he did no investigation at all. All he did was add up the numbers given to him by the investigators. Fact, the government offered no FBI investigator in my case. The only man they brought was Bushner, who took money to the labs to have it examined for prints -- a rookie. The other one was Hess, 30-year veteran from Philadelphia, flew into Cleveland seven times, stayed

almost 40 days, cost the taxpayers a quarter of a million dollars and said he did no investigation. Not one IRS investigator came in. But what we do know is George Hooker testified that 12 years ago I bought a horse from him and they wanted to know what the transaction was. So it is evident that if Traficant is drinking five gallons of cash a month in 15 years, the government would have brought one witness to say Traficant bought something for cash, which I didn't. I don't buy by cash.

Now I don't know if this is on the record, but I want to show you the total amount of earnings from my stock portfolio for the year 2003, $4. I have a thrift account down here in Washington. That is it. I do not even have a savings account at the bank, neither does my wife. Now they have gone back 15 years looking for cash transactions. They didn't find one person where I expended cash.

My God, we are talking about circumstantial evidence only on hearsay in a RICO case. Linda Kovachik was not allowed to testify. She was voir dired where Chuck O'Nesti told her he did not kick back money to Traficant. Chuck O'Nesti told Mike Terlecky, who now the IRS is going after for 140,000, who was a disabled retired deputy sheriff, they say he now owes 140,000. He calls me this week, because he said he had a happenstance meeting with O'Nesti several months before he died and there was a headline in the front page and O'Nesti

said, look at what they are doing to the guy. They said, well, they're saying you gave him money. I didn't give them money. Now what he told Denny Johnson was he came looking for Denny Johnson in a bar on the west side of Youngstown. He found out he was there. He came in. He took Denny Johnson and backed him into a corner. Denny testified. She let Denny testify. She let Terlecky testify because Terlecky has a former felony conviction and Johnson had a pending problem on a driving incident. Kovachik was free and clear. She didn't allow Kovachik under the same circumstances to testify. He said that O'Nesti was almost incoherent and was upset that Jim wasn't coming to see him. And he says tell Jim to come and see me. He said Denny, I didn't do anything illegal with Jim and they want to put me in the Army. Now if you see a 302 by the Federal Government they went almost 2 weeks when this man is on his death bed rotting from cancer with a fruit basket ploy. And they even said -- they said it loud enough that they don't want the U.S. attorneys to hear -- you will have the 302 because they don't want to have him go to an Army medical facility. The man wants to die at home. He's 2 weeks from death. They run a tape and then they stop the tape. They come back and want him to sign an affidavit. Didn't you give Traficant kickbacks? His son said if you gave it to him, dad, sign it. He says no and he didn't sign at this time.

Mr. Lewis. And the government didn't introduce it into

evidence. It is not relevant. It is not in evidence.

The Chairman. You are objecting because it is not relevant?

Mr. Traficant. They accepted hearsay testimony from Jackie Bobby and Grace Yavorsky on kickbacks to O'Nesti.

Mr. Lewis. I'm objecting to the statement that you say the government tried to introduce that Mr. O'Nesti denied making kickbacks. The government never introduced Mr. O'Nesti's statements, so your comments are irrelevant.

Mr. Traficant. There is a 302 that's in there that I have in discovery and you can make your own determination.

Mr. Lewis. The government didn't charge you with it and we haven't charged you with it, so it is not relevant.

Mr. Traficant. Why did you bring up the issue of kickbacks to O'Nesti?

The Chairman. The objection is sustained.

Mr. Traficant. I object to that. He brought up hearsay testimony that there were kickbacks made from O'Nesti by someone who is allowed to make hearsay testimony; namely, Jackie Bobby.

Mr. Lewis. That wasn't hearsay. She testified at trial under oath. Your former secretary, Congressman. It is not hearsay.

Mr. Traficant. Let's read her letter because you're saying she wouldn't make kickbacks. JT00711 March 18, 1998,

Dear Chairman, if I don't ask I will never know. I handled the majority of Chuck's responsibilities as District Director. My reputation and credibility are impeccable. I have had total responsibility for your campaign with no complaints. I donate many, many hours to the campaign. I think you should give me the position of District Director and a salary increase because you can justify it and I deserve it. I will fulfill any obligation Chuck had. Let's talk about this one. I will fulfill any obligation Chuck had. He had no obligations. And she didn't get the job. And I hired another woman and spread that job over three people, and they did not like the woman I hired and that came out in the courtroom. They hated her guts and they both quit. There is a $3,000 cashier check to Henry DiBlasio when he broke up his office from the credit union that I wrote to purchase his furniture. Still owe some money. And now after he took this plea agreement he will have to spend $250,000, he can sue me.

Second of all, handwriting, Defense exhibit D-14, I am willing to sell you all the furniture in my office which cost me more than $12,000. Handmade desk, handmade credenza, leather desk chairs, two arm chairs, leather couch, et cetera, et cetera, microwave in the kitchen. Please let me know, 5,500. Now the one that sickens me is on Sinclair.

The Chairman. Mr. Traficant, do you want to move that into evidence?

Mr. Traficant. I want to move it right now exhibit D-14. And I want to move JT007111 the letter from Jacqueline Bobby, and I want to introduce the cashier's check on Henry DiBlasio for $3,000 from the credit union. It is not marked, so I will mark it be BS-2002.

Mr. Lewis. No objection. The Bobby statement is already in evidence, however.

(Traficant exhibits No. D-14, JT-007111, and BS-2002 identified.)

The Chairman. They will be admitted into evidence.

Mr. Traficant. On or about the time this hit the news, Sinclair came to me and said his business was being destroyed. He testified in court that I asked him to draft me a lawsuit to sue the government. That was a lie. Allen Sinclair came to me with a lawsuit and didn't even have my correct address on it. And I offer it as S-12, because my name was underneath his name on the sign and he was getting bad press, wanted me to sue them for $100 million. Ladies and gentlemen, after all the prosecutorial misconduct I used this thing that Sinclair wrote up, it was good, and filed a civil lawsuit that was thrown out after I was indicted. I offer S-12 in evidence.

Mr. Lewis. No objection.

The Chairman. It will be admitted.

(Traficant exhibit No. S-12 identified.)

Mr. Traficant. I offer the Vote survey.

Mr. Lewis. It's already in evidence.

Mr. Traficant. Let me see it.

Mr. Lewis. We gave it to you.

Mr. Traficant. I offer now into evidence a letter very clearly marked relative to DiBlasio, marked D-4.

(Traficant exhibit No. D-4 identified.)

The Chairman. What does that letter do, Mr. Traficant?

Mr. Traficant. January 24, 2000, to Jim Traficant. I will read it for the record. How are you, Mr. Green?

The Chairman. Let the record show that Mr. Green has arrived and we did make a statement early on, Mr. Green, as to why you were absent in the early part of the day.

Mr. Traficant. I ask unanimous consent that Mr. Green's absence not be held against him because he is known for it.

Dear Jim, on November 1, '99 I reached my 70th birthday. As you know, I retired for good on January 2, '99 after practicing law for almost 47 years.

By the way, DiBlasio was a heavy target. He had testified in the 1983 trial of Jim Traficant, also, after having been one of your staff members for 14 years.

My relationship with you is the most rewarding experience in my life. Found the work interesting and profoundly exciting. I was able to do something good for our community. All those people that said Henry DiBlasio didn't work was a lie. He was a low key delegator and he was brilliant. It

took me the most part of last year to try and relax and enjoy my life without the workaholic tendencies I had for my adult life. The arrival of our gorgeous granddaughter certainly helped me be able to sit back and start smelling the roses. A most disconcerting event took place on Thursday, January 13, 2000. I thought that I should call it to your attention because you appear to be the, quote, main target and I was obviously contacted in their attempt to coerce me to agree to certain allegations that are absolutely not true. The following is what happened. On Thursday morning at about 8:30 a.m. someone called me to the downstairs phone. I live in a high rise condominium in Florida. I was informed that I should let them in because they had to talk to me about you. He would not tell me what it was all about at this point. I felt coerced and compelled to let them come up to our apartment, and I did. Three gentlemen came in and showed me their credentials and gave me their cards. Two of them were real bruisers, or maybe I should say big. The two FBI persons were Percunos of Youngstown and Stall of Youngstown. The other fellow was Charles Perkins, Special Agent for IRS, criminal investigation. At this point I really felt intimidated. They made it clear they were out to find information that could or would be used against you. In fact they made it clear that if I admitted what they brought up they would protect me. In my age and in poor health condition

I am surprised I did not collapse. They said others in your office have now said certain things about me that violated Federal laws. I was absolutely astonished. By the way, they never read me my rights but just kept on pressing me to admit to things that I not only did not do, but I could never have thought of doing.

This is a guy who has just reached a plea agreement because I was convicted on 10 counts.

They said they had evidence of my not working enough to justify being paid. They said I should have filed a disclosure statement each year as required. They said I gave you back some rental that had been paid for your space. They said I gave you part of what I received for my pay. And they said I earned more money while I was on your staff. In general they said I was in violation of many laws and that if I admitted to them so they could get you they could protect me. Jim, as you know, I am not a criminal lawyer. I was absolutely puzzled and certainly felt intimidated. I have never been accused of violating the law or even violating ethics as a lawyer. I really ponder on whether I should contact you because I know how busy you are and how many things are on your mind at all times. But the other day I really received a shock. A local FBI agent called me and informed me that the Youngstown fellow had asked to serve a subpoena on me. We finally got together on January 20, 2000.

To my continued amazement the subpoena requested that I appear in Cleveland on February 1, 2000 to testify regarding John Doe. Of course I know they are referring to you as John Doe. First of all they didn't give me much notice. I live in Florida and I am retired. Why should I pay my expenses to travel to Cleveland in the winter? I have had to hire legal counsel to protect myself. How can the government do this and get away with it? Jim, I certainly did deny that I violated any laws anywhere. The office building, as you know, was transferred out of my name when I discovered during your organization that I could not keep the building in my name. I was informed by the appropriate congressional committee that I would not have to be the one who was designated to report my assets. Also, I do not see how I could have shared my pay with you or anyone. Also, I know I don't have to tell you what I did and how many hours of work on your staff. This is nonsense. Wish all this would go away. As a lawyer of many years I should know best. Since I have known you, I know your intellect and judgment would surpass anyone I have ever met and I mean that. Just doesn't seem fair that I can be intimidated, coerced and whatever else during the retirement years of my life. I hope it is not some desperate political maneuver on someone's part. If it is, I shall really lose faith in our system. I am very sorry that I am discombobulated with my lawyers to try and ease my discomfort

a, bit but also felt compelled to let you know what is happening. Please let me know if you have some words of comfort and maybe some advice. I am confused and agitated.

I offer D-4 as evidence. The point I want to make is at some point the attorney says --

Mr. Lewis. No objection.

Mr. Traficant. -- Traficant solicited the letter. Does that sound like I have solicited the letter?

The Chairman. It will be admitted. You have used two of your 5 hours. You can use up to an hour in summary if you want, and that would leave you 2 more hours. But you can use any of those 3 hours as you want, but you do have to do your witnesses and if you want to get any affidavits before us that you haven't done, we are going to be --

Mr. Traficant. Only have three witnesses. Those three witnesses come out of my 5 hours?

The Chairman. Yes, they do, as part of putting your case on. That was very clear in the beginning.

Mr. Traficant. It was?

The Chairman. And in the letters that you received. Mr. Traficant, you continue to try to make this an unfair situation. I think we are bending over backwards to make it as fair as we possibly can.

Mr. Traficant. I want to apologize if you got that impression, but I didn't realize that the witnesses would be

subject to the 5 hours as well. If they are --

The Chairman. Let me clarify that, the witnesses and your questioning of those witnesses will be subject to the 5 hours. Our questioning of those witnesses will not. So we will try to do that. And let me just say this we are going to adjourn pretty soon because we are going to have votes. So if you want to get some more things in before we do adjourn tonight that you want to get in tonight, let's do that.

Mr. Traficant. I have a memo dated October 24, 1998 relative to the purchase of his furniture. Put that into evidence. Although you have the handwritten notes -- you also have that.

Mr. Lewis. No objection.

Mr. Traficant. I want to put in the $4 total amount of corporate money I received.

The Chairman. Mr. Traficant, the press is having trouble hearing you, particularly when you lower your voice. I think they didn't have any trouble during part of the testimony. But as you walk away from the microphone there, they're having trouble hearing you.

Mr. Traficant. This memo is D-15. The Bank of New York, sum of $4, total amount of money I earned is G-10. I want to place into evidence the 302.

(Traficant exhibits No. D-15 and G-10 identified.)

Mr. Lewis. No objection.

The Chairman. Will be admitted.

Mr. Traficant. -- the 302 of Sinclair dated 1/24/2000 and said he had no problem getting Jim Traficant.

Mr. Lewis. No objection.

The Chairman. Will be admitted.

Mr. Traficant. I want to show Defense exhibit HAD-0017 parentheses (A), which shows the withdrawal from the credit union of $3,000 and being made payable to DiBlasio as well as the check that was submitted earlier.

(Traficant exhibit No. HAD-0017 identified.)

Mr. Lewis. Who is withdrawing the money?

Mr. Traficant. Came from my Congressional Credit Union account, $3,000 and the cashier's check is also there.

Mr. Lewis. No objection.

Mr. Traficant. I also want to submit from James J. Harney when he was interviewed by the FBI Defendant's exhibit here marked L on 3/21/2000 on all, specifically page 3 --

The Chairman. Mr. Traficant, Mr. Harney is going to be called. Do you want to wait and ask him about that before --

Mr. Traficant. Is Harney going to be called?

The Chairman. You are going to call him, I assume. He is one of the witnesses we approved.

Mr. Traficant. I am looking to see the affidavits I have. An affidavit by Mike Robertson even though he is going to testify. An affidavit by Susan Bucci, Brian Kidwell,

Michael Antonoff, and I will have to find them for you, Mr. Chairman. How much time do I have left? I can put these in evidence another time and get my --

The Chairman. Why don't we do that then? We will do that in the morning.

Mr. Traficant. How much time do I have left total?

The Chairman. Almost 3 hours left.

Mr. Traficant. I would like the Supreme Court of Ohio decision relative to Sinclair and his sanctions and suspensions. That is Defense exhibit C.

(Traficant exhibit C identified.)

Mr. Lewis. No objection.

Mr. Traficant. I would like --

The Chairman. Be admitted.

Mr. Traficant. -- breakdown of Sinclair's IOLTA, Defendant's Exhibit D.

(Traficant exhibit D identified.)

Mr. Lewis. I would like to see those first. I haven't been given those.

Mr. Traficant. I would like to introduce as evidence the FBI report saying there were no prints at all, JD-1007, a copy of the forensic lab report.

(Traficant exhibit JD-1007 identified.)

Mr. Lewis. I have no objection to that. As far as exhibit D --

The Chairman. That will be admitted.

Mr. Lewis. I don't know what this is. There is no basis for it. There is nothing that says it is by Robertson. I think it should be subject to the testimony of Robertson. It is just a sheet of paper with figures on it.

The Chairman. Hold that one in abeyance. We hope Mr. Robertson will testify tomorrow.

Mr. Traficant. I will give the rest of my submissions tomorrow, Mr. Chairman.

The Chairman. The committee will stand in recess until tomorrow morning at 10:00.

Mr. Pastor.

Mr. Pastor. Mr. Traficant talked about some tapes that he wanted to have admitted. You made that motion. Did we move on that motion?

Mr. Traficant. Mr. Chairman, I have and will bring to the committee all the tapes and transcripts of same that I will ask to be admitted and give you ample time to review them if you wish.

The Chairman. The committee will stand in recess until 10 o'clock tomorrow morning.

[Whereupon, at 5:45 p.m., the committee was adjourned.]

RPTS COCHRAN

DCMN HERZFELD

ADJUDICATORY HEARING IN THE MATTER

OF REP. JAMES A. TRAFICANT, JR.

Tuesday, July 16, 2002

House of Representatives,

Committee on Standards

of Official Conduct,

Adjudicatory Subcommittee,

Washington, D.C.

The committee met, pursuant to call, at 10:25 a.m., in Room 2118, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Biggert, Hulshof, LaTourette, Berman, Pastor, Tubbs Jones and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargeant, Counsel; Virginia Johnson, Counsel to the Chairman; Bari Schwartz, Counsel to Ranking Member; and Joanne White, Administrative Assistant.

The Chairman. If I can have your attention, please, the hearing was scheduled to begin at 10 o'clock this morning. It was announced yesterday in open hearing that it would be at 10 o'clock this morning. I have in my hand just handed me a letter from Mr. Traficant that said, "I was not informed yesterday of the 10 a.m. start time of the adjudicatory hearing. I alerted the subcommittee yesterday that I would not have my witnesses available until 1 p.m."

It was our plan that Mr. Traficant was in the middle of his testimony. Following his testimony would be an opportunity for cross-examination, both by counsel and by the panel. We thought this time would be used for that. Mr. Traficant is not here, so we cannot do that. We will have a discussion with Mr. Traficant when he comes in about being here on time. I think all of you knew that the time was at 10 o'clock. So, as a consequence, we will not commence this hearing until 11 o'clock. So if you will be back at 11 o'clock ready to go to work, we will be here, too.

Mr. Berman. Mr. Chairman, just for the record, I think the record should reflect that all eight members of the subcommittee were here in the adjoining office at the time scheduled.

The Chairman. I think that is a good point. All eight members were in the adjoining office, and committee counsel is here prepared to work. We lose an hour in our deliberations

here, but we will pick it up at another time. So we will be back in session at 11 o'clock.

[Whereupon, at 10:30 a.m., the committee proceeded in Executive Session.]

[11:08 a.m.]

The Chairman. The committee will come to order.

Mr. Traficant, I have here in my hand an unsigned letter purportedly from you saying that you did not realize that it was supposed to be starting, the hearing starting, at 10 a.m. this morning. What we had anticipated was you going ahead with your testimony as far as you wanted to go, and putting in evidence whatever else you wanted to put into evidence, begin the questioning of you as a witness, and then get to your other witnesses this afternoon.

Evidently there was some confusion in that. All eight members were here, the committee counsel were here, but you weren't. So we put this off until 11 o'clock.

Mr. Traficant. Thank you.

The Chairman. In the future, when we set the time of the hearing, unless there is some reason in advance, we need you to be here.

Mr. Traficant. Mr. Chairman, I did not hear a 10 o'clock starting time and was informed we would begin at 1 o'clock with my witnesses. I had misinterpreted that. I apologize to the committee. Had I known that, I would have been here. I was on other media broadcasts trying to demean you and everybody else. I have a number of things.

The Chairman. Wait just a minute. I trust you did a good job of that.

Mr. Traficant. I was just joking about that.

The Chairman. I know you were.

Mr. Traficant. I would like to say this in starting out. I know you are in a rough position, because you and I have been friends, and I know that will not interfere with your decision, and I don't want anything I say in the condition I am in to be offensive to you nor to any Member here.

The Chairman. I think, I keep calling you "Mr. Traficant." I have never called you "Mr. Traficant" before in my life.

Mr. Traficant. You have called me a lot of other names that you are afraid to mention here today. I resemble those, and I take great offense to some of those "slur-ious," derogatory, sometimes four-letter words of which you referred to me.

The Chairman. Four letter words like "nice."

Mr. Traficant. I have some amendments I would like to put on, and I would like to --

The Chairman. Just a minute, Mr. Traficant. As you know, this is not a pleasant situation for you. It is not a pleasant situation for any member of this committee. But I will say in working with these folks, and most of which you have had a good relationship over the years, I have not found a more serious-minded, dedicated bunch of people since I have been in Congress in terms of wanting to give you every

opportunity and in terms of wanting to make a correct decision based upon the evidence they receive. I think you probably couldn't have a better bunch of people in this position at this point. I think you probably agree with that.

Mr. Traficant. With that, I ask unanimous consent that you remove your counsel, have them go to the restroom for the remainder of the hearing and ask no further questions, and let me conclude.

I have some affidavits I would like to place on the record and I have an --

The Chairman. I have one piece of business, Mr. Traficant.

Mr. Traficant. Go ahead, Chairman.

The Chairman. You provided us yesterday with a written version of the motion to dismiss that you had made earlier.

Mr. Traficant. I would like to make comment about that before you rule.

The Chairman. Okay. I ruled on it verbally, but I have the written form now, and if you would like to make a comment on it, I will let you do that before I rule.

Mr. Traficant. Yes. I figure I know the way you would rule, but my memorandum of points and authorities in support of my respondent's motion yesterday to dismiss the statements of alleged violations will contain the following:

Number one, respondent has filed with the committee on

the 15th a motion to dismiss the statement of violations. On July 15th, pursuant to the rules of the committee, I filed a motion to dismiss along with a memorandum of points and authorities in support of my motion to dismiss the statement of alleged violations. I don't know if you have a copy of this. If you don't, you certainly will get it.

On the 15th, I filed supporting documents along with the points and authorities in support of my motion to dismiss.

In essence, I have nothing personal against the committee. Your counsel up there, Mr. Walker, is certainly quite competent in understanding the rules. As a Member of Congress I know the rules could be changed by a vote of the Congress. But the committee has violated the rights of the respondent through an illegal act, and the committee continues to have actions in violation of committee rules.

The committee has harassed witness Richard Detore, important to my case, and then denied in both of my criminal proceedings now. They violated his rights through illegal acts and violations, in fact, of our own committee rules of which we all voted on.

The committee has refused to place committee staff member Bernadette Sargeant under oath, and the respondent has provided the committee with evidence in conflict with the statements she made before the committee yesterday.

In accordance with the intent of the spirit of rule 7 of

the committee rules, I seek immediate relief by dismissal of the statement of alleged violations.

In accordance with the requirements of rule 7 of the committee rules, respondent respectfully requests the committee immediately undertake an investigation of the breaches of confidentiality.

You don't have a vote, Chairman, or is that a quorum call?

The Chairman. I am not sure what that is. We will find out. You go ahead and continue briefly.

Mr. Traficant. In accordance with the requirements of clause 3, subparagraph (a), paragraph 3 of Rule XI of the Rules of the House of Representatives, and in accordance with rule 29 of the committee rules, the respondent respectfully requests alleged criminal acts described herein be referred to Federal authorities for further investigation and for possible prosecution.

I don't like to say that to Ms. Sargeant, but the bottom line is Mr. Detore has assured me he never signed any waivers. Now, I don't want to hear any more about he signing waivers and for some justification to try and, as in Cleveland, eliminate this guy from being a witness. I was railroaded once, and I don't believe the Congress of the United States has that intent.

Now, having said that, I want you to go ahead and rule,

and I will accept your ruling, and then I would like to put my additional matters into evidence, and then I want to hear what your two counsel would have to say.

The Chairman. Mr. Traficant, I think we dealt with the issue of Ms. Sargeant and Mr. Detore yesterday in your comments. I have reviewed the written motion. The asserted grounds that you have in the motion are the same as in your oral motion. As in your oral motion, the written motion contains many misrepresentations particularly regarding the actions of committee staff in connection with Richard Detore and his doctor regarding supposed subcommittee statements in the media.

Mr. Traficant. Why don't we put her under oath?

The Chairman. If the assertions in your motion were true, if we accepted them all as true, you set forth no legitimate basis for dismissal. Therefore, as I stated yesterday, your motion is denied.

Now, Mr. Traficant, hold on just a second. Let's find out what those bells are to see where we are on time.

Mr. Traficant. The bells, the bells. Ring this.

The Chairman. All right, we can proceed.

Mr. Traficant, where we left off yesterday was you were presenting your testimony. You still have 3 hours, roughly.

Mr. Traficant. I am done. I want to place on the record Defense Exhibit AA, an affidavit from Linda Kovachik dated

Thursday, May 9, 20002.

I want to place on the record Defendant's Exhibit BB, an affidavit of Brian Kidwell dated May 13, 2002, which consists of two pages.

I want to submit on the record an affidavit of Orlando Ferrante, which consists of two pages, Defendant's Exhibit CC.

I want to submit for the record an affidavit, Exhibit DD, of Susan Bucci, which consists of three pages -- four pages; and an affidavit, Defendant's Exhibit GG, of a Sandra Ferrante, dated Tuesday, April 30, 2002, of two pages; and Defendant Exhibit HH, an affidavit of John Innella, dated 13th of June, 2001.

I ask that they be, in addition to those yesterday, included in the evidence of the proceedings before us here.

The Chairman. Does counsel have any objection?

Mr. Lewis. No, Mr. Chairman.

The Chairman. They will be admitted.

(Traficant Exhibit Nos. AA, BB, CC, DD, GG and HH were received in evidence.)

The Chairman. Are you prepared for cross-examination now, Mr. Traficant?

Mr. Traficant. Does a bear sleep in the wilderness?

Mr. LaTourette. Mr. Chairman, may I ask a question about the evidence of the respondent?

Mr. Traficant, yesterday there was a good deal of

discussion about tape recordings or transcripts thereof. Do you intend to offer those as evidence?

Mr. Traficant. I do at the end here. I have the transcripts, and I will move the transcripts into evidence and leave you the tapes. I have a box here approximately 2 by 2, and I go through those, and the ones I leave will be salient.

Mr. LaTourette. I would say in light of the Chair's previous ruling, I think that there is a responsibility on the respondent to authenticate those before they are admitted into evidence. I think that he should be advised he needs to do that, because I understood there were objections to those, but for his making some observations about them. So I don't want you to run out of time and not have at least addressed that issue, and maybe you are right and maybe you are wrong, but I just want --

Mr. Traficant. I appreciate that and will do that. I was under the impression to be here at 1 o'clock and do not have them with me right now.

The Chairman. You may do that later if you would like to.

Mr. Traficant. I would ask unanimous consent if my 3 hours run off, that I have an additional 5 minutes for the submission of evidence relative to tapes.

The Chairman. I don't think that will be a problem. As we get down toward that time, we can talk about it again.

Mr. Traficant. Thank you.

The Chairman. Mr. Lewis.

Mr. Lewis. Thank you.

The Chairman. Cross-examination.

Mr. Lewis. Thank you, Mr. Chairman.

Mr. Lewis. Congressman Traficant, you stated yesterday you knew Anthony Bucci.

The Chairman. Mr. Traficant, I would remind you you are still sworn and still under oath.

Mr. Traficant. Yes, I know Anthony Bucci.

Mr. Lewis. You stated you did, in fact, help Mr. Bucci and his brothers and their companies with official acts?

Mr. Traficant. I helped them, and I helped everybody in my district.

Mr. Lewis. And you did write the prison warden asking him to transfer Anthony Bucci?

Mr. Traficant. You know, let me see the document. I sent so many letters out, and my signature may not be on that. Many of the actions taken by my office are taken by staff, who sign my name. Now, I don't know if other Members do it. So show me the document, because I wasn't even able to compare handwritten documents in Cleveland. Show me the document.

Mr. Lewis. Well, you didn't object to the document in Cleveland; isn't that true?

Mr. Traficant. Well, there is a lot of things I may not

have objected to, but I am objecting to it now. Let me see it. If I signed it, I signed it.

Mr. Lewis. I am going to hand you what has been marked as Hearing Exhibit 14 for identification.

Mr. Traficant. That appears to be my signature and my handwriting.

Mr. Lewis. Do you recall writing the halfway house in Youngstown regarding Mr. Bucci?

Mr. Traficant. I don't recall, but I probably did. I did that for many people.

Mr. Lewis. I am going to hand you what has been marked as Hearing Exhibit 15 for identification and ask you to look at page 2.

Mr. Traficant. That appears to be my signature, but quite frankly, I am not sure. I could have dictated it, but it looks to be mine. I am not sure.

Mr. Lewis. I ask you to look down here. Does that say JAT/JB?

Mr. Traficant. Yeah. Yes, it does.

Mr. Lewis. Do you recognize the initials JB?

Mr. Traficant. Yes. That is Jackie Bobby.

Mr. Lewis. Was Jackie Bobby your secretary?

Mr. Traficant. She was one of the people that typed it up. It was a letter coming from me. I could have signed it. It looks like it is mine. Quite frankly, I am not sure.

Sometimes I can't even read my own handwriting. But I don't object to the letter, and I will stipulate to it, if it would help you.

RPTS STUART

DCMN ROSEN

Mr. Lewis. Thank you. Do you recall writing to Wilbert Baccus at the U.S. Department of Transportation on behalf of the Buccis?

Mr. Traficant. Probably did. I don't know who signed it. Let me see it.

Mr. Lewis. I will show you what has been previously marked as Hearing Exhibit 126 for identification.

Mr. Traficant. Now, does this come out of his time?

The Chairman. Yes, it does.

Mr. Traficant. Does this come out of my time?

The Chairman. It does not come out of your time. This doesn't come out of anybody's time for presenting the case.

Mr. Traficant. Yes. That appears to be my writing but that -- those green lines on there were placed on there by somebody else.

Mr. Lewis. For the record, I put the green lines on that document.

Mr. Traficant. Well, I would ask that you would do that no more. I mean, I have had enough of that in Cleveland. I have had green lines here.

Mr. Lewis. All right. Do you recall writing the Secretary of Transportation on behalf --

Mr. Traficant. I probably did. I wrote to everybody. I

called everybody. What do you have?

Mr. Lewis. And you wrote --

Mr. Traficant. Is it about Bucci?

Mr. Lewis. Yes.

Mr. Traficant. I told my staff to help Bucci, yes.

Mr. Lewis. And do you recall writing --

Mr. Traficant. I want to see the document.

Mr. Lewis. Do you recall writing the Department of Labor on behalf --

Mr. Traficant. I don't recall. You will have to refresh my memory. What year was that? Was that, you know, 1986? I mean they have taken the statute back about 10 years. I want to know the date of the letter and show it to me. I apologize, committee, I am not in a good mood.

Mr. Lewis. Do you recall calling --

Mr. Traficant. I would like to see the letter, sir. I don't recall anything. That is a fact. This has been years. Show me what you are asking me, or I will not answer it.

Mr. Lewis. I am moving on, Mr. Traficant. Do you recall calling the Ohio Department of Transportation on --

Mr. Traficant. Show me that I did. I don't recall. I could have. I called everybody for anything. For the record, I will stipulate I was a very active Congressman. Maybe I was unusual. Maybe I was stupid. Maybe I should have just sat back and did nothing.

The Chairman. Mr. Traficant, if you don't recall just simply say "I don't recall."

Mr. Traficant. I want to see the documents. I may recall. I want to know what the salient points of them deal with before you get them.

The Chairman. Well, we have them in the record.

Mr. Traficant. I want to see what you have.

The Chairman. You do have copies of what we have.

Mr. Traficant. Not here.

The Chairman. These are documents that presented into evidence as of yesterday.

Mr. Traficant. I dont have them with me. If they are going to ask me about them, I have a right to see them.

Mr. Lewis. Absolutely. I am going to direct your attention to Hearing Exhibit 18, and ask if you recall writing Judge Spahn of the Ohio Court of Appeals regarding Anthony Sugar, Jr.?

Mr. Traficant. Let me see it. That is not my signature. I probably directed it. But it is not my signature. I may have said try and help this guy.

Mr. Lewis. Is that your Congressional letterhead?

Mr. Traficant. That is not my signature.

Mr. Lewis. Is it your Congress letter --

Mr. Traficant. I don't know if I actually authorized this. Someone called my office and said I wrote a letter for

this young Sugar. That is not my signature. And I don't remember.

Mr. Lewis. Is it your letterhead? Yes or no?

Mr. Traficant. Well, it isn't Max Factor here. Come on now. That is not my signature. And anyone on the committee can tell that it is not my signature.

Mr. Lewis. Can you say yes or no --

Mr. Traficant. Now, I don't know that I -- that I directed this letter or not, or if this was a call that was generated to my staff, and my staff acted and did this. And we did a lot of this without necessarily conferring with me.

Mr. Lewis. In the corner it says JAT --

Mr. Traficant. That is not my signature. I don't give a damn what it says. I would like to explain something before we go any further.

Mr. Lewis. I object.

Mr. Traficant. I think that I have a right to respond.

The Chairman. Mr. Traficant, just answer the questions. Answer yes or no.

Mr. Traficant. My staff may get a call wanting me to look into a problem that they have. And rather than bother me, they take up these issues. Now, if they run into a roadblock, they call me and I intervene when they can go no further.

Now, I don't know how other Members handle it, but my

staff is capable of handling many of these things, otherwise I would be dealing with a hundred issues a day like every Member.

Now, I didn't sign that. So I can't recall if I directed it or not. I may have, I may not.

The Chairman. Mr. Traficant, do you as most Members do, take responsibility for what comes out of your office?

Mr. Traficant. I take full responsibility. But whether or not there is any intent to do something to gain a favor here is what the issue is.

The Chairman. Just answer the questions yes or no.

Mr. Traficant. Well, sometimes that is difficult. I can be loquacious. And I am trying to eat up their time, Mr. Chairman.

The Chairman. I recognize that. We don't want this coming out of your time.

Mr. Traficant. Why don't you just come out. Ask me your questions. You know put the heavy stuff on the line, will you? Come with your program. I wasn't about to do anything in Cleveland, believe me. Come on.

Mr. Lewis. You stated that you were able to obtain appropriations for USAG.

Mr. Traficant. Yes. I worked very hard to get the appropriation for the USAG. I got them the $4 million, although Cafaro knows all of these big shots and brags about

it, in the final analysis, he had to come down to an effective Congressman who was trying to get jobs for his district. And I will say it for the record, self-serving. I have been effective for my district. I am proud of it. And I worked my buns off and got that money.

And it was unusual, because it wasn't authorized.

Mr. Lewis. And you wrote press releases --

The Chairman. Do we take that as a yes, Mr. Traficant?

Mr. Traficant. I think so, Chairman.

Mr. Lewis. You wrote presses releases for USAG?

Mr. Traficant. My committee, we always sent out a press release. Let me see the document and see if we did it or someone else did it.

Mr. Lewis. You just stated that you did press releases.

Mr. Traficant. Let me see it. If it is mine, you said do you do press releases. Naturally, when we get money that affects my district, or has an impact on my constituents, we try and let the voters know, because, you see, I, every 2 years, am evaluated quite unlikely like you, and the people have to elect me. So we try and let them know what I do.

The Chairman. Mr. Traficant, you made an opening statement yesterday. You have had an hour of testimony. We don't need to repeat all of that. I understand what you are getting at.

Mr. Traficant. I am trying to waste time here, Mr.

Chairman.

The Chairman. I know you are. But if you can just answer the counsel's questions.

Mr. Traficant. I want to know the motive of the question. I am being serious now, I am not being funny and light. I want to know what the motive of this question is.

The Chairman. He will get to the motive.

Mr. Traficant. I hope he would.

The Chairman. This is his time to question you.

Mr. Traficant. That is why I am doing this.

Mr. Lewis. Congressman Traficant, you admitted that you hired Allen Sinclair.

Mr. Traficant. Yes, I did hire Allen Sinclair.

Mr. Lewis. You made him your counsel, not the government, correct?

Mr. Traficant. I made him my what?

Mr. Lewis. You made him your administrative counsel?

Mr. Traficant. Yes. That was his title.

Mr. Lewis. Okay. I am handing you what has previously been marked Exhibit 52 for identification, and ask in this is your handwriting?

Mr. Traficant. Yeah. That is my handwriting.

Mr. Lewis. Did you give that note to Allen Sinclair?

Mr. Traficant. No, I think I left it on his desk.

Mr. Lewis. Okay.

Mr. Traficant. I am not sure. Probably left it on his desk. It looks like a little sticker pad. Dealt with the IRS, didn't it?

Mr. Lewis. Yes, it did. I am handing you hearing Exhibit Number 53 for identification, and ask if you can recognize this as your handwriting?

Mr. Traficant. Yes, that is my handwriting. I did not hand this to him. I believe I left it on his desk.

Mr. Lewis. Did you write this?

Mr. Traficant. Yes. I said it was my handwriting. I think if it was my handwriting, I think I wrote it.

Mr. Lewis. I ask you to look at Hearing Exhibit Number 54.

Mr. Traficant. That is my handwriting.

Mr. Lewis. And did you give the original of that document to Allen Sinclair?

Mr. Traficant. I don't know if I gave him the original or a copy, quite frankly. Do you have the original?

Mr. Lewis. Do you recall if the original --

Mr. Traficant. I don't recall. But that is a true and accurate reflection of what I would have given him.

Mr. Lewis. Okay. I would ask you to look at Hearing Exhibit 55 and ask if this is your handwriting?

Mr. Traficant. Yes, this is my handwriting. Do you have the originals?

Mr. Lewis. I just asked if you could identify this copy. Did you say this to Allen Sinclair -- did you write this? Allen, it is against House rules to lend me money, but you did.

Mr. Traficant. Yeah. That is true. I probably wrote that. I am not sure it is against House rules to lend me money. But I thought it might be.

Mr. Lewis. But you wrote to him that it was against House rules?

Mr. Traficant. That I did write. Yeah.

Mr. Lewis. Now, you said yesterday that you rented office space for your district office from Allen Sinclair's wife?

Mr. Traficant. I thought it was. I thought he cleared it with the Ethics Committee. I didn't even know it was his wife. It was KAS Enterprises. I believe when I signed that lease there was no confirmation signed underneath KAS, and I thought I was leasing as from Henry DiBlasio that they put it in some form of trust, it met the Standards of Official Conduct, and they checked with them.

So I don't know if KAS, Kimberly Ann Sinclair's signature was on there when I signed it.

Mr. Lewis. Who did you think that you were leasing the building from?

Mr. Traficant. KAS Enterprises.

Mr. Lewis. And what did you understand KAS to stand for.

Mr. Traficant. The owner of the building.

Mr. Lewis. Did you know that it stood for Kimberly Ann Sinclair?

Mr. Traficant. No, I didn't at the time, no.

Mr. Lewis. Who did you sign that document in front of?

Mr. Traficant. I don't remember. Probably witnessed by someone. But I don't remember.

Mr. Lewis. Okay. And you stated that you also rented that district office space from Henry DiBlasio.

Mr. Traficant. Yes, I did.

Mr. Lewis. Okay.

Mr. Traficant. He had it in a trust. I was under the impression when we come down here to orientation that Henry went to the respective committees and asked how do I do this? I own the building. I was under the impression that Sinclair did the same thing. I didn't think there was any issue, signed the leases, and quite frankly, I don't believe there was any signature of an owner on that other than the listing of KAS Enterprises.

In fact, that is the best of my memory that there was not.

Mr. Lewis. So you knew DeBlasio owned the building but you thought --

Mr. Traficant. No, I didn't know DeBlasio owned the

building. I know he owned the building, went to the Ethics Committee and talked to them about how to orchestrate or make it a legal thing. I really stayed out of it. I just rented office space, quite frankly.

Mr. Lewis. When you were elected in 1985, DeBlasio did own the building, right?

Mr. Traficant. DeBlasio, when I took office, had come down through the orientation week with me and went over that. He ended up -- I ended up renting from a trust. I don't know a damn thing about the trust or KAS, quite frankly.

Mr. Lewis. But he owned the building in 1985?

Mr. Traficant. Before I rented it, I know that he was the owner, yes.

Mr. Lewis. But your office stayed in that building from 1985 to 2000, correct?

Mr. Traficant. Yes, I did. It was an administrative office, where my personal offices were. And I stayed there.

Mr. Lewis. And DiBlasio's law firm stayed in the same building?

Mr. Traficant. Yes. His law firm was there. And he was allowed to practice law. And he cleared that with the committee, at least that was what was represented to me.

Mr. Lewis. Now --

Mr. Traficant. I asked that that be clarified. And the Ethics Committee certainly must have these records.

Mr. Lewis. You stated yesterday that there was a family farm outside Youngstown.

Mr. Traficant. Pardon me?

Mr. Lewis. You stated yesterday that there is a family farm outside of Youngstown?

Mr. Traficant. Yes, I did.

Mr. Lewis. And did you live on that farm?

Mr. Traficant. I have never lived on that farm. But I have worked every inch of it myself.

Mr. Lewis. Did you ever stay overnight at that farm.

Mr. Traficant. Yeah, on occasions I stayed overnight on that farm.

Mr. Lewis. Did you own horses on that farm?

Mr. Traficant. I owned some. Other people owned horses, and some of my family owned horses on that farm. It was an active farm. I made my own feed and my own hay, myself, personally around my Congressional schedule. I was a farmer and loved it.

Mr. Lewis. Did you tell the Buccis to do any work at that farm?

Mr. Traficant. No, I didn't tell them to do any work. They wanted to do work. They came to me begging to do work. When I helped get him out of that, when his family come to me and I got him moved, he came up to me and said, I will pave your whole damn place. You are the only politician that ever

helped me.

I said, I don't want anything. But I have a section where my barn sits low. And I says water rolls into the one barn. And I want you to grade it. You asked me a question.

Mr. Lewis. That's a no?

Mr. Traficant. I asked him to grade that.

Mr. Lewis. Congressman, do you know who Sandy Ferrante is.

Mr. Traficant. I certainly do. She will be here to testify.

Mr. Lewis. Who is she.

Mr. Traficant. She was one of the top women show horse trainers in the world. Showed the 12 world championships of parade horse under Silver Saddle and showed two of my horses, one horse to five world championships.

Mr. Lewis. Did she live on the family farm?

Mr. Traficant. She lived on that farm.

Mr. Lewis. Was she an employee of the family farm?

Mr. Traficant. For many years. She was not an employee. She lived there. She paid some rent. Quite frankly, she had a rough time at times. Didn't pay rent. Her husband and her had horses. They paid board. I averaged about $600 a month cash over the years in rent and payments on those activities.

Mr. Lewis. Who did she pay the rent to?

Mr. Traficant. She paid it to me. I managed it. I

never owned that farm. I owned it in the beginning. And then my father owned that farm when all of this activity came down.

Mr. Lewis. When did you own the farm, Congressman?

Mr. Traficant. I don't remember. Probably when we bought it back in the 1970s, my father, my mother and my wife and I, I think all four we put our money together downpayment and bought a farm.

Mr. Lewis. Okay. Do you recall asking Allen Sinclair to write up --

Mr. Traficant. That is a lie. My wife wanted that given to her daughter. And my daughter was in a marriage, and I don't want to really talk about my family affairs. And she was going to give it to her and her husband. And their marriage was a little rocky. She waited until the marriage was over and then did sign it over. Now, I know what Sinclair testified to. It is a damn lie. There was no attempt to try and shield that farm. My wife owned that farm. I did not.

I only signed it because there was a dower's right in the event that she would die.

Mr. Lewis. You did sign it?

The Chairman. Mr. Traficant, we don't need quite so much explanation. If you can answer the questions just straight forwardly and clearly, we may see where Mr. Lewis is coming with them.

Mr. Traficant. Mr. Chairman, this is what happened in

Cleveland. I have had people lying, and I want to explain it. Period. Okay?

The Chairman. You will have time for a closing statement as well.

Mr. Traficant. I don't want to waste my time doing it. I want to respond while he is asking these questions.

The Chairman. I suppose as he gets here, we are going to find out where he is going with this.

Mr. Traficant. I did not own that farm. I was involved in no fraudulent activity to try and shield that farm. I know the government is trying to take it. They can shove that deed up their subpoena.

Mr. Lewis. I would ask you to look at --

Mr. Traficant. Show it to me.

Mr. Lewis. 61, Government's Exhibit 611.

Mr. Traficant. Yes, I see it.

Mr. Lewis. Is that your signature?

Mr. Traficant. Yes, it is.

Mr. Lewis. Is that your wife's signature.

Mr. Traficant. Yes, it is.

Mr. Lewis. Is this a deed -- is this a deed for your family farm saying that you and your wife were conveying it to your daughter?

Mr. Traficant. I signed away a dower's right. You would have to go to Mahoning County Recorder and see who that

property was deeded to, sir. That property was not deeded to me. Show me the document.

Mr. Lewis. But you signed the document?

Mr. Traficant. Show me the document. Yeah, I signed it as a dower right. Period, as a husband of the woman who owned the farm and who was transferring it and giving to it her daughter.

Mr. Lewis. Getting back to Sandy Ferrante, do you recall her testimony at the trial in Cleveland?

Mr. Traficant. I don't remember if I recall all of her testimony. Because a lot of it wasn't allowed.

Mr. Lewis. Do you recall that she said the Buccis did, in fact, work for you on that farm?

Mr. Traficant. Yeah, they did come out and did some work. I told you that there was some water going in there. Then I wanted to borrow their jackhammers, they said that they would have insurance problems. I didn't want them to do it, because I said they will knock the bank barn in if they are not careful. And they did knock the bank barn in.

Mr. Lewis. Did you tell David Manevich to build an addition in 1993?

Mr. Traficant. No, I did not. I don't care what Manevich said. First of all, Manevich said he was paid $15 an hour. Gatti said Manevich was paid $10 an hour. The job they did, two witnesses, Marchese and Innella, said the whole job

would have taken 2 weeks and wouldn't cost more than $8,000.

Mr. Lewis. Marchese said that the job would do what.

Mr. Traficant. He said it would take 2 weeks, no more. From 8,000 to $12,500.

Mr. Lewis. Didn't he testify at trial that the last time he worked construction was 1976?

Mr. Traficant. Yes. And he was equating it on today's -- in looking back at what the cost would been for the materials.

Mr. Lewis. So his expertise was based on 20 years --

Mr. Traficant. Do you want to see pictures of the farm without eaves, without windows?

Mr. Lewis. I have seen them, Congressman.

Mr. Traficant. Decrepit. They are showing you the good side of it. Didn't they?

Mr. Lewis. You said Dominic Marchese also testified that Manevich didn't do a very good job on the farm, right?

Mr. Traficant. There is a hole where animals get up into the roof. He didn't even seal off the one part of it. They did a butcher job.

Mr. Lewis. And Dominic Marchese is employed by you?

Mr. Traficant. Yes, he is an employee of mine. He is a farmer.

Mr. Lewis. He is also a very, very, very good friend of yours?

Mr. Traficant. What is the difference?

Mr. Lewis. He is -- I am just saying that your testimony is based on a friend and an employee. You did not actually have --

Mr. Traficant. Dominic Marchese did not lie. He is not a convicted felon. What are you implying?

Mr. Lewis. I am just --

Mr. Traficant. He is an employee of mine. He is a friend of mine.

Mr. Lewis. You had two witnesses who said Manevich did not do $26,000 worth of work --

Mr. Traficant. I know they didn't.

Mr. Lewis. -- at your farm. One of them is an employee of yours. And one of them knows nothing about construction work. Why didn't you get an independent contractor, an independent --

Mr. Traficant. The other one has done construction all of his life.

Mr. Lewis. Did you have anybody testify on an independent basis about the work that --

Mr. Traficant. I didn't have to prove that.

Mr. Lewis. So it is based on an employee and somebody who worked construction 20 years ago?

Mr. Traficant. No. It was the responsibility of the government to prove that. They did not, quite frankly. Let

me say one other thing. Manevich said he got $15 an hour. Gatti said Manevich got $10 an hour. Now, I also want to state that the reason I talked to Manevich is I didn't want that thing enclosed. I built it all. Sandy Ferrante asked my father, who owned that place, to close it in. And he said go ahead and close it in.

I would have to clear it with my father. I didn't want it closed in, because to tell you the truth, I wanted to shoot groundhogs off the damn deck.

Mr. Lewis. So Manevich and Gatti were both not truthful?

Mr. Traficant. No. I think that Gatti was truthful. And I think that Manevich probably got the $15 an hour and told whoever was helping him that he was getting 15.

Mr. Lewis. All of Gatti's testimony is truthful? You accept it?

Mr. Traficant. I don't remember Gatti's testimony. I don't think why Gatti would lie.

Mr. Lewis. And the third person who testified about doing work at your farm for Bucheit was --

Mr. Traficant. For who?

Mr. Lewis. For Bucheit, Peter Bucheit.

Mr. Traficant. Go right ahead.

Mr. Lewis. Was an electrician named Thomas Passewitz?

Mr. Traficant. I don't even know him.

Mr. Lewis. Okay.

Mr. Traficant. If he come in here, I might see him, he might have done it. But let me say this.

Mr. Lewis. I will move on.

Mr. Traficant. No. Wait a minute.

Mr. Lewis. Bucella, Rovnak and --

Mr. Traficant. I did not authorize any construction on that deck, period.

The Chairman. I am going to ask the witness to be responsive to the question that the counsel is asking. We don't need so much embellishment. Answer the questions that counsel is asking. And I think we will get to the truth here.

Mr. Lewis. You stated yesterday that three employees of your Congressional office, George Bucella, Richard Rovnak and Anthony Traficanti volunteered to work on your farm.

Mr. Traficant. Yes, they did. I never ordered anybody to work on my farm.

Mr. Lewis. You did not pay them?

Mr. Traficant. No, I didn't pay them. They were friends. And they put in the amount of time they needed during the week at all times. And they basically helped me mostly during the hay season. Bucella helped because we had a couple of trucks that were so dangerous. He was an expert driver. He went at times to get some sawdust or go get some oats. I mean, it was a dangerous truck and George is a good driver.

Mr. Lewis. You admitted yesterday that your staff did work on your boat?

Mr. Traficant. I think they went down one day. I think West Richards said it was like a sort of bonding type of thing. And anybody that didn't want to go, didn't have to go. I don't know if I put that thing together, quite frankly. I didn't even remember it.

Mr. Lewis. Well, West Richards said you did.

Mr. Traficant. Well, then I did. It was one afternoon when Congress was out.

Mr. Lewis. Five or six people during working hours. Did you pay them?

Mr. Traficant. No, I didn't pay them.

Mr. Lewis. It was bonding, but they did scrape the boat and clean the paint?

Mr. Traficant. I don't know how much scraping and boating they did. I have a contract that I want to introduce as evidence that showed that I had a person who did the work on that boat. I paid him to do the work on that boat.

Mr. Lewis. So all of these Congressional workers volunteered to work on your farm and your boat?

Mr. Traficant. Quite frankly, Rovnak never really worked at that farm till after he was employed. He come out. He told me that he had no insurance, he was a good friend of mine, he needed help. And he hung around with me and I liked

him, and he did things out there at the farm. Andy Traficanti used it as a health spa, then he got an asthmatic type of problem and he even wanted to come out and do other things. But he had this hay fever. I found out that Bucella had a DUI he was involved in in fixing. The Feds went to him and scared the hell out of him. He said he was out there 300 days. He lied.

And John Vogel, and Jim Price and the tape of Jim Price, who in fact George Bucella admitted to, a fellow trustee in Wethersfield Township told him that, and that couldn't be brought in as evidence there nor here.

Mr. Lewis. Has he been convicted of that, Congressman?

Mr. Traficant. Hell, no. They are not going to convict him. They wanted me, Counsel.

Mr. Lewis. He is not --

Mr. Traficant. They let you go to get me.

Mr. Lewis. He has not been convicted of anything, has he? So it is just your word?

Mr. Traficant. Quite frankly --

Mr. Lewis. And Bucella was someone --

Mr. Traficant. It happened about 8 years ago. The statute of limitations ran out on that.

Mr. Lewis. And you employed George Bucella for 15 years.

Mr. Traficant. Yeah. I considered him a good friend and still consider him a friend and understand what he did and why

he did it, and have no hard feeling against any of these people, quite frankly. That is for the record.

But I would ask that the Jim Price tape now be put into evidence, where he was afraid to come to Cleveland, scared to death of the FBI and doctors said that he was going to have a heart attack, a fellow Weathersfeld Township trustee who confided in me after a letter from John Vogel that he knew that George was involved some DUI transfer of money to help fix a case.

Mr. Lewis. I am going to show you one more document, Congressman.

Mr. Traficant. I am tired of it. I think I can see it from there.

Mr. Lewis. This is Hearing Exhibit 10 for identification.

(Hearing Exhibit No. 10 was marked for identification.)

Mr. Traficant. Very good.

Mr. Lewis. Is that your handwriting.

Mr. Traficant. It is my handwriting. But every time I go out to eat I draw or write things.

Mr. Lewis. This is your handwriting?

Mr. Traficant. Yes. Let me comment on that.

Mr. Lewis. Thank you.

Mr. Traficant. I want to comment on that.

Mr. Lewis. Absolutely.

Mr. Traficant. Mr. Bucci had said he had that in his pocket for 12 years to use against me. It was folded in four spots. It was perfectly square without one bend. You put something in your pocket, and have it for 14 years, and you show it to me, without a bend in it, and then you tell me it is truthful. That was not an order for Bucci to do work. He is a damn liar.

When I go out to eat, I write. I make notes all of the time. And I want somebody to go out and see if that was done, which was never brought into evidence.

Mr. Lewis. Now, you hired Henry DeBlasio.

Mr. Traficant. Yes, I did.

Mr. Lewis. And he was your Congressional administrative assistant for 13 years?

Mr. Traficant. I think it was 15 years, wasn't it?

Mr. Lewis. 15.

Mr. Traficant. I don't know.

Mr. Lewis. I believe it was 1985 to 1998.

Mr. Traficant. Was it?

Mr. Lewis. What is your recollection.

Mr. Traficant. I don't know.

Mr. Lewis. Okay. And he was a lawyer for -- you said yesterday in the purported letter -- that he was a lawyer for 47 years?

Mr. Traficant. That is what he said when he wrote me that letter about the government extorting him.

Mr. Lewis. And he has pled guilty to a Federal felony conviction?

Mr. Traficant. Yes, he has. As everybody has.

Mr. Lewis. Charles O'Nesti was your district director.

Mr. Traficant. Yes.

Mr. Lewis. You hired him?

Mr. Traficant. Yes, he was. And also a liaison down here in Washington and lived in the Washington area.

Mr. Lewis. How long did he work for you?

Mr. Traficant. Whatever it says. I really don't know.

Mr. Lewis. You hired him in 1985?

Mr. Traficant. Yes.

Mr. Lewis. He resigned in 1998.

Mr. Traficant. Approximately. That could be true.

Mr. Lewis. And he also pled guilty in Federal Court to a Federal felony as well.

Mr. Traficant. Nothing to do with me. Yes, he did.

Mr. Lewis. But he did plead guilty to a Federal felony while he was employed with you?

Mr. Traficant. Yes, he did.

Mr. Lewis. And you hired Allen Sinclair?

Mr. Traficant. I think I already answered that.

Mr. Lewis. And you testified yesterday about Michael

Terlecky. You said you called him as a defense witness?

Mr. Traficant. Yeah. That is true.

Mr. Lewis. He also has a felony conviction?

Mr. Traficant. Yes, he did.

Mr. Lewis. And he was convicted for taking money from the Mafia while he was a sheriff's deputy, wasn't he?

Mr. Traficant. Yes. I would like to explain that.

Mr. Lewis. No.

Mr. Traficant. Because I have asked for a Presidential pardon. I think the committee should hear it.

Mr. Lewis. Go ahead.

Mr. Traficant. Thank you.

Mr. Lewis. But he was convicted.

Mr. Traficant. Thank you. The man that they were after admitted on the stand, after the attorney had him take a plea bargain, told him that he didn't have a chance that he didn't give him the $5,000. He did a year in Morgantown. I am trying to get him a Presidential pardon. And the mobster that he was accused of, we found out now that he was represented by former U.S. Attorney Stewart Mandell, who was on the payroll of the mob and at the time was in the fireworks business with Lennie Stroddel, the mobster. And they set the poor kid up.

And now the IRS is after him for 140,000 because he testified on behalf of Jim Traficant. They are pressuring Brian Kidwell, and I am asking this committee to have the

government keep their hands off the people that came up for me. They did not have immunity, they are being intimidated. The IRS is after them. And I will have none of that. And you should have none of that.

Mr. Lewis. And Dennis Johnson is an employee of yours?

Mr. Traficant. Yes, he is.

Mr. Lewis. He testified for you?

Mr. Traficant. Only partially.

Mr. Lewis. He also has a record for impersonating a law enforcement officer?

Mr. Traficant. I think that is what they called it. But, he worked for ODOT, and that situation should be clarified. There was a very hazardous situation. He thought people could be killed. He jumped in there as a supervisor of ODOT, showed his badge like people thought that he was an official to try to save some lives. You can bring Mr. Johnson in here. I asked that he be brought in here. He knows about the Cafaro case, he knows about the O'Nesti matter. You didn't allow it.

Mr. Lewis. Grace Kavulic was your former secretary?

Mr. Traficant. Yes, she was.

Mr. Lewis. For 18 years?

Mr. Traficant. Yes, she was.

Mr. Lewis. She was also your secretary in the sheriff's office?

Mr. Traficant. Yes, she was.

Mr. Lewis. Okay. And you say she is not truthful?

Mr. Traficant. I think she is very truthful, but she was very upset with the hiring of Claire Malusal and very mad at me. I am not going to get into it.

Mr. Lewis. And Jackie Bobby is your former office manager?

Mr. Traficant. A good friend of mine. I played football with her husband when we were in grade school.

Mr. Lewis. She worked in the sheriff's --

Mr. Traficant. Highest respect for her. They are both hateful of me when I hired a third party.

Mr. Lewis. And she worked for you in the sheriff's office before?

Mr. Traficant. Yes. And they have vowed to hurt me.

Mr. Lewis. She is not truthful either?

Mr. Traficant. I'm not saying they are not truthful. But what they said in Cleveland wasn't truthful. They tried to hurt he.

Mr. Lewis. And George Bucella is not truthful.

Mr. Traficant. George Bucella lied in Cleveland.

Mr. Lewis. And Richard Rovnak wasn't truthful?

Mr. Traficant. Rovnak only did work before he was hired. And he hung on me like a leech. I got him a job and then he wanted to stay on part time, and I couldn't keep him on part

time.

Mr. Lewis. You stated yesterday that the judge didn't allow to you put on nine witnesses.

Mr. Traficant. No. The witnesses were voir dired outside of the presence of the jury and were not allowed to offer that testimony to the jury.

Mr. Lewis. Isn't it true, in fact, that out of all of the witnesses that you called, the judge only totally disallowed three.

Mr. Traficant. No, that is not true. She allowed some partial testimony from Terlecky. She allowed some partial testimony from Johnson. I would have to look at it, sir.

Mr. Lewis. Out of all of the witnesses you called, she only totally --

Mr. Traficant. I don't remember. Show me.

Mr. Lewis. Okay. James Kerchum was not allowed to testify, right?

Mr. Traficant. No. He was voir-dired and not allowed to testify. They let him start to testify then cut him off. They let Colucci start then cut him off. They only let Manganaro testify about coming out with that barn falling down, but wouldn't let him talk and Sugar and what Sugar told him and confided in him, that the FBI pressured him to lie against me. That is in evidence, his transcript.

Mr. Lewis. But when you said yesterday that nine

witnesses were not allowed to testify, what you meant is nine of them were not allowed to testify completely as you desired?

Mr. Traficant. No. Completely to the facts and factors that they knew concerning my case. I resent the insinuation and accusation of your tone.

Mr. Lewis. Isn't it true that only three of your witnesses were not allowed to testify?

Mr. Traficant. Tell me who they were.

Mr. Lewis. Kerchum, Hudach and Saadey?

Mr. Traficant. That is not true. Linda Kovachik was not allowed to testify about O'Nesti.

Mr. Lewis. She testified partially?

Mr. Traficant. Yes. Some of them were -- but the main things they were not allowed to testify to.

Mr. Lewis. Don't you agree that testimony has to be subject to the rules of evidence?

Mr. Traficant. Yes. And clearly -- no, hear me, if you want to debate the law. The same hearsay exceptions that allowed Grace Kavulic and Jackie Bobby applied to Linda Kovachik, but she wasn't allowed to testify.

Mr. Lewis. Read the transcript. You will see the basis for the judge's rulings.

Mr. Traficant. Yeah. There is a lot of basis for the judge's rulings. I am not here to discuss that. That is a matter for appeal. Deal with me with your facts.

Mr. Lewis. Hearsay is inadmissible. And there are 23 exceptions and your witnesses did fight into one of those exceptions, isn't that true?

Mr. Traficant. Listen. When a brother-in-law tells his brother-in-law in a state of distress that he is going to lose $15 million and go to jail for 10 years -- and his brother-in-law is subject to being sentenced.

Mr. Lewis. And the jury --

Mr. Traficant. And the jury wasn't able to hear that, if that isn't an exception to the hearsay rule, I don't have to be an attorney to understand that, sir. I think you read that in that transcript. Why don't you get on with something that is important here.

Mr. Lewis. Well, finally the last witness that you said yesterday the judge didn't allow to call, Russell Saadey, isn't it true that he wasn't allowed to testify because of your actions, not the judge's?

Mr. Traficant. Quite frankly --

Mr. Lewis. Yes or no? Didn't you destroy evidence, and because you destroyed evidence, the judge said you could not take -- allow him to testify?

Mr. Traficant. Can I explain that to the committee?

The Chairman. Answer the question.

Mr. Traficant. I can't answer it without explaining it. And I won't. I taped Russell Saadey, Jr. There was a gag

order on a matter of a rape of a constituent of mine that was conducted in Judge O'Malley's court in the Northern District. Russell Saadey was present and I taped him. Had I had released that tape, I would have endangered Russell Saadey. It would have been exculpatory for me, but it would have hurt him.

Mr. Lewis. You didn't tell that to the judge.

Mr. Traficant. I destroyed the tape. I said I destroy the tape.

Mr. Lewis. But you didn't tell the judge that it would have endangered Russell Saadey's life, did you?

Mr. Traficant. No. That it would endangered him subject to being sentenced for having a gag order and to having shared it. And my efforts were on behalf of Russell Saadey. I could have shoved that tape right up their podium.

Mr. Lewis. But you didn't, you destroyed it.

Mr. Traficant. I destroyed the tape, yes.

Mr. Lewis. But you told this committee yesterday that the judge didn't allow that witness to testify?

Mr. Traficant. Did not allow the witness to testify before the jury.

Mr. Lewis. And isn't it true, she didn't allow him to testify because the witness can't testify when prior evidence is not available, and you were the reason for that?

Mr. Traficant. He could have testified to anything

except Speranza. She had his attorney sitting there next to him. And he took the fifth on any question outside of the issues of the Traficant matter. She didn't allow any testimony where Speranza, Agent Speranza threatened me because of my investigation of the FBI, because of my knowing about the rape and the compromise of a woman under mental instability to keep custody of her child, to take advantage of her sexually, which is a felony one, and yes she didn't allow that.

Mr. Lewis. And 6,400 pages of testimony in front of the judge, you never mentioned that to her?

Mr. Lewis. I have no further questions, Mr. Chairman.

Mr. Traficant. That wasn't a question. That was a comment.

The Chairman. Indeed it was a comment. We will be --

Mr. Traficant. I ask that it be stricken from the record, and for all times be flushed down one of the many toilets here in Rayburn.

Mr. Lewis. Did you tell those things to the judge?

Mr. Traficant. I don't know what I told the judge. You would have to show me the transcript.

Mr. Lewis. Thank you.

The Chairman. We will now go under the 5 minute rule for members of the panel to ask questions.

Mr. Berman.

Mr. Berman. No questions.

The Chairman. Mrs. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman.

Mr. Traficant, you talked a bit -- just clarification -- about who owned the farm. And I understand it was your father.

Mr. Traficant. My father. When he died he gave it to my wife. Because he knew the government was chasing me and the government was relentless against me.

Mrs. Biggert. Who runs the farm?

Mr. Traficant. I actually managed and farmed the farm, and did pay the taxes. And did pay the expenses, for my use of that farm. So I was technically, if you could, without an agreement, a rental user of the farm for my activities.

Mrs. Biggert. Was anything on the farm included on your tax returns or your financial disclosure?

Mr. Traficant. The IRS came down on me and ruled that it was a hobby and I couldn't write off my losses. So there was never anything in the IRS reports, because it was always a loss. I did not have racing horses. Did not raise a lot of money. I think over the years the average amount of money I got for a horse is maybe about 250, $300, if you are counting the horses I gave away, because I didn't want to send them to slaughter.

Mrs. Biggert. Who owns the Overhill Road office now?

Mr. Traficant. Quite frankly, Allen Sinclair owns that. I found that out after I saw the KAS Home Saving and Loans paper where it said on page 2, it is not in evidence, if it is not, it will show you that he or his wife, with or without the consent of either other, could take the rent that came to it.

So evidently he was the owner. That is, I think, probably the implication that brought his wife into this and would taken his license away from his first suspension, which was the genesis of the problems that I faced with Sinclair.

Mrs. Biggert. Do you know who paid the taxes on it or the insurance?

Mr. Traficant. No, I don't. I would assume that after seeing what looked like, and I found out that two sets of papers opened up first in his name, then opened up with him and his wife's name, then Secretary of State registration in his wife's name, then making it look like everybody paid rent to KAS like it was his wife, I would assume that he probably paid the taxes, or maybe paid it out of that account.

He had five accounts, and a vending cash business to boot, I found out. Why he had a vending cash business I don't know. But it also was a little bit strange to me. And we got that the day before my last witness.

Mrs. Biggert. Okay. You said yesterday that Sinclair's ownership of the building was cleared by the Ethics Committee.

Mr. Traficant. No, I didn't say that. I said Sinclair

said that. In the 302. A 302 is an FBI report. When they sit down and meet with you, Congresswoman Biggert, regardless of what the FBI say, they will go back in that room and write out a report of a 302. That is what was on the 302. In the FBI's words.

Ms. Biggert. Was he considered senior staff?

Mr. Traficant. No, not really. But he was an attorney. And at the time we were putting together what was called a regional development authority. And, quite frankly, he did a very good job with that. It was very extensive in trying to bring in three counties, Mahoning, Trumbull and Columbiana, to put a quarter percent sales tax together that would raise $13 million, have a board from the three counties, and the study, I think that came out of the University of Pittsburgh, said it would generate $40 million and it would be like a local fund where people could come that needed matching money for a grant or to fix a sewer and struthers or camel. And he did all of that and earned that pay and was good at it.

If I would have put that out for a contract and our community would have put it out for contract, we would probably got charged a couple hundred thousand dollars.

Mrs. Biggert. Well, according to the evidence, Sinclair's salary made him second highest paid member of your staff.

Mr. Traficant. I think he was what, $50,000? I think my

people in Washington, they averaged a certain amount of money. This is no offense to anybody. Most of the activity -- I don't know how other members in Congress do it. But much of the activity is generated from me. I direct my staff what to do, keep an eye on the Rules Committee, what amendments I would like to offer. And I -- quite frankly, I wasn't totally satisfied with some of the staff that I had. Some I was and some I wasn't. Yes, he was. But, to get an attorney, a decent attorney that $50,000 for full-time is not a lot of money. I had no attorneys on my staff in Washington.

Mrs. Biggert. Did Sinclair loan you money of $2,500 a month?

Mr. Traficant. No, he did not.

Mrs. Biggert. Do you know what that $2,500 a month was on his -- that he deducted from his --

Mr. Traficant. I don't know. All I know is the government just showed one account. I found out the day before the last day that that he had five accounts, and that $2,500 a month went into the IOLTA account. Then after I left, there were 22 straight months where there were no $2,500 a month that went to the IOLTA account. This is circumstantial as well. He very well could have $2,500. Tony is pretty good at writing checks. I am not getting into that. I didn't get $2,500 a month. And he ended up and has the damn money.

Now, if he give me $2,500 a month, he wouldn't have had that money.

Mrs. Biggert. Did anyone leave an envelope under your door?

Mr. Traficant. No, they did not. No matter what they said. And these personal notes, people drop me personal notes all of the time about a lot of different things if I wasn't there. And I don't know how fat a $2,500 cash thing is slipped under a door. But if someone was giving me the money, why didn't they hand me the money?

Now, I did have -- make loans, there will be a witness here today that will show that I repaid loans. I only made -- I netted $2,400 a month during the years I was here in Congress until the last 2 or 3 years with the pay increases.

The IRS, after my case, took me to civil court and took nearly all of my pay.

Mrs. Biggert. Have you any receipts or cancelled checks for the work that was done on your farm or on your boat? You said yesterday that you were not a cash-basis kind of person. So do you have receipts, checks for any loans?

Mr. Traficant. I would have to look at that.

Mrs. Biggert. Were you --

Mr. Traficant. I paid everything by check.

Mrs. Biggert. Did anyone ask you to produce those?

Mr. Traficant. Not at all. The government went back 15

years looking for cash transactions. I have no cash transactions.

Mrs. Biggert. Did they ever ask you for any checks?

Mr. Traficant. No. But I am sure they went and checked for them. They never presented an IRS investigator or FBI investigator either for me to cross. But George Hooker could testify to that, because I bought a horse for him 15 years ago and they went back and checked with him. So evidently they checked every transaction that I had. I am sure the transactions they found out about were through either horse transactions that I made or anything else.

Mrs. Biggert. Do you have receipts for the work done on the farm?

Mr. Traficant. No. I wrote checks if there were things done at the farm. For example, Max Gibson built a hunting hut. I paid him by check. He put a roof on the silo. He testified I paid him by check. The garage when it was built, Zeller Concrete but in the garage, the concrete. Most of the work that was done at the farm I did it myself, bought the lumber and bought the material myself. And it was done by check.

Mrs. Biggert. Thank you. That is all I have, Mr. Chairman.

Mr. Traficant. I am still waiting for someone to show me a cash transaction.

Mr. Pastor. Several questions. On your boat, it was located here in Washington, D.C.?

Mr. Traficant. It was located at Gangplank, then I could not afford to keep it at Gangplank, and I put it down in Anacostia, and I just heard that the boat is sinking, and the Cafaro people basically ruined my boat by sinking my boat. Now I should sue them.

Mr. Pastor. You said that you had estimates from a contractor or a company that you had sought, and they would tell you what value or what costs you would have in repairing this boat?

Mr. Traficant. I didn't do that.

Mr. Pastor. You didn't do that?

Mr. Traficant. Al Lang did that, had a boat survey done on it. It was not as is like they weighed what it would be worth. The as-is value by the people who did the survey of my boat said it was worth between 32 and 38,000 as is. When completed, it be worth between 42 and 48,000. So then one could reasonably assume that $10,000 worth of work would be necessary to bring that boat up to that total value that they talked about.

I had nothing to do with that. Also, I found out that Al Lang took a skipper course.

Mr. Pastor. So when you had, or some of your staff bonded with you and went down to --

Mr. Traficant. It was one afternoon, Ed.

Mr. Pastor. Talking about one afternoon?

Mr. Traficant. One afternoon. I don't know what time. It could have been 2 or 3 o'clock. I know it was on a Friday, the House wasn't in session.

Mr. Pastor. So scraping of the paint only happened in one day, or was there a period of --

Mr. Traficant. No. Quite frankly they drank beer. I think they scraped a little bit.

Mr. Pastor. Well, the question, was it one day or was there a period of --

Mr. Traficant. One day.

Mr. Pastor. One day?

Mr. Traficant. One afternoon. I usually travel back after -- I didn't even remember the event. But, it was no big deal. But I will accept it, you know.

Mr. Pastor. But we are talking about one day?

Mr. Traficant. Not even a day. I would say an afternoon.

Mr. Pastor. An afternoon. Yesterday, you talked about -- you went to a Rotary meeting. And was it Cafaro?

Mr. Traficant. No, Nements. I was at a restaurant, Mr. Pastor, Congressman. I was having lunch with a friend. And his affidavit is in there, John Innella. And Mr. Henry Nements, who supposedly built this $150,000 barn came out of

what I thought was a Rotary meeting. He sat down. He had a conscience. He said, Jim, I feel real bad what is going on. My attorney told me to just go ahead on. I can't afford to get indicted. He said so I told them what they wanted to hear.

I said, sit down. And isn't this what happened? Isn't this what happened? Isn't this what happened? We went over, John Innella put down an affidavit of what he said. The next day, I called Henry Nement's girlfriend, and she admitted on tape that Henry called. And the FBI said you get your ass up here. Why did you talk with Traficant?

Well, hey, I am my own attorney. If I wanted to I could have called Nements.

Mr. Pastor. That was not the issue.

Mr. Traficant. But it wasn't even charged against me, Congressman.

Mr. Pastor. I want to get to the book, the cashier's check, $23,000 as I understand.

Mr. Traficant. The boat?

Mr. Pastor. The book.

Mr. Traficant. The book. Okay.

Mr. Pastor. That is where I want to go to.

Mr. Traficant. Mr. Cafaro testified at trial that he sent Richard Detore in for a check for $26,000. He lied through his teeth, after that $4 million in securities company

was safe, he come in with a book. And I opened that book up like a bookmarker. There was a $26,000 cashier cheek. And I says, J.J. you don't want this boat. He said my company might be able to use this boat, you need the help.

I said, Al Lang -- and Al Lang did show an interest in that boat. I said he wants to buy the boat. Sell the boat to Al Lang. Call the Ethics Committee. Check it out. From what I understand, I did not -- wasn't involved with this. But you should have records, a call was made. Look, the Congressman is doing business with a company, but one of the guys wants to buy the boat. If you buy the boat for the fair market value, they called. The boat balance was 26,000. That is what I was willing to sell it for.

The survey came out later during the trial that it was worth between 32 and 38. There was no illegal activity with that boat, none whatsoever. And if they put $26,000 in cash, no one showed me where the $26,000 went into my boat. They sunk my damn boat.

Mr. Pastor. Was he giving you the book and the check?

Mr. Traficant. Well, he was like handing me a book so no one saw him bring in a check. I thought it was funny -- took something out of his pocket or whatever. But, I am telling you what happened. He handed me a book. I opened the book up. There was a $26,000 plus cashier check, that was returned.

Mr. Pastor. To purchase the boat?

Mr. Traficant. Yes. Made to me. I don't know if it was to purchase the boat or not. I said, I don't want this. And he returned the $26,000 check.

The best I can understand. But he said that Detore brought it in. The key with Detore is there is no credibility with Cafaro at all. This is the most amazing trial I had ever seen. They needed a patriot and a good person like Detore. Now here is Detore who spent over a half million dollars, damn it, they are talking about putting ankle bracelets on him to keep him at home now. And they are going to prosecute him, because he won't lie. And his attorney said he was pressured to lie in his presence.

And the prosecutor said up there, how could I have pressured anybody, Your Honor, when their attorneys were always present? Those attorneys are scared to death of those prosecutors. And Detore's attorney was present when he was questioned -- pressured.

Mr. Pastor. Just the last question. In your testimony, you talked about Bucci, things -- letters written on his behalf. And he came to you unsolicited, I am assuming, to work on the farm. And you mentioned the road that needed gravel or -- and you wanted to borrow some jackhammers. What actually did Bucci do on the farm?

Mr. Traficant. I would say that Bucci might have done 3

or $4,000 worth of work. This 12,000 --

Mr. Pastor. What did he actually do?

Mr. Traficant. He put a little bit of gravel down, they graded that one spot where water -- the one barn sits low. And water would run in that barn and flood it. I asked him, just grade that for me. He spread some gravel down there after he did it. Now, one thing he did that I did not ask for, his brother lived across the way and had a driveway about 1,800 feet long. And his brother ran basically the paving plant. He is my friend, Dan. And they paved his driveway.

Well, when I came out the following weekend, I saw about a 40-foot section of my drive that had blacktop on it. Well, number one, I didn't want it where it was there, I didn't authorize it to be there. And what I found out was they had some blacktop left over. And rather than drive 40 minutes back to their plant or have it get hard in their thing, they said, go ahead and put it in the driveway across the street.

Where they put it I wouldn't have even put it if I would put it there. Much of the roadwork that was done out there was not done by the Buccis, any roadwork. They put wells in in there. They came in and cut in for the gas wells and put rough roads. There was a little bit of gravel in some tough spots that I even spread myself, and went and picked up and brought and spread.

So I think they embellished this thing. The bottom line,

if you look at Susan Bucci, who testified about her own brother-in-law, said he is a liar, that we actually owed Jim money.

And I treated -- I never wanted anybody to do anything for nothing. And I would trade. Now, Dan would get me some sawdust and they bring sawdust. But Dan was one of the three owners of that company. And Dan would come and take some of that sawdust. I would give him some of my straw when I had straw, because I didn't like to bed on straw, I would rather bed on the sawdust. So he would come and take some of the sawdust too. But I baled 25 acres for 5 years of his third cutting alfalfa for him with my equipment.

I brush-hogged 40 acres of land for over 6 years. She testified too. No one would even brush hog it the first year because that 40 acres had about 1-inch thick young trees.

And I had a 10-foot heavy-duty brush hog and I brush-hogged it the first. I never charged them.

Mr. Pastor. Okay, Mr. Chairman.

Mr. Traficant. Look at her affidavit.

The Chairman. Mr. Hulshof.

Mr. Hulshof. Thank you, Mr. Chairman.

Mr. Traficant, I am going to ask you a question that the judge would not have allowed at your trial in Cleveland. Do you believe that Allen Sinclair is an honest man?

Mr. Traficant. I think he is an honest man. And I think

he was subject to losing his law license, wrecking his life, having his wife involved and he went along with the government's script. And I hold nothing against him.

Mr. Hulshof. In fact, I think in the course of the testimony during your cross-examination of Mr. Sinclair, you mentioned that he did good work, that you were satisfied, especially as far as this lawsuit that he proposed for you. Is that true?

Mr. Traficant. You mean the RDA program?

Mr. Hulshof. Yes, sir.

Mr. Traficant. He did an excellent job. He had really established the technicalities of state law for the three communities to combine to create a compact under law. And he did a tremendous amount of work. And that would cost, if you would have hired an attorney, and if you are an attorney to put together that type of a project for three counties, I think it would cost about $150,000.

Mr. Hulshof. Let me follow up on your answer that he was quote, following the government script. Was Allen Sinclair accurate as he described to the jury in Cleveland your financial woes?

Mr. Traficant. I don't remember how he described my financial woes.

Mr. Hulshof. On a page of the transcript during the direct examination of Mr. Sinclair, on page 83, he indicated

to the jury in the criminal matter, which I think you have admitted to us that the Internal Revenue Service had taxes and penalties and the --

Mr. Traficant. Garnishment. Took all of my money.

Mr. Hulshof. In fact, you even mentioned to us the small amount of money that you had made in investments. And I think that was an exhibit that you offered.

Mr. Traficant. No, that investment I made was about 30 years ago. I sold all of the stock when it went up, and I kept a couple of shares. I think I now own about four shares and get about $4 a year off of it.

Mr. Hulshof. My question would be, Mr. Traficant, Mr. Sinclair was accurate when he stated to the jury in the Cleveland matter that your financial situation was not good. Is that a fair assessment?

Mr. Traficant. I think a half a million people in that area could testify to that.

Mr. Hulshof. I just asked you --

Mr. Traficant. Yes.

Mr. Lewis. Thank you. Was Mr. Sinclair accurate when he described for the jury in the Cleveland matter how it was that he gained employment, that is, that you contacted him, he did not seek you out or seek out a position with your office?

Mr. Traficant. No, sir. That is not quite true. He wanted to buy the building. And Henry DiBlasio wanted him to

buy the building because he owned Henry DiBlasio about $400,000. There was a dispute whether he owed $120,000 or DiBlasio said he owed him 470. And he worked as a volunteer basically on many Congressional things, honest to God, for about 5 years.

So he was already working there. And he said stayed there, yes.

Mr. Lewis. But I think he also, do you agree he was accurate when he told jury -- was he credible when he told the jury in the Cleveland case that he really had no interest in politics? In fact, he still wanted to maintain his private practice as he was working with you?

Mr. Traficant. He was able to. He called and checked. He never told me he wanted to get involved in politics. He was never was politically oriented, but he wasn't hired to be politically oriented, quite frankly. And my staff really isn't.

Mr. Hulshof. To follow up on Mr. Lewis's question. We have heard from you and given you great latitude regarding this government conspiracy against you going back to 1983. You have been on the House floor and you have talked about some of the things that we have heard in the opening statement of your testimony yesterday. The point is, regarding Mr. Sinclair, you picked him. You did not pick him as a witness, but you chose him to be an employees of yours; did you not?

Mr. Traficant. He was already sort of working on that RDA with DiBlasio, and had worked there and was for, like, 4 of 5 years like a volunteer helping me out. And, yes, quite frankly, DiBlasio wanted me to hire him as well, because he was worried that they had a partnership going on, and he was worried he was going to be able to make it financially.

Now, here is a man who told the FBI he made about $50,000 a year, and 50,000 from Traficant. Then I found out that he owns a $300,000 home, paid $60,000 for media advertising, bought a brand new 1998 van and a brand new car he leased for $300. Where did his all his money come from? No one looked at that.

Mr. Hulshof. Let me ask you because my time is dwindling and about to expire. As we attempt to find and consider this from all aspects, including your invitation for us to consider Mr. Sinclair, quote, following the Government's script. Would you have this committee then believe that it was coincidence that the $2,500 cash withdrawals stopped about the time the FBI contacted Mr. Sinclair? Is that what you would have this committee believe?

Mr. Traficant. No. They stopped after he went off the payroll. Now, I don't deal with coincidences, I only deal with facts. But I only got that the least week. They only showed one account. There were five accounts on Sinclair, three of them were joint accounts with his wife. One of them

was the building. He could have taken the rent money.

Now, if that is not a violation of law, I am surprised. Because I really didn't have a chance to look at that. Maybe your counsel can answer it.

Mr. Hulshof. Let me ask you this, because again, I am asking you a question that you would never have been able to ask in the criminal matter. What is the quote, innocent explanation then, that Mr. Sinclair would have taken these burned envelopes or remnants of envelopes that he said he got cash from you to the FBI? Is that something that he conjured up on his own? Or what is the innocent explanation you would have us believe regarding this evidence he turned over to the FBI?

Mr. Traficant. How can I speak to that? What did he do? Did he start burning envelopes and say, wait a minute? I am not going to burn this one. So there wasn't one, there was a dozen. No, I am going to burn this one. Well, I will save part of this one. He had the money. Who had the money? Now, he said he took $4,000 in the form of an envelope that I supposedly gave to him and the FBI took it and sent it directly to the lab. Come on now.

Do you think the FBI is that incompetent? They would have marked that money and sent that money back. The point I am making with Sinclair and DiBlasio, and with every one of these witnesses, they could have sent someone with a body mike

and gotten admissions, they didn't. They didn't present an FBI or IRS investigator for me to cross-examine. So these are all circumstances you are talking about.

Mr. Hulshof. Yes, sir. I will say to you --

Mr. Traficant. And coincidences, are we not?

Mr. Hulshof. I would say to you, circumstantial evidence, yes. I would say to you as a former defense attorney and prosecutor that many cases are built on circumstantial evidence. But let me ask this final question.

Mr. Traficant. A RICO case, without an admission? Without an FBI or IRS investigator, prosecutor, think about it.

You would want a nice admission from me to really hang my buns, wouldn't you?

Mr. Hulshof. As a 10-year prosecutor, any prosecutor would like a video-taped confession of the crime.

Mr. Traficant. Could have had one, couldn't they?

Mr. Hulshof. Well, let me ask you this as a final question because it puts forth an conundrum for this committee. Mrs. Biggert asked you a question specifically about the $2,5000, and whether or now these $2,500, or there were any loans made to you by Mr. Sinclair. And you have emphatically just a few moments ago said that there were no loans.

Mr. Traficant. There were some loans that were small

loans. They were repaid.

Mr. Hulshof. That is not what --

Mr. Traficant. Not the 2,500. Although Sinclair, this is the amazing thing. Sinclair said he thought the beginning -- he was going to start out making $2,500 a month loans to me. That is his testimony. Now, come on.

Sinclair also testified that I asked him to go ahead and write up a lawsuit to charge the Justice Department because the cameras were out taking pictures of his thing. He brought that to me. He put the wrong address on the damn thing.

Mr. Hulshof. I think the committee will recall the testimony that you gave, and especially answers to Mrs. Biggert. So let me ask you this.

Mr. Traficant. Go ahead.

Mr. Hulshof. I appreciate the fact that you can't see this. But this was the blow-up that Mr. Lewis showed you, was this hearing's Exhibit Number 55, that you admitted was, in fact, in your handwriting, that says Allen, it is against House rules to lend me money, but you did.

Mr. Traficant. That was a truthful thing. I am not sure if it was, but it may have been. And I might have been in violation of House rules, I will tell you that. But I wasn't in violation of no damn criminal statutes in this case.

Mr. Lewis. So you admit to violating House rules?

Mr. Traficant. If that is a violation. I think it is a

violation to borrow from your staff. But I repaid my staff. And I borrowed money from some friends too, and my father helped me while he was alive. I went through a hell of a rough time. The IRS put me through hell. And you know what? I am tired of it. And I am tired of it here. And I am not going to be here long. I have enough sense to realize what is going on. You better do something with them. Because they railroaded the hell out of me. They are doing it to millions of people around the country, and the country is fed up with it.

Mr. Hulshof. Mr. Traficant, I would say to you in conclusion --

Mr. Traficant. They didn't even have the courage to bring an IRS investigator to look me in the damn eye, nor an FBI investigator.

The Chairman. Jim, you made those points yesterday. Let, Mr. Hulshof finish.

Mr. Traficant. I have had it with them. And I have had it with circumstances and bullshit papers.

The Chairman. Mr. Traficant, please sit down and answer the questions.

Mr. Hulshof. I would just simply say, Mr. Traficant, that on those occasions of legislative action, probably every committee member up here looking at you supported those efforts as far as reigning in the IRS. But that question then

is very far afield from what this committee has to decide.

Mr. Traficant. No, it is not. I think it was part of --

Mr. Hulshof. I yield back.

Mr. Traficant. I think it was part of the reason that they came after me. I passed a law that you can sue them for a million dollars if they abuse you, changed the burden of proof in a tax case, made you get a warrant before they could seize the homes that dropped from 10,067 home seizures to 51.

And I am proud of it. We should abolish them and put a 15 percent national retail sales tax and throw them the hell out, Mr. Hulshof, Congressman.

RPTS COCHRAN

DCMN HERZFELD

[12:25 p.m.]

Mr. Traficant. And you have the ability to do it and join forces with Mr. Tauzin and support Tauzin-Traficant. And I think the Republicans are the only damn hope we have to do that, quite frankly.

The Chairman. Mr. Traficant, the question and answer time doesn't come out of your time, though speeches do come out of your time.

Mr. Traficant. Mr. Chairman, I have made no speeches. I have been in response, and maybe some of those responses have been a little bit lengthy, but I think to take it out of my time would be unfair, and I object to that.

The Chairman. They seem like speeches to me, Mr. Traficant.

Mr. Traficant. I object to that. I have tried to respond truthfully, but some require an explanation.

The Chairman. We have allowed a lot of leeway on that explanation, but a political speech about what ought to be done with the Tax Code is not part of the answer to the question being made.

Mr. Traficant. I think it was, because it speaks to the vendetta the IRS has of trying to get me the hell out of the way.

The Chairman. Mrs. Jones.

Mrs. Tubbs Jones. Thank you, Mr. Chairman.

Good afternoon, Mr. Traficant.

Mr. Traficant. Good afternoon.

Mrs. Tubbs Jones. How large is the farm that has been discussed in this --

Mr. Traficant. It is 150 acres. It has been in the family since 1970.

Mrs. Tubbs Jones. And where exactly is it located, sir?

Mr. Traficant. It is in Mahoning County, Ohio.

Mrs. Tubbs Jones. What is the municipality, if there is one?

Mr. Traficant. Green Township. Salem, Ohio, mailing address.

Mrs. Tubbs Jones. Thank you.

Mr. Traficant. Most of it is swampland, 45 acres tillable.

Mrs. Tubbs Jones. I only have 5 minutes, Mr. Traficant. Can you kind of keep your answers short?

Mr. Traficant. I am going to try to be long with you because you are so clever, and you told me be careful because you are such a good friend of Judge Wells, don't mistreat her. Do you remember that on the House floor?

Mrs. Tubbs Jones. You want to describe a whole bunch of other discussions?

Mr. Traficant. I didn't ask to recuse you, so go ahead.

Mrs. Tubbs Jones. I know why you didn't. You do, too, don't you, sir?

Mr. Traficant. What is that?

Mrs. Tubbs Jones. You know why you didn't ask me to be recused, don't you, sir?

Mr. Traficant. Because I think you are an honest woman, and even though you are a good friend of Judge Wells, and I endorsed both you and Judge Wells for supreme court, and I regret -- not you, but Judge Wells.

Mrs. Tubbs Jones. Let's get back to the matters at hand, Mr. Traficant.

Mr. Traficant. Please.

Mrs. Tubbs Jones. I appreciate that support though.

The three people that you suggest or allege that Judge Wells would not allow you to testify --

Mr. Traficant. Nine.

Mrs. Tubbs Jones. Nine people, but six of them testified, but not to what you wanted them to testify. Let's focus in on the three that did not testify at all. Who were they again, sir?

Mr. Traficant. I would have to look back. Saadey; I don't know if Kerchum was allowed.

Mrs. Tubbs Jones. Okay.

Mr. Traficant. I don't know if Hudach was allowed.

Mrs. Tubbs Jones. What would Russell Saadey have said, Mr. Traficant?

Mr. Traficant. Russell Saadey would have said that after the second meeting with the FBI -- and, by the way, the jury didn't even believe that testimony and threw it out, and I find this very --

Mrs. Tubbs Jones. Remember, we only have 5 minutes.

Mr. Traficant. I ask that she get an additional 5.

This is very important, because Russell Saadey was convicted on a Federal offense, subject to being sentenced by Judge O'Malley. When he heard in the paper that his brother-in-law copped a plea and said that he bribed Jim Traficant, he went to see him. He said his brother-in-law was in such a state of distress, he had never seen him like that, and he said, Champ, I got a family, your sister, your nieces. He says, I am going to lose $15 million, go to 10 million years in jail, and all they wanted was Traficant, so I added up the money I gave him and said I gave it in the form of a bribe.

Now, when he came to trial, I know he didn't do that, he couldn't even identify the barn, because he made the mistake of saying where he did it, in a barn, but couldn't identify the picture of the barn he gave me the money in. The jury threw it out.

Mrs. Tubbs Jones. He did, in fact, come to trial, and he

did testify?

Mr. Traficant. No. Saadey did not testify before the jury.

Mrs. Tubbs Jones. Okay.

Mr. Traficant. But it speaks to the tactics of the government.

Mrs. Tubbs Jones. Let me back up a moment, Mr. Traficant. In essence what you are saying, Mr. Bucci, Mr. Sugar, Ms. Bucci, Mr. Sugar, Mr. Cafaro, Mr. Sinclair, the staff that you employed in your congressional office, the only reason they are saying what they said against you is because they are part of an effort by the FBI and the IRS to put you away?

Mr. Traficant. No, I didn't say that. I said they were subject to jeopardy.

Mrs. Tubbs Jones. They are all subject to jeopardy, and they were subject to jeopardy because the FBI and the IRS were trying to put you away?

Mr. Traficant. No. The FBI and the IRS, in getting me, used them, who would have lost either a law license, wrecked their life, involved their family, and they got a get out of jail free card.

Mrs. Tubbs Jones. They got a get out of jail free card because the IRS and the Justice Department or the FBI were after you.

Mr. Traficant. That is true.

Mrs. Tubbs Jones. And that is the only reason any of them testified?

Mr. Traficant. Absolutely. We have documents now where Janet Reno even was a part of this.

Mrs. Tubbs Jones. I don't want to talk about Janet Reno. You can do that on your time.

Mr. Traficant. I know you don't. She is a damn traitor.

Mrs. Tubbs Jones. Now, let me ask you this question, Mr. Traficant. All the people that you testified -- very shortly, how did you meet Mr. Bucci?

Mr. Traficant. I don't even remember.

Mrs. Tubbs Jones. How did you meet Mr. Sugar?

Mr. Traficant. His father and mine were friends for many years, good friends, and he would come to my fund-raisers, and I was friends with Dave, too.

Mrs. Tubbs Jones. How did you meet Mr. Cafaro?

Mr. Traficant. Actually Mr. Cafaro hated my guts.

Mrs. Tubbs Jones. How did you meet him, sir? That is the question.

Mr. Traficant. He ultimately came -- we got involved with that DFAS, where President Bush was going to bring those 25,000 workers, and he let the communities bid. He said, you build us the building, give us a deal, and we will pick the four winners, and we were one of the four winners. And I

picked all of the leaders that I thought were influential people in the valley, and went beyond people that didn't like me or liked me or whatnot, and put the most influential people together. We passed a tax and financed it and were awarded a 7,000 facility, and the four winners were Youngstown, Ohio, for 7,000 jobs; Jackson, Mississippi, 4,000; Springfield, Massachusetts --

Mrs. Tubbs Jones. Time, time. Last question. I don't have any more time, Mr. Traficant, so I want to ask this last question: Why did you choose not to have counsel represent you, sir?

Mr. Traficant. Because I think I am better than counsel could have presented me. I am the only American that ever defeated them, and quite frankly, I think it was a fair trial in Cleveland, and I had a jury that, in my opinion, was not predisposed, who actually one juror said, and I want members to hear this, although they said they didn't know me, the one juror said, I knew he was flamboyant, and most of the members of Congress are crooks, and he, unfortunately, got caught.

Mrs. Tubbs Jones. But you don't think any of the members of this panel are crooks?

Mr. Traficant. But in all fairness, the jury, I think if they would have heard the rebuttal from people who did not have immunity, not subject to jeopardy -- and, quite frankly, I think I won that case on the fairness, and I don't think an

attorney would have done a better job.

Mrs. Tubbs Jones. You are talking about the first trial, not the second one?

Mr. Traficant. I don't think an attorney would have done a better job in front of you, quite frankly.

Mrs. Tubbs Jones. You are talking about your first trial, not this most recent one?

Mr. Traficant. I am talking about this most recent trial.

Mrs. Tubbs Jones. Okay.

Mr. Traficant. And I think I understand the case, could articulate the case, maybe not as good in writing. Some of them I did in my own handwriting, but I had a judge that was pretty much predisposed that -- that didn't like me too much. And what bothered me, though, and I will tell you this right here on the record, is when you come to me and you said, Judge Wells is my friend, now, don't mistreat her, and you gave me the impression that I was going to mistreat a judge. Quite frankly, she mistreated the hell out of me by not allowing me to bring a defense, and she is going to sentence me. And we have an aristocratic judiciary that is afraid to death of these damn prosecutors and Justice Department, and I think you, with your extensive experience and knowledge, and people like Congressman Hulshof and Mr. LaTourette, who were prosecutors, you better take a look at that, because the

American people fear the hell out of our government, and that is the genesis of it.

Mrs. Tubbs Jones. Thank you, Mr. Traficant.

I yield the balance of my time.

Mr. Traficant. And I didn't ask you to be recused because I know you are fair.

Mrs. Tubbs Jones. Thank you. I appreciate that.

The Chairman. Mr. LaTourette.

Mr. LaTourette. Thank you very much.

Just to follow up at the edged end of Ms. Tubbs Jones, I have read your stuff, Congressman, and you needed a lawyer. I mean, that is my observation.

Here is the --

Mr. Traficant. You think I needed a lawyer?

Mr. LaTourette. I think you needed a lawyer. As smart as you are, I think you needed a lawyer.

Mr. Traficant. I wish I could have hired you. I didn't have one the first time.

Mr. LaTourette. I know.

Mr. Traficant. But they had a fake confession against me the first time, and that is why I am sitting here.

Go ahead.

Mr. LaTourette. Here is the problem that I think the evidence presents, at least to me and maybe to other members, and it is going to be a long question, and then I will stop

and let you answer it.

There is a lot of stuff in this case, and the transcript that is before us, when I was a prosecutor we used to call it putting lipstick on a pig. And that is witnesses come in that know they dropped off some sawdust, or know that they did this.

But the gravamen of this case is you are accused in multiple counts, and it goes to the tax counts, of using your office, and in return for using your office, you accepted stuff. And specifically they say that you used your office and you accepted stuff from Mr. Sugar. You used your office; you accepted stuff from Mr. Bushy. You used your office; you accepted stuff from the Bucheits. You used your office; you accepted stuff from Mr. Cafaro. And then we have the separate matter of Mr. Sinclair that I will get to in a minute.

I got to tell you what is troubling, and what is troubling to me because I am your friend isn't when the counsel for the committee says there are 55 witnesses. In my mind there are about five that mean squat in this case relative to the charges against you. But the problem I am having, Congressman, is that there are five. And I would really like you to address -- since you are the only person whose demeanor I can judge under oath here today, I would really like you to address, and I would like it hopefully not a repeat of the answer you gave to Ms. Tubbs Jones, because if

it is government conspiracy, that can be your answer, but five people is a lot of people to come forward.

Let me preface that by saying, and I think this committee is in a position, like that stuff you did for USAG, we would all do that stuff. If somebody in our district said, we are going to bring 150 jobs to Painesville, Ohio, or Youngstown, Ohio, or Cleveland, Ohio, or Houston, Texas, we would do it. That is not the issue. The issue is not accepting fair market value for something that you got if you pay somebody.

The issue is, and what you are charged with, both in Cleveland and in the statements of violation before this committee, are that it was, as Mr. Sugar testified -- I assumed it was favor for favor. And the last observation that I will make and shut up and you can talk all you want is when you described that business, I don't remember whether it was Mr. Pastor or Mr. Green, about J.J. Cafaro coming to you with a book, opening it up, and saying, here is 26,000 bucks for your boat or for whatever, that has never happened to me, and I don't think it has happened to other Members.

So the impression that this record leaves, and I would like you to address, is I don't know whether it is Youngstown, I don't know whether it was a culture that was created as a result of how you did business, but the question I have is why do we have five people who are under the impression that they were engaged in a favor-for-favor scheme with you?

Mr. Traficant. Mr. LaTourette, I probably worked with 500 companies. Five hundred companies didn't do a damn thing for me, and I never asked a favor from anybody.

I have people back home that appreciate all I have done for them. Cafaro was so tickled because he knew everybody, and no one could do anything, and I was successful. I didn't take that money. I never asked for any favors. There were a lot of people that come to the farm and did little things. Hell, there is a guy that wanted to move my garage in Poland. He didn't even want to charge me. I didn't move the garage. I didn't have the money.

I would call somebody to come out and look at something, they would give me a price, and I paid them. Sometimes they would say, I don't want the money, and I still paid them. I have add a lot of people say, Jim, I don't want any money. I want to do this for you. I said, I don't want it.

But the only thing I can tell you is this: That everything I have done, I have done with checks or through my credit union.

Now, I never asked for any favors. The people offered me favors, or what we call favors. But, you know, when I look at a friend, when I look at David Sugar, for example, I know what happened with Sugar. Read the Manganaro tape. He feels very bad, and I know he does. Nishnic felt bad. He had a conscience. As a result, a $150,000 barn wasn't a part of it,

and it was the big national news story. He said, I feel bad, Jim. I feel like a coward.

There was a big investigation in Youngstown, and if you look at the Kerchum statement, when I walked out of the trial in 1983, I was the subject of the FBI investigation when I walked out. They would build a monument to him to get something on me. So anybody they would bust, they would say, what did you do with Traficant? How did you do this with Traficant, or how can we have this with Traficant?

I think Detore is important, and I don't think you should throw me out of this Congress until you hear Richard Detore, because, first of all, I do think his rights have been violated by both the courts, and I can't believe the Congress would violate his rights.

Detore is a part of a superseding indictment for only one reason, and so help me God, I am making this statement. If you open the book where it said "patriot," and if there was a picture, you would see a picture of William Natcher and Richard Detore. This guy spent $500,000 and got three motions out of it and was pressured in front of his own attorney, and he is the only one to come forward. Everybody caved, afraid to death.

Now, I understand your question. Maybe no one ever came and did this for you, but I went across and I would Brush Hog people's lawns. I had a farm tractor at my house, and I would

go do my neighbors' yards when it snowed. I never had anybody come do my yards.

Even though I am a Congressman, can't I have a friend? Can't they help me? I mean, is there something sinister to what happened? What the hell did they do?

Now, yes, I settled, actually settled, the Bucheit matter with the assistance of the prince, the Ambassador, because they were exposed to 16 counts, and that prince told 16 Americans go to hell, and under Saudi-American law, you couldn't sue them. I told the Bucheits to file a civil RICO. It hit the Washington Post, and they settled the Bucheits' case.

And, Steven, I negotiated the settlement, and that settlement was for four times what he was willing to settle for, and I didn't get a damn thing from it and didn't ask for a favor. He did business with my father. He wanted to help me.

Mr. LaTourette. If I could stop you right there, because that creates -- I know what you did in that case, because we talked about it when it was going on, and you did great work for the Bucheits. The question I have is they sent you an invoice for $26,000 in 1993.

Mr. Traficant. Sent my father an invoice.

Mr. LaTourette. Is that accurate?

Mr. Traficant. My dad died in 1994. My dad was the

owner.

Mr. LaTourette. I understand that.

Mr. Traficant. And I told Pete Bucheit, I said, look, I don't know what the hell and why you did all this, but I will reconcile it.

Mr. LaTourette. If you could just, with the Chair's forbearance, I was under the impression they sent you an invoice in 1993. Does counsel have an answer to that?

Mr. Lewis. I would have to check that, Congressman.

Mr. Traficant. He said it was sent to the Traficant farm. My dad owned the Traficant farm. Pete Bucheit originally talked with my father. Pete Bucheit is under indictment. I don't know what the hell he will do to get out of a half million dollars, and, quite frankly, I don't care. I did nothing illegal with Bucheit or any of them.

Mr. LaTourette. Then this answer should be simple. We will find out who the invoice went to in 1993, and it will speak for itself. But why didn't you pay it? That should be a quick answer.

Mr. Traficant. I offered to pay that. I offered him a horse, partial interest in some horses. He wasn't interested. I told him I would get to it, and I would live up to the agreement my dad made. I had no obligation to make that agreement.

I will say one other thing before I close, how I have had

incidents where I had some work done for me because I was a Congressman and couldn't sue them, they screwed me. Things that should have cost me $300 or $400 ends up costing me $1,200 or $1,500. In the Devood lawsuits, I paid them. Now I am prepared to go to jail, and I basically finished up all my accounts, and I paid up most of my accounts by check.

I don't know why you are laughing, Mr. Berman. I have tried to be responsible. So I am dead serious.

The Chairman. Mr. Berman, you may respond.

Mr. Berman. I was not laughing. You are seeing things that don't exist.

Mr. Traficant. There is nobody in the House that understands nonverbal behavior, and here is what I am telling this committee: I have been targeted. There have been other Americans targeted. You have just seen, thank God for Burton, the Salvati case. They will lie in court. They will put a notch on their gun. You are walking around an embarrassment. The only American to ever beat them wasn't even an attorney.

The Chairman. Is Mr. Traficant being responsive to your question?

Mr. LaTourette. I am done asking questions. I thank you for your answer.

Mr. Traficant. I want to say something before I close with Mr. LaTourette. I want to thank you for being my friend, and I want you to know that you vote your conscience, and if

that conscience is against me, I don't hold it against you, because I know you are in a tough position, because I have worked very closely with you, and I thank you for helping my district.

Mr. LaTourette. If I could rise to a point of personal privilege?

The Chairman. Mr. LaTourette.

Mr. LaTourette. I would say the point of personal privilege is there are some in the media that have questioned my ability to be fair, and I want to tell you and anybody that gives a damn, I have taken an oath, I am going to discharge that responsibility, and when we are done, I am going to do what is right based upon my heart and my conscience.

Mr. Traficant. I know you will, and I salute you.

The Chairman. Mr. Green.

Mr. Green. No questions.

Mr. Traficant. Mr. Green, you never have a question. I am upset with you. All that money I helped you to get on transportation where those other people wouldn't help you, and you were too timid to go forward, and I got you millions, you chicken. You could have eaten up about 10 minutes of their time for me. I want to blow their time.

The Chairman. Mr. Traficant, if I might have your attention?

Mr. Traficant. I am sorry, Chairman. I got carried away

in a writ of "fealous jage." I had two glasses of wine last night. I think I am still a little tipsy.

The Chairman. Mr. Traficant, I think you mentioned yesterday, but clarify for it me, we talked a lot about the farm, and Mrs. Tubbs Jones asked about the size of the farm. I was curious about that. I am also curious about the boat again. What brand and what size was the boat?

Mr. Traficant. It is a 1970 Wooden Egg Harbor aft cabin, fly bridge, motor yacht. It is old, but it was lovely inside, and I bought it from Senator Craig. And I thought it had some sentimental value, and I thought I could live in it cheaper than some apartment and have a little privacy. Then it got to the point where I couldn't afford to keep it at gangplank and moved it to Anacostia, where it is cheaper, only about $110 a month.

I probably shouldn't have bought the boat. I should have just stayed in my office, but I just got tired of that, and I wanted to have Playboy bunnies come in and meet with me at nights, and I wanted to be promiscuous, so I did it.

The Chairman. You do realize that is on the record, Mr. Traficant?

Mr. Traficant. What the hell. Everything else is. But I want you to know there were no Playboy bunnies there. I never hired a hooker, but some women did come looking for me, and I refused them, Chairman. The only woman I had there was

my wife, and, quite frankly, she was fed up with the quarters. Both of the heads didn't work, and she didn't even want to stay there. The heads, by the way, are commodes.

The Chairman. Let me give you an opportunity. You made a big deal in your opening statement yesterday and to the press about witnesses that weren't allowed.

Now, we have heard the government conspiracy to get you.

Mr. Traficant. I am not basing it all on the conspiracy. There was a hell of a vendetta, and I was investigating the connection between organized crime and the FBI, and that is on the record. They were really after me.

The Chairman. Okay. Let's just say at this moment we accept the fact they are after you. Let's don't prove that case anymore. But what witness could come before us that could refute the charges against you; not say that I was threatened by the FBI, but could say Jim Traficant did not do this, Jim Traficant did no wrong in this? What witnesses did we not let you have on, would you like to have on, and what would they say?

Mr. Traficant. Well, I think you should have subpoenaed Manganaro. I think you should have subpoenaed Kidwell and Antonoff.

The Chairman. Take them one at a time and tell me what they would say and what you would hope they would say.

Mr. Traficant. Okay. Antonoff would say he was serving

subpoenas for the Congressman, and he stopped at his wife's house, who he is separated from, and she said, there is car outside taking photographs of the house.

He got in his car, followed them down to the intersection. I want you to imagine he comes to the intersection, and there is a car behind him, so he pulls up next to him. He says, what the hell are you doing taking pictures of my house? And the guy says, I have the right to. And he flashed a badge, and he saw the "FBI," and then he pulled out.

The FBI had been following my subpoena server to, in fact, find out who I was subpoenaing and getting dossiers and things they could on him. He submitted an affidavit.

Brian Kidwell had the welder, and I didn't talk about that yesterday, the welder and generator. I have a welder-generator. I have no reason to use aluminum.

Mr. Lewis. Mr. Chairman, Mr. Kidwell testified.

Mr. Traficant. He testified at trial, but the point he didn't testify to be here today is Mr. Kidwell said when I asked him, because I was going to bring the welder to be displayed because the generator was destroyed in a fire, I said, do you have that? He says, I had it in my garage. He didn't lie.

What happened was three people came to his place, took the welder from him, told him, is that your son that just left

in a blue pickup truck? He said, where are you going with the welder? He said, this welder will not go to Washington, and you didn't see it leave.

Now they have gone to his employer, trying to implicate him with some problems with some trucks he bought from his employer, and Mr. Kidwell is sure it was the FBI or a contract with them and wants photographs, as does Antonoff, to identify the activities of what they were doing. That is tampering with evidence. I told the jury I would bring the welder and show them the welder was unused.

The Chairman. So Mr. Kidwell would solve the welder problem.

Who else?

Mr. Traficant. I think Sandy Ferrante. She is familiar with two loan repayments, the loan repayments to DiBlasio and O'Nesti over the years.

Mr. Lewis. I believe she is testifying this afternoon, Mr. Chairman.

The Chairman. She is one of the witnesses.

Mr. Traficant. Linda Kovachik about the O'Nesti matter, where she checked with O'Nesti.

The Chairman. She is coming this afternoon.

Mr. Traficant. Mike Robertson, who did the analysis and looked at the Sinclair thing, and he is a SS, Secret Service man, who did many extensive investigations. He is scheduled.

The Chairman. He will be here this afternoon, and you can question him.

Mr. Traficant. I think Mr. Manganaro should have been here to tell you what happened.

I think Mr. Saadey could have been brought out of jail to tell you what happened.

The Chairman. So you have two, maybe --

Mr. Traficant. So the Sabatine case was thrown out. I don't want to endanger Russell Saadey, and I did destroy that tape. And if I am subject to some criminal action, charge me, but I didn't want to endanger him. There was a gag order on it.

The Chairman. That doesn't respond to my question. So you have basically two witnesses that might shed some light on it that you weren't allowed. In other words, either --

Mr. Traficant. Every witness I asked you to subpoena would have shed light on this case, Mr. Chairman.

The Chairman. You didn't tell me what light they would shed, other than the --

Mr. Traficant. I think I put them in. Your counsel wrote back they were cumulative, but what he didn't know is, yes, some of them testified, but not to the salient points that spoke specifically to the crimes that I was charged with.

Mr. Lewis. I believe the Congressman asked you to testify now as to what they would say.

Mr. Traficant. I wasn't talking to you. I was responding to the Chairman.

The Chairman. Mr. Traficant, we said they were cumulative, and we asked you to --

Mr. Traficant. I think I did explain that, Chairman. I think in brief terms it was good enough.

The Chairman. We asked you to correct it and let us know what additional they would say that would not be cumulative, and you didn't correct it.

Mr. Traficant. Why didn't you allow John Cafaro? Why didn't you allow Kidwell, about taking the damn welder and having to lie in court? He didn't lie. He said he had it in my garage. Yes, at one point he did, but he is afraid his son is going to get hurt. He doesn't know what the hell is going on, scared to death, a constituent of mine scared to death. Why wasn't Kidwell? Kidwell should be here.

The Chairman. Okay. So you answered my question, I think. Two witnesses that you would like to be here that weren't.

Mr. Berman.

Mr. Berman. Thank you, Mr. Chairman. I don't have a question, but I think it is important to state once again what you stated at the beginnings of the hearing at several times and in our correspondence --

Mr. Traficant. I can't hear you, Mr. Berman.

Mr. Berman. I think it is important to restate what the Chairman has said on several occasions and which was stated very clearly in correspondence with Mr. Traficant, and that was that decisions were made about issuing subpoenas based on the committee rules, which say, one, the testimony has to be relevant, not cumulative, in the case of subpoenaed witnesses; and a decision was made that insofar as the respondent wished to offer evidence about government conspiracies, IRS, FBI or whatever --

Mr. Traficant. Vendettas.

Mr. Berman. Vendettas -- that that evidence would only be allowed if there was an offer of proof that such a vendetta or conspiracy caused individuals to testify falsely with respect to the accusations against you.

With respect to the witnesses you have mentioned now, you had the opportunity to cross-examine them at the trial --

Mr. Traficant. No, I did not. Mr. Kerchum speaks specifically to vendetta, and you didn't subpoena him.

Mr. Berman. I am talking about the issue of the witnesses with respect to the issues that came --

Mr. Traficant. The judge ruled I could not question the vendetta, Mr. Berman. She had an order that the vendetta could not be addressed.

Mr. Berman. Mr. Chairman, I am not --

Mr. Traficant. Then you are misrepresenting this.

Mr. Berman. I am not asking the respondent any question. The committee made the same decision as the judge, with the exception insofar as the vendetta caused -- any presumed or assumed vendetta caused witnesses to testify falsely about that with which the respondent was charged, whether at trial or at the same here, and we sought those offers of proof. Those offers of proof were not forthcoming in the cases of the witnesses that were not subpoenaed, and that was the basis for the reason that the subpoenas were denied.

Mr. Traficant. Question: Is motive an element of a criminal trial, and, if so, why was I denied to present a defense, to even present witnesses relative to their vendetta? Why was I not allowed to subpoena Anthony Speranza, who raped one of my constituents? Why was I not allowed to subpoena FBI agents who made statements that get Traficant and threaten Traficant? Come on now.

The Chairman. Mr. Traficant, all of this was explained for each one, and you were offered an opportunity to correct the situation, let us know what they were going to testify to.

The committee will stand in recess until 2 o'clock. We have one vote, and then I believe followed by two additional votes. So the committee will stand in recess until 2 o'clock.

Mr. Traficant. Can we make that 2:30, Chairman, so I can coordinate witnesses here and get my stuff together, find some dates?

The Chairman. Mr. Traficant, they were supposed to be ready to go at 1 o'clock. So let's get them here and ready at 2 o'clock, as we were supposed to start at 10 o'clock in morning, too. So we will start at 2 o'clock now.

Mr. Traficant. Thank you. 2:05?

[Recess.]

RPTS STUART

DCMN ROSEN

The Chairman. The committee will come back to order. Mr. Traficant, we are prepared for you to call witnesses.

Mr. Traficant. I have a motion that I would like to read briefly. Motion to refer alleged criminal acts and rules violations. Respondent James A. Traficant, Jr., pro se, pursuant to the Rules of Committee on Standards of Official Conduct Rule 7. In accordance with the requirements of Clause 3 subsection (a)(3) of Rule 11 of the Rules of the House of Representatives in accordance with Rule 29 committee rule, hereby request that the alleged criminal acts and breaches of committee rules as described herein be referred to the committee and to the Federal authorities for further investigation and possible prosecution.

The following memorandum of points and authorities accompanies this motion in support --

The Chairman. Mr. Traficant. This motion is out of order. Would you like to call your witnesses?

Mr. Traficant. It deals with Richard Detore. I don't believe it is out of order, and I object.

The Chairman. It is out of order at this time. Would you like to call witnesses?

Mr. Traficant. Is there any time it would be in order, Mr. Chairman?

The Chairman. We will talk about it later.

Mr. Traficant. I call Linda Kovachik.

Should she be sworn?

The Chairman. I will when you are settled. Do you want to take a seat, Mr. Traficant?

Ms. Kovachik, you have been asked to appear before the adjudicatory subcommittee to be examined under oath in connection with an inquiry concerning Representative James A. Traficant, Jr.

Under House and committee rules, you may be represented by counsel. Are you represented by counsel?

Ms. Kovachik. No, sir.

The Chairman. You choose not to be represented by counsel?

Ms. Kovachik. Yes, sir.

The Chairman. You are willing to give testimony today without the assistance of counsel?

Ms. Kovachik. Yes, sir.

The Chairman. All right. At this time I ask you to stand and raise your right hand. I am going to swear you in.

[Witness sworn.]

The Chairman. Were you given a copy of the Rules of Procedure?

Ms. Kovachik. Yes, sir.

The Chairman. All right. And the SAV, the Statement of

Alleged Violations?

Ms. Kovachik. Yes, sir.

The Chairman. You may be seated.

Mr. Traficant. Will you spell your last name for the committee?

Ms. Kovachik. K-o-v-a-c-h-i-k.

Mr. Traficant. Where are you presently employed?

Ms. Kovachik. Congressman James A. Traficant, Jr.

Mr. Traficant. When were you first employed by me?

Ms. Kovachik. Back in 1984 when you first started.

Mr. Traficant. When did you separate service?

Ms. Kovachik. 5 years. 1989.

Mr. Traficant. Why did you leave?

Ms. Kovachik. It was a conflict of interest within the office.

Mr. Traficant. Who was that conflict of interest with?

Ms. Kovachik. Management. Jackie Bobby, Grace Yavorsky.

Mr. Traficant. Did you eventually reverse -- return to my employ?

Ms. Kovachik. Yes, sir, I did.

Mr. Traficant. When did you return?

Ms. Kovachik. 2000. The year 2000.

Mr. Traficant. Who generated the interest in your return to surface.

Ms. Kovachik. Charles O'Nesti.

Mr. Traficant. Who sought employment, you or did I seek you out?

Ms. Kovachik. Well, it was -- I was wanting to come back because the two ladies that I didn't get along with were gone. And I enjoyed working for Congress. I think you are a fantastic Congressman. I had a good rapport there, enjoy working with people. And I had a run-in with Mr. O'Nesti where he was eating and I was there.

Mr. Traficant. Where did you meet with Mr. O'Nesti and when did you meet with Mr. O'Nesti?

Ms. Kovachik. It was Itam on Meridian Road in Youngstown, Ohio. Sunday spaghetti dinner.

Mr. Traficant. At approximately what period of time before Mr. O'Nesti ultimately expired from cancer?

Ms. Kovachik. It was the late summer. Of -- August, September, somewhere in there. I am not sure on the date.

Mr. Traficant. And you saw him at a spaghetti dinner at Itams?

Ms. Kovachik. Yes, sir.

Mr. Traficant. Did you approach him, did he approach you?

Ms. Kovachik. We approached each other. We seen each other and kind of just gave a bear hug and the Italian welcome there. How was I doing? I was unemployed. Well, why don't I go back with Jim Traficant. I said, I don't know. I said --

he said, sit down, we will talk a little bit. So I sat down with him. I was honest with him. And I said, Chuck, I hear about some kind of a kickback to the Congressman. That is like Chuck giving money back to you. And I said, what is going on here? I am not going to go back to the Congressman. I never heard of such a thing. I never was approached about giving money back to you. I am not going to start now.

He said, well, I am not going to tell you what exactly he said.

Mr. Traficant. Say what he said.

Ms. Kovachik. He said what the hell are you talking about? He said, do I look like the kind of guy that would give money back? I said, no, you were kind of tight in your days. But he said that he would buy me a spaghetti dinner any time and that was a bunch of bullshit. So at that time I did make a phone call and I came back to your office.

Mr. Traficant. And you came to be employed with me?

Ms. Kovachik. Yes.

Mr. Traficant. Did Chuck O'Nesti get along with Jackie Bobby or George Yavorsky?

Ms. Kovachik. No, sir.

Mr. Traficant. Was Jackie Bobby and Grace Yavorsky, after they left, the reason why you wanted to return?

Ms. Kovachik. Yes, sir, it was.

Mr. Traficant. You didn't want to work with them?

Ms. Kovachik. No.

Mr. Traficant. No further questions.

Mr. Lewis. Thank you, Mr. Chairman. Ma'am, you testified at the Congressman's trial?

Ms. Kovachik. Yes, sir.

Mr. Lewis. And you testified under oath?

Ms. Kovachik. Yes, sir.

Mr. Lewis. And you knew it was an important matter?

Ms. Kovachik. Yes, sir.

Mr. Lewis. And you took it very seriously?

Ms. Kovachik. Yes, I did.

Mr. Lewis. And it is my understanding that you either had a mistake in your testimony, or there is a mistake in transcription of your testimony?

Ms. Kovachik. Absolutely.

Mr. Lewis. So you testified at trial that the Congressman did not make a kickback to Mr. O'Nesti?

Ms. Kovachik. Yes.

Mr. Lewis. That was a mistake?

Ms. Kovachik. That was a mistake. The judge heard it. I don't know much about kickbacks. That is why when I talked to Mr. O'Nesti, I asked him then I was learning, because, we have a fine staff. We all do work. I never heard of -- I am in shock either at these other people giving kickbacks. Why would anybody take a job and kick money back? It just didn't

make sense to me.

Maybe I am a naive person. But I filled out an affidavit. I made amends to that. And the judge knew when I made the mistake. She wouldn't let the jury up in Chiefland hear my testimony. She shut me off then. I went to Jim Traficant and I said, Jim, I talked to Chuck O'Nesti about kickbacks. He didn't even know that Chuck discussed this with me. I was rather embarrassed to even say that someone would say that about the Congressman.

I have a very fine rapport with him and respect him. He does a lot of work for the district. He has a fine staff. We are not criminals.

Mr. Lewis. All right. Ma'am, when was this conversation with Mr. O'Nesti again?

Ms. Kovachik. It was the late summer before he passed on.

Mr. Lewis. Okay. That was after his conviction?

Ms. Kovachik. Well, that was on his own. I don't know much about that.

Mr. Lewis. Do you know that he had a conviction for perjury?

Ms. Kovachik. Yes.

Mr. Lewis. Thank you. Nothing further, Mr. Chairman.

Mr. Traficant. One other question. Do you have immunity at any time, Linda? Did you ever have immunity for any of

your testimony?

Ms. Kovachik. Immunity?

Mr. Traficant. No. Did the judge allow you to testify about the conversation you had with Chuck O'Nesti?

Ms. Kovachik. No.

Mr. Traficant. No further questions.

The Chairman. The committee may want to ask you some questions under the 5-minute rule. Mr. Berman.

Mr. Berman. No questions.

The Chairman. Mr. LaTourette.

Mr. LaTourette. Just so I am clear. Are you saying that the mistake was made in an affidavit that you prepared prior to trial?

Ms. Kovachik. The mistake was made in Cleveland in front of the jury as I was talking. I had said something on the terms of Jim kicking back to Charles O'Nesti, versa visa, whatever. And the judge looked at the fellow doing the typing. He didn't correct it. It came out the way --

Mr. Traficant. You said it.

Ms. Kovachik. So I did fill out an affidavit, because that was a lie. It wasn't that way. It is a matter of me saying -- I am not used to kickbacks, I guess.

Mr. Traficant. The confusion I am having, though, is that I am understanding you to say in your testimony that you were not permitted to testify?

your testimony?

Ms. Kovachik. Immunity?

Mr. Traficant. No. Did the judge allow you to testify about the conversation you had with Chuck O'Nesti?

Ms. Kovachik. No.

Mr. Traficant. No further questions.

The Chairman. The committee may want to ask you some questions under the 5-minute rule. Mr. Berman.

Mr. Berman. No questions.

The Chairman. Mr. LaTourette.

Mr. LaTourette. Just so I am clear. Are you saying that the mistake was made in an affidavit that you prepared prior to trial?

Ms. Kovachik. The mistake was made in Cleveland in front of the jury as I was talking. I had said something on the terms of Jim kicking back to Charles O'Nesti, versa visa, whatever. And the judge looked at the fellow doing the typing. He didn't correct it. It came out the way --

Mr. Traficant. You said it.

Ms. Kovachik. So I did fill out an affidavit, because that was a lie. It wasn't that way. It is a matter of me saying -- I am not used to kickbacks, I guess.

Mr. Traficant. The confusion I am having, though, is that I am understanding you to say in your testimony that you were not permitted to testify?

Ms. Kovachik. Right.

Mr. Traficant. So how did that --

Ms. Kovachik. She dismissed me from court. She told me to come back in the morning. The jury had to leave at that time. I was just stopped -- she stopped my questioning.

Mr. LaTourette. Now, you mentioned that you had heard somewhere about this kickback business when you ran into Mr. O'Nesti at the spaghetti dinner. Where had you heard about this kickback business?

Ms. Kovachik. Where did I hear it from?

Mr. LaTourette. Right.

Ms. Kovachik. I belong to lodges. And friends of mine they said that there was rumor that there was kickbacks. I just -- why would you want to go back if Chuck O'Nesti is giving kickbacks? I didn't know nothing about it. So I went to the horse's mouth. I asked Chuck. I went to him and asked him.

Mr. LaTourette. During the time that you have been in the employ of Congressman Traficant, did you ever work with Mr. DiBlasio?

Ms. Kovachik. Yes.

Mr. Traficant. Were you ever aware of an allegation of kickbacks by Mr. DiBlasio?

Ms. Kovachik. No. Never. I went to lunch with him, partied with him, never.

Mr. Traficant. Did you work with Mr. Sinclair?

Ms. Kovachik. No, I didn't, sir. No, I didn't work with Mr. Sinclair. I never knew him, no. That was the time that I had gone.

Mr. LaTourette. Okay. Thank you very much.

The Chairman. Further questions? Mr. Green.

Mr. Green. Ms. Kovachik, I want to follow up on Mr. LaTourette. If I can get the dates. You worked for Congressman Traficant from 1984 to 1989 and then went back in 2000?

Ms. Kovachik. Yes, sir.

Mr. Traficant. You are still employed?

Ms. Kovachik. Yes, sir.

Mr. Green. Do you remember what month in 2000?

Ms. Kovachik. It was February of 2000.

Mr. Green. In your answer to a question of Mr. LaTourette, you said that you didn't know Mr. Sinclair?

Ms. Kovachik. Right.

Mr. Green. You didn't know of him generally, you never worked with him because he wasn't employed at that time?

Ms. Kovachik. I knew that he was employed. I knew that he was on staff. But I didn't know him or his business or meeting him. If we seen each other, I don't think that we would really recognize each other. I just didn't know him personally.

Mr. Green. The information we have here is Mr. Sinclair, from November the 1998 through January 2000, his -- in violation clause 1, clause 2 and clause 3 of official conduct, between November of 1998 and January of 2000.

Ms. Kovachik. Sir, I can hardly hear you.

Mr. Green. Between January of 1998 and -- November of 1998 and January of 2000 where Mr. Sinclair had alleged that there was accept and agreed to receive kickbacks, you weren't employed with Congressman Traficant?

Ms. Kovachik. No, sir, I wasn't.

Mr. Green. During your time of employment, both your first 5 years and since 2000, has there -- has there been any hint at all of any return of your salary to Congressman Traficant?

Ms. Kovachik. No, sir, never. Never. Not -- I just wouldn't do it, first of all. I am a hard worker and I earn my money. I am not giving any part of it up. I am a woman.

Mr. Green. But, again you weren't employed during the time that Mr. Sinclair was there?

Ms. Kovachik. No, sir, I was not.

Mr. Green. Thank you, Mr. Chairman.

The Chairman. Ms. Tubbs Jones.

Mrs. Tubbs Jones. Thank you, Mr. Chairman. Ms. Kovachik; is that correct?

Ms. Kovachik. Yes, ma'am.

Mrs. Tubbs Jones. What was your job responsibility with Congressman Traficant?

Ms. Kovachik. I worked as a receptionist.

Mrs. Tubbs Jones. And how much were you paid?

Ms. Kovachik. Well, at first I started part-time. And I was paid, I believe, 12,000 a year to start. And a fellow had passed on at the office. And Jim asked me to come full-time. And I will tell you the truth, I didn't know how to type, because I did shipping department.

Mrs. Tubbs Jones. The question is, how much were you paid, ma'am? You were paid 12,000 as a part-time worker, and full-time what were you paid?

Ms. Kovachik. No, full-time. Part-time it was like 800, something like that. Then I went on full-time was 12,000.

Mrs. Tubbs Jones. What year was this again?

Ms. Kovachik. That was back in 1984, I believe. I am not sure of the date.

Mrs. Tubbs Jones. Have you ever been to Mr. Traficant's farm?

Ms. Kovachik. Yes.

Mrs. Tubbs Jones. Where is that farm located?

Ms. Kovachik. Route 165.

Mrs. Tubbs Jones. When you went there, were you -- did you ever do any work?

Ms. Kovachik. No. No. No.

Mrs. Tubbs Jones. When you went there, what did you do?

Ms. Kovachik. I went to visit.

Mrs. Tubbs Jones. Okay.

Ms. Kovachik. Because I personally know Ms. Ferrante, Sandy. And she is a friend of mine. And I went to see her and the horses.

Mrs. Tubbs Jones. Do you ride horses?

Ms. Kovachik. No. I take my niece out to see the horses because children like that.

Mrs. Tubbs Jones. And what city did you live in?

Ms. Kovachik. Youngstown, Ohio.

Mrs. Tubbs Jones. In Youngstown?

Ms. Kovachik. Yes.

Mrs. Tubbs Jones. In Youngstown, in the city proper?

Ms. Kovachik. Yes.

Mrs. Tubbs Jones. So were you aware of any development corporation that Mr. Sinclair had worked on to the benefit of the city of Youngstown?

Ms. Kovachik. No, ma'am, I don't.

Mrs. Tubbs Jones. And it is your statement that any allegation -- excuse me. How long did you know Mr. Traficant?

Ms. Kovachik. Since 1980. 1980.

Mrs. Tubbs Jones. How did you meet him?

Ms. Kovachik. He was a sheriff. He was our sheriff. And my sister was promoting him being sheriff. And he was

going for Congress. And my sister said you have got to help this man. He is a good sheriff.

Mrs. Tubbs Jones. That is what your sister said?

Ms. Kovachik. My sister, yes.

Mrs. Tubbs Jones. What did your sister do?

Ms. Kovachik. My sister, she was a housewife.

Mrs. Tubbs Jones. Okay. And she told you that he was a good sheriff and he wanted to go to Congress and you need to work for him?

Ms. Kovachik. No, I didn't have to, but we wanted.

Mrs. Tubbs Jones. I mean in the sense that because she thought that he was a good person you needed to do that.

Ms. Kovachik. Yes. A good person and the community loved Jim Traficant. We thought he was such a good sheriff he would be a good person in Congress.

Mrs. Tubbs Jones. So then you went out and campaigned for him?

Ms. Kovachik. Family and friends did.

Mrs. Tubbs Jones. Did you go out and campaign for him?

Ms. Kovachik. So I worked, so I didn't go as much as my family did.

Mrs. Tubbs Jones. What were you doing then?

Ms. Kovachik. I worked in the shipping department at Serviclean in Youngstown, Ohio.

Mrs. Tubbs Jones. What is Serviclean?

Ms. Kovachik. It is an industrial laundry that I worked in the shipping department there.

Mrs. Tubbs Jones. And who owns it?

Ms. Kovachik. At the time, Mr. Bishop owned it, but he passed on. In fact, it is not no longer a place of employment.

Mrs. Tubbs Jones. So are you familiar with Mr. Traficant's reputation in the community of Youngstown?

Ms. Kovachik. Yes.

Mrs. Tubbs Jones. And so are you saying to this committee, then, that any allegation with regard to him taking any kickbacks, based on your opinion of his truth and veracity, would be unfounded?

Ms. Kovachik. It is hard to believe. I just can't believe it.

Mrs. Tubbs Jones. It is hard to believe, but you are not saying that it could not be true?

Ms. Kovachik. It couldn't be.

Mrs. Tubbs Jones. So now you are saying it is not true?

Ms. Kovachik. It is not true.

Mrs. Tubbs Jones. Based on your belief of your opinion of what you know about him?

Ms. Kovachik. Yes. My experiences, my conversation with Chuck O'Nesti. It is hearsay to me.

Mrs. Tubbs Jones. I am asking you whether it is true or

not, not to make a determination on the evidence.

Ms. Kovachik. No, it is not. I don't believe it is true.

Mrs. Tubbs Jones. Okay. Thank you.

The Chairman. Further questions? Mr. Pastor.

Mr. Pastor. Were you employed in the office in 1992 or about that period?

Ms. Kovachik. No.

Mr. Pastor. Okay. Do you know West Richards?

Ms. Kovachik. Yes, I do. Yes.

Mr. Pastor. Is he currently working in the office?

Ms. Kovachik. West was there when I was there, back in -- let's see, I left in 1990. I believe I left in 1990.

Mr. Pastor. You left in 1990?

Ms. Kovachik. Yes.

Mr. Pastor. You had been to a spaghetti dinner and heard talk about kickbacks. And was Mr. Sinclair employed during the time that --

Ms. Kovachik. No. He was gone, sir.

Mr. Pastor. He was gone before you were employed?

Ms. Kovachik. Yes. He was -- he was there when I was gone, then when I came back he was gone. He wasn't there when I was -- he was like in between. I didn't know the man.

Mr. Pastor. As you heard about other-- another gentleman receiving or giving kickbacks, have you heard of Mr. Sinclair

giving kickbacks or other employees kicking back money?

Ms. Kovachik. Just what I read.

Mr. Pastor. But had you heard among the people that you work with?

Ms. Kovachik. No. When it is in the Vindicator, when it is printed in the paper, then it is public knowledge. I don't know any secretive person. I don't know anybody that personally -- no.

Mr. Pastor. Thank you, Mr. Chairman.

The Chairman. Further questions?

Mrs. Tubbs Jones. Mr. Chairman, can I do a brief follow-up, sir?

The Chairman. Yes.

Mrs. Tubbs Jones. You are aware that Mr. Traficant has been convicted by a jury, a Federal Court jury on several charges; is that correct, ma'am?

Ms. Kovachik. Yes.

Mrs. Tubbs Jones. Now, as a result of those convictions, are you still saying you can't believe that he would take kickbacks, based on your opinion?

Ms. Kovachik. Yes. That is my opinion, though.

Mrs. Tubbs Jones. Okay. Thanks.

The Chairman. No further questions? Any further questions from Mr. Traficant?

Mr. Traficant. Yes. Number 1, did Mr. Sinclair work at

the office where you worked, when he did work?

Ms. Kovachik. No, he didn't.

Mr. Traficant. Number 2. Did the jury hear the testimony you just gave to this panel?

Ms. Kovachik. Not as much as I am privileged to say.

Mr. Traficant. Were you testifying about office procedures when you were cut off, when you started talking about O'Nesti?

Ms. Kovachik. Yes, sir.

Mr. Traficant. No further questions.

Mr. Lewis. Mr. Chairman, briefly.

The Chairman. Mr. Lewis.

Mr. Lewis. Ma'am, was the conversation with Mr. O'Nesti before or after the Congressman was indicted? Do you know?

Ms. Kovachik. It was before, sir.

Mr. Lewis. It was before the indictment?

Ms. Kovachik. Yes, sir.

Mr. Lewis. Thank you. And you were not privy to all of the communications between Representative Traficant and Mr. O'Nesti, were you?

Ms. Kovachik. No, not all.

Mr. Lewis. And while you were employed, you certainly did not know what was going on, everything that was going on in the office, did you?

Ms. Kovachik. The only thing I know is what I was told.

The only thing I knew is there was trouble with two women who had a power struggle with the Congressman. They wanted to be top shelf and management and administration, and they wanted Chuck O'Nesti's job real bad. Okay? So my part in resigning was because they were putting me in the middle of -- like -- they were going rounds with this here power struggle of who is going to get Chuck's job.

And I just -- I wanted to bow out because when you work with women that you can't get along with like that, it is not a good setting.

It had nothing to do with the Congressman. I want to make that perfectly clear, because I loved my position. I was very nervous and went to the doctor's. He said, Linda, you are going to have to get another position, some type of job where you are not upset over what is going on, and actually women can be vicious. I won't go into anything personally.

Mr. Lewis. So your knowledge of whether any kickbacks were given to the Congressman is based totally on Mr. O'Nesti's statement and nothing else?

Ms. Kovachik. Right. Yes, sir. That is what I heard. That was my question.

Mr. Lewis. Thank you, ma'am.

Mr. Traficant. No further questions. And I would ask how much time was exhausted and if their questioning and the panel's time came out of my time, because I figure she was on

for 15 minutes, Mr. Chairman.

The Chairman. Let me check the time for you.

Mr. Traficant. I only spent about 15 minutes with this witness.

The Chairman. You will be credited with 15 minutes. She was on a little longer than that, and the cross-examination. This concludes your appearance before the committee. We appreciate you being here in this matter.

Mr. Traficant, do you want to call your next witness.

Mr. Traficant. Thank you. I call Sandra Ferrante.

The Chairman. Ms. Ferrante, you have been asked to appear before this adjudicatory subcommittee to be examined under oath in connection with an inquiry concerning Representative James A. Traficant, Jr.

Under the House and committee rules you may be represented by counsel if you so choose. Do you have counsel here today?

Ms. Ferrante. No, sir.

Mr. Traficant. You do not choose to have counsel.

Ms. Ferrante. No, sir.

The Chairman. You are willing to proceed today without the assistance of counsel?

Ms. Ferrante. Yes, sir.

The Chairman. All right. At this time, I ask you to stand and raise your right hand so that I may swear you.

[Witness sworn.]

The Chairman. All right. You may be seated.

For the record, please state your full name.

Ms. Ferrante. Sandra Ferrante.

The Chairman. Did you receive a copy of the rules of procedure of the Committee on Standards of Official Conduct, the provisions of the rules of the House of Representatives applicable to the rights of witnesses and a copy of the Statement of Alleged Violations?

Ms. Ferrante. Yes, sir.

The Chairman. Will you proceed -- we will proceed as follows. Mr. Traficant, you may being questioning and then we will go to counsel.

Mr. Traficant. Where did you live from 1984 through 1999?

Ms. Ferrante. At 6908 South Range Road in Greenford, Ohio.

Mr. Traficant. Do you know who owned that farm?

Ms. Ferrante. Yes, Mr. Traficant, Sr.

Mr. Traficant. Do you know who eventually owned that farm?

Ms. Ferrante. Yes. It was Tish Traficant, your wife. And then now your daughter has it.

Mr. Traficant. What are you most noted for in your background?

Ms. Ferrante. Showing and training saddlebreds.

Mr. Traficant. How many world championships did you win?

Ms. Ferrante. 13.

Mr. Traficant. Did you show any of my horses at the world championships?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Did you live at the farm?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Did you pay rent?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Did you board with your ex-husband horses at the farm?

Ms. Ferrante. Yes, sir.

Mr. Traficant. What was the average amount of money that you paid for such at the farm?

Ms. Ferrante. $500 a month.

Mr. Traficant. Who did you pay that money to?

Ms. Ferrante. I paid it to you.

Mr. Traficant. And what form did you pay that money?

Ms. Ferrante. Usually cash. Sometimes money orders. Just depended, whichever.

Mr. Traficant. Did you ever see me repay any loans to any staff members?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Would you explain first Mr. O'Nesti. Did

you ever see me repay any loans to Mr. O'Nesti?

Ms. Ferrante. Yes. Several times over the 17 years that I was there. I used to give you cash money with the board. And also my rent. And Charlie would come out, and you would give it to him.

Mr. Traficant. Was there ever a time that I was not there and you were authorized to pay Chuck O'Nesti any rent because I couldn't make it?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Could you describe that situation?

Ms. Ferrante. Yes. I had my ex-husband had paid the month that was due plus the month in advance. Because one time we had a situation, and he was going out of town. He wanted to make sure that it was paid. And I had a thousand dollars there at the farm. And Charlie came out. And he needed to ask me when Jim was going to be there. And I said, well, I got a phone call. He is running late.

Well, he waited and waited. I gave him coffee in my kitchen. And he said I can't wait any longer. He said, I was supposed to pick up some money. Well, I said, I will try to call Jim on his cell phone. I said I have my ex-husband's board money here.

I said I will be glad to give that to you if it is okay with him. I got ahold of him. He said that he was running late. He told me to go ahead and give it to Charlie, so I

did.

Mr. Traficant. Did you visit Chuck O'Nesti when he was in his deathbed?

Ms. Ferrante. Yes, I did.

Mr. Traficant. What, if anything, did he say to you?

Ms. Ferrante. He told me that -- he says -- he was crying. And he said that he was -- he felt bad with everything that had gone on. And he said that he wanted to die at home and be with his sons. And he said that he didn't want to go to some Army hospital or some place outside of his home.

Mr. Traficant. Did he say he was being pressured by the government in that regard?

Ms. Ferrante. Yes, he did. He said that he was being pressured. He said, I am so upset. He said -- he just didn't seem to be able to function. He started to cry.

Mr. Traficant. Did you ever witness me repay loans to any other staff members?

Ms. Ferrante. To Mr. DiBlasio.

Mr. Traficant. How many times over the years approximately did you see me pay loans?

Ms. Ferrante. Well, several times. When Jim wouldn't come out to the farm on the weekends, I would give him a call if he was tied up at his office up on Overhill. And I would take the board money or my rent money, whichever, and run it

up to him.

Mr. Traficant. Did you see me give this money that you gave to me to Mr. DiBlasio?

Ms. Ferrante. Yes, I did. Henry never said anything. So I -- I didn't know what it was for. But, yes, I did. I was in his office on several occasions. And also, Henry was in your office.

Mr. Traficant. Did -- was there occasion when I sold some horses for cash?

Ms. Ferrante. Yes, there was.

Mr. Traficant. What was the total amount of the sales?

Ms. Ferrante. $7,000.

Mr. Traficant. How many horses were sold?

Ms. Ferrante. Two.

Mr. Traficant. What was the cost for each?

Ms. Ferrante. 3,500.

Mr. Traficant. What was it, a cash payment and not a check?

Ms. Ferrante. Because the gentleman that sold the horses, Mr. Pennington, felt that it was best to pay cash because he felt he would always get a better deal, meaning money talks and you can get them a little bit cheaper if you pay cash. So he insisted that he pay cash.

Mr. Traficant. Did I ask him for a check?

Ms. Ferrante. Yes, you did.

Mr. Traficant. What, if anything, did you ask me to do with this money?

Ms. Ferrante. I asked you -- we had a real good mare that had produced a foal that was a top foal just -- would easily become a world's champion. He was just gifted. I asked you to take the money and breed a mare by the name of Lucy back to Manhattan's Supreme, because it was a good knit between the two.

And you told me at that time you couldn't, that you owed Mr. DiBlasio some more money and that you had to give it to him and you hoped I would understand.

RPTS COCHRAN

DCMN HERZFELD

[2:40 p.m.]

Mr. Traficant. Did you see me give that money to Mr. DiBlasio?

Ms. Ferrante. Yes, I did. I brought the money up to you. I had the money at the farm.

Mr. Traficant. Where was that money exchanged?

Ms. Ferrante. It was at his office.

Mr. Traficant. Were you allowed to testify to this matter in Cleveland?

Ms. Ferrante. I don't know. I was never asked.

Mr. Traficant. On Mr. O'Nesti, you were allowed to testify in Cleveland relative to repayment?

Ms. Ferrante. Yes. He asked about the $1,000 and the times I had seen you.

Mr. Traficant. Did you appear before the grand jury?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Were you a part of a murder scheme plot?

Ms. Ferrante. Yes, I was.

Mr. Traficant. And who was supposedly to kill you?

Ms. Ferrante. You were supposed -- indirectly, you were supposed to have been behind it.

Mr. Traficant. Were you taken into protective custody?

Ms. Ferrante. Yes, I was.

Mr. Traficant. Did they pay your expenses?

Ms. Ferrante. Yes, they did.

Mr. Traficant. How much expenses did they pay?

Ms. Ferrante. I had two dogs, and they paid for a kennel, it was close to $800, and they paid my flight back and forth to where I was at, twice.

Mr. Traficant. Did you testify truthfully in Cleveland?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Were they satisfied with your testimony?

Ms. Ferrante. I hope so.

Mr. Traficant. Were they upset that you did not, in fact, say that I committed any crimes?

Ms. Ferrante. Yes. Mr. Morford was upset. He got a little hairy.

Mr. Traficant. Did they demean you?

Ms. Ferrante. He did. The rest of them treated me lovely, I will say that. They were very respectful and nice. Mr. Morford was very disrespectful.

Mr. Traficant. Did the government ask you to go public to protect yourself about this murder scheme?

Ms. Ferrante. They didn't come right out directly, but indirectly they told me they thought that that would be a good idea, because that way if there was anybody out there that wanted to whack me, that I would have a better chance of surviving, that once everybody knew about it, and I wouldn't

be quite in as much danger.

Mr. Traficant. Who did the newspapers name as being the person behind the murder scheme?

Ms. Ferrante. Well, Thad Clarence Broad. His nickname was Thad, but his name was Clarence Broad. He was a hand at the farm.

Mr. Traficant. Was my name mentioned as a part of this scheme?

Ms. Ferrante. Again, until the transcript was published in our Vindicator, it was never directly -- you were never directly -- they never said you directly was, but everything directed back to you.

Mr. Traficant. Did you, in fact, mention that in the newspaper?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Did you eventually apologize to me and my wife for embarrassing me?

Ms. Ferrante. Yes, I did.

Mr. Traficant. And you know Mr. Bucheit?

Ms. Ferrante. Yes, I do.

Mr. Traficant. Do you know if Mr. Bucheit met with my father?

Ms. Ferrante. Yes, he did.

Mr. Traficant. Did you ever instruct the workers to do things at the farm?

Ms. Ferrante. Yes.

Mr. Traficant. Did they listen to you?

Ms. Ferrante. No.

Mr. Traficant. The Bucheit workers would not listen to you?

Ms. Ferrante. No, sir.

Mr. Traficant. Who did you ask to enclose the deck?

Ms. Ferrante. Your father.

Mr. Traficant. Did my father agree to do that?

Ms. Ferrante. Yes.

Mr. Traficant. What, if anything, did my father tell you?

Ms. Ferrante. He told me, he said, what would you like done, because I liked him and he liked me, and I said, I would like to have that enclosed, and we knew that you didn't want it enclosed because you -- he had already made the deck and put most of all of it up, and he liked -- he had binoculars, and he would watch deer when he would come out on the weekends, and groundhogs and deer, you know, different kind of animals. He used to like to look out and watch, and he felt that that would -- closing it in, he would not get that opportunity. But Mr. Traficant, Sr., went ahead and did it anyways.

Mr. Traficant. You know Tony Bucci?

Ms. Ferrante. Yes, I do.

Mr. Traficant. Did he cause the big bank barn to almost collapse?

Ms. Ferrante. Yes, he did.

Mr. Traficant. Did he it cost thousands and thousands of dollars to have it fixed?

Ms. Ferrante. Yes.

Mr. Traficant. Did they beg you to convince me not to sue them and my father?

Ms. Ferrante. Several times they road over on Dan Bucci, which is the brother of Tony and Bob Bucci, lived across the street in a farm. They would ride over in a golf cart when Jim wasn't there and tell me, you are persuasive, you have to tell him not to sue us. We are really sorry for what happened, but they continued on and on about it, not wanting him to sue them about it.

Mr. Traficant. Did Dan Bucci get me sawdust?

Ms. Ferrante. Yes. It was kind of a barter deal. You both helped one another out. Jim used to go over and make hay, and Dan wasn't well. Tony and Bob were not involved in any type of farm life at all. Dan was not a farmer, but bought the farm and wanted to become a farmer, and he didn't know a lot about farming, and Jim did, and Jim used to go over, and when Dan didn't feel well, Jim mowed and bailed up to 25 acres of hay. He did all kind of things. He used to help him. It was a kind of a good neighbor thing. He was

just a good guy. He helped out and did, and in return Dan would come over, he got us sawdust, he done several little things, you know. His kids would come over and give us a hand.

Mr. Traficant. Did Anthony spend $8,000 to $12,000 on my father's farm?

Ms. Ferrante. No. No. When they said they laid all that blacktop, none of that was true. They lied in Cleveland. Tony Bucci lied through his teeth. I actually just got -- I wasn't there when he testified, but I just cringed on the news when I listened to the lies that came out of several witnesses' mouth there.

Mr. Traficant. Did his sister-in-law Susan Bucci, Dan's widow, tell the truth in Cleveland?

Ms. Ferrante. Yes, she did.

Mr. Traficant. Are you familiar with the things she testified to?

Ms. Ferrante. Yes, I am.

Mr. Traficant. Could you corroborate them here today?

Ms. Ferrante. Yes, I will.

Mr. Traficant. Did you know George Bucella?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Did he come to the farm 300 times?

Ms. Ferrante. No. No.

Mr. Traficant. Do you know a Richard Rovnak?

Ms. Ferrante. Yes, vaguely. Not real well, but I know him, yes.

Mr. Traficant. Did he come to the farm?

Ms. Ferrante. He came just for a short time. He followed you around a lot and just kind of buddy system.

Mr. Traficant. Do you know if he was on the payroll when he was at the farm?

Ms. Ferrante. At first, no, I don't know that he was. I really don't know too much about him, because, as I said, he wasn't there a lot. But I do know that he was showing up there, and he was following you around and wanting to help you out when you were on the tractors and fooling with equipment and moving things. He was the kind of a guy that just wanted to buddy up next to him all the time. But I never saw him then again.

Mr. Traficant. Would you recognize his picture?

Ms. Ferrante. No.

Mr. Traficant. Was he there many times?

Ms. Ferrante. No. No.

Mr. Traficant. Did he spend 16 hours a day for 16 days and sleep there?

Ms. Ferrante. No. No. No.

Mr. Traficant. Do you know Anthony Traficanti?

Ms. Ferrante. Yes, very well.

Mr. Traficant. Did he come to the farm?

Ms. Ferrante. Yes, he came there.

Mr. Traficant. In what regard did he come to the farm?

Ms. Ferrante. He would come out -- a lot of times he would stop to see if you were there, he had a message for you, or if he couldn't get you on the cell phone, he wanted to tell you there was an important phone call, that you had to call back to Washington or something. And he would come out, and he would offer his help. He was on the chunky side, and Jim was always on a diet, and everybody, including myself, that was on the heavy side, he wanted us to diet. And he said, come on, you got to work, you got to work, you got to do this. When he would come out there, Anthony would say, this is my health spa. He would use it as a health spa.

Mr. Traficant. When did George and Anthony come out to the farm?

Ms. Ferrante. Usually on the weekends was mainly the time.

Mr. Traficant. What normally did Bucella do?

Ms. Ferrante. Well, during hay season, he usually raked the hay and road the tractor. He was -- he complained all the time. He had a bad back, always complaining his back was sore. He would get out of the car and he would limp, and I would say, do you want a couple Advil? You know, I have some here. And he would say, no, I took my medicine. But he was just a whiner. And I like him, don't misunderstand me, but he

really was.

Mr. Traficant. On a percentage of time that Bucella and Anthony came to the farm, how many times did they have on a suit and tie?

Ms. Ferrante. Several times. Both of them did. Butch almost always came with his suit and a tie. He would stop in, and he was going down to Salem or going to Canfield to pick up papers for the office. A lot of times I called the office and I would say, I can't get the manure spreader going, the beater with the chain was broken, and I would say, on your way, if you are going to go somewhere, will you please stop, because he was mechanically inclined.

Mr. Traficant. Were there times that you called George Bucella that I didn't even know you called him?

Ms. Ferrante. Oh, yeah. Yeah. I always did, because he was the type of guy, he liked to get out. Anything to get out.

Mr. Traficant. Did you know Joe Altiero?

Ms. Ferrante. Yes, I did. During the grand jury, when I appeared in front of the grand jury, the FBI showed me three different shots of this Joe Altiero, and I did not recognize him. They said, well, how could you not recognize him? He ate in your kitchen, you cooked for him. I said, I am sorry, I do not recognize him. Finally, the last picture they did show me of him, it came to me, and I said, yes, I do. I do

remember him.

Mr. Traficant. What did you remember of him?

Ms. Ferrante. I remember he came to the farm, and he was -- the reason he came was because the Buccis owed him money, and he had a girlfriend that lived in Niles, and they were not doing well, and he said, Jim, would you please try and help me get my money that Tony and Bob owe me? And he said, my girlfriend kicked me out. He says, do you have a place here I could stay? And Jim said, well, I could give you a little bit of housing. He said, sure, there was a farmhouse, and it had three floors to it. And he stayed only for a while, but he wasn't there very long.

Mr. Traficant. When he came to you, what condition was he in healthwise?

Ms. Ferrante. Oh, he was hungry. He was telling me that he was eating -- he would go when Kentucky Fried Chicken closed at night and get into the dumpsters, and I guess they put all their chicken in plastic bags. They are not allowed to reuse it or sell it or give it to the needy. And he would go down and dig into the dumpsters and bring out the chicken. You know, I am tender-hearted, I said, oh, my goodness, I said, that is terrible. I says, you know, I just couldn't get over anybody doing that, but he did.

Mr. Traficant. Did he work there for 6 months?

Ms. Ferrante. No, no, no, no.

Mr. Traficant. Did he ever leave out horses or handle horses?

Ms. Ferrante. Never. He was afraid of horses. The only experience this man ever had with the horse was he cleaned stalls at Ohio State Fair after everybody was gone for $5 a stall. That is exactly what he told me. And our stallions and our horses, if you are not familiar with saddle-breds, were very high-spirited, and you get ahold of one, they just climb. They are not like a quarter horse or docile-type horse. They are well-spirited.

Mr. Traficant. Did you ever see him in a stall?

Ms. Ferrante. No.

Mr. Traficant. Did he ever clean a stall?

Ms. Ferrante. I never remember him even being in a stall.

Mr. Traficant. Did he turn the horses out into a pasture with barbed wire fence, stallions?

Ms. Ferrante. Never. We never did do that. Anybody with common sense won't turn well high-spirited horses with a barbed wire fence to get all cut up. That is common knowledge. No. We never turned our horses out anyways. We had a ring out on top of the hill that Jim had made out of big telephone polls, and it looked like it was to cage elephants, I always said, but it wasn't high enough, and to turn the studs out, you know, I was always worried they would get

excited and they were spirited and jump over them. So I never turned them out.

Mr. Traficant. Could you handle these stallions?

Ms. Ferrante. Yes.

Mr. Traficant. Did you show these stallions?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Did you breed these stallions?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Are you considered a professional horsewoman?

Ms. Ferrante. Well, I am just me. I try to be good at what I do.

Mr. Traficant. You have an amateur status, but you basically finish a horse for world-class competition; do you not?

Ms. Ferrante. I have been known to take troubled, bad horses and manner them and make them into champions. I always had to, because I didn't come from a family with money. My mother and father were just ordinary working people.

Mr. Traficant. Did you ever see me or ever have occasion to have me get on the phone and order somebody to come to the farm to work from my staff?

Ms. Ferrante. No. No.

Mr. Traficant. Was it a volunteer effort on the weekends?

Ms. Ferrante. Oh, always. Always. Because for one thing, Anthony loved Jim. He adored him, and he wanted to be there. Everybody loves Jim. I mean, everyone that would come around, Jim is funny, he is humorous, he has a lot on the ball, and he can go up and down and level with people, and they liked him, and they always volunteered to help. We had people come off the street and say, ma'am, do you need some help, I am here to help you. That is the kind of guy Jim has always been.

Mr. Traficant. No further questions at this time.

The Chairman. Mr. Lewis.

Mr. Lewis. Thank you, Mr. Chairman.

You stated you did see George Bucella work at the farm?

Ms. Ferrante. George came out and he would mow, yes.

Mr. Lewis. You said it was normally on weekends, but it was on weekdays sometimes?

Ms. Ferrante. Well, he would come out during the week, and sometimes he would fix the battery in the tractor, he would put the jumper cables on, things like that.

Mr. Lewis. Okay. And Rovnak did work on the farm on weekends as well?

Ms. Ferrante. I saw him follow him around. He was just always around, hanging around, but I never did see him work, never.

Mr. Lewis. While the Congressman was working?

Ms. Ferrante. Well, he was always busy working.

Mr. Lewis. All right. And Anthony Traficanti did work on the farm?

Ms. Ferrante. Anthony would come out and help. But Anthony had asthma real bad, and during hay season, he didn't even need to be out there. Several times I would take him up to the house and fix him something to eat. He couldn't breathe when it was hot, you know.

Mr. Lewis. Have you ever worked in the Congressman's congressional office?

Ms. Ferrante. No, sir.

Mr. Lewis. So you wouldn't know any details or understandings that Mr. O'Nesti and the Congressman had, that they made at work?

Ms. Ferrante. No. I did know that Jim owed Charlie money, because Chuck would get upset and he would come out and tell me.

Mr. Lewis. How well did you know Mr. O'Nesti?

Ms. Ferrante. I knew him well. He was a good guy.

Mr. Lewis. You know he has a conviction for perjury?

Ms. Ferrante. Yes, I do. I was really shocked at that.

Mr. Lewis. Can you describe your relationship with Congressman Traficant?

Ms. Ferrante. Yes. I have known Jim for going on -- it has been 18 years. It has been a very good friendship. I

loved him like a brother. I would argue and fight like thrashers and hate him at times, but I loved him mainly. He is a good guy.

Mr. Lewis. You have had an up-and-down relationship with him?

Ms. Ferrante. Oh, yeah. Well, to know him, you have to know that you would have, because he is that kind of guy.

Mr. Traficant. I resent that. I object. But I resemble that.

Mr. Lewis. At times you have been terribly upset with him?

Ms. Ferrante. Oh, sure.

Mr. Lewis. Did you testify you felt he mistreated the horses on the farm?

Ms. Ferrante. Well, what he would do, see, my ex-husband was a perfectionist, and I am sort of that way myself, and knowing horses, you know, to Jim they had to earn their shoes.

Mr. Lewis. Did you state that you were terribly upset with the Congressman because he mistreated horses?

Ms. Ferrante. Not mistreat them. When I say mistreat is like if a 2-year-old, I would want to have the blacksmith come and put shoes on him --

Mr. Lewis. Whatever he did with the horses, you were terribly upset with him?

Mr. Traficant. I object. I would like the woman to be

able to answer the question.

Mr. Lewis. I withdraw the question. Please answer.

Ms. Ferrante. When I say upset with him, like if we had a 2-year-old, and it was time to get him shod, you know, I wanted to put shoes on him, he would say, Sandy, they have to earn their shoes. He is not ready yet. Just keep him barefooted. That would set me back. I would say, I have to know where I am going with him. Things like this would just aggravate me to death, just to death.

Mr. Lewis. You said you were friends with the Congressman. Did you say at the trial that you were terribly close with the Congressman?

Ms. Ferrante. Oh, I am terribly close with him. I was. And when I heard there was a plot to have me murdered, I was devastated, because you know how you have five friends in your life? I felt he was one of my friends on that hand.

Mr. Lewis. You said it was like he was the right hand, and you were the left hand?

Ms. Ferrante. You could sort of say that, yes.

Mr. Lewis. You answered the Congressman's question, and you said that the government told you to go public with the murder plot.

Ms. Ferrante. I didn't say they told me to. I said indirectly they sort of felt. We had heard the Dan Ryan show, and I was talking to one of the agents there from the FBI, and

I said, well, you know, I says, I don't know what to do. I was scared. To be honest, I was scared. The first time in my life I was ever scared. And he said, well, he said, you know, if you talk and you bring it out, there is a less chance of you being afraid and getting whacked. He didn't use the word "whacked." I am using that.

Mr. Lewis. Do you recall being asked this question by Mr. Morford in Cleveland: Question: Isn't it true that you are the one that brought up the topic of the radio show in the first place?

Do you recall being asked that?

Ms. Ferrante. I don't recall him asking me that, but it is very likely that he did. I don't remember everything that he asked me.

Mr. Lewis. Do you recall making the following answer: I might have, yes. It is very well evident that I could have been the one. It was on the Dan Ryan show.

Ms. Ferrante. That is right. It could have been. But I know that they also went along -- the fellow that I talked to also went along with it.

Mr. Lewis. So you told the jury in Cleveland that it is very possible that you were the one that brought up the topic of going public first?

Ms. Ferrante. I am sure if I said that, I said that. I don't really remember, to be honest.

Mr. Lewis. Now, you stated that you heard that Clarence Broad was attempting to murder you?

Ms. Ferrante. Yes. That is what the audiotape said. I mean, I recognized his voice right away.

Mr. Lewis. And that somehow the Congressman was behind that?

Ms. Ferrante. Yes. That is what all indications pointed to. But I went to the Congressman and to his wife and apologized, because I just couldn't imagine after -- you know, this happening.

Mr. Lewis. And that was during the time of your grand jury testimony?

Ms. Ferrante. No, it was after. It was before I went to trial.

Mr. Lewis. Isn't it true that Mr. Broad was convicted of attempting to influence your grand jury testimony?

Ms. Ferrante. Pardon?

Mr. Lewis. Isn't it true that Clarence Broad was convicted of attempting to influence your grand jury testimony?

Ms. Ferrante. I don't know what he was influenced. All I know is they said there was a plan to kill me, have me murdered, and do you want her found or not found, and all this business. So I just know that they got me off of the farm and in protective custody for almost 8 weeks.

Mr. Lewis. Now, do you remember testifying in Cleveland about Congressman Traficant's truthfulness, whether he is a true man or not?

Ms. Ferrante. Yes.

Mr. Lewis. Do you remember testifying at trial that you didn't know if you could fully trust the Congressman anymore?

Ms. Ferrante. I didn't say that to them. I said, you know, I don't know about you. There could always be that shadow of a doubt. Did you or didn't you, is exactly what I said. And the reason I say that, because I signed -- I wanted a copy of the affidavit -- of the transcript and of the tape, and I wanted him to hear this, which we never got. I wanted him to see why I felt that he might -- that all indication pointed that he was behind this, and I just couldn't believe it.

When this first all happened, I said to the FBI, three agents that came to me, I said, if there is something here, I said, I just can't believe that he would do that, you know. And they said, well, they said, we want you to hear the tape, and you take it from there.

Well, they played it three times for me. And then they played it another time in their office, and they cleared it up a lot. And that was the fourth time. And I just, you know --

Mr. Lewis. Didn't you say to the jury, in my heart, I don't feel I know if I can trust you anymore, to the

Congressman?

Ms. Ferrante. I might have said that, because you know something, to this day, I mean, I personally know him, and I know for 17, 18 years that he would never be a murderer. But when your life is threatened --

Mr. Lewis. All right.

Ms. Ferrante. -- and you hear everything on the tape, oh, the man wants to be in Washington, the man this, the man that, and are directed to the man --

Mr. Lewis. I am going to ask you to look at a copy of your testimony at the trial from page 4648.

Ms. Ferrante. Okay.

Mr. Lewis. Just read to yourself lines 8 to 16. Read to yourself lines 8 to 16.

Mr. Traficant. What page is that?

Mr. Lewis. 4648 of the trial testimony.

Ms. Ferrante. Yes. That is pretty much what I just now said.

Mr. Traficant. What lines was it?

Mr. Lewis. Lines 8 to 16.

Mr. Lewis. Didn't you also tell the grand jury that you couldn't trust Congressman Traficant because there were many times he lied to you?

Ms. Ferrante. No. I said that he would tell me stories, and he did. He told me several stories, and a lot of them

were not true, but nothing that was major. They were little white lies. I will be out there, yeah, I will be out there to pick this up or do that, and he would never show up. To me that is a white lie. You know, you are either here or there.

Mr. Lewis. You did tell the grand jury that the Congressman lied to you many times, and you couldn't trust him?

Ms. Ferrante. I very well could have. I don't remember what I said. If I said that, fine.

Mr. Lewis. I will direct your attention to page 4668 of the transcript of the trial in Cleveland and ask you to look at lines 2 through 6.

Mr. Traficant. What page?

Mr. Lewis. 4668. I believe the first time was 4648. I misspoke. The first time was 4648. This is 4668.

The Witness. Yes. I am sure I said that.

Mr. Lewis. So you did say the Congressman lied to you many times?

Ms. Ferrante. He told me a lot of little white lies. I mean, they weren't major lies, and to your eyes they might not have been a lie; to my eyes they were.

Mr. Lewis. But you did say to the jury, I don't always trust Congressman Traficant because there are many times he lied?

Ms. Ferrante. It wasn't a thing of trust --

Mr. Lewis. You said that, yes or no?

Mr. Traficant. Objection, asked and answered.

The Chairman. No, she did not answer. Would you answer, please?

The Witness. If it is on paper, then I said it. I don't remember if I said that, but I know that, you know --

Mr. Lewis. You don't remember what I just asked you to read?

Ms. Ferrante. Yes, I do remember.

Mr. Lewis. And your answer was, yes, I did say that; yes, I did?

Ms. Ferrante. I said if I said it at the grand jury, I said it.

Mr. Lewis. You were under oath when you made that statement?

Ms. Ferrante. Yes. I don't lie.

Mr. Lewis. I have no further questions, Mr. Chairman.

The Chairman. Mr. Traficant?

Mr. Traficant. When you are mad, do you make statements you regret?

Ms. Ferrante. Oh, yes, several times.

Mr. Traficant. Were you upset when you testified to the grand jury thinking I was part of a murder scheme?

Ms. Ferrante. Yes. I really hated you.

Mr. Traficant. Did that murder scheme become national

news?

Ms. Ferrante. Yes.

Mr. Traficant. When you read in the paper there was no indictment about the murder, is that when you called my wife and me and apologized?

Ms. Ferrante. Yes.

Mr. Traficant. When you brought it out on public radio, it was suggested for your protection by an FBI agent that that might be a good thing to do?

Ms. Ferrante. Well, he didn't directly tell me to do it.

Mr. Traficant. Did he suggest it?

Ms. Ferrante. He said a lot of times that helps you and protects you from further being endangered.

Mr. Traficant. Why did you apologize to my wife?

Ms. Ferrante. Well, I apologized because they said that you and I had a relationship, a love relationship, and that we were an item, and I called and told her it wasn't true.

Mr. Traficant. Are you and I sex partners?

Ms. Ferrante. No.

Mr. Traficant. Why not? I am just kidding.

Are you and I very good friends, Sandy?

Ms. Ferrante. Yes. Yes.

Mr. Traficant. Do we have a mutual love?

Ms. Ferrante. Yes.

Mr. Traficant. What is that love?

Ms. Ferrante. It is a love of everything, of horses, of you and I are a lot of time on the save wavelength. We think a lot alike. He was always very compassionate and very warm and good to animals, and I am an animal lover. I don't know. We were just close.

Mr. Traficant. While you were there, did people come out to the farm looking for me, businessmen, all kind of people looking for help?

Ms. Ferrante. Yes.

Mr. Traficant. Did I ever turn anybody away?

Ms. Ferrante. Never.

Mr. Traficant. Did I get on the phone and call staff or somebody and address myself to their issues?

Ms. Ferrante. Yes, always.

Mr. Traficant. Did that include the Buccis or Bucheits or anybody?

Ms. Ferrante. Everybody. And I used to say, you know, sometimes I wonder about you. You are too good. You help everybody out. I know it is your job, but I don't know, I wouldn't trust that one, or say something like that.

Mr. Traficant. Did the FBI play tapes for you?

Ms. Ferrante. Just the tape that --

Mr. Traficant. Did you ask them for copies of the tapes?

Ms. Ferrante. Yes, I did.

Mr. Traficant. Did they ever give you copies of the

tape?

Ms. Ferrante. I never got a tape from them.

Mr. Traficant. Did you ask them to allow you to speak to Clarence Broad about this murder scheme?

Ms. Ferrante. Yes, I wanted to know. Here was a man who I brought into my home, who was indigent. Who had four children who I helped feed. I was good to this family, and I couldn't imagine why he would want to harm me in any way. I tried several times. I wanted to go to jail and ask him personally and look him in the eye and say, why? Why would you want to hurt me? And every time that I would find out where he was, he was moved.

Mr. Traficant. Who suggested that -- who did they suggest had him moved?

Ms. Ferrante. Oh, the FBI had him moved.

Mr. Traficant. Let me ask you this: Did you ask the prosecutor and did you go to the sentencing hearing and ask the prosecutor to give you an opportunity to question Mr. Broad?

Ms. Ferrante. Well, I wanted to. I wanted to ask him. I had the opportune time, and Mr. Morford came over. He said, I am directing you to tell you it is -- it is to your best advantage you don't ask any questions. Just let it go. And I am outspoken and I said, well, I would like to know -- he said, just let it go. So I let it go.

Mr. Traficant. Was Clarence Broad in jail at the time you made the public statement on the public radio at the suggestion of the FBI?

Ms. Ferrante. Yes.

Mr. Traficant. And they still suggested for your protection that you go public?

Ms. Ferrante. Yes.

Mr. Traficant. Did you mention who or did you ask them who you should be afraid of?

Ms. Ferrante. Well, not -- I just couldn't understand if he is in jail and you are out walking around. And from my understanding he was in jail at one time in my backyard, and they called and told me he was, and, you know, I said, well, what is going on here? That is when I started to think beyond the tape and beyond this man, if this man was behind this, why aren't they doing something to him? Why aren't they gathering him up and questioning him for attempted murder?

Mr. Traficant. Did that tarnish our friendship?

Ms. Ferrante. Well, sure. I wasn't going to like you if you were going to have me whacked.

Mr. Traficant. I mean, were you upset?

Ms. Ferrante. Yes, very.

Mr. Traficant. No further questions.

Ms. Ferrante. I was hurt. I was hurt down deep. Yes, very hurt.

The Chairman. It doesn't sound terribly unreasonable for you to be mad if someone is going to whack you.

Mr. Lewis, do you have any recross?

Mr. Lewis. No, Mr. Chairman.

The Chairman. Any questions from the committee under the 5-minute rule?

Yes, Mrs. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman.

Ms. Ferrante, could you tell me how long you lived on the farm?

Ms. Ferrante. Seventeen years.

Mrs. Biggert. When did you leave?

Ms. Ferrante. I left -- well, it took me a year to get out of there because I had a lot of stuff. It was last year.

Mrs. Biggert. You went back --

Ms. Ferrante. With my ex-husband. When all this happened and this murder, I mean, I was a world away. My dogs were separated, my horses were at his farm. My husband and I have horses. They were there. I was just like vacated away from everything. I went to stay with my ex-husband -- my ex-husband and I have always maintained a friendship.

Mrs. Biggert. That would be 2001?

Ms. Ferrante. Um-hum. I went there and I stayed with him just for a little bit, like 2 or 3 days, and then they took me to Kentucky, and I stayed there. When I came back, I

felt that it was to the best thing for me to leave the farm, and my ex-husband and I got a home in Hartfield, Ohio.

Mrs. Biggert. So you were there when you testified to O'Nesti being repaid a loan by Mr. Traficant?

Ms. Ferrante. Yes.

Mrs. Biggert. Do you know how much that was?

Ms. Ferrante. When I gave him the money, it was $1,000, when I gave it to Charlie. But Jim, I used to give money to Jim for the boards and for my rent money, and I saw him give Charlie money, and Charlie always said, this son of a gun, he is into my pocket again. He never had any money. He used to borrow money.

Mrs. Biggert. Did you ever know how much he owed? Did he make a monthly payment? Did you see this more than one month?

Ms. Ferrante. I used to take the money I saw him give to Mr. DiBlasio. He never said anything what it was for, Mr. DiBlasio, in my presence.

Mrs. Biggert. You don't know that it was a loan that was payable every month or that there was interest on the loan or anything?

Ms. Ferrante. That I don't know. I just know Charlie said, he owed me. He said, this guy owes me a lot of money. I said, start collecting from him. He did.

Mrs. Biggert. Did you ever know if there was a written

agreement?

Ms. Ferrante. No, no.

Mrs. Biggert. Was it ever paid by check?

Ms. Ferrante. That I don't know. That wasn't my business. I just know what I was familiar with and what I had seen.

Mrs. Biggert. About how many times did you use your board money or your rent money to pay O'Nesti?

Ms. Ferrante. I paid that time, the $1,000. Probably over 17 years, I paid maybe 15, 20 times. It might have been 100 there, 500 there, but, you know, it wasn't frequent, but I would take the money up to him and give it to him usually.

Mrs. Biggert. All right. What about DiBlasio? How many times did you turn over your cash you had for your rent?

Ms. Ferrante. I gave the money to him --

Mrs. Biggert. To him being --

Ms. Ferrante. To Mr. Traficant. I never gave it personally to Henry in my life.

Mrs. Biggert. How did you know he was going to pay that to Henry?

Ms. Ferrante. I would go over to Henry's office, or Henry would come over to Jim's office. On weekends a lot of times Jim would not make it to the farm if he was tied up speaking somewhere. He was always rushing, so I would take it up there.

Mrs. Biggert. You would take it to Henry and pay him?

Ms. Ferrante. No, I would take it to Jim's office. Jim would be there, because he was in the midst of getting going, coming or going.

Mrs. Biggert. I understand. Did you ever testify to the grand jury that -- did you ever tell them that Mr. Traficant said he wanted to get people to work on the farm for free because of his position?

Ms. Ferrante. Oh, never. No. People would drift in there, and they wouldn't have a home, they wouldn't have anyplace to live, and he would always put them -- they would come in there and they would stay, and they would help out for a while. They were like drifters, and off they would go again.

Mrs. Biggert. Did you testify to the grand jury concerning Mr. Traficant?

Ms. Ferrante. Yes, I did.

Mrs. Biggert. That was what Mr. Lewis talked about, about -- what was your testimony then?

Ms. Ferrante. It was pertaining to him, about mainly about they brought up the murder thing. They brought up about different people that was there, about Mr. Bucella, different things. I can't -- truthfully I can't remember because it has been quite a while ago, but it was in -- just in -- vague, a little bit of everything they brought.

Mrs. Biggert. Was there any other congressional staff that you used or you know that Mr. Traficant used the money from your rent or board to pay, congressional staff?

Ms. Ferrante. I just know what I saw, Chuck and Mr. DiBlasio.

Mrs. Biggert. You know about no other loans?

Ms. Ferrante. No, ma'am.

Mrs. Biggert. You mentioned about horses that were sold for cash, which totaled $7,000. Do you know what that went to pay, anything that that was used to pay?

Ms. Ferrante. I had the money at the farm, and, as I said, at first I kept it. I wanted to breed Lucy to Manhattan Supreme, and the stud fee was high.

Mrs. Biggert. What did he use the money for?

Mr. Frelinghuysen. He went ahead and said, no, he needed it to give to Henry, because he needed to pay Henry money. So I took it up to the office, and he gave it to Henry, in my presence, in Henry's office. Henry said thank you, and that was it. One time he gave Henry money, and Henry gave him back $500 and said, you know, it is too much.

Mrs. Biggert. Did you have a job outside of the horses on the farm?

Ms. Ferrante. No. I was disabled. I got hurt. I used to train and exercise racehorses when I was small, and I got thrown and fractured my lower back. And then I got well, and

then I went to work for ITT right before I met Jim, and I was going out to interview a student, and I had heels on, and my heel got caught in one of the driveways, and I refractured my back. That was pretty much it.

Mrs. Biggert. How did you have the money to pay the rent?

Ms. Ferrante. Well, my ex-husband helped me, and I was on -- I got SSI.

Mrs. Biggert. Thank you. No further questions.

Ms. Ferrante. You are welcome.

The Chairman. Mr. Pastor.

Mr. Pastor. Ms. Ferrante, good afternoon.

Ms. Ferrante. Hi.

Mr. Pastor. You were there, what, in 1984 you came on the farm?

Ms. Ferrante. Late '84. He was still the sheriff when I came out.

Mr. Pastor. He was still the sheriff.

Now, in '86 the Bucci brothers did work on the farm?

Ms. Ferrante. Yes.

Mr. Pastor. What work did they do, and did you see this work get done?

Ms. Ferrante. Yes, I did. He didn't want them to do it. He came out there -- see, Tony Bucci had Arabian horses, so the interest, that is how he came out there to start with, was

to look at one of Jim's saddle-breds that he thought would be a good fit. They came out with a new breed, national show horse, and Tony wanted to look at one of the horses that would be a good cross with his Egyptian Arabians. At the process he looked at the barn and was telling Jim what needed to be done. Jim said, no, I will handle this later on. He said, this foundation of this old bank barn is so weak, if he get too close, it will damage it.

Tony said, oh, he says, you don't need to do that. He said, I have got a crew of men. I will come out and do that for you. And Jim said, no, he says, it will just cause me a big problem. My father won't like this. He says we go -- him and his dad used to go round and round because his dad always wanted to have repairs, and Jim never wanted to carry through with that end of it.

Anyways, Tony, they came to some type of agreement. They went ahead, and Tony, they messed the barn up. The whole thing almost caved in.

Mr. Pastor. Do you know of an understanding that they would charge Congressman Traficant approximately $12,000 for this work?

Ms. Ferrante. The business dealing of it I did not know. I just know they were wanting -- they came to me and begged me to have Jim not sue them.

Mr. Pastor. After they did this work?

Ms. Ferrante. Oh, yes, because they messed it up. It almost caved in. It almost ruined the whole building.

Mr. Pastor. How was the relationship between Anthony and the Congressman and the brothers, maybe all the brothers?

Ms. Ferrante. Anthony who? I am sorry.

Mr. Pastor. Bucci.

Ms. Ferrante. Terrible. Terrible. Anthony, he was -- Tony is his name. Tony, that is how I know him. He was arrogant, and he thought, you know, he was a toughy, and Jim didn't like him at all. Jim liked Dan across the street. They were nickel slick, Tony and Bob both, the two brothers were. You could see they were shysters, and I told him right from the start, I says, Jim, I says, you know, I wouldn't trust them if I were you.

Mr. Pastor. After the work was done in late '86, and Congressman Traficant felt they didn't do a proper job, did you ever hear or have knowledge that Congressman Traficant wanted to sue them or thought about suing them?

Ms. Ferrante. Oh, yeah, he did want to. Chuck O'Nesti kind of used to -- he ruffled his tail feathers, and Chuck would try to smooth it over a little bit. But Jim was very adamant. He was so upset. Sure, it could have hurt all the horses. You know, you are only as strong as your weakest link in a chain, and that barn was in bad shape when they got finished with it.

Mr. Pastor. When you say that Chuck O'Nesti wanted to smooth the feathers, what do you think he was trying to do?

Ms. Ferrante. I don't know. I just know Jim would say, I want too sue them, by God, they ruined my barn, and his father was terribly upset, terribly upset.

Mr. Pastor. So everyone involved, at least the Traficants, were concerned about the work done on the barn?

Ms. Ferrante. Yes. His dad was really upset.

Mr. Pastor. They may have thought about suing?

Ms. Ferrante. Yes. If it ever happened, I don't know. They kept their business to themselves.

Mr. Pastor. In the summary of the evidence, there is a number of people that would come and remove sawdust, lay sawdust, lay gravel, take out gravel, take up weeds, and you mentioned that it was a sense of bartering, neighbors with neighbors. Can you describe that with some clarity?

Ms. Ferrante. Yes. With Dan Bucci across the street, Dan was a lovely guy. The whole family was across the street. He would come over, and as I said, he didn't know much about farming. Jim would go over there, he mowed the fields. He had a big Brush Hog. He helped make hay when Dan was ill, and in return every once in a while Dan would go get a load -- as a matter of fact, Dan used Jim's dump truck two or three times and went and got sawdust for us when he wasn't even there, that type of thing. He was just a good guy, you know. They

would go back and forth.

When I say barter, there was no money exchanged, but you know how you would help your neighbor out.

Mr. Pastor. So do you think the Buccis did some of these favors or helped with the sawdust or the oats or whatever it may be because their neighbor was Jim Traficant, the Congressman, or because their neighbor was Jim Traficant, their neighbor?

Ms. Ferrante. Dan done it because he liked him, and Jim liked Dan. Tony and Bob, they ruined the barn, and they were forever worried about getting sued. That is all I really can say, because I know they came several times and asked me, can't you smooth -- Jim is really upset with us.

Mr. Pastor. I am going to mispronounce his name probably, but Joseph Altiero?

Ms. Ferrante. Yes.

Mr. Pastor. Was he an employee of the Buccis?

Ms. Ferrante. Yes, he was. The Buccis were notorious for not paying people that worked for them, and he came out and he was almost crying, and I was there, and I can attest to this, he had tears in his eyes, and he said, Jim, he said, they owe me $1,000. He says, they won't pay me. They told me to go pound salt. And he said, can you kind of talk to them and ask them to pay me? He was going to get -- his girlfriend lived in Niles, and he said, I am not going to be homeless.

He said, I don't have a place to stay. As a matter of fact, he said, I am here, and I don't have a place to sleep tonight. He said, you can sleep here at the farm.

Mr. Pastor. Do you think Joseph Altiero was doing the work like repairing tractors, fixing fence posts?

Ms. Ferrante. Not at our farm he never did. No, he did not.

Mr. Pastor. Repaired and cleaned horse stalls?

Ms. Ferrante. No. He was afraid of the horses.

Mr. Pastor. Fixed the roof?

Ms. Ferrante. No. This man was around there. He one time, I think, mowed the grass to help me out when I would mow. Little things. That is what I said. They lied in Cleveland. There was several witnesses that lied that I know of.

Mr. Pastor. Do you think Mr. Altiero was doing this work in gratitude for being allowed to stay at the farm, or do you think he was doing this work because of the Bucci brothers required him to do it?

Ms. Ferrante. No. He did it because I asked him to give me a hand on the lawn and that kind of thing. No, he didn't like the Bucci brothers. He was upset. He had tears in his eyes. They owed him money, and he wasn't the first employee that came out there wanting Jim to see if he could get their money. They were notorious for not paying their help, and

they threatened him. They would tell him they are going to put him in a cement suit, and everybody in town knows this that knows the Bucci brothers.

Mr. Pastor. What about Tim Walsh? Did he work for the Bucci brothers?

Ms. Ferrante. I don't know him.

Mr. Pastor. Did Tim Walsh ever come out and work on your farm?

Ms. Ferrante. I don't know him.

Mr. Pastor. He dumped sawdust at the farm.

Ms. Ferrante. I don't know. I don't ever remember. The name isn't familiar. I don't know anything about him.

Mr. Pastor. What about a Bruce Pierce?

Ms. Ferrante. I never heard of him either.

Mr. Pastor. What about a Donald Burkey?

Ms. Ferrante. I never heard of him.

Mr. Pastor. Merrill Whippo?

Ms. Ferrante. No.

Mr. Pastor. James Ragazzine?

Ms. Ferrante. No.

Mr. Pastor. Thank you, Mr. Chairman.

The Chairman. Further questions?

Mr. LaTourette.

Mr. LaTourette. Good afternoon.

Are you related to the Ferrantes up in Lake County?

Ms. Ferrante. Yes. The winery? Yes. I am not directly, but my ex-husband is. They are cousins.

Mr. LaTourette. I apologize. I had to step out for a minute while Mr. Pastor was asking you questions, so if he asked you about this person, I apologize, and I will shut up and stop asking questions. Did he ask anything about Mr. Sugar, David Sugar?

Ms. Ferrante. No.

Mr. LaTourette. You know David Sugar?

Ms. Ferrante. I met him one time at a restaurant down in Washingtonville.

Mr. LaTourette. One of the allegations at the trial in Cleveland had to do with Mr. Traficant using his influence as a Congressman to help Mr. Sugar's son, and in return Mr. Sugar coming to the farm and performing some work.

Ms. Ferrante. I can honestly say I don't know anything connected with Dave Sugar other than meeting him the one time. I was gone a lot of that time. There was an elderly lady that I used to go over, a girlfriend of mine. Her mother was real ill, and I would sit over there. During that time Dave Sugar -- I couldn't really tell you if I would recognize Dave Sugar. I knew the one time I met him there, that was it.

Mr. LaTourette. I want to talk to you a little bit, because I guess I am not clear exactly, about this whole murder business. Are you saying that three FBI agents came

and said they had a tape indicating you were to be murdered?

Ms. Ferrante. Yes. I was in Louisville, Kentucky, for the world championships. I had a baby shower to go back to on Sunday at North Canton, Ohio. I went to the shower. My ex-husband lived in North Canton. I said, I think I will just stay tonight, I am really tired, because we had been on the road and the baby shower and all. I stayed that night. The next morning at 5 o'clock, I got up to go home. About 8 o'clock, my ex-husband called me and said, the FBI contacted me, and he says they want to talk to you. And I said, well, no problem. I says, you know, make the arrangements.

So they were to meet at 5 o'clock at Bob Evans over in Canton, Ohio. So my little niece, I had her at the time, and I went and picked up my dogs from the kennel, because we were gone, and we drove over. And I had called him on his cell phone, and he said halfway through, he said -- I said I had Jody with me, I didn't know if it was good to let her hear anything. We didn't know what it was really pertaining to. He said, well, it is canceled. He said there was something to do -- I didn't quite understand, a rape case or something that they were on, or a kidnapping, and it was canceled.

So we went ahead and ate dinner at Bob Evans, and he came back, and I said, well, I am going to rest a while, I says, and we will watch TV. Of course, my niece wanted to see her uncle. So about 7:30, a quarter to 8:00, we went out to get

in the car to go back to Greenford. A gentleman approached me, and he showed me his badge, he said, I am with the FBI. I said, hi. I said, we were to meet earlier. He said, well, we had complications.

Then there was a van down maybe from here to the picture. Two more gentleman came and showed me their badges and said, we would like to talk with you and Mr. Ferrante and I. There has been an attempted murder or attempted death threat on your life. I said, on mine? And they said, yes. And I said, well, I said, let me get my husband. I didn't know what this was about, so I said, we will meet at Wendy's up the street. I go get my husband. My little niece I put with the neighbor.

We went up and met with them at a Wendy's. They said, we have been look for you since Saturday, and I said, well, what is all this about? They said there has been a death threat on your life, and we have an audiotape that we want you to hear.

Mr. LaTourette. I think you said before they played it three times, and they took out some of the background noise and listened to it again?

Ms. Ferrante. Yes.

Mr. LaTourette. The question I have is you were in protective custody for 6 or 8 weeks?

Ms. Ferrante. It was a pretty long time. It was closer to 8 weeks.

Mr. LaTourette. The reason explained to you was they

needed to put you -- you needed to be put in protective custody so you didn't get whacked, as you indicated?

Ms. Ferrante. Yes.

Mr. LaTourette. During the time you were in protective custody, were you under the impression that Congressman Traficant was part and parcel of this plot?

Ms. Ferrante. Well, from hearing the tape, I was. I called his house. I couldn't contain myself. He got on the phone. I told him, I read him off, I said, why would you want to ever harm me? I have always been there for you. And he said, please, don't insult my intelligence. You know I would never hurt you any way, shape or form.

Mr. LaTourette. During the time you were in protective custody, were you in physical presence of Federal officials, Federal officers guarding you?

Ms. Ferrante. No, I wasn't. I went to a girlfriend, Dr. Scanlan's wife, Kay Scanlan. I stayed in Louisville with her.

Mr. LaTourette. During the time you were in protective custody, were you questioned by FBI or Federal officials?

Ms. Ferrante. We talked on the phone.

Mr. LaTourette. Relative to the conduct that Congressman Traficant was now charged, or was it only about this tape recording?

Ms. Ferrante. They never mentioned his name to me.

Mr. LaTourette. Did they ever ask you any questions relative to the crimes that he eventually became charged with?

Ms. Ferrante. No. No.

Mr. LaTourette. Thank you very much.

The Chairman. Mr. Hulshof.

Mr. Hulshof. Thank you, Mr. Chairman.

Ms. Ferrante, just a couple of follow-ups. The government officials you dealt with never encouraged you or said anything about Mr. Traficant, your friend, or they were -- the government was out to get him?

Ms. Ferrante. No. I got to, in all honesty, say the only one I didn't care for and didn't treat me right was Mr. Morford. The rest were wonderful.

Mr. Hulshof. Let me follow up briefly. I think I understand what you were talking about as far as the trial in Cleveland, but I am not sure the record is quite complete at this point. You indicated, I think, on a couple of occasions that they lied in Cleveland, and that is referencing the trial that occurred in Cleveland; is that true?

Ms. Ferrante. That they lied?

Mr. Hulshof. I am not talking about the government. I put quotes around what you said. They lied. Witnesses lied.

Ms. Ferrante. Yes. Witnesses lied through their teeth.

Mr. Hulshof. What I want to get from you is did you attend all of the trial, or is this you are at home, obviously

interested in Mr. Traficant's case, you watched the nightly news, you hear the report from what happened in the court that day, and then you put two and two together and say they are obviously not telling the truth?

Ms. Ferrante. It was on the news. I was only there during my time. But they would show, and you would hear it, and you would listen to it. And I was -- just couldn't believe the lies that were being said.

Mr. Hulshof. So this was actually gavel-to-gavel coverage as we hear?

Ms. Ferrante. Oh, yes, big time. Yes.

Mr. Hulshof. Was that primarily the Bucci brothers or those associated with Anthony and Robert Bucci?

Ms. Ferrante. It was lots of people that lied. They lied that Joe Altiero lied. Butch Bucella lied terrible.

Mr. Hulshof. Let me ask you about some names and try to piece this together, because from Mr. Pastor then also my friend Mr. LaTourette, Mr. LaTourette asked about David Sugar. So anything regarding Mr. Sugar or billing invoices that were prepared by his company, you wouldn't know anything about the truthfulness of that testimony?

Ms. Ferrante. Absolutely nothing, no.

Mr. Hulshof. J.J. Cafaro or anything related to a boat that Mr. Traficant had here in this area, you know nothing. I see you shaking your head no. You know nothing about the

truthfulness of those?

Ms. Ferrante. No, I don't.

Mr. Hulshof. And I would assume that Allen Sinclair, who was -- Allen Sinclair, who was an employee of Mr. Traficant, that may have been during the time that you were attending to your friend. Do you know Allen Sinclair at all?

Ms. Ferrante. No, I don't. I know of his name, and I know that he is an attorney, and I know he was at Overhill, but I don't personally know him.

Mr. Hulshof. So anything relating to what Mr. Sinclair had to testify about, again, you are not commenting on the veracity of this information?

Ms. Ferrante. No, sir.

Mr. Hulshof. As I understand it, the proceedings in that criminal case, it was a Federal case or a State case, or you don't know?

Ms. Ferrante. I don't know.

Mr. Hulshof. If I told you that it was a Federal matter, a criminal case, of course, but a Federal matter, would that refresh your recollection at all?

Ms. Ferrante. No, sir.

Mr. Hulshof. As far as whether or not that Federal matter was televised or not, was it on for a couple of weeks? Again, I am trying to --

Ms. Ferrante. It was on every day that he was on trial.

It was big news. I mean, it was the only news. We got sick of it. Everybody was sick of it. It was just day in and day out, day in and day out.

Mr. Hulshof. I have an editorial comment to your answer that I will probably keep to myself. Thanks. Nothing further.

The Chairman. Mr. Green.

Mr. Green. Thank you, Mr. Chairman.

I want to follow up with my colleague from Missouri. Mr. Sinclair; did you ever see Congressman Traficant repay him any funds at the farm?

Ms. Ferrante. I can honestly say if Mr. Sinclair walked in here, I would not know.

Mr. Green. You said there was some barn damage that the Bucci family did. Can you tell us why they were there and what the damage was to this farm?

Ms. Ferrante. They took jackhammers and went too close to the old wall of the foundation. You know how old bank barns are made with the big stone. Jim told them, no, you are going to get too close, your men won't understand.

Mr. Green. Why were they there?

Ms. Ferrante. They came to look at a horse. Tony was in the Arabian business. He wanted to look at one of Jim's saddle-breds, because this new breed came out, national show horses, and they were getting $5,000 to $10,000 stud fees, and

he wanted to register and buy a horse off of Jim to make a national show horse, and we had one that just was absolutely gorgeous that had an Arabian dish-type face and tulip ears.

RPTS STUART

DCMN ROSEN

Mr. Green. Let me get back to barn instead of the horses. I am from Texas, but I only ride them once in a while. Why were they there? They were repairing the barn?

Ms. Ferrante. Tony was nosing around. He said I think that needs fixed. Jim said, I am aware of it. He said, you know, my dad wants it fixed. But he said I will do it in due time. And then Tony just -- some way or another just insisted that he bring his men out there and do it. He messed it up.

Mr. Green. You know the counts both in Cleveland and what we have here is that Congressman Traficant did work for the Buccis, whether it was the Ohio Department of Transportation or different agencies, and even made him get in a closer prison to eastern Ohio. And you know, the question is not that they did the work, but they did it in response to his work as a Member of Congress. Do you understand that? That they were trying to repay him for work that he was doing as a member of Congress?

Ms. Ferrante. No, I didn't take it that way.

Mr. Green. If you watch that trial, that is probably what -- there is no law against helping neighbors.

Ms. Ferrante. There was a lot of lies in that trial, let me tell you, Mr. Green. I mean, a lot of people lied through their teeth under oath. And believe me they did.

Mr. Green. Well, one of the allegations in one of the counts was that Congressman Traficant intervened with Federal authorities and State authorities to help the Buccis in their business. Do you have any knowledge of that at all?

Ms. Ferrante. No, I don't. I just know that the Bucci family came to Jim, Tony Bucci's wife and two -- there was four daughters, I think, came out crying and said that their -- her husband, Tony was in jail. He was going to have a nervous breakdown. He talked about committing suicide. And that they would like to have him moved closer so they could visit and keep him from being so radical about all of those different things. That is what I know about.

Mr. Green. Okay. Let me go down a list, I guess, of information here that the Buccis -- do you know anything about the $12,000 loan or debt that was forgiven? That the Bucci brothers forgave an original $12,000 debt.

Ms. Ferrante. They billed him for that, to fix that barn that they damaged. And he didn't pay it.

Mr. Green. Okay. The Buccis directed employees to deliver 30 loads of sawdust and haul it away?

Ms. Ferrante. BS.

Mr. Green. Debris and garbage.

Ms. Ferrante. That is all BS.

Mr. Green. You never saw them bring that sawdust in?

Ms. Ferrante. I saw -- Dan Bucci brought a couple of

loads from across the street and a couple -- he went and got maybe four or five loads with our own dump truck for Jim when Jim was here in Washington when I was out and desperate. But as far as those other men, no, I didn't sea them do it.

Mr. Green. They never hauled away stumps and garbage from the farm?

Ms. Ferrante. No. And they said they blacktopped the driveway. I wish you could see it. Now this farm sounds like it is the Taj Majal. I mean, it looks like Sanford and Son. You have to see all of the work, you know. I am sorry, Jim, but I am being honest.

Mr. Green. Did they also -- did -- the information was they improved the drainage around the foundation of the barn. Was that as a result of trying to repair the barn that they damaged?

Ms. Ferrante. I don't know if they repaired it. I know our stalls flooded terrible. So I can't believe that they repaired that. Because, I had a problem. As a matter of fact, we had to go and get -- I came up with calling the fire department to come pump water out.

Mr. Green. What about the 2 to $3,000 lawn mower that was given to Congressman Traficant?

Ms. Ferrante. That is the joke of the century. That ended up with Bucella. That was a piece of junk. Now you wouldn't have given $50 for it. When I heard that over the

thing for 3,000, I thought I would die.

Mr. Green. What about 300 tons of slag to the farm? Slag was used in outdoor riding arena. 300 tons. Was that ever delivered to the farm?

Ms. Ferrante. No, the arena is grass. There isn't even slag in it. It is grass.

Mr. Green. Thank you, Mr. Chairman.

The Chairman. Ms. Tubbs Jones.

Mrs. Tubbs Jones. Thank you, Mr. Chairman. Give me some order. Help me understand the order to things, ma'am.

Mr. Traficant, you knew that he was under investigation. And then law enforcement came to you and said that there was a death threat against you.

Ms. Ferrante. Yes, ma'am.

Mrs. Tubbs Jones. Where were you when they came to you?

Ms. Ferrante. I was in Canton, Ohio.

Mrs. Tubbs Jones. And who came to you?

Ms. Ferrante. Three FBI agents.

Mrs. Tubbs Jones. What did they say to you?

Ms. Ferrante. They came to me. They showed me their badges. They said there has been a death threat on your life. We are glad that we finally found you. We have been looking for you since Saturday.

Mrs. Tubbs Jones. What happened then?

Ms. Ferrante. Then they wanted to talk to my ex-husband

and me. So I went in and told him. And I said we would meet them up at Wendy's because I didn't want to take them in his house. I didn't think it was right because I didn't know what it was about to be honest.

Mrs. Tubbs Jones. What day was that?

Ms. Ferrante. It was on a Sunday.

Mrs. Tubbs Jones. What year?

Ms. Ferrante. Two years ago.

Mrs. Tubbs Jones. So that would be 2000. What time of year?

Ms. Ferrante. Well, let's see. The Worlds Championship Show is around September, last of August, September.

Mrs. Tubbs Jones. So a couple of years ago?

Ms. Ferrante. Yes.

Mrs. Tubbs Jones. So after whatever they said to you in conversation, they then took you somewhere?

Ms. Ferrante. Well then after that, they wanted to right away take me away. And I said oh, my dogs. I said, I got to go get my dogs. They are at -- I dropped them off at the farm after I picked them up from the kennel. Of course, I have my niece here. I said I have got to go and get my dogs.

Mrs. Tubbs Jones. Regardless of all of that, this is 2000, September. At that point you were worried about Jim Traficant. What happened between that date and today to cause you to no longer fear Jim Traficant?

Ms. Ferrante. Because after I put two and two together, I could see that I was being used.

Mrs. Tubbs Jones. Now, when you say you put two and two together, what was two plus two?

Ms. Ferrante. The two plus two was, that here is a man that was out walking the streets. The man that was going to whack me was in jail. Now, all of a sudden they forgot all about me, they never contacted me.

Mrs. Tubbs Jones. So they never took you into protective custody?

Ms. Ferrante. Oh, they did at first, yes.

Mrs. Tubbs Jones. For how long?

Ms. Ferrante. For close to 8 weeks.

Mrs. Tubbs Jones. And where were you?

Ms. Ferrante. I was in Louisville, Kentucky.

Mrs. Tubbs Jones. When you were released, where were you released?

Ms. Ferrante. I was released on my own. Just wherever I wanted to be.

Mrs. Tubbs Jones. At what point did you listen to this tape.

Ms. Ferrante. I listened it to twice at Wendy's. I listened to it twice at the FBI office.

Mrs. Tubbs Jones. Whose voice did you hear on the tape?

Ms. Ferrante. I heard Thad, Clarence Broad, the one who

was going to have me whacked, and then another man.

Mrs. Tubbs Jones. And the other man, you didn't recognize who that other man is?

Ms. Ferrante. Well, I thought I did. I said that sounds like a Dan or Donny, rather, a Don. And they looked at me like this. And I said, gee, that sounds like a fellow that I know.

Mrs. Tubbs Jones. Mr. Traficant's voice wasn't on the tape?

Ms. Ferrante. No.

Mrs. Tubbs Jones. But the conversation between these two guys alleged something on behalf of Mr. Traficant?

Ms. Ferrante. Yes.

Mrs. Tubbs Jones. Let me ask you this. You used the term "little white lies" and "major lies."

Ms. Ferrante. Yes.

Mrs. Tubbs Jones. The testimony that you heard in the trial, how would you caption them?

Ms. Ferrante. Well, what I meant by that, he would say that he was going to come out there.

Mrs. Tubbs Jones. Listen to my question. The question is, the testimony -- you said earlier that all of the -- there were lots of lies in the trial, they were a bunch of BS.

Ms. Ferrante. Yes. I said that.

Mrs. Tubbs Jones. Can you grade the lie -- the depth of

the lies as you see them?

Ms. Ferrante. Yeah, I can. Tony Bucci lied through his teeth about everything, that Altiero lied, Butch Bucci lied. Let me think who else was there that lied. Oh, that Rich fellow lied saying that he was out there all of that time. That was just all lies. He wasn't there.

Mrs. Tubbs Jones. So at some point in time, ma'am, in the trial when you testified, or when you testified before the grand jury, you were of one opinion of Mr. Traficant, and subsequently you changed your opinion; is that a fair statement?

Ms. Ferrante. Yes, ma'am.

Mrs. Tubbs Jones. And you say you treat him just like a brother or you consider him like a brother?

Ms. Ferrante. Yes.

Mrs. Tubbs Jones. Often in trials when people consider themselves family members or are family members, the prosecutor always asks them, would you lie for your relative?

Ms. Ferrante. I wouldn't lie for anybody.

Mrs. Tubbs Jones. So all of this --

Ms. Ferrante. I am telling the truth. Just the way it is. What I know and what I have witnessed.

Mrs. Tubbs Jones. But you can't speak to the truth or veracity of any of these other people, Sinclair or -- I am losing names at this moment, Cafaro.

Ms. Ferrante. Cafaro.

Mrs. Tubbs Jones. Saadey, Sugar, these other people. You don't have any knowledge of them?

Ms. Ferrante. No.

Mrs. Tubbs Jones. Last question. How did you know when you saw money being exchanged at the farm, that this was in payment of a loan?

Ms. Ferrante. Well, the thousand dollars I gave Chuck O'Nesti. He told me he wanted that thousand dollars. He said there --

Mrs. Tubbs Jones. What about the other money that you saw him give back?

Ms. Ferrante. The money to Henry DiBlasio? Henry never said anything. He sat there. I was right there at his round desk. I gave Jim the money prior before we went in there. He sat down, handed it to Henry. As I said, one time he gave -- Henry gave him back $500.

Mrs. Tubbs Jones. I would like to ask this one last question.

Ms. Ferrante. Sure.

Mrs. Tubbs Jones. You testified in the trial. Were you prohibited form testifying to anything -- strike that.

Were you -- have you been able to testify here to anything that you were prohibited -- everything that you were prohibited from testifying to in the trial?

Ms. Ferrante. No, I just answered the questions whoever asked them to me.

Mrs. Tubbs Jones. Let me ask my question again. During the trial, you were prohibited from answering some questions; is that a fair statement?

Ms. Ferrante. Not --

Mrs. Tubbs Jones. The judge never said, sustain, you can't answer?

Ms. Ferrante. No.

Mrs. Tubbs Jones. So everything you wanted to say at the trial you said, and everything you said here you said?

Ms. Ferrante. Yes.

Mrs. Tubbs Jones. No further questions.

The Chairman. Ms. Ferrante, help me understand your role there at the farm. I am a little confused. You were hurt when you were younger training race horses or exercising racing horses?

Ms. Ferrante. Right. I hurt my back.

The Chairman. You broke your back and you are on disability as a result of that?

Ms. Ferrante. Yes. I was sort of overseer. I will tell you what I was. When I met him, I was an overseer. I knew horses. He was gone all of the time. And his wife asked me -- Tish and I are good friends -- said would you kind of oversee things out there. I didn't want to move to the farm.

I had a nice apartment and I was happy. And I -- his farm was -- had floors that went like this. And I didn't want my furniture all warped. I said you better fix those floors if you want me to come out there, which they did. I moved in there.

Well, I was just sort of like an overseer. And I would help him with the horses. I couldn't ride. He even made me -- I have gained like 150 pounds. And he made me a ramp to get up on. The few times I showed his one horse and won three world champions with, I was in a lot of pain. I went ahead and did it because I love it. It was -- you know, I wanted to be back in the limelight again, to be honest with you.

And he had the horse to put me there. So, you know, I suffered and I went through the pain to do it.

But as far as training there, I didn't train. I just -- we bred horses and he raised them and he would sell horses. And with his tax problem, he would sell hay and he would sell horses to help him out through the -- you know through the rough times to keep things going there.

The Chairman. So you -- somebody else actually rode the horses and you supervised them ordinarily?

Ms. Ferrante. Well, this one horse mainly. You work them like long-line them in a harness. And you can stand there. They go in a circle. So isn't a labor thing. Riding was very hard for me. Because one thing I was heavy. I was

out of shape and my back was bad. I used to have to wear a back brace and all. I mean, I suffered. I shouldn't have done it. I probably did more harm than I did good. But I loved it.

The Chairman. Well, you were -- when did you get a divorce?

Ms. Ferrante. I got a divorce in 1987. I left my husband in the latter part of 1984.

The Chairman. Did your husband, did he ever live with you at the farm?

Ms. Ferrante. He came every weekend and he would stay. We maintained -- we were in love but we couldn't live together. He is 20 years older than I am. And he is an Italian. And we used to -- you know, I had to be in by 6 o'clock and wasn't allowed to go to the shopping center and things like this.

So, I mean, he was kind of a tough nut. And I finally got fed up with it and I left.

The Chairman. So you were at the farm most of the time for several years; is that correct?

Ms. Ferrante. Yes. And he came all of the time. He had -- the horses was there, and he would come and spend the weekends. And as -- I am taking care of him now. Through all of this thing with me and the murder plot, he has had two strokes, he is flaccid on his left side. I take care of him.

As a matter of fact I -- yesterday, he had a bad incident, or I would have been here yesterday. And I want to apologize to you. I feel real bad that I couldn't have made it yesterday on time, or be -- we drove in late last night. But I was able to get someone to take care of him and to watch him.

The Chairman. Well, thank you. It has worked out fine. We appreciate you being here today.

Ms. Ferrante. Thank you.

The Chairman. Did they ever tell you why anyone wanted to murder you?

Ms. Ferrante. No. That is the reason -- I wanted to ask this Clarence Broad. I wanted answers. I couldn't understand why, when I was so good to him all of the time, you know. I left -- now, here is a good example. I left to go to Louisville, Kentucky on a Friday. He helped me load my car because the suitcases were heavy. I took him to lunch that Friday down at the local restaurant for helping me, and told him to please look over and watch everything.

And then when I get back, I hear this tape that he is going to try to have me murdered. It just knocked -- there was nothing that was jiving here. So I wanted to talk to him.

I didn't know if the FBI had put him up to this. He was on the take. I mean $50 to him was like 500 to someone else or 5,000. I thought, huh, I wonder if they put him on the

payroll and maybe, you know, they are paying him so much money he would do anything for a dollar. He had a drug problem. He was just kind of a low-life type of guy.

But he was a nice guy. He was likable. You know, you had to like him. And I just -- you know, I couldn't believe that he would do that. So I tried to locate him. And every time I did, he had moved. From one jail they moved him three or four or five times. I could never find him. I would say to the FBI, I want to go see him. Well, we don't know where --

The Chairman. The answer is no, they never told you?

Ms. Ferrante. Never told me.

The Chairman. You said you watched the proceedings on television. Is what you mean to say you watched the reports on television? Because, I don't believe it was filmed gavel to gavel because it is a U.S. District Court.

Ms. Ferrante. No, like --

The Chairman. You read the newspapers and watched the television news coverage of it, the interpretation of the news coverage?

Ms. Ferrante. Listened to all the talk shows. They would play back things that were said and things like that. Then I would read the paper and the statements from the witnesses. And I just -- you know, and when I heard -- and I will tell you, I was really sick at my stomach when I heard

that Tony Bucci got 6 weeks down in Florida with house arrest with a bracelet around his ankle.

And he had -- you know, here is a man -- Susan Bucci was a good friend of mine that lived across the street. We became close. When Dan had liver cancer, and he had sugar real bad. And he had his leg amputated. They took Dan, Tony and Bob right prior they had sold this business, this black-topping business, took him to the bank and took over $400,000 out of the account and kept it. And Susannne Bucci's family is so hard up now that they are really hurting. And that is what kind of people that this Bob and Tony were.

The Chairman. You testified that they didn't do any black-topping on the driveway. Did they do some black-topping or no black-topping?

Ms. Ferrante. They black-topped 165, the road, and you know how the little bit of area, how they come in on your driveway. Well, then across the street, Dan Bucci had -- I think it was over a mile-long driveway. And they had black-topped all of that. Well, they have to get rid of it the same day because they can't use it again. So Dan told him to bring the excess from Tony, or from Dan's farm over. They did it from like about from here, I would say, to the end of this last seat here. A little area. Not very long. Just whatever was left over in the truck. That was it.

The Chairman. Have you personally had any difficulty

with the police?

Ms. Ferrante. Yes. I was picked up for shoplifting. I am not proud of it. I have paid my dues. I have never done it again. And I am ashamed of it. But the good Lord knows that I have been healed. And I am proud to say it and I am not ashamed of it now. Because I -- I am not proud of it, as I said. But I my husband was good to me. And when I left I didn't have -- I left with nothing. And I had a cousin that was doing it. And I was seeing what she was getting. And I thought, gee, you know.

The Chairman. Give it a try. Did you get convicted on that?

Ms. Ferrante. Yes, I did.

The Chairman. I don't believe I have any further questions. Any other questions? Mr. LaTourette.

Mr. LaTourette. Thank you. I just have one question. During the time that the FBI was discussing with you this Clarence Broad murder plot, did they ever discuss with you why the Federal Bureau of Investigation was concerned with a murder plot, alleged murder plot of an Ohio woman that had nothing to do with Federal crimes, interstate flight, interstate commerce?

Ms. Ferrante. No, they never said anything.

Mr. LaTourette. Were you ever in contact with any local police authorities, anybody from Mahoning County?

Ms. Ferrante. Mahoning County. No.

Mr. LaTourette. Sheriff's department, police department?

Ms. Ferrante. No. They just came in. This all happened in just a couple of days and off I was gone.

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

The Chairman. Ms. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman. You were talking about being the overseer for the farm.

Ms. Ferrante. Yes.

Mrs. Biggert. Was there money made on the farm for selling horses or breeding horses, stud fees?

Ms. Ferrante. No. It was in the red all of the time. It was in the red. He -- it was -- it was a thing, I had a couple of horses sold for a decent price but he wanted to keep them. So the ones that he could have made some decent amount on, he never sold them because he loves -- he loves the breed and he -- his idea in life was to breed a world's five gaited grand champion. That is the best you can get at Louisville. That is what he wanted.

That is -- and we had -- I always was known to show in parade horses and fine harness, the ones you drive in the buggy. So that is what I was capable of. But I was incapable of training a five gaited.

Mrs. Biggert. Thank you, Mr. Chairman.

The Chairman. All right. Mr. Traficant. Mr. Lewis.

Mr. Traficant. Yes. When the FBI contacted you in Canton, was Clarence Broad already in jail?

Ms. Ferrante. Yes. Yes, he was.

Mr. Traficant. Did they drop from you protective custody after you testified at the grand jury?

Ms. Ferrante. Yes, they did.

Mr. Traficant. Did you testify truthfully before the grand jury?

Ms. Ferrante. Yes.

Mr. Traficant. Did you have immunity?

Ms. Ferrante. No.

Mr. Traficant. Did they demean you when they weren't satisfied with your testimony and brought up that shoplifting?

Ms. Ferrante. Mr. Morford did. I cried. I was so hurt. I said what relevance does that have to do with this? And I just -- as I said, there was two or three agents that were really nice. And they put their arms around. I was crying. I was embarrassed. They put their arms around me, told me that he didn't -- you know, not to feel bad that he didn't mean to say that.

Mr. Traficant. Was the prosecutor trying to put words in your mouth at the grand jury?

Ms. Ferrante. Yes.

Mr. Traficant. Did Tony Bucci own me?

Ms. Ferrante. Nobody owns Jim Traficant.

Mr. Traficant. Did you go to jail for shoplifting in Canton?

Ms. Ferrante. Yes, I did.

Mr. Traficant. How many days did you spend?

Ms. Ferrante. I spent a day.

Mr. Traficant. Who got you out?

Ms. Ferrante. You did.

Mr. Traficant. When were you picked up? What time of the day?

Ms. Ferrante. It was in the afternoon. I want to forget this.

Mr. Traficant. Who picked you up?

Ms. Ferrante. Well, the police.

Mr. Traficant. Who picked you up from the jail to bring you home?

Ms. Ferrante. You did.

Mr. Traficant. What time of the day was it?

Ms. Ferrante. It was in the morning.

Mr. Traficant. Did we stop anywhere?

Ms. Ferrante. Yes. We stopped and had breakfast.

Mr. Traficant. Did you do any shoplifting since then?

Ms. Ferrante. No. No. No.

Mr. Traficant. Could I have gotten you out of jail without spending the night?

Ms. Ferrante. Probably. But you wanted to teach me a

lesson.

Mr. Traficant. Did Susan Bucci tell you that Tony Bucci burned down his own barn to collect the insurance?

Ms. Ferrante. Yes.

Mr. Traficant. Did I ever sell Tony Bucci a horse?

Ms. Ferrante. No. No, you didn't. Not to my knowledge now.

Mr. Traficant. Did the FBI imply that I had something to do with that murder scheme or lead you to believe that I was somehow involved with that murder scheme?

Ms. Ferrante. I would say they did. Because, they never mentioned -- they wouldn't come directly and say it. But they would say, listen to the tapes. Listen to the tapes, they would tell me. And you take it from there they said.

Mr. Traficant. Well, did the tapes sort of implicate that the guy in Washington wanted to have you killed?

Ms. Ferrante. Yes.

Mr. Traficant. Did Dan Bucci arrange for people to bring sawdust to the farm?

Ms. Ferrante. No, sir.

Mr. Traficant. If he did, would you have known who they were?

Ms. Ferrante. Oh, I am sure I would have. But, as I said he delivered it. Mostly he would bring it over for me when I would ask. I would be out of sawdust. There is

something that you need to have if you have stalls and they are wet. I would run out. I never wanted to run out. But we managed to. And Don would go and get sawdust for me to make sure that we had it.

Mr. Traficant. Did the government ever offer you immunity?

Ms. Ferrante. No.

Mr. Traficant. Did you call Dan at times and tell him that you needed sawdust?

Ms. Ferrante. Yeah.

Mr. Traficant. Did you call George Bucella and tell him you needed sawdust?

Ms. Ferrante. I did.

Mr. Traficant. You did you call Bucella?

Ms. Ferrante. Because the dump truck that we had the brakes were bad. I was afraid to drive it. I didn't -- it was hard for me to even get up into it. And Butch was an excellent driver. He could drive anything. He was a stock car driver. And Butch had come out on a couple of occasions.

Mr. Traficant. My time is limited. Were you upset when you testified before the grand jury? Were you upset with me when you testified before the grand jury?

Ms. Ferrante. Well, naturally.

Mr. Traficant. Did you have reason to do a number on me before the grand jury?

Ms. Ferrante. I did a big one. He had Clarence Broad at the farm. And, I -- this man at the time was -- I let him go, because he wasn't taking good care of the horses. They were my first concern was the horses. That is all I cared about. And they were making hay, Jim was. And he had nobody to help him. And he was up riding -- mowing. And there was a couple that lived upstairs. And they were offered to help him, but they didn't know how. And this guy was kind of arrogant. And Jim and him didn't get along too well.

Well, some way or another Clarence Broad came back into the picture. He came from nowhere to me. He came onto the farm. I said get off. Get out of here. I said, I don't want you here.

Mr. Traficant. Did I have anything else to help me make the hay?

Ms. Ferrante. No.

Mr. Traficant. Did your husband help train those horses, that horse that you showed, the world champion, because of your condition?

Ms. Ferrante. Yes.

Mr. Traficant. No further questions.

The Chairman. Mr. Lewis.

Mr. Lewis. You stated that Mr. Morford, you were upset with Mr. Morford?

Ms. Ferrante. Very.

Mr. Lewis. Because he asked you the shoplifting questions?

Ms. Ferrante. I was upset with him because he was hairy from the get-go. If I didn't answer him in the questions that he wanted me, and the way that he wanted to hear them. And when he would ask me questions about things pertaining to people that came to the farm, and if I knew it, I knew it, if I didn't, I didn't say it. It takes me longer to explain something than it maybe does the ordinary person. And he was really arrogant.

Mr. Lewis. Didn't you say under oath at the trial in Cleveland that you liked Mr. Morford, that he treated you decently?

Ms. Ferrante. No, I never said that.

Mr. Lewis. That you only became upset with him when he brought up the shoplifting charges?

Ms. Ferrante. No. I never said that I liked him.

Mr. Lewis. That he treated you decently?

Ms. Ferrante. Did he?

Mr. Lewis. Other than the shoplifting?

Ms. Ferrante. I thought that he was arrogant and egotistical. I did not like him.

Mr. Lewis. How many shoplifting convictions did you have?

Ms. Ferrante. I had several. Three.

Mr. Lewis. Did you say five at trial?

Ms. Ferrante. No, I did not.

Mr. Lewis. Did you say four at trial? Maybe four or five?

Ms. Ferrante. I may have said three or four.

Mr. Lewis. You might have said five?

Ms. Ferrante. I never said five. I didn't have five, I don't think.

Mr. Lewis. Could you have said four or five at trial?

Ms. Ferrante. I don't remember. But I said, he had it in front of him. He would know better than I did. I had a problem. And I am the first to admit it. I am ashamed of it, but I have been healed. And the good Lord has healed me. I have nothing to hide about it. You can say whatever you want about it.

Mr. Lewis. And Congressman Traficant helped you out with your other shoplifting arrests, not just the time you just mentioned about jail?

Ms. Ferrante. No. Chuck O'Nesti helped me.

Mr. Lewis. Who worked for the Congressman?

Ms. Ferrante. Yes.

Mr. Lewis. You were upset with the Congressman at the grand jury, correct? When you testified at the grand jury?

Ms. Ferrante. Well, yeah. He was going to kill me, try to have me killed. That was the indication. Naturally I was

upset with him.

Mr. Lewis. But you weren't upset with him when you testified at the trial in Cleveland?

Ms. Ferrante. No, I wasn't. Because I put two and two together and it came out four.

Mr. Lewis. You still said in Cleveland that you didn't trust him?

Ms. Ferrante. I said that -- he asked me -- he directly asked me when he was questioning me. He said do you trust me now? And I looked at him and I -- I said, well, I will always have that little shadow of a doubt. Did you or didn't you play a part in that? Because, I don't know. It has never come out. It was all dropped.

Naturally when you heard the audiotape, the man wants to be in Washington, he wants to be doing his radio show. Naturally all of these things made me feel that he was a part of it. It did my ex-husband too. And so naturally I still haven't got answers. So I have a right to say that.

Mr. Lewis. What did the FBI tell you about the Congressman's involvement with the murder-for-hire trial?

Ms. Ferrante. They didn't directly say anything about the Congressman.

Mr. Lewis. So it was just Mr. Broad on the tape?

Ms. Ferrante. But they told me, listen to the tape. I said, oh, that sounds like Jim. Could Jim be behind this?

Well, listen, you suit yourself. You listen to the tape. They didn't directly say him, but indirectly, after I started piecing things together, I felt that they were telling me, you know, to think about it. Think about what is going on here.

Mr. Lewis. So the FBI came to you and said we have a death threat against you on tape, correct?

Ms. Ferrante. Yes.

Mr. Lewis. They played a tape for you, and there was a death threat on the tape, correct? When they played it for you.

Ms. Ferrante. It sounded like it. Yes.

Mr. Lewis. You said to yourself that sounds like Jim is involved, correct?

Ms. Ferrante. I said -- I said to them, when I heard the tape. I said, oh, my God, I said, and I said to them, I said if you are doing this to get me to answer questions about Jim, I said, and trying to scare me and a scare tactic, I am going to sue you.

Mr. Lewis. It wasn't the FBI that mentioned the Congressman, you said to them that sounds like Jim, meaning the Congressman?

Ms. Ferrante. Yeah. Because -- not -- it didn't sound like him. But the things that were said on the tape sounded like that he was a part of it.

Mr. Lewis. It didn't sound his voice, it sounded like

the sort of things that he would do?

Ms. Ferrante. It sounded like they want on a tractor, they would talk. He wanted to be in Washington. This was Clarence Broad speaking. So naturally I thought that he was a part of it. I felt -- I didn't feel it. My heart was broken.

Mr. Lewis. So it was Clarence Broad that insinuated that the Congressman was involved and not the FBI after this?

Mr. Traficant. Objection. I don't see the tape. Do you have the transcript? Do you have the transcript?

Ms. Ferrante. I would like everybody to hear the tape.

Mr. Traficant. I want the damn tape.

Ms. Ferrante. I would like to have the whole ethics committee to hear the tape.

Mr. Traficant. I want the suckers to go to jail for it.

The Chairman. The witness has firsthand knowledge of the tape. So I think it is legitimate for her to answer questions about the tape.

Mr. Lewis. My question to you is you listened to the tape and you said to the FBI, that sounds like Jim. Meaning Congressman Traficant?

Ms. Ferrante. Yes.

Mr. Lewis. The FBI didn't say that to you, you said that to them?

Mr. Lewis. I have no further questions.

Mr. Traficant. What did the FBI say to you when you said

did Jim have anything to do with this? What was their answer?

Ms. Ferrante. They said you listen to the tape. You take it upon --

Mr. Traficant. Did you ask them that a second time?

Ms. Ferrante. Yes.

Mr. Traficant. How did they answer it?

Ms. Ferrante. The same way.

Mr. Traficant. Did they imply to you that I was involved with a murder scheme?

Ms. Ferrante. They never directly put you --

Mr. Traficant. But did they imply it?

The Chairman. I think the witness has answered this repeatedly. No, they didn't. But they said listen to the tape again. We know the answer to this.

Mr. Traficant. Did Mr. Morford treat you nice before you testified before the grand jury?

Ms. Ferrante. No, sir. He was arrogant to me.

Mr. Traficant. Did he treat you nice after you testified?

Ms. Ferrante. No. He was even worse.

Mr. Traficant. Were there excerpts of the tapes later printed in the part that you, in fact, never heard on the tape?

Ms. Ferrante. Yes. The transcript. And I asked for a copy of the transcript. And the transcript really indicated

that he was a part of it. And that is the reason I would like you to hear the tape and read the transcript. This wasn't a part of the case. But it all --

Mr. Traficant. I ask unanimous consent that the tape and the transcript be sought by this committee. I have further questions, Chairman.

The Chairman. This is not relevant -- actually we have let this line of testimony go on to speak to the veracity of the witness and your situation, Mr. Traficant. But really you are not charged with any murder-for-hire thing. So I think kind of enough is enough.

Mr. Traficant. No it is not enough, because this poisoned the jury pool for Jim Traficant and was national news. And I want that tape. I want the transcript. And I have one last question.

Mr. Traficant. Was one of those on the tape an FBI agent?

Ms. Ferrante. Yes.

Mr. Traficant. To the best of your knowledge?

Ms. Ferrante. Well, I didn't know it at the time. But they told me that it was an undercover agent. And I said, well, how did they know that Clarence Broad wanted to have me whacked. They said they heard it on the streets was the answer I got from them.

Mr. Traficant. Now, Mr. LaTourette asked you a question.

Did this happen in Pennsylvania?

Ms. Ferrante. No it happened in Ohio.

Mr. Traficant. Did Mr. Broad live in Pennsylvania?

Ms. Ferrante. He lived in Ohio.

Mr. Traficant. Was all of this an Ohio case?

Ms. Ferrante. Yes, sir.

Mr. Traficant. Only confined to the State of Ohio?

Ms. Ferrante. Yes.

Mr. Traficant. Was there any conspiracy involved or just a murder?

Ms. Ferrante. No, just a murder.

Mr. Traficant. No further questions.

Mr. Chairman, I would like to take a break for the restroom.

The Chairman. Thank you very much for your testimony. We appreciate you being here. Mr. Traficant, you have just over 2 hours left. You have, what two remaining witnesses you want to call?

Mr. Traficant. Yes. I have two remaining witnesses I am going to call.

The Chairman. The committee will stand in recess for 10 minutes. And we will get back. In the meantime, if there is a call for votes then the recess will be a little longer, otherwise we will stay in recess for 10 minutes.

RPTS COCHRAN

DCMN HERZFELD

[5:20 p.m.]

Mr. Traficant. Mr. Chairman, I ask unanimous contempt that all these issues be dropped against me and I be set free forthwith.

The Chairman. I certainly would like to put that to a vote if we had enough people here, but we don't have enough people. Listen, you offered a motion and had it written out, and I said we would consider it later. I do not have a copy of that in my hand.

Mr. Traficant. I tried to keep that from you to confuse you, knowing that you probably wouldn't get it and maybe in the dark try to sandbag you.

The Chairman. If you would like for us to consider it, I need to see a copy.

Mr. Traficant. I am going to give it to you now, Mr. Chairman. I will bring it up.

Mr. Lewis. Mr. Chairman, could I use this time to make a record of the answer to the question Mr. LaTourette asked me earlier?

The. Chairman. Yes. Go ahead, Paul.

Mr. Lewis. For the record, Mr. LaTourette asked if there was any record of who the bill was sent to from the Bucheits, and page 3316 of the trial transcript, Lisa Bucheit was asked,

question, was any bill ever sent to the Congressman for the work done at the farm, and her answer was yes. So I believe there is testimony that the bill was sent directly to the Congressman.

Mr. Traficant. Question: Where was it sent? Was it sent to Salem, Ohio, or Poland, Ohio?

Mr. Lewis. It says it was sent to the Congressman at the farm.

Mr. Traficant. The Congressman at the farm. I didn't live at the farm. My father owned the farm.

The Chairman. That is the best answer we have.

The committee will come back to order.

Mr. Traficant, do you have another witness?

Mr. Traficant. I would like to inquire how much time I have left. I am under the impression I have 2 hours, Chairman, and that would include any closing arguments I make.

The Chairman. That is correct, about 2 hours, including any closing arguments.

Mr. Traficant. Now, the government, your counsel has utilized and exhausted all their time; is that correct?

The Chairman. I think they might have a few more moments.

Mr. Traficant. They told me they exhausted their time.

The Chairman. They didn't take quite as much time in opening statement as you did, so I think they are a little

ahead of the game.

Mr. Traficant. I want to know how much time they have.

The Chairman. They have about 2 hours as well.

Mr. Traficant. I ask unanimous consent that an hour and half of their time be given to me.

The Chairman. I think there is probably an objection to that, Mr. Traficant.

Mr. Traficant. I am hearing none.

The Chairman. Do I hear any objection to that?

Mr. Lewis. There is an objection, Mr. Chairman.

Mr. Traficant. He is not a Member. He can't object. I am a Member of the House. I know better than that.

The Chairman. Would you proceed with your witness, Mr. Traficant?

Mr. Traficant. I call Mr. Michael Robertson.

The Chairman. Mr. Robertson, you have been asked to appear before this adjudicatory subcommittee to be examined under oath concerning the inquiry concerning Representative James A. Traficant, Jr. Under House rules, you may be represented by counsel if you so choose. Do you choose to be represented by counsel?

Mr. Robertson. No, sir.

The Chairman. You then are willing and ready to proceed with your testimony without the assistance of counsel?

Mr. Robertson. Yes, sir.

The Chairman. At this time would you raise your right hand and let me swear you.

[Witness sworn.]

The Chairman. You may be seated.

For the record, please state your full name.

Mr. Robertson. Michael L. Robertson, R-O-B-E-R-T-S-O-N.

The Chairman. Mr. Robertson, did you receive a copy of the Rules of Procedure of the Committee on Standards of Official Conduct, the provisions of the Rules of the House of Representatives applicable to the rights of witnesses, and a copy of the statement of alleged violations?

Mr. Robertson. Yes, sir, I did.

The Chairman. Okay, then, we will proceed as follows. Representative Traficant will begin questioning you. Thereafter, the counsel for the committee will be given an opportunity to cross-examine. If necessary, the parties will be given an opportunity to conduct redirect examination and recross examination. After the parties have concluded their questioning, each member will be given an opportunity to ask questions under the 5-minute rule. You understand that?

Mr. Robertson. Yes, sir.

The Chairman. Mr. Traficant, you may proceed.

Mr. Traficant. Michael, what is your current employment?

Mr. Robertson. I am a licensed private investigator in Ohio.

Mr. Traficant. What was your previous employment?

Mr. Robertson. I served 17 years as a special agent with the U.S. Secret Service.

Mr. Traficant. How many Presidents did you guard?

Mr. Robertson. Four.

Mr. Traficant. What type of investigative work did you do when you were a Secret Service agent?

Mr. Robertson. The assignments are varied. Most of my time was spent involved with counterfeit currency investigations, theft and forgery of government checks and bonds, and fraud cases involving credit cards and access to vice instruments.

Mr. Traficant. Did you review any of the Sinclair accounts?

Mr. Robertson. Yes, sir, I did.

Mr. Traficant. How much time did you have to review the accounts?

Mr. Robertson. I met with you on February 23rd. By the time we got around to the Sinclair accounts via subpoena and getting all of the documents, some of the more salient documents were not available until about 4 days -- we requested about 4 days before my testimony.

Mr. Traficant. How many hours did you get a chance to look at it?

Mr. Robertson. If we are referring to the --

Mr. Traficant. Five accounts.

Mr. Robertson. Five accounts. I had considerable time as far as accessing the information. I placed the information into a spreadsheet database for evaluation.

Mr. Traficant. How many accounts did the government show?

Mr. Robertson. On Mr. Sinclair and his wife?

Mr. Traficant. Yes.

Mr. Robertson. One account.

Mr. Traficant. Was it a joint account?

Mr. Robertson. Yes.

Mr. Traficant. How many total accounts did Mr. Sinclair have?

Mr. Robertson. Mr. Sinclair had five accounts.

Mr. Traficant. How many of them were joint accounts?

Mr. Robertson. I believe there were two joint accounts.

Mr. Traficant. Was there an account called KAS?

Mr. Robertson. KAS Enterprises, yes, sir.

Mr. Traficant. Was that a joint account?

Mr. Robertson. Yes.

Mr. Traficant. In that joint account, who were the two parties to the account?

Mr. Robertson. The two signatories on the account were Mr. Allen Sinclair and his wife, Kimberly Sinclair.

Mr. Traficant. Could either withdraw or take money from

the account without the consent of the other?

Mr. Robertson. The account was an either/or, and/or account, where, yes, one person without permission of the other could withdraw funds.

Mr. Traficant. Was this account brought forward by the government?

Mr. Robertson. I am not sure, sir.

Mr. Traficant. Did this account show the deposits of $2,500, or did it show the rent check deposits?

Mr. Robertson. This account reflected some other deposits that were not identified, but it did reflect the rent deposits.

Mr. Traficant. The $2,500 deposits were not in this account, though, were they?

Mr. Robertson. No, sir, they were.

Mr. Traficant. So, therefore, the government did not bring this account forward?

Mr. Robertson. Evidently not.

Mr. Traficant. They didn't bring the other four accounts either, did they? They brought one account.

Mr. Robertson. They brought one account, yes, sir.

Mr. Traficant. And that showed some withdrawals of cash; is that correct?

Mr. Robertson. That is correct.

Mr. Traficant. At the same time, was there another

account known as the IOLTA account?

Mr. Robertson. Yes, sir, there was.

Mr. Traficant. Was there a corresponding amount of money, namely $2,500, deposited into the IOLTA account?

Mr. Robertson. There was a corresponding amount of money, being $2,500, and if I can back up a bit to give the history on why this was important. In criminal investigations you look for patterns, particularly in financial crimes. By loading up the information into a database, it was quite easy to sort and sift through the information. There were not actual cash withdrawals, but for the most part split deposits on the government paycheck going to Mr. Sinclair on a monthly basis, and I believe without exception he had taken $2,500 directly from the account, not as a deposit, and put the balance into that checking account.

The pattern that developed was on an average of 4 days, and there is an exhibit for this, too, that was used in the court, a pattern developed wherein there was exactly $2,500 redeposited into Mr. Sinclair's IOLTA account on an average of 4 days after the withdrawal of the $2,500 cash. As an investigator, this raises a red flag. It is certainly not conclusive evidence.

To put things in perspective, I spotted this pattern on Thursday, which would be around the 29th of March, before my testimony on April the 10th. I contacted Home Savings, a very

cooperative bank, but they have their procedures, and I asked for the history on these $2,500 deposits. I gave them the specific dates.

On the next day, on Friday, the lady said that she can get all the documents, we won't have them until Friday or Saturday -- Saturday, but we will drop them off at the Congressman's office. But in the meantime, we do have three of the transactions documented, and she gave them to me. In each of the three instances, they were checks. It was not cash.

I went ahead and presented my chart, which I think up until this very moment has still been misunderstood because it had to do with investigative techniques. It had to do with finding a red flag and either verifying it or eliminating it as a possibility that this, in fact, could be a source.

What dovetails with this, of great interest, is that for whatever reason, starting the month after the last alleged $2,500 kickback, there was never an exact amount, $2,500, deposit into his IOLTA account. They were only during that time period.

Mr. Traficant. For how many months?

Mr. Robertson. For 13 months.

Mr. Traficant. And after those 13 months, there were no deposits of $2,500 in the IOLTA account for how many months?

Mr. Robertson. For 12 months.

Mr. Traficant. Let me move on. I am limited for time.

Mr. Robertson. Yes.

Mr. Traficant. Was there any physical evidence to corroborate there had been any crimes or transactions of cash between myself and Mr. Sinclair in your investigation?

Mr. Robertson. No, sir.

Mr. Traficant. You had circumstantial evidence, and they showed one account of deposits; is that correct?

Mr. Robertson. That is correct.

Mr. Traficant. They didn't show the other four accounts and didn't show the KAS account; is that correct?

Mr. Robertson. That is correct.

Mr. Traficant. Are you familiar with the January 24th 302 of the FBI where they questioned Sinclair?

Mr. Robertson. Yes, sir, I am.

Mr. Traficant. What was the first issue they discussed with him in an accusatory fashion?

Mr. Robertson. The first issue had to do with the property.

Mr. Traficant. And isn't it a fact that he declined to comment?

Mr. Robertson. That is correct.

Mr. Traficant. And then they talked to him about kickbacks.

Mr. Robertson. That is correct.

Mr. Lewis. Mr. Hefley, I object. Relevance.

The Chairman. You want to explain your objection further?

Mr. Lewis. I don't see the relevance of Mr. Robertson testifying about a piece of paper that deals with an interview with two other people.

The Chairman. Mr. Traficant, do you want to try to tie in the relevance?

Mr. Traficant. Yes. The relevance is very clear. Mr. Sinclair 7 days later made a deal after he was pressured by the government, and I am trying to establish that through a Secret Service agent who handles this type of cases, and the 302 has already been admitted into evidence.

The Chairman. The objection is overruled. Continue.

Mr. Robertson. I read excerpts from the 302 into the trial testimony, and, in fact, there is a statement toward the end of the 302 on January 24th where Mr. Sinclair stated take he will not be "part of getting Traficant." A week later then he did, in fact, testify before the grand jury.

Mr. Traficant. Did he say he gave no kickbacks in that January 24th statement?

Mr. Robertson. I don't recall. I don't believe there was any statements at all regarding --

Mr. Traficant. I believe the 302 will reflect in evidence he said he gave no kickbacks and will play no part in

"getting Traficant."

In your handling of these types of investigations, can you attempt to show and tie in the need on just the strength of his word to corroborate it with some sort of physical evidence and the opportunity that the government had to obtain same?

Mr. Robertson. My story I was telling or incident I was telling regarding this document that I prepared showing these cash deposits into an account shortly after the cash withdrawals, what was very interesting is when I was on the stand in Cleveland, Mr. Morford, Prosecutor Morford, did, in fact, have all 15 of those checks and mainly insurance checks made out to a payee, including being a client and also including Mr. Sinclair as a joint payee.

May I just --

Mr. Traficant. Go ahead.

Mr. Robertson. Mr. Morford put the checks on an overhead and had me read to the jury where, in fact, these were checks giving the dates and the payees' names and the exact amount of $2,500.

The entire point of the exercise on my part was to show to the jury that, in fact, you can corroborate or refute a red flag by using physical evidence. Yet Mr. Morford had a similar chart showing the cashouts and partial deposits of all the checks, but did not go to the lengths to prove or

corroborate where, in fact, the $2,500 went in the form of cash, but yet he went to great lengths to show that my theory didn't work.

I still have a problem with it. I am still laying awake at night wondering what really happened to that money, how did it get in there.

Mr. Traficant. Did you handle cases like this when you were a Secret Service agent?

Mr. Robertson. Yes, sir.

Mr. Traficant. Under the circumstances you had and the evidence presented in Cleveland, would you have presented that to a grand jury?

Mr. Berman. Mr. Chairman, I am just going to object to the notion of this witness being an expert on what to present to a grand jury.

Mr. Traficant. I object. Did you ever present evidence to a grand jury?

Mr. Robertson. I think the question may be better asked have I presented cases to the U.S. attorney.

Mr. Traficant. Did you?

Mr. Robertson. Yes, on many occasions.

Mr. Traficant. Would you have presented this case with the type of evidence presented in Cleveland to a U.S. attorney for further action?

Mr. Lewis. Mr. Hefley, I object.

The Chairman. Mr. Lewis, do you want to explain your objection?

Mr. Lewis. There is no relevance as to whether a nonattorney would present a case to the U.S. attorney or not.

The Chairman. Objection is sustained.

Mr. Traficant. I believe there is.

Do you believe there is enough evidence to sustain a further investigation without further corroboration, from your experience?

Mr. Lewis. Objection. Relevance.

The Chairman. Do you want -- same argument you just made?

Mr. Lewis. Yes, Mr. Chairman.

Mr. Traficant. I believe that argument is moot. We are here talking about a man who is looking at a case where there is no physical evidence. We somewhere have just the spoken word, and, in fact, we are talking about corroboration of that spoken word and the lack of it.

The Chairman. Mr. Traficant, I guess it is my opinion that we are talking to one law enforcement officer, a man with great experience in law enforcement, and to what he would do and what the law enforcement officers of the court that presented the case might be two entirely different things. I don't think that has relevance here, so I sustain the objection.

Mr. Traficant. Did the government attempt to corroborate this through any physical evidence?

Mr. Robertson. I don't know if they attempted to or not, but they were not able to.

Mr. Traficant. Do you know if there were any wiretaps?

Mr. Robertson. As far as I know, there were no attempts to obtain any covert intelligence in this case, other than the submission for a processing of the currency.

Mr. Traficant. Is it your opinion it was an impossibility to obtain same?

Mr. Lewis. Objection, relevance, that there is no physical evidence.

The Chairman. I don't think you can answer that question in a relevant way. I sustain the objection.

Mr. Traficant. Did you employ in your investigation such techniques of wiretaps, hidden microphones?

Mr. Lewis. Objection. Relevance.

The Chairman. Mr. Traficant, explain to me where you are going with this.

Mr. Traficant. You have a guy's voice and a guy's words putting me in jail, Mr. Chairman.

The Chairman. Let me finish. Wait a minute. Are you trying to establish his credentials as someone who understands wiretaps and that kind of thing?

Mr. Traficant. Absolutely, as an expert.

The Chairman. Then I overrule the objection.

Mr. Traficant. Fine. You can answer that.

Mr. Robertson. What was the question?

Mr. Traficant. Was it an impossibility for them to gain an admission of me through some technological device?

Mr. Robertson. There are devices available to the public, let alone to the government. The Federal Government has the greatest lab technicians, investigators and technological equipment in the world. There was a time, dating myself, 20 years ago when we would send an informant in where he wore a KelTech. It was the size of a pack of cigarettes with a 1-foot antenna to it. We taped it to his chest, and if someone touched it, it would be a real problem, but it worked. Today there are readily available functional cell phones that cannot be spotted as a covert transmitter, only by a technician who would open up the telephone and see it.

The argument that Mr. Traficant was a former sheriff, and he was a touchy-feely person, and dovetailing with the technology is the role of an agent is to control the informant. The informant doesn't control you. You have to put their mind at ease, and you have to convince them this is important. I would say a good example is, in fact, when Mr. Sinclair comes to the FBI with X number of thousands of dollars and says, I just got this from the Congressman, I

personally don't see the hurry to send that off to the FBI for a ninhyrden.

Mr. Lewis. I object to that, your honor. His opinion as to the speed of the indictment is totally irrelevant.

Mr. Robertson. Sir, I wasn't addressing the speed of the indictment. I was talking about the opportunity to send an informant in. We are dealing with the highest levels of government. These techniques I am describing --

Mr. Lewis. Mr. Chairman, I object on relevance.

The Chairman. Let me ask now, Mr. Traficant, I am having a little trouble determining whether this is a witness to testify about facts that he is aware of, or are you bringing him on as an expert witness --

Mr. Traficant. I am bringing him on as an expert witness and also an individual that has done a financial analysis on the circumstantial elements of Mr. Sinclair and myself and my accounts.

The Chairman. That would be factual, the financial analysis.

Mr. Traficant. And also the forensic evidence that has been presented.

The Chairman. Do you want him as a factual witness or an expert witness or a combination of both?

Mr. Traficant. I want him as both.

The Chairman. Let's get to the financial analysis.

Mr. Traficant. Fine. Was there any forensic evidence, fingerprints?

Mr. Robertson. No.

Mr. Traficant. Were there over 1,000 documents?

Mr. Robertson. That is correct, sir.

Mr. Traficant. Other than the spoken word and this one account of $2,500 of cash withdrawals, was there any evidence at all other than his words?

Mr. Robertson. No, sir.

Mr. Traficant. No further questions.

The Chairman. Mr. Lewis.

Mr. Kellner.

Mr. Kellner. Thank you, Mr. Chairman.

Mr. Robertson, when did you leave the Secret Service?

Mr. Robertson. Fourteen years ago.

Mr. Kellner. And how long did you work there?

Mr. Robertson. Seventeen years.

Mr. Kellner. And why did you leave?

Mr. Robertson. I left over a transfer. I wanted to stay in Ohio.

Mr. Kellner. And what did you do after you left?

Mr. Robertson. I started my investigative business.

Mr. Kellner. So you operated a private investigation firm?

Mr. Robertson. That is correct.

Mr. Kellner. And where is it located?

Mr. Robertson. In North Canton, Ohio.

Mr. Kellner. And you earn your living as a private investigator?

Mr. Robertson. Yes, sir, I do.

Mr. Kellner. You are paid a fee to conduct private investigations?

Mr. Robertson. Yes, sir.

Mr. Kellner. What fees do you charge?

Mr. Robertson. My fees, my corporate fees -- my clients include Rubbermaid, Goodyear, General Motors, many other companies, plus smaller corporations and private citizens -- is $150 an hour.

Mr. Kellner. And you are paid to conduct investigations?

Mr. Robertson. That is correct.

Mr. Kellner. And to testify in courts?

Mr. Robertson. On occasion.

Mr. Kellner. And are you being paid in this case?

Mr. Robertson. $1.

Mr. Kellner. Now, for the services you provided in connection with Representative Traficant's trial in Ohio, what were you paid?

Mr. Robertson. I am still working on the first dollar.

Mr. Kellner. So the dollar you are being paid includes your services here today?

Mr. Robertson. Yes, sir.

Mr. Kellner. And no other compensation?

Mr. Robertson. No, sir. In fact, I volunteered to come down here, and I had also offered to help in any way I can on this end of it. I am paying my own gas, my own tolls.

Mr. Kellner. You drove out here from Ohio at your own expense?

Mr. Robertson. That is correct.

Mr. Kellner. To help Congressman Traficant?

Mr. Robertson. That is correct.

Mr. Kellner. Are you a supporter of Congressman Traficant's?

Mr. Robertson. I am a Republican. I live in a different district. I don't know if that answers it or not. I got involved in the case back in February when I would hear -- although the judge in Cleveland told me I couldn't depend on hearsay in the news media, but what I did hear, I didn't like the way things were shaping up, and I made the offer to meet with him.

My concern, single concern, is not Congressman Traficant, and it is not guilt or innocence. We had a saying in law enforcement, we catch them, but we don't cook them. And that is not our goal. The goal is to go through, and I felt that I have expertise in the area, I have taught as a Secret Service instructor, I have taught at Ohio police departments, and what

I was trying to refer to today is truly Police Investigation 101.

This is not a terribly sophisticated matter. You do have to have expertise as you get into the various crimes. You have to know what to look for. But the same procedures that are used by a patrol officer on the street are the same procedures that are used by a detective investigating a homicide, and that is no locate the witnesses, interview the witnesses, corroborate -- look for physical evidence, determine the elements of the crime --

Mr. Kellner. Mr. Chairman, I object. I would like to proceed with my questioning.

The Chairman. You may proceed.

Mr. Kellner. Thank you, Mr. Chairman.

Did you discuss your testimony that you were going to give today with any person?

Mr. Robertson. I had provided the Congressman an affidavit, I believe, last -- I believe it was on Saturday I gave him an affidavit, which read in part, I am sorely disappointed that I was not approved by the committee to testify.

Mr. Kellner. Mr. Robertson, my question is did you have any discussions with any person regarding your testimony here today?

Mr. Robertson. With Congressman Traficant.

Mr. Kellner. With nobody else?

Mr. Robertson. No.

Mr. Kellner. No other person?

Mr. Robertson. No other person.

Mr. Kellner. Now, it is your testimony that you are here voluntarily for Congressman Traficant essentially?

Mr. Robertson. That is correct.

Mr. Kellner. And he didn't --

Mr. Traficant. Objection. He is on a retainer for $1.

The Chairman. That would not be considered reasonable market value.

Mr. Traficant. That is besides the point.

The Chairman. I understand the objection, and your objection is sustained.

Mr. Kellner. Mr. Robertson, I am going to hand you a document --

The Chairman. However, I am sorry, I think maybe, Mr. Kellner, if I understood your question, you were asking him if he was -- not if he was paid to be down here, but if he came down here voluntarily in order to help; is that correct?

Mr. Kellner. That is correct.

The Chairman. And the answer was yes.

Mr. Robertson. That is correct.

Mr. Kellner. Mr. Robertson, I am going to hand you a document which was admitted into evidence during

Mr. Traficant's trial in Ohio. It is government Exhibit 1-27-1. I ask you to take a look at it, please.

Mr. Robertson. Yes, sir.

Mr. Kellner. Mr. Chairman, it is my understanding this document was not included among the more key exhibits, and I want to make sure you have it.

Mr. Traficant. I move it be admitted into evidence.

Mr. Kellner. It is already part of the record, Mr. Chairman. It is already admitted into evidence.

During your trial testimony, you were asked a series of questions regarding cash deposits into Congressman Traficant's bank accounts?

Mr. Robertson. Yes, sir.

Mr. Kellner. And did you observe this document during the trial in Ohio?

Mr. Robertson. Yes, sir, I did.

Mr. Kellner. Does this document reflect cash deposits into Congressman Traficant's bank account?

Mr. Robertson. Yes, sir, it does.

Mr. Kellner. A bank account in the bank of Bank One?

Mr. Robertson. Yes, sir. Bank One.

Mr. Robertson. Yes, sir.

Mr. Kellner. According to this document it reflects a deposits over a period of years of $26,600 in cash into Congressman Traficant's account?

Mr. Robertson. That is correct.

Mr. Kellner. Were you here earlier today when Congressman Traficant testified that all his transactions are done by check?

Mr. Robertson. No, sir.

Mr. Kellner. Now, what is your opinion of deposits of this amount of cash made into someone's bank account? Would you find this to be an irregular pattern?

Mr. Robertson. The deposits roughly total in some months, of course, even amounts. See, I didn't go back past -- I think whenever we started looking at the IOLTA account. But during that time period, the deposits come out to like $482 a month.

Mr. Kellner. Mr. Robertson, did you conduct any investigation of these cash deposits into Congressman Traficant's personal bank account?

Mr. Robertson. In what way, sir? To follow up?

Mr. Kellner. In any way, Mr. Robertson.

Mr. Robertson. No, sir.

Mr. Kellner. You are aware based upon your examination of Mr. Sinclair's bank records that he was employed by Congressman Traficant during the period of December 1998 through December 1999; is that correct?

Mr. Robertson. That is correct.

Mr. Kellner. You were asked questions during Congressman

Traficant's trial regarding a series of withdrawals Mr. Sinclair made from his account each month in the amount of $2,500; is that correct?

Mr. Robertson. That is correct.

Mr. Kellner. Looking at this chart of cash deposits made into Congressman Traficant's personal account, do you see any cash deposits being made during the time period of 1999?

Mr. Robertson. Yes, sir.

Mr. Kellner. In fact, in January of 1999, it records a cash deposit of $500; is that correct?

Mr. Robertson. January 5, yes, sir.

Mr. Kellner. February 1, 1999, is a cash deposit of $500; is that correct?

Mr. Robertson. That is correct.

Mr. Kellner. Later that month, there is another cash deposit of $700 in cash?

Mr. Robertson. That is correct.

Mr. Kellner. And in February, there is a third deposit of $1,000 dollars in cash in February; is that correct?

Mr. Robertson. Yes.

Mr. Kellner. In March, another deposit of $1,000 in cash into Congressman Traficant's accounts?

Mr. Robertson. That is correct.

Mr. Kellner. In September there is a $1,500 deposit in cash?

Mr. Robertson. Yes.

Mr. Kellner. In October, a $1,000 deposit in cash?

Mr. Robertson. Yes.

Mr. Kellner. And in November, a $700 deposit in cash?

Mr. Robertson. That is correct.

Mr. Kellner. Now, looking at this document, would you tell us where the cash came from?

Mr. Robertson. Sir, I can give you an indirect answer. It is the same as the chart that was prepared for Mr. Sinclair, and it is not to be evasive, but it is the same answer. Cash deposits and cash withdrawals are difficult to trace.

Mr. Kellner. So you don't know the source of these cash deposits into Congressman Traficant's account, do you?

Mr. Robertson. No, sir; no one does except the Congressman.

Mr. Kellner. They could be from kickbacks; is that correct?

Mr. Robertson. Not to answer like I was cornered --

Mr. LaTourette. Mr. Chairman, I have to object. You know what? They could be from anything. That kind of question is --

Mr. Traficant. Objection to that. We have had testimony of $600 average cash income at the farm. I object to the question.

The Chairman. Objection sustained.

Mr. Kellner. I will move on, Mr. Chairman.

Now, do you use a variety of methods in conducting investigations, sir?

Mr. Robertson. It would depend on the investigation, of course.

Mr. Kellner. In a course of investigation, might you examine financial records?

Mr. Robertson. To some degree I would. If they are in a corporate setting, I would usually depend on an accountant or CPA to help with the documents.

Mr. Kellner. So you are not qualified to examine financial records?

Mr. Robertson. Well, I guess it depends on what kind of records you are looking at. My goal is to catch people, and part of that process I found that you are better off using people with more expertise than yourself when it comes to dealing with numbers, because the possibilities of concealment are so extensive today that it is almost a full-time field within itself.

Mr. Kellner. Did you consult a CPA with respect to any matters you worked for for Congressman Traficant?

Mr. Robertson. No, sir.

Mr. Kellner. In conducting an investigation, did you ever conduct personal interviews?

Mr. Robertson. Yes.

Mr. Kellner. Did you conduct any personal interviews in connection with your work for Congressman Traficant?

Mr. Robertson. No, sir.

Mr. Kellner. Did it have anything to do with the amount of the fee you charged for Congressman Traficant?

Mr. Robertson. I wasn't asked to. I was asked to look at the financial matters of Mr. Sinclair only.

Mr. Kellner. Now, do you know what a proffer is, Mr. Robertson?

Mr. Robertson. Yes.

Mr. Kellner. Now, in proposing your testimony here today, Mr. Traficant made a proffer.

Mr. Robertson. I am sorry?

Mr. Kellner. Mr. Traficant made a proffer regarding your testimony. Here is the proffer that was made and why your testimony is relevant. It says that Mr. Robertson was a former United States Secret Service agent who handled financial investigations and whose testimony will refute other testimony provided at trial regarding money indictments.

Mr. Robertson. Money what, sir?

Mr. Kellner. Money indictments.

Mr. Robertson. Indictments?

Mr. Kellner. That is correct, sir. Does that sound like a fair synopsis of the testimony you are here to give today?

Mr. Robertson. My plans today were to discuss the weaknesses in the Sinclair --

Mr. Kellner. Let me get to my point. Did Congressman Traficant ask you --

Mr. Traficant. I object. Let the man answer the question.

Mr. Kellner. I withdraw the question, Mr. Chairman.

Mr. Robertson, did Representative Traficant ask you to investigate a $13,000 cash payment to him from John Cafaro?

Mr. Traficant. Objection.

The Chairman. State your objection.

Mr. Traficant. It is not relevant. He already testified he just looked at the Sinclair matter.

The Chairman. State the relevance.

Mr. Kellner. Mr. Chairman, this witness is a purported expert witness in the area of money transactions. I think it is appropriate to explore the scope of the work that he performed for Mr. Traficant.

Mr. Traficant. Will the counsel stipulate he is an expert?

Mr. Kellner. No, sir.

Mr. Traficant. Then the counsel shall refrain from saying so. Second of all, he is not here relevant to any other issue other than Sinclair and my cash activities, I would advise the committee, and object to anything beyond the

scope of that.

The Chairman. The objection is overruled.

Mr. Kellner. Mr. Robertson, did Congressman Traficant ask you to investigate a $13,000 cash payment to him from John J. Cafaro?

Mr. Robertson. No.

Mr. Traficant. Objection. That is the supposed $13,000. I think the wording is important for the record.

The Chairman. He answered the question. The objection has been ruled on, Mr. Traficant.

Mr. Kellner. Mr. Robertson, did you conduct any investigative work with regard to the $13,000 debt Representative Traficant owed brothers Anthony Bucci and Robert Bucci?

Mr. Robertson. No, sir.

Mr. Kellner. Are you aware of that transaction?

Mr. Robertson. I may have heard something about it, but I have not been -- it has not been discussed with me officially.

Mr. Kellner. Did you conduct any investigation into gratuities given to Representative Traficant from Pete Bucheit?

Mr. Robertson. No.

Mr. Kellner. How about from Arthur David Sugar?

Mr. Robertson. No.

Mr. Kellner. Did you look into any financial activities regarding Henry DiBlasio?

Mr. Robertson. No.

RPTS BULKLEY

DCMN BURRELL

Mr. Robertson. I saw bank accounts with his name on it, but they were not subject to any investigation.

Mr. Kellner. Do you recall testifying at Congressman Traficant's trial, sir?

Mr. Robertson. I certainly do recall the day.

Mr. Kellner. Do you recall being asked about investigations you had conducted regarding Mr. DiBlasio.

Mr. Robertson. No, sir, I don't.

Mr. Kellner. Do you recall testifying that as of that date that you testified -- do you recall testifying --

Mr. Robertson. Yes.

Mr. Kellner. -- that date was April 1st, 2002?

Mr. Robertson. Yes.

Mr. Kellner. I'd appreciate if I could finish the question before you answer it just so the record is clear, sir. Thank you.

Do you recall testifying that you testified -- do you recall testifying that there was not time for you to look into the manner of the Henry DiBlasio aspect of this case?

Mr. Robertson. That could be true, but at that time that was three and a half months ago. Actually, before that --

Mr. Kellner. Well, since that time have you conducted any investigation?

Mr. Robertson. No, sir.

Mr. Kellner. Now, during Representative Traficant's trial, you testified that one of the things that you did as a private investigator was look for patterns. Is that correct?

Mr. Robertson. That's correct.

Mr. Kellner. And isn't it true that one of the patterns that you saw in your investigation for Congressman Traficant was that from the time that Allen Sinclair received his first full Congressional paycheck from Representative Traficant, every single month for the next 13 months he withdrew $2,500?

Mr. Robertson. Correct.

Mr. Kellner. You'd call that a pattern, sir?

Mr. Robertson. Yes.

Mr. Kellner. And this pattern ended after the FBI questioned Allen Sinclair. Is that correct?

Mr. Robertson. I'm not sure of the exact time frame, but you could be close, yes, sir.

Mr. Kellner. Do you recall testifying to that effect, sir?

Mr. Robertson. To which effect, sir?

Mr. Kellner. Do you recall testifying that this pattern ended after the FBI questioned Allen Sinclair?

Mr. Robertson. If I testified to that, then that is what I would have been aware of at the time. I don't recall now the exact dates when the last transaction -- I believe it was

in January, and I believe he was interviewed in late January.

Mr. Kellner. Now, during Congressman Traficant's trial, sir, you testified on April 1st, 2002, regarding your hypothesis that there was a pattern of Allen Sinclair making $2,500 deposits into his IOLTA account. Is that correct?

Mr. Robertson. That's correct.

Mr. Kellner. Into IOLTA, is that the Interest and Lawyer Trust Account?

Mr. Robertson. Yes, sir.

Mr. Kellner. And did you not testify at that trial after examining other checks deposited into Mr. Sinclair's IOLTA account that your testimony would pretty much be irrelevant?

Mr. Robertson. Irrelevant, as far as the hypothesis?

Mr. Kellner. Is that correct?

Mr. Robertson. I'm asking, is that the question?

Mr. Kellner. Yes.

Mr. Robertson. No. The hypothesis was presented to the court for the sake of showing how an investigation is done, regardless of the outcome. I'm still confused -- or in a quandary about why in the world the $2,500 checks stopped after the $2,500 withdrawals, that I'm still not convinced that there isn't some connection that could be established between that, and I'm in no position to conduct that investigation.

Mr. Kellner. Mr. Chairman, we have no further questions at this time.

Mr. Hefley. Redirect?

Mr. Traficant. Is a $482 cash deposit on an average excessive by me?

Mr. Robertson. You advised me that you have approximately $600 cash income from farm and stable rentals, so 482 would not be unusual, no, sir.

Mr. Traficant. In review of the court activities, did the government offer one witness that testified that I paid cash for anything over the last 15 years?

Mr. Robertson. No, sir.

Mr. Traficant. Did you find that as an investigator unusual?

Mr. Robertson. I have to make an assumption just based on my experience in dealing with both the FBI and IRS, that dealing with a high member of government, they would certainly go out and conduct such an investigation.

Mr. Traficant. Do you know how many agents they used?

Mr. Robertson. I heard they had dozens of agents involved.

Mr. Traficant. Do you know they investigated a man by the name of George Hooker where he purchased a horse some 15 years ago?

Mr. Lewis. Objection. Relevance.

Mr. Traficant. The relevance is basically they were searching to see what kind of cash transactions I was making, and I think it is very relevant that he answer the question.

Mr. Lewis. It's already on the record. It's cumulative.

Mr. Hefley. I'll let Mr. Robertson answer.

Mr. Robertson. Making the assumption, which I think is a fair assumption based on the type of allegations and the crimes alleged, that there would certainly be agents out checking for cash purchases by the Congressman or anyone in this position, particularly in areas where it wouldn't be unusual, such as supplies for the farm or for the barn and the like. I can --

Mr. Lewis. I'd object again, Mr. Hefley. Relevance. There's nothing in the SAV that charges the Congressman with making cash purchases.

Mr. Traficant. I object to that. I think the relevance is this: If you drink a case of diet pop, at some particular point are you going to urinate, Mr. Robertson?

Mr. Hefley. Mr. Traficant, let me see if I understand the relevance. The relevance is supposedly Mr. Traficant had large amounts of cash coming in.

Mr. Traficant. For years.

Mr. Hefley. And we want to know where those went. Now, I'm not sure this witness knows where they went, but if he could cast light on it, I'd like to hear it.

Mr. Robertson. Mr. Chairman, I feel like I can cast light from a very practical investigative standpoint, that people -- for instance, a bank robber comes across a lot of money. It is not unusual for the police or the FBI to find where this individual has gone out, spent large amounts of cash, perhaps went and bought a car for cash or whatever. It is a very standard operating procedure, and I think when you have this amount of money involved, $2,500 a month, it would be -- if I was conducting the investigation, it would certainly be a prudent thing to do, would be to go out and see if in fact you could account for the cash expenditures. That would help to make a trail on the funds as opposed to just an uncooperative witness stating he gave the money to him.

Mr. Traficant. Do you know if there was any FBI or IRS investigator who testified relative to these cash transactions or Sinclair account?

Mr. Robertson. The only IRS agent that I'm aware of -- and I believe it was an employee, not an agent. It was an analyst who in fact totaled up the amounts of money based on figures given to him by other investigators, and thereby stating you'll -- you failed to pay taxes on this amount of money.

Mr. Traficant. Do you find that unusual that the government offered no IRS or FBI witness who actively investigated me?

Mr. Lewis. Objection to relevance as to his opinion as to the testimony.

Mr. Traficant. I object. I think it is very relevant.

Mr. Hefley. Well, I think it is relevant to your appeal and so forth, but I'm not sure this witness -- this is just speculation on his part if he answers that kind of question. I would sustain the objection.

Mr. Traficant. When you're an investigator, did you testify at the trial in criminal activities?

Mr. Robertson. Yes, sir.

Mr. Traficant. When you uncovered a crime, were you called to the stand to in fact corroborate it and explain your investigation and the methodology and the fruits of the forensic gain?

Mr. Lewis. Objection. Relevance.

Mr. Hefley. What are you trying to do here, Mr. Traficant? Are you back trying to establish his credentials again?

Mr. Traficant. No. I'm trying to establish the fact they couldn't corroborate any damn thing here, and this man here, the Secret Service agent who investigated money transactions, and they didn't bring an investigator of any sort to show what they did or what the gains were. And in light of no physical forensic evidence, I thought that was a must.

Mr. Lewis. Mr. Chairman, the evidence is what it is. The government did what it did, and I don't think it is relevant now to second-guess the case. The case to be determined here is whether the SAV is proven beyond a clear and convincing evidence, not what the FBI did or didn't do.

Mr. Hefley. Objection sustained.

Mr. Traficant. Do you know if Sinclair owed DiBlasio an awful lot of money?

Mr. Robertson. I was told that that is true. Several hundred thousand dollars was one figure I heard.

Mr. Traficant. Do you know if Sinclair during that period of time bought a $300,000 house?

Mr. Robertson. 276,000. Yes, sir, I saw the documentation on that.

Mr. Traficant. Do you know that he got a Buick Grande?

Mr. Robertson. Yes, sir.

Mr. Traficant. Do you know that he rented a car for $300 a month?

Mr. Robertson. Yes, sir.

Mr. Traficant. Do you know he spent $60,000 on media advertising?

Mr. Robertson. 50,000 something, yes, sir.

Mr. Traficant. Did it say in the FBI 302 that he told the government that he made $50,000 a year in his law practice?

Mr. Robertson. That's correct.

Mr. Traficant. And he made another $50,000 from me?

Mr. Robertson. That's correct.

Mr. Traficant. So if Mr. Sinclair was drinking Diet Coke, could you say he was urinating some Diet Coke by the nature of his personal purchasing activities during that period of time when he supposedly was giving me his money?

Mr. Hefley. I don't think he's in a position to answer that. I could speculate that. Anyone in this room could speculate that based on what you've told us over the last 2 days, Mr. Traficant. So I'm not sure this witness can speculate on that.

Move on.

Mr. Traficant. Isn't it a fact that the 302 states this man had a hundred thousand dollars maximum income, saying he gave most of it to me, but buys a $300,000 house, a brand new Buick van, $300 car rental and 50 some thousand dollars for media advertising?

Mr. Hefley. You're getting very, very repetitive --

Mr. Lewis. Objection. He's testifying.

Mr. Hefley. Yeah. You're --

Mr. Traficant. Is that a fact? I'm asking you.

Mr. Hefley. Can you ask a straight question and --

Mr. Traficant. I did.

Mr. Hefley. I will allow a straight question which says

do you understand how he could buy these things that --

Mr. Traficant. Do you understand how he could make those expenditures on what he told the government, after saying he gave most of his money to me?

Mr. Robertson. The numbers don't add up with the amount of expenses he had and to give out almost 25 percent of his gross income.

Mr. Traficant. Did I seek you out as a witness in the original trial, or did you contact me?

Mr. Robertson. I contacted you.

Mr. Traficant. Did you see anomalies after you read the results and saw the unusual activities that we're just discussing and in fact offer your services?

Mr. Lewis. Objection. Speculation. Define anomaly.

Mr. Traficant. I think everyone understands an abnormal situation.

Mr. Lewis. I don't know what that question means, Your Honor -- Mr. Chairman.

Mr. Hefley. Restate your question.

Mr. Traficant. When you heard about this so-called kickback amount and all of these other things with no physical evidence, did you offer your services with the very dubious nature that they were untrue?

Mr. Robertson. I offered my services because of a lack of apparent physical evidence or other corroborative evidence,

and this was based on my experience of having done many, many cases involving, for instance, counterfeit currency. And if I could just tell a very brief story that sort of fits into how these things are done.

Many years ago in Cleveland, we had an individual, a very popular nice guy, bar owner --

Mr. Lewis. I'd object to the relevance, Mr. Chairman.

Mr. Traficant. I'll withdraw the question.

One last question. Did I attempt to have this committee subpoena you?

Mr. Robertson. Yes, sir.

Mr. Traficant. No further questions.

Mr. Hefley. Under the 5-minute rule, the committee members now will ask you questions, Mr. Robertson.

Mr. Hulshof.

Mr. Hulshof. Mr. Chairman, before my time begins to run, let me inquire as to permissible areas of inquiry. I'd like to inquire briefly about the absence of fingerprint evidence. Has that been raised, or was the objection sustained such that I cannot get into that?

Mr. Traficant. It has been submitted into evidence, Mr. Chairman.

Mr. Hefley. I think it has been submitted into evidence. You can get into it.

Mr. Hulshof. And the other question I would have is

regarding the physical possibility of using an informant with tape recording devices. Has that also been opened such that I can -- that I could ask a couple of questions?

Mr. Hefley. You can pursue that.

Mr. Hulshof. Mr. Robertson, let me just -- you've been the officer in charge of approximately how many white collar investigations?

Mr. Robertson. Sir, I can only guess dozens.

Mr. Hulshof. It is not unusual for fingerprint evidence not to be developed in a white collar case. Is that true?

Mr. Robertson. If we're talking white collar as opposed to let's say drug deal-type cases --

Mr. Hulshof. Well, let me clarify my question with this. The fact is that fingerprint evidence is essentially the oils and moisture that are on the ridges of one's fingerprint. Is that true?

Mr. Robertson. That's correct.

Mr. Hulshof. And when you place it on a medium such as rolling it across on a piece of wood, depending on the nature of medium, you can actually remove that impression or the reverse impression of that and that is what we know as fingerprint evidence. Correct?

Mr. Robertson. That is basically true, yes, sir.

Mr. Hulshof. And basically depending on the type of medium, for instance, glass metal would be good surfaces that

would leave a fingerprint or be able to lift a latent fingerprint. Correct?

Mr. Robertson. Sure. Depending on temperature, the less porous, the more likely to get a --

Mr. Hulshof. And of course depending upon the individual that you're attempting to print, I mean, that is why we see an FBI -- you roll your finger across the ink pad and then you roll it back onto a fingerprint card, which of course is about the best way to do it, but we're talking about touching something briefly and partial prints and whether those are even prints of value. Correct?

Mr. Robertson. That's correct.

Mr. Hulshof. Something like a piece of paper is not the type of material if it's just a common piece of paper that has a good medium to develop fingerprint evidence. Isn't that true?

Mr. Robertson. I have to qualify that. One of the areas that we worked in considerably in the Secret Service was counterfeit currency, and we kept our lab very, very busy submitting counterfeit currency. So much depends on the individual, as you say. If someone was nervous, they are perspiring more, if they are a secretor and if they have oils in their hands and the like. And I can't give you a percentage, but there is a distinct possibility that fingerprints will be developed, and of course the more volume

of money -- object that you have, the better.

Mr. Hulshof. Absolutely, and I'm not saying that it cannot be there, and I'll say the number of cases, I'm afraid that often when we see crime detective shows on television, we automatically think that fingerprint evidence is going to be -- that you can develop and lift a latent print off of anything that anybody touches and that is just not the case, is it?

Mr. Robertson. That is correct, sir.

Mr. Hulshof. Let me ask you briefly regarding Traficant's questions of you regarding the ability to use a subject, an informant, and put this very sophisticated technological equipment on them, whether it is on the head of pain, whether it is a normal body wire. You as an investigator in charge of these number of counterfeit cases, wouldn't you have a subjective opinion or decision as to whether or not the subject would be a good subject to send in to someone that you're trying to elicit incriminating information from?

Mr. Robertson. There are times when -- and this is where it's important to control the subject. And I use the word informant, but it may actually be someone that you've just arrested that you're going to send back in someplace, that certain people if they are on drugs it may not be a good idea to do it. But for the most part -- and this is where the good

investigator surfaces -- you talk the person into it and you let them know how stealthy the device is, the range of the device, 2,500 feet. I'll be two blocks away, I can --

Mr. Hulshof. But beyond the fact -- the physical possibility, what if, for instance, hypothetically you were sending someone in as the target of that investigation, and you believed as the officer in charge that the only information you were going to elicit from this target was going to be self-serving exculpatory information. As the officer in charge, would you make a decision then to send a person in to have on tape self-serving exculpatory statements from the target?

Mr. Robertson. There are -- the vast majority of times you don't know what you're going to get. So the answer is you do receive a lot of exculpatory data.

Mr. Hulshof. Okay. Let me move quickly, and I apologize -- and I appreciate your forbearance, Mr. Chairman. And I don't know, Counsel, if this is the -- has actually been marked. I think Mr. Traficant has introduced it, and yet it has not been identified and marked. I'm talking about the actual exhibit, Mr. Robertson, that you prepared at trial. And it is a single page.

Mr. Robertson. Yes, sir.

Mr. Hulshof. And if you don't have that -- do you have a copy of that in front of you? It is entitled deposits into

Allen Sinclair's attorney trust account, home savings Account No. 20462446.

Mr. Robertson. Yes, sir. I have that.

Mr. Hulshof. We can have this marked later in the interest of time.

Now, I've got to tell you, and perhaps I'm pushing the limit here from the chairman, your testimony today regarding the purpose of your testimony at trial, today you've told us that really the only point of you testifying on Mr. Traficant's behalf was really just a hypothesis, to talk about investigative techniques and looking for patterns.

Mr. Robertson. That's correct.

Mr. Hulshof. I've got to tell you that after I read the direct testimony of you and then the cross-examination, I can see why the prosecutor in that case was so aggressive in his cross-examination of you, because I found this to be an attempt to refute or cast doubt on the credibility of Allen Sinclair, but that is neither here nor there.

Let me ask you just a couple of quick follow-up questions. During your testimony you did say that you didn't have time really, because you had to contact the officials at the bank. They were very helpful, and yet with the trial just looming around the corner and then maybe even after the next weekend, that you weren't able to gather a lot of documents to support your testimony. Was that true?

Mr. Robertson. That is true.

Mr. Hulshof. Have you had the opportunity, now that the trial is over, to even go back and further investigate, or did you just let the trial transcript stand pat?

Mr. Robertson. I haven't done much more with this. In fact, nothing else until last night. But, again, I'm not sure that the point is being met. This was not to disparage Mr. Sinclair. This was to resolve one way or the other a pattern of deposits into an account which had never happened afterwards, but during this time period. And the results didn't matter to me. The results -- the idea was to give a very honest approach to the thing that in fact here is what's going in, and if I may, sir, which I wasn't -- this is the same -- the same document with my notes at the bottom.

Number one, deposits and withdrawals on their own without critical examination are not good proof. These deposits made shortly after the cash withdrawals of $2,500 are probably not related to redepositing of cash. On the surface they could be made to appear that way.

Number two, it would also be of interest that the $2,500 exact deposit stopped after Mr. Sinclair left the Federal payroll and that there were no exact $2,500 deposits for 22 months continuing through February of 2002, the point being uncorroborated charts are not proof. My goal of presenting this was to -- and I had it set up right next to the

government's exhibit, which was the cash withdrawals. I used the same type font. I want to show that this cannot be substantiated without examining -- looking at it and looking at physical evidence, but the same standard which he zealously applied to my chart was never applied ever in the government's chart about the $2,500. And if I may --

Mr. Hulshof. And actually, let me stop you again in the interest of time. I appreciate the chairman's indulgence.

The government's chart with the $2,500 cash withdrawals actually was corroborated with documentary evidence with Mr. Sinclair. I don't know if that was made available to you or not, but as far as the actual treasury check, official employee of the U.S. Government --

Mr. Robertson. Oh, yes.

Mr. Hulshof. -- that was introduced, and then along with the deposit slips showing the $2,500 monthly withdrawals.

Mr. Robertson. I had all of that, but the extremely key element in all this is that we have $2,500 on a piece of paper, which is not evidence, except that doesn't tell us where it wasn't.

Mr. Hulshof. And I would concede that point, and yet I would ask you to concede the same point that you concede in cross-examination, and that is on your chart, the fact is the government then produced on cross-examination and showed you that each of these nine $2,500 checks that you had put forth

on this chart to indicate this pattern was not a cash deposit, was it?

Mr. Robertson. That's correct.

Mr. Hulshof. In fact, each of these nine $2,500 deposits into Mr. Sinclair's IOLTA account were in fact checks that were made payable to him and the name of a client in each and every instance. Isn't that true?

Mr. Hulshof. That's correct. And, sir, the point of that, to go to the next step where I'm headed is how did the prosecutor do that? With physical evidence, with checks? He produced the checks and said, Mr. Robertson, isn't this check for that date? Isn't this check for that date?

And I've never met the prosecutor, and I'll yield, but perhaps the prosecutor, thinking that this IOLTA account was a red herring, had that information available for someone such as yourself to come testify and then to be used on cross-examination, because I think the bottom line was -- and I would point my colleagues to the transcript at page 5566, at line 15 through line 19, and I'll conclude with this, Mr. Chairman.

Question of the prosecutor of you, Mr. Robertson. So now you've had a chance to look at one, two, three, four, five, six, seven, eight, nine, 10 -- 10 $2,500 checks which are lawyer's settlement fee checks in the amount of $2,500 during 1999. Correct? And you acknowledged, as you had to, with the

documents that that was correct?

Mr. Robertson. That's correct. This was a work in progress that I was not afraid to bring before the court, and I was just hoping that the government would use as much zeal in proving where the cash out went as they did in proving where the cash in -- or the checks in went, and that has still never been done. Having someone -- and in fact the prosecutor asked me, isn't it true, Mr. Robertson, that this $2,500 could have been a kickback? My answer, yes. That is an honest answer. But as we discussed before, it could have been a hundred different things, but a good prosecutor stops at that. He doesn't want to, you know, expose me to being able to say it could be something else.

So, yes, I was stuck with that answer, but it was not the -- you know, it's like I swore in an oath here today. You know, the one part that was missing, and it's partly because of the way the system works, is the whole truth part. It's one thing to tell the truth and nothing but the truth, but it's still nice to get the whole truth out, and I appreciate your questions very much.

DCMN HERZFELD

Mr. Hulshof. Well, again, as someone who -- as several of us who have -- who have labored in the criminal justice field before coming to Congress, you know, especially on the prosecution side where you've been most of your professional career, it would be great if criminals would commit their crimes on videotape, and then we could run the videotapes, similar to what we've seen in another jurisdiction of late, as far as an arrest and that, and I don't want to go there. But otherwise, then we have to build circumstantial evidence cases and have testimony that can or cannot be corroborated.

Again, I appreciate you being here today, and, Mr. Chairman, I appreciate your patience today.

The Chairman. Thank you.

Other questions?

Mrs. Tubbs Jones.

Mrs. Tubbs Jones. What order?

The Chairman. Well, I called on Mrs. Tubbs Jones. I'm sorry. I didn't see you, Mr. Berman.

Mrs. Tubbs Jones. Go ahead. I'll yield to my senior.

Mr. Berman. Thank you, Mr. Chairman, and I appreciate the exchange before.

Tell me if this isn't a fair summary of the thrust of your testimony today. First of all, that you don't think the government, the prosecution, did the kinds of things you

thought should have been done as part of a normal, thorough, professional investigation involving allegations of money crimes?

Mr. Robertson. And if I may add, routine, too. Yes, sir, that is true.

Mr. Berman. And secondly, that you're looking at patterns and practices, and from that you're raising different hypotheses, and while -- to simply repeat something you've just said earlier, that while there can be a hypothesis about where that $2,500 went when Mr. Sinclair withdrew it from his account, you cannot exclude the possibility that it was a cash payment to the respondent?

Mr. Robertson. That's correct.

Mr. Berman. And would it also be fair, then, to say that you cannot exclude the possibility that the cash deposits on the chart, Government Exhibit 127-1, which Mr. Kellner showed you --

Mr. Robertson. Yes, sir.

Mr. Berman. -- that that would not exclude the possibility that those were cash deposits by the respondent for money received from Mr. Sinclair? You could not exclude that as a possibility?

Mr. Robertson. It is a perfectly legitimate speculation, but, again, none of us know, because it's not corroborated.

Mr. Berman. Well, there was -- I don't intend to get in

an argument, and I don't think your purpose here is to --

Mr. Robertson. Oh, no, sir.

Mr. Berman. -- is to make argument. There was testimony in the case from Mr. Sinclair, however.

Mr. Robertson. Do you want me to -- may I address --

The Chairman. Mrs. Tubbs Jones?

Mr. Traficant. I object. He wanted to respond to Mr. Berman's last remark, and I think he should be allowed.

Mr. Robertson. May I?

The Chairman. I don't know that you had a question there, did you, Mr. Berman?

Mr. Berman. No. I simply commented with respect to his comment about corroboration that whatever the speculation was from charts, there was actual testimony on the issue as well.

Mr. Traficant. From the individual himself subject to jeopardy. He wanted to respond.

The Chairman. Mrs. Tubbs Jones.

Mrs. Tubbs Jones. Thank you.

Mr. Robertson, so that those who haven't had opportunity to read the transcript, how did you meet Mr. Traficant?

Mr. Robertson. I had worked with an attorney in Youngstown for the last several months on other matters, and on Friday, the 22nd of February, 2002, we were discussing the case.

Mrs. Tubbs Jones. Who was that attorney, sir?

Mr. Robertson. Mark Colucci.

Mrs. Tubbs Jones. Spell the last name.

Mr. Robertson. C-O-L-U-C-C-I.

Mrs. Tubbs Jones. Okay.

Mr. Robertson. And he referred a case to me back in, I believe, December or January, and we had discussed who --

Mrs. Tubbs Jones. Keep in mind, sir, I only have 5 minutes, so I need a reduced response to my question, please.

Mr. Robertson. Yes. The comment came up about, you know, Congressman Traficant, since he's from Youngstown, and my concern about the physical evidence and how I, you know, was interested in the investigation, and Mark said, would you want to meet?

Mrs. Tubbs Jones. So in other words you expressed to Mr. Colucci your concern about the physical evidence, and he said, I know him, and he introduced you?

Mr. Robertson. That's correct.

Mrs. Tubbs Jones. Now, you said that you left the Secret Service after 14 years; is that correct, sir?

Mr. Robertson. After 17 years.

Mrs. Tubbs Jones. After 17 years, excuse me. And when you left after 17 years, had you had any prior Federal employment?

Mr. Robertson. I had 6 months as a venereal disease investigator for the Dade County Health Department, but I was

paid through --

Mrs. Tubbs Jones. So you had 6 months with Dade County. Did you have any other Federal time?

Mr. Robertson. No, ma'am.

Mrs. Tubbs Jones. So at the point that you left, were you able to retain any type of retirement, sir?

Mr. Robertson. I had retirement. I pulled it out to start my business.

Mrs. Tubbs Jones. Okay. And can you tell me -- they were trying to transfer now from where to where?

Mr. Robertson. From Cleveland to New York -- Cleveland to Washington, D.C.

Mrs. Tubbs Jones. And you didn't want to come to Washington?

Mr. Robertson. I had been here before. I had --

Mrs. Tubbs Jones. So the answer is you didn't want to come to Washington?

Mr. Robertson. I did at one point, but it was going to cause family problems that had been repeated in the past.

Mrs. Tubbs Jones. How many times had you testified in court, sir?

Mr. Robertson. Ma'am, I couldn't say for sure. Dozens.

Mrs. Tubbs Jones. More than 10 times?

Mr. Robertson. Oh, yes.

Mrs. Tubbs Jones. More than 25 times?

Mr. Robertson. Oh, yes.

Mrs. Tubbs Jones. More than 50 times?

Mr. Robertson. We'd be getting close, yes.

Mrs. Tubbs Jones. And in that capacity did you testify always on behalf of the government?

Mr. Robertson. No. Now, in my private practice --

Mrs. Tubbs Jones. Give a percentage.

Mr. Robertson. Of course, when I was with the government, I testified for the government. But in the private practice, my work is very much divided between plaintiff and defense.

Mrs. Tubbs Jones. So since you've been in private practice, how many times have you testified in court, sir?

Mr. Robertson. Twenty-five or twenty.

Mrs. Tubbs Jones. Then is it fair to say you were so outraged by the lack of physical evidence in the Traficant case that you wanted to work for $1 for however many hours you invested to testify on behalf of Mr. Traficant?

Mr. Robertson. That is what it boiled down to.

Mrs. Tubbs Jones. Can you give me in a couple sentences what so outraged you, sir?

Mr. Robertson. The fact that there was no -- that the physical evidence wasn't present to substantiate the statements of other individuals who, in fact, have something to gain by making a statement, and I don't think that --

Mrs. Tubbs Jones. Now, in all the cases that you've worked on as an investigator, you understand that under criminal law, if a jury believes a witness and is the only witness, that may be sufficient to establish the burden of beyond a reasonable doubt?

Mr. Robertson. Yes, ma'am.

Mrs. Tubbs Jones. And so whether you thought it was sufficient or not, if the jury weighing the evidence, in light of all of the circumstances reviewed the evidence, listened to the law and rendered a decision, that is sufficient to establish beyond a reasonable doubt; is it not, sir?

Mr. Robertson. I have all the reason in the world to --

Mrs. Tubbs Jones. No. Answer my question. I didn't ask whether you had faith in the world. My question is if a jury listened to the evidence and believed -- even if it was only one witness, believed that testimony, it would be sufficient to meet the burden of beyond a reasonable doubt?

Mr. Robertson. Based on testimony that they have available, yes, ma'am.

Mrs. Tubbs Jones. I have no further questions. Thank you.

The Chairman. Mrs. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman.

Mr. Robertson, you have been doing this as somebody that is an expert in financial matters as well. Is that --

Mr. Robertson. I'd rather characterize it as fraud, because I go more after the individuals than the acts.

Mrs. Biggert. When you looked at the accounts of Mr. Sinclair and found that there were five accounts --

Mr. Robertson. Yes, ma'am.

Mrs. Biggert. -- were they all in the same bank?

Mr. Robertson. Yes, ma'am.

Mrs. Biggert. What would be the normal procedure if someone is making a deposit into one account, and they want to put part of it into another account? I mean, when they take the check in, would they formally get back cash and then redeposit it into another account, or would they just split the check into different accounts?

Mr. Robertson. It is really -- any option is available. You can split a check between two or three accounts if you want. You can get cash out, unless it is a -- you know, a check made out to a company. Of course, it has to all be deposited, but this was an individual government check made out to him individually, so he would have that option to take the cash out, and because, in fact, he is going to be getting a 1040 on it, it's not like he's trying to, you know, conceal anything. It's perfectly legal to take out the $2,500. It's not like, you know --

Mrs. Biggert. I understand that, but would he normally do that and then make another deposit into another check -- I

mean, into another checking account or another account?

Mr. Robertson. In this case that wasn't established, but that certainly has happened where people will take money out of one account and put it back into another, oftentimes in the name of a family member or other relative.

Mrs. Biggert. Thank you. I have no more questions.

The Chairman. Yes.

Mr. LaTourette. Thank you very much.

Mr. Robertson, I'm not a big fan of speculating on evidence, and I had a little exercise before that it could be from kickbacks. I think that opens up that it could be from drug transactions. It could be from the Czar of Russia's estate. It could be -- so I'm not real impressed. And even if the line of questioning that was recently done is correct, when we looked at Mr. Traficant's account, the cash deposits into his account by my calculation during the time that Mr. Sinclair was in his employ was about 7,600 bucks. The testimony from Mr. Sinclair, Mr. Cafaro and others is that the amount of cash given to Mr. Traficant, according to them, was approximately $48,000. So even if that is speculation -- we're still missing about $41,000.

Do you have any evidence, any indication, anything from your examination of Mr. Traficant's accounts to show what happened to $41,000 in cash, even if we assumed the pure speculation that that $7,600 is part and parcel of this

kickback?

Mr. Robertson. There's no -- there's no trail in any accounts of Congressman Traficant's that reflects anything to do with -- you know, with other cash.

Mr. LaTourette. And relative to the circumstantial evidence questions when Mrs. Tubbs Jones was talking to you, in Ohio, I don't know what your experience is in Ohio courts, but when a judge charges a jury, and the jury has to make a determination as to who's telling the truth, the judge says that you give some tests, and these tests include the appearance of each witness on the stand; his manner of testifying; the reasonableness of the testimony; the opportunity that he had to see, hear and know the things concerning to which he testified; his accuracy of memory; frankness or lack of it; intelligence and interest and bias, if any; together with all of the facts and circumstances surrounding the testimony.

Now, I think that Mrs. Jones's question was that the jury in Ohio clearly had these individuals in front of them with the opportunity to apply that test. I think that is what her question was and I assume you understood it to be. We don't have that luxury, and I don't have a question and would yield back my time.

The Chairman. Mr. Pastor.

Mr. Pastor. I want to go back to the -- what I think you

prepared and I'm assuming the government prepared and --

Mr. Robertson. Yes, sir.

Mr. Pastor. And you also mentioned that when you took the oath, you're under obligation to tell the truth, and sometimes the whole truth is not allowed, or we don't continue that. But in some of the questions you said you cannot conclude that the deposits that were taken out of the account were not used for kickbacks, but you also mentioned in your testimony that there could have been routine investigative procedures that would erase some of the doubt in terms of how that money was being handled. And for my own information, because I don't have the background of these Members, would you enlighten me on that?

Mr. Robertson. As far as I know, sir, there was no investigation by the government into Mr. Sinclair as far as could those funds have gone anyplace else. He made a statement that he gave them to the Congressman, and that was accepted. And it was not checked to see any further to see if, in fact -- and I don't mean this to disparage him, but would there be some other use for $2,500 a month. And it is a lot of money that most of us wouldn't take out.

The question to me was could it be a kickback, and in all honesty, I have to say, yes, it could be a kickback, but it could be 100 different things.

The government did not go back and really do a check on

their informant, and I think that is one of the problems that I had a problem with, too, was that if I was conducting the investigation -- and it is so important for all of you to keep in mind that I'm not sitting here as an advocate for the Congressman, I'm sitting here as an advocate for investigative techniques, and any one of you I wish would call up a police detective back in your own district and just run this by him, well, what do you think, you know? If you have a witness who is willing to testify that can suffer harm from the government, is that witness as good, and should that information be corroborated?

And I can give you many examples. I worked -- I did a lot of work with the Cleveland U.S. Attorney's Office.

Mr. Pastor. Give me one example, and leave it at one, but a quick one.

Mr. Robertson. A very quick one. An individual owns a bar in Cleveland. He sells counterfeit money under the bar. He only sells it to one person, has to be an ex-con. And he won't sell it to him twice. It is a great idea. We arrest the ex-con. We bring him in, and we turn them, as they say. He says, I got it from Hutch.

I end up going to the prosecutors. There was Ed Monar, a great guy, and I presented the case to him. I had two or three of these. Sorry. Can't do it. I had five or six of them. Sorry. We need to corroborate the evidence. I had a

couple of these people polygraphed. Sorry. We have to corroborate testimony.

Mr. Pastor. Well, let me ask the question in that light. What would you have done if you had been the investigator and -- to the informant to get better information of what -- where the money was being --

Mr. Robertson. The first thing you look at is the motive, and to me it's important on all of these key witnesses how many of them came and knocked on the FBI's door and says, I have information for you, or how many of them did the FBI visit and say, we've got to talk to you? And right away it changes the entire tone of the person. Are they a corroborative witness, or are they under duress, or could they suffer harm from the government?

And then the next thing if a person makes an allegation, you're going to try to verify one way or the other. Either get the paper trail going to the Congressman or whoever, or verify that, in fact, Sinclair could have spent the money someplace else.

The attorney, an officer of the court, Mr. Sinclair, committed misprision of felony on multiple occasions. Every time he turned around and gave this alleged kickback to the Congressman, he's committing a crime. He's an officer of the court. He should have known that this is against the law, it's not the right thing to do. And did he go to the FBI

during that 13 months, which would have been a fantastic opportunity for the FBI to say, hey, next month, buddy, you know, here we go; marked money, surveillance, wires, and we'll get him? If that had happened. And if this was true, we wouldn't be sitting here today.

Mrs. Tubbs Jones. Mr. Chairman, a point of personal privilege, please.

The Chairman. State your point.

Mrs. Tubbs Jones. Mr. LaTourette specifically referred to me in his questioning, and I just want the record to be clear that I never used -- I did not use the term "circumstantial evidence," nor did I mean circumstantial evidence, and that I am clear with the law in Ohio.

The Chairman. Further questions?

Mr. Green.

Mr. Green. Mr. Chairman, first of all, because I couldn't be here yesterday, I appreciate the staff providing me a transcript, and I've been able to read that transcript this morning and this afternoon.

Mr. Robertson, I know that testimony on collaboration -- and it sounded like a typical law enforcement officer that I -- I was never on the prosecution side. I was only on the defense side, but I have to admit working with law enforcement for years on the legislative capacity, I had lots of law enforcement complain about prosecution discretion in taking a

case or not taking a case. And so would you agree that the example that you gave us about the counterfeit bills from the bar, that was an example of prosecution discretion, that they -- they wanted collaboration to make the case, but they had always had that?

Mr. Robertson. Yes, sir, but that is not an exception. That was -- that was quite standard. Bill Evans, who I -- Bill Edwards, who I believe was now chief of the Northern District of Ohio U.S. Attorney's Office, I dealt with him many times, and they had this same standard, and in all candor, I submit to you that based on what I know about this case, to take one of these counts in, it would not have been -- it would not have been approved.

And I'm not going to get into any kind of conspiracy theory or anything like that, but when you do take 10 counts and bring them in, it adds to that -- it adds to that value. But if you take the counts and look at them individually -- and I'll tell you what I look at just for what it is worth. I look at four things whenever I see about indictment. Number one, was intent established? All crimes have intent. Number two, was an overt act confirmed? Number three, were Mr. Robertson's statements corroborated with physical evidence or satisfied by an impeccable character? An attorney comes in and says, this is what happened. You're not going to be checking on the attorney. You're going to go ahead and assume

that what he states is true. And number four, were all the elements of the crime established beyond a reasonable doubt?

Mr. Green. Well, again, your job as a law enforcement officer with the Secret Service -- and, again, my experience has been with State prosecution -- is that I can go to lots of Houston police officers who took cases to the district attorney and complained they wouldn't take these cases, or -- and say that is their discretion. And I have to admit, the U.S. attorney or the district attorneys in our State jurisdictions have discretion. I may not have agreed with them many times, like some of my law enforcement officers haven't, but, again, that is within their discretion.

Let me also go in -- and I know in your example you gave us, there was a pattern of behavior, the fellow behind the bar only giving out counterfeit bills to so many people, and you had four or five examples of that. That also goes into prosecution decision-making. Now, in that case the prosecution, the U.S. attorney, did want to make the case. But because of the pattern behavior it looks like there were from not just Mr. Sinclair, but other employees of Congressman Traficant, do you think that went into the decision to prosecute the case?

Mr. Robertson. I can't answer that.

Mr. Green. And I guess this is all moot simply because, you know, the decision to prosecute is made by the people who

are appointed by the President and confirmed by the Senate or elected by the folks, but we do have a conviction here, and that is something that I think has to go into the record.

Let me ask you something, and I appreciate your willingness to help our friend and -- you know, for $1 a year. What would your services be -- what would you bill for your services that you've done so far?

Mr. Robertson. Well, the two cases I had going right now, one of them is a class action suit out of New York City, and it is -- that retainer was $30,000.

Mr. Green. So you would assume that if you had the amount of investigation that you did for Congressman Traficant, it would be about similar to your class action suit that you're working on?

Mr. Robertson. Or more.

Mr. Green. Or more. Okay.

Thank you, Mr. Chairman.

Mr. Robertson. Not counting my daughter's 40 hours or downloading the data into the Excel programs.

Mr. Green. Oh, I understand. And again, it's not that often that we get someone with expertise to be able to do that.

Mr. Traficant. Are you suggesting another charge against me, Mr. Green?

Mr. Green. Heavens no. I'm just glad that we have a

conscientious citizen, Jim.

The Chairman. Mr. Robertson, I have just one more question, and we'll try to wind up your testimony. But on pages 55, 67 and 68 of the transcript, you testified, I believe, on February 20th of 2000 that 2 months after he stopped taking the $2,500 cash from his government checks, there is a -- Mr. Sinclair I'm referring to here -- there is a $2,500 deposit to the IOLTA account. So it didn't exactly coincide with when he stopped doing the government checks, right?

Mr. Robertson. There was, I believe, Mr. Chairman, 1 month extra that that continued, and, again, I sit here -- you know, investigators are very curious people. That is hopefully what makes you a good investigator. And I don't have an answer to it, and I'm not saying that there's anything criminal about it, but I still cannot figure out why an exact amount -- I get a lot of checks for $2,500. I mean, that is a very common amount of money. I still can't figure out why $2,500 checks were deposited for actually 13 out -- 13 out of the 14 he had the other checks, but then for the next 22 months, there was not one -- and we're talking about a lot of money. There was not one $2,500 exact deposit into an account. I just find that unusual. It may be nothing more than something that belongs in, you know, a who know's what book.

The Chairman. Thank you very much, and thank you for your testimony here today.

Mr. Traficant. I have some questions.

The Chairman. You've already redirected. Do you have something that is brand new, not repetitive, and brief?

Mr. Traficant. I think there are good prosecutors. Congressman Hulshof brought up a point. Were there not over 1,000 documents admitted to the FBI lab?

Mr. Robertson. Yes.

Mr. Traficant. Did they consist of currency, plastic bags or --

The Chairman. That is repetitive. We know that.

Mr. Traficant. Was there one print of mine on any of the --

The Chairman. Repetitive. We accept there were no prints.

Mr. Traficant. Is that unusual?

Mr. Robertson. Between -- in currency in particular, that was more my area of expertise. I think that that quantity of money, particularly it wasn't like one evidently stack of -- it would have been money that would have come in every $2,500 a month or whatever. You would have an opportunity to get some fingerprints.

Mr. Traficant. Was there in that 22-month period any $2,500 check from any insurance company that went into the

IOLTA account?

Mr. Robertson. No.

Mr. Traficant. Isn't it a fact that Sinclair has stated that he told me he would be testifying on March 2nd, but testified February 2nd and had a full 30 days to, in fact, tape me or compile an admission to corroborate the statements?

Mr. Robertson. As I was putting my work together, you told me that, and I have no reason to doubt it, that there would have been a 30-day window there where you did not know he'd already testified, and the FBI would have had ample opportunity to do one of the aforementioned ideas I had, and I think it's just -- I think it's very unusual that when a case goes into this highest level of government -- and I certainly won't refer to other problems within this body or any other body, but we all know they've existed, and most of them have been solved by having physical evidence.

The Chairman. Mr. Traficant, this is --

Mr. Traficant. One last question.

The Chairman. One last brief one.

Mr. Traficant. Was there a cash vending business that Mr. Sinclair owned?

Mr. Robertson. Yes.

The Chairman. All right. Thank you very much, Mr. Robertson. You are excused.

Mr. Traficant, do you have your fourth witness?

Mr. Traficant. Yes, I do. How much time do I have left?

The Chairman. You have 1-1/2 hours.

I'm going to take a 10-minute break, and we will come back for your last witness.

Mr. Traficant. Thank you, sir.

RPTS COCHRAN

DCMN HERZFELD

[6:50 p.m.]

The Chairman. The committee will come back to order.

Mr. Traficant, will you call your next witness?

Mr. Traficant. Mr. Chairman, I call Mr. Richard Detore, former CEO, U.S. Aerospace.

The Chairman. Mr. Detore, would you join us, please.

Is this your last witness, Mr. Traficant?

Mr. Traficant. This is my last witness.

The Chairman. Mr. Detore, you have been asked to appear before this adjudicatory subcommittee to be examined under oath in connection with an inquiry concerning Representative James A. Traficant, Jr. Under House and committee rules, you may be represented by counsel, if you so choose. Do you choose to be represented by counsel?

Mr. Detore. No.

The Chairman. Is your answer no?

Mr. Detore. Right.

The Chairman. Then you are willing to proceed without the assistance of counsel?

Mr. Detore. Yes.

The Chairman. At this time I ask you to raise your right hand so that I can swear you.

[Witness sworn.]

The Chairman. You may be seated. For the record, please state your full name.

Mr. Detore. It is Richard Eugene Detore.

The Chairman. Did you receive a copy of the Rules of Procedure of the Committee on Standards of Official Conduct, and the provisions of the Rules of the House of Representatives applicable to the rights of witnesses, and a copy of the Statement of Alleged Violations?

Mr. Detore. Yes, I did.

The Chairman. Well, we are going to proceed. You are here to testify on matters of relevance to the Statement of Alleged Violations only, and I remind you of that, Mr. Traficant, and you, Mr. Lewis and Mr. Kellner, that we want this witness to testify on that basis.

Mr. Detore, I do want to advise you, and counsel has reminded me, and I think that is wise advice, that you have to know that anything you say here could be used against you in your own situation, and I want you to be cautious about that. Also, do you feel well enough to proceed?

Mr. Detore. Well, I can tell you, I have definitely felt better, and I am here absolutely against the advice of counsel -- not counsel, but the physician, and probably against the advice of my counsel also. But the way I feel about it at this point, the facts need to come out, the honesty needs to be seen, and if they want to try to continue

to do what they are doing against me based upon facts, then so be it.

The Chairman. All right. The way we are going to proceed is that Mr. Traficant will ask you some questions. The committee counsel will ask questions. Mr. Traficant will have an opportunity to redirect if he would like. Committee counsel can redirect if he would like, and then the committee would have the opportunity to ask you questions under our 5-minute rule.

Mr. Traficant, you may proceed.

Mr. Traficant. Do you have immunity here today, Richard?

Mr. Detore. No, I do not.

Mr. Traficant. Are you under indictment?

Mr. Detore. Yes, I am.

Mr. Traficant. Were you named in a superseding indictment with me?

Mr. Detore. That is correct.

Mr. Traficant. For conspiracy --

The Chairman. Hold on just a minute, Mr. Traficant. Is his microphone on? Would you check and see? I think you need to be a little closer to it. Okay.

Mr. Traficant. And you were named in a superseding indictment with me; is that correct?

Mr. Detore. That is correct.

Mr. Traficant. You were CEO of U.S. Aerospace Group?

Mr. Detore. No. I was chief operating officer, not the CEO.

Mr. Traficant. Then at some point you were replaced by Capri Cafaro?

Mr. Detore. No. Capri Cafaro was the president, who I reported to, and that was not replacement, that was a position which she held probably from shortly after I was hired.

Mr. Traficant. Is she the daughter of J.J. Cafaro, the owner?

Mr. Detore. That is correct.

Mr. Traficant. How old was she?

Mr. Detore. I believe when I first met her, when I first started working for Cafaro Company, she was 19.

Mr. Traficant. Okay. Do you recognize this as Exhibit O, as a transcript of a conversation conducted between you and I on August 1st, 2001? Would you please look at it and identify it and authenticate it?

Mr. Detore. Well, without reading the whole thing, it appears to be. We had a conversation. It was transcribed.

Mr. Traficant. You will have time to look at that.

Did you state in there that you if didn't have two children, you would blow your head off?

Mr. LaTourette. Mr. Chairman, do we have a copy of what they are talking about?

Mr. Traficant. That was presented in the package, and I

think it was included as evidence, but it is Defense Exhibit O, a transcript of a recorded conversation between myself and Mr. Detore on August 1, 2001. It was prepared by a notary public, Lisa Senaker-Baker, within and for the State of Ohio, on the date August 28th.

The Chairman. You are presenting that in evidence?

Mr. Traficant. I absolutely am.

The Chairman. You have no objection, Mr. Lewis?

Mr. Berman. It is in evidence.

Mr. Lewis. I believe it is already in evidence, Mr. Chairman.

Mr. Traficant. I wanted him to authenticate it. I don't have the tape right here.

The Chairman. All right. We will consider it authenticated.

Mr. Traficant. Did you and I conspire to break any laws with U.S. Aerospace?

Mr. Detore. No, absolutely not.

Mr. Traficant. Did I, in fact, after testimony before the Aviation Subcommittee give you a note to give to Mr. Cafaro relative to three vehicles I purchased?

Mr. Detore. That is correct, relative to the vehicles that you had purchased.

Mr. Traficant. Yes. And was that amount to be $10,000?

Mr. Detore. From what I remember, yes.

Mr. Traficant. Was Mr. Cafaro supposed to make the car worthy, roadworthy, the one Avanti?

Mr. Detore. The only thing I can tell you -- I was not involved in any part of the true understanding on the vehicle and vehicle transactions. The only thing I can tell you is I was advised by Mr. Cafaro that he said whatever he agreed to with you, he would honor and would correct, and there was a vehicle that you had just purchased that had broken down that you were quite upset about, which Mr. Cafaro had called me and asked if I could help rescue you from the road.

Mr. Traficant. Was that car able to be fixed?

Mr. Detore. Well, honestly, there is nobody that would touch it. It was found to be a prototype that was never licensed to be on the road, and the people that took a look at it were worried about anybody's safety driving it and wondering if it was even legal to be operated.

Mr. Traficant. Did the prosecution, the U.S. Government, pressure you to offer false testimony against me in exchange for leniency for you?

Mr. Detore. Yes, they did.

Mr. Traficant. Did they do this in front of your attorney?

Mr. Detore. Yes, they did.

Mr. Traficant. What was his name?

Mr. Detore. John Isikis.

Mr. Traficant. No further questions.

Mr. Lewis. Mr. Chairman, I was not informed that this witness would testify today. I was informed if the witness was under subpoena, but I had been informed he was not coming. I would ask for a brief recess before I cross-examine.

Mr. Traficant. I object. This was a subpoenaed witness that did not say he would take immunity. He did not say he would invoke his fifth. He wanted to discuss it. His subpoena was issued, was recalled, and certainly one other question: Did you ever sign a waiver to release your physician records to this committee?

Mr. Berman. Mr. Chairman, I object.

The Chairman. We can't do that.

Mr. Traficant. I think it is very important. I think it speaks to the process here and my fairness.

The Chairman. It may be, but you are supposed to be speaking to the objection that Mr. Lewis made.

Mr. Traficant. I object to him for any recess, and he should be prepared to address this witness.

Mr. Lewis. I am very well prepared, Mr. Chairman. However, yesterday the four witnesses were the three witnesses that testified today and Mr. Harney. This witness was not on the witness list.

The Chairman. Mr. Lewis, I did make the statement to Mr. Traficant yesterday, however, that if he could get

Mr. Detore here, he would be allowed to testify. It is a surprise he is here, because we did not think you were coming.

How much time do you think you would need to prepare for this witness?

Mr. Lewis. Fifteen minutes.

Mr. Traficant. Before we do that, I also want to state for the record that on conclusion of the counsel's questioning, I will have extensive questioning, that I kept my direct short. Or I will then ask to continue my direct if you do not allow it.

The Chairman. I think --

Mr. Traficant. I did not then rest my direct if he is going to take a recess. I will then need a recess for more time myself, since I was made aware of Mr. Detore's intentions to come down here just a short while ago myself.

Mr. Lewis. I have no questions, but I reserve the right to question the witness after the panel does.

The Chairman. I think what we are going to do, to satisfy everybody concerned, we are going to take a break at this point. We are supposed to have a vote very quickly. We will be back at 8 o'clock and prepared for this witness and for the closing arguments.

Mr. Traficant. I ask to proceed further then with direct questioning of this witness when we return.

The Chairman. You may do that.

Mr. Traficant. Thank you. We stand in recess until 8 o'clock.

[Recess.]

RPTS STUART

DCMN ROSEN

The Chairman. I hope, Mr. Traficant, that you and your witness and our counsel and everybody got some nourishment over this break. This has been a long day and I know that everybody is tired. But we are drawing to a close of this day at least.

Committee will come back to order. Mr. Traficant, I think you were prepared to do some more direct.

Mr. Traficant. Yes. Thank you.

Mr. Detore, it was testified in Cleveland by Mr. Cafaro that you handed me a $26,000 cashier check to purchase my boat. Was that a truthful statement or not?

Mr. Detore. That is absolutely untrue.

Mr. Traficant. Did you ever give me any money?

Mr. Detore. No. Absolutely not.

Mr. Traficant. Did you and I go for meals?

Mr. Detore. Yes, we did.

Mr. Traficant. Did we ever exceed the limits?

Mr. Detore. No, sir. We did not.

Mr. Traficant. Did I bring Jane Garvey out to witness the laser technology?

Mr. Detore. Yes, you did.

Mr. Traficant. Did I bring Chairman Jimmy Duncan out?

Mr. Detore. I would like to clarify that. Even when you

did bring Administrator Garvey out, the credit was actually taken by J.J. Cafaro that it was his influence through other Congressional Members and Senators that made that happen.

Mr. Traficant. That is okay. Did I bring Chairman Jimmy Duncan out of the Aviation Subcommittee out to witness the laser technology?

Mr. Detore. Yes, you did.

Mr. Traficant. Could you describe the weather and the condition that night real quick?

Mr. Detore. The weather conditions were less than, far less than one mile visibility, deteriorating rapidly, heavy rain showers and high winds, which we were able to see the landing system that we were looking at 7 miles plus. So it performed very well.

Mr. Traficant. Was Mr. Duncan impressed with the safety elements of the technology?

Mr. Detore. Yes. Absolutely. Everybody on board the aircraft was, including myself who had sign it time and time again. Continued to impress even me.

Mr. Traficant. Did I require any deals from U.S. Aerospace or Mr. Cafaro for my involvement?

Mr. Detore. The only thing that I understood was that you would like to see the creation of jobs for Youngstown and the operation for manufacturing moved to Youngstown at some point.

Mr. Traficant. Was that an agreement?

Mr. Detore. Yes, it was. Because as a matter of fact, I had put my contract that I would not be transferred. Because I didn't feel like moving several times. So that was the result of those conversations that I had overheard.

Mr. Traficant. Was there a welder and a generator purchased from me, for my purposes?

Mr. Detore. No.

Mr. Traficant. What was the welder and generator purchased for?

Mr. Detore. It was an aluminum welder specific to work on the aluminum trailer that we were building for deployment of a military landing system that was to go to Bosnia. It was a system that we were actually working to donate to the Pentagon. They were having difficulty figuring out how to take the system. So they were taking it under the auspices that it would be utilized for testing.

The concern of the military then was that if it needed to be repaired in the field, how would they repair the aluminum. So we did something two-fold. We had a welder-generator requirement at U.S. Aerospace for well over a year to build a trailer. We expedited it.

There was somebody found in Youngstown that could build the trailer for less money. So the thought was that they could utilize the welder, complete the prototype trailer and

then deploy it with the welder-generator into the former Yugoslav Republics for the Army's use.

Mr. Traficant. So the first prototype of the trailer was to be built, and the welder and generator then would be used by the second party, who stated he could save much more money, and might even establish his own business. And it went to an individual. Whom did it go to?

Mr. Detore. It went to an individual named Kidwell.

Mr. Traficant. Who delivered it to Mr. Kidwell?

Mr. Detore. I understand you did.

Mr. Traficant. Who delivered it to me?

Mr. Detore. Al Lang.

Mr. Traficant. Fine. Now, Mr. Al Lang testified that you and I conspired and did a lot of things illegal for gains. Is that a correct statement?

Mr. Detore. I find it to be pretty remarkable how he can make that statement.

Mr. Traficant. Did Mr. Al Lang have a sincere interest in buying my boat, or was it a scam?

Mr. Detore. Honestly, it became almost painful to listen to Mr. Lang talking about buying the boat. It had to be well over a half year that he talked about it. And he talked about what type of deal he could get, the value of the boat. Quite frankly, individuals that I have affidavits from that listened to him --

Mr. Traficant. Who are those people that you have affidavits from?

Serge Bovay, a former CIA pilot, Stuart Cameron, who was one of the office assistants, an attorney named James Harney. There is other members of -- that were at U.S. Aerospace that would listen to Mr. Lang boast of the value that he could get out of the boat if he fixed it up.

And that it was the type of thing that he looked for. And he had, in fact, bought a boat that had been sunk by some hurricane, had it dredged up, repaired it, made a significant amount of money. And you had the same type of sleeper boat that he thought he could fix up and make money with.

Mr. Traficant. Do you know if there was ever called to the Ethics Committee relative to the purchase of that boat and the propriety that would be reflected by the fact that I had been instrumental in acquiring funds for U.S. Aerospace?

Mr. Detore. Well, I raised the question with Mr. Cafaro. And it was -- it was an issue that was brought to me really jointly between Serge Bovay and myself out of concern that a purchase of the boat was about to transpire and it represented a Member of Congress.

We brought that issue to Mr. Cafaro. He returned my call, and said that, in fact, House Ethics had blessed the purchase of the boat. It didn't make any difference who bought it, whether he was buying it, Al Lang was buying it, or

the President of the United States was buying it, and that it was none of my business. And also, I inquired to him about loan transactions in which Mr. Lang was seeking to get an advance on his bonus to buy this boat. And I was told that it was, in fact, none of my business.

Mr. Traficant. Was there a demand note requested by Mr. Cafaro of Mr. Lang regarding the moneys on this boat?

Mr. Detore. Yes, there was. And, in the Federal testimony of the Cafaro accountants, the Cafaro attorney, Mark Beck had actually inquired of Patricia Derenzo if she had obtained the title to the boat after she had had a check cut for $26,000, which corresponds to the transaction of which Mr. Lang was buying the boat.

Mr. Lang received a demand note agreement to sign by Cafaro, and he became very upset because he was required to pledge the title on the boat, and he wanted an advance on his bonus without stipulations. Cafaros were upset, thinking that he could simply leave the business before he was due his bonus, and they would have paid him far in excess of what they would have owed him at that point. So that was the reasoning for a demand note.

Mr. Traficant. Did Lang express motives to you that he wanted to sort of rent the boat back to the company for utilization on Naval navigation relative to the laser technology and its safety?

Mr. Detore. It came at a point after he had bought the boat. He began to lobby Mr. Cafaro, unbeknownst to myself and other members of U.S. Aerospace. And I was shocked when we were in a meeting with an individual to help him market an advanced navigation system he had for marine vessels. In that meeting, that individual brought up the fact that he would have to do extensive testing of that system, and that system would require a boat.

Mr. Cafaro, during that meeting, volunteered that he indeed had a boat. The only boat I was aware of that Mr. Cafaro had was a 110-foot boat that we had received a call from the marina in Annapolis where it had sunk and they had dragged it to a river and there was apparently an EPA violation, because it was leaking oil. So I was hoping he wasn't talking about the same boat.

And after the meeting when I asked him to clarify what we were talking about, he says I have struck a deal with Mr. Lang to rent his boat. Out of concern --

Mr. Traficant. What boat was it?

Mr. Detore. It was the boat that he had bought from you.

Out of concern of the boat having certified crew, apparently you need to have a captain's license to operate a boat of that size, also did it have Coast Guard certification, that -- did it have full insurance and that it be a safe vessel to operate, Serge Bovay and I actually approached Mr.

Cafaro thinking that we would actually end up scuttling any plans Cafaros had to use that boat. And it actually, in reality, backfired.

And Mr. Cafaro then inquired of Mr. Lang that if he paid for his captain's license, could he then pilot his 110-foot Trumpy. And in addition to that, is if he helped him by advancing him moneys on renting the boat, could he then get the boat completed sooner so that we would be able to use it for marine testing.

So what we should would kind of prevent us from using it because we were concerned about safety aspects ended up backfiring on us.

Mr. Traficant. Did Al Lang sincerely want to buy my boat, or was it a scam to do a favor for me in return to for getting funds for U.S. Aerospace?

Mr. Detore. Well, I would have to say it would have to be the most unusual scam I have seen in my life. Because he spent probably about at least 6 months discussing the boat and would actually brag about how he was knocking you down on the price. And that he was going to walk away with this boat and you had no idea what its real value was. So he would be kind of bragging about it.

Mr. Traficant. Was Lang known to be a prevaricator around the office?

Mr. Detore. Pardon me?

Mr. Traficant. Was he known to lie around the office?

Mr. Detore. There were becoming issues with Mr. Lang's honesty. I don't know if I had issues with him at that time. There became very significant issues with Mr. Lang breaking into the office. It was pointed out to me by other members of U.S. Aerospace, members that had CIA, NSA backgrounds, that they were aware that he was hacking into computers at late hours, that he was dumping out the database of an alarm system which monitored the motion of individuals inside our building.

And that he was also breaking into offices and trying to gain access to employee's files.

Mr. Traficant. Did I work very hard to secure funds and try to keep U.S. Aerospace and the laser technology alive?

Mr. Detore. I thought you were very supportive of the benefits of the technology, and benefits to save lives, the benefits to bring our military home safe.

Mr. Traficant. Did you get you a $4 million appropriation?

Mr. Detore. I am not sure of the appropriation amount. And I am not really aware -- I know there is an appropriation. I am not aware if it didn't happen by the point that I was actually terminated from U.S. Aerospace.

Mr. Traficant. Now, when you were terminated, who took your place?

Mr. Detore. Al Lang.

Mr. Traficant. What is your background?

Mr. Detore. My background is as an airline pilot and as a test pilot developing prototype technologies and systems.

Mr. Traficant. Can you fly commercial jumbo jets?

Mr. Detore. Yes, I can.

Mr. Traficant. Can you fly a military jet?

Mr. Detore. I am licensed and certified to fly any existing aircraft. It would just be a matter of taking the manufacturer's course on that aircraft to be safe. But, yes, I can fly any multiengine jets, any airline transport. I hold the highest licenses for operation of aircraft.

Mr. Traficant. Do you hold any patents still?

Mr. Detore. Yes, I do.

Mr. Traficant. Did any of those patents -- were they attempted to be taken from you or stolen from you by some illegal action?

Mr. Detore. Yes, they were.

Mr. Traficant. Who tried to steal them?

Mr. Detore. Cafaro Company, Mr. Lang.

Mr. Traficant. Now I want to get back to your involvement in my case. You were interviewed by the U.S. Attorney, Assistant U.S. Attorney in the presence of your counsel; is that correct?

Mr. Detore. That is correct.

Mr. Traficant. Did he pressure you to lie and promise

you in return that you would get no problems and you could sleep good at night?

Mr. Detore. Well, it was worded a little different than that. It was worded along the lines that I needed to choose a side. And I responded by saying that I didn't think it was necessary to choose a side. I thought it was necessary to tell the truth. And I thought by telling the truth, it only benefitted those honest parties.

He told me that if you think that you are going to defend a Congressman, if that is going to get you anywhere you are dead wrong, that the administration absolutely wants him out, and if you are going to follow down that trail, you are going to get yourself in a world of trouble. He says, I am trying to give you advice. He asked me if I had seen some of the news articles on Attorney General Reno. And I responded to him I had not.

He also advised me that at this point I was wearing union pants and a confederate shirt, they were shouting at me from both sides, and that I needed to significantly improve my statement. And I was really narrowed down to what was being requested for me to say, that is, that I overheard you specifically in the presence of either J.J. Cafaro or Albert Lang, and I was even able to say I was standing outside of the door, directly request favors in exchange for political influence. After the --

Mr. Traficant. Was that a fact? Did that happen?

Mr. Detore. No. I advised that that that absolutely would be lying.

Mr. Traficant. Did he ask you to remember that or to say that and to testify to that?

Mr. Detore. Well, what was suggested that I needed to put such a story in writing, he would come back into town, interview me on it. I would then have to swear to that as being the truth. And from -- from that point things would be significantly easier for me. And if I chose to take the path of saying what I was saying, and I was then from that point for about a 30-day period contacted consistently by my attorney, after my attorney had had conversations with the Assistant U.S. Attorney Morford asking me if I had decided to go ahead and make that statement.

Mr. Traficant. Did the U.S. Attorney Morford ask you to drop your civil suit against Mr. Cafaro?

Mr. Detore. Yes, he did.

Mr. Traficant. Did you nonsuit that case?

Mr. Detore. Yes, I did.

Mr. Traficant. Now, at some particular point did you reinstate that civil case?

Mr. Detore. Yes, I did.

Mr. Traficant. Now, when you were first employed, did you have certain guarantees relative to housing and other

matters?

Mr. Detore. Yes, I did.

Mr. Traficant. Did they live up to those guarantees?

Mr. Detore. No, not by any stretch of the imagination.

Mr. Traficant. Was your insurance with the U.S. Aerospace or the Cafaro Company?

Mr. Detore. Cafaro Company.

Mr. Traficant. Were you technically in your mind, at least, an employee of U.S. Aerospace or the Cafaro Company?

Mr. Detore. Without question the Cafaro Company. Because I was unwilling to go to work for a start-up. That is -- I was concerned that Cafaro Company having no experience in aerospace would get involved in a venture that they knew nothing about, would get in, decide that they didn't understand it, and would leave that venture. That is why I had actually turned the job down and did not accept employment to work for a start-up company.

Cafaro Company then said they would give me a long-term guarantee, that I would be paid, even if they decided to get out of the business, if they decided that it was something that they didn't understand, we are not going to continue long term. It was under those conditions that I accepted employment with the Cafaro Company.

At that point there was not even a U.S. Aerospace in existence.

Mr. Traficant. Did they violate the terms and conditions of your employment agreement?

Mr. Detore. Yes, they did.

Mr. Traficant. Is that part of your civil suit?

Mr. Detore. Yes.

Mr. Traficant. Also the termination, was that part of the civil suit?

Mr. Detore. Yes.

Mr. Traficant. Is that case still pending?

Mr. Detore. Yes, it is.

Mr. Traficant. Now, when you would not agree to the script that you have just testified to, did the prosecutor come back and attempt to find you in violation of different laws? What were you accused of doing or suggested of doing by the prosecutor to try and get something on you, Mr. Detore?

Mr. Detore. Well, he had advised me that a Mr. Perkins in the IRS -- well, actually the way he started it was that the prosecutor advised that there had been a subpoena in the blind, and they had all of my bank records.

Mr. Traficant. What prosecutor?

Mr. Detore. Assistant U.S. Attorney Morford. They had all of my bank records, that a Mr. Perkins from the IRS had significant issues, and that the prosecutor, Morford could not continue to keep the IRS away from me unless I was willing to cooperate fully with the U.S. Government and make that

statement for him. Otherwise, the IRS and I were going to have a major problem.

Mr. Traficant. Was that statement a lie, if you would have made it?

Mr. Detore. Pardon me?

Mr. Traficant. The statement they wanted you to make, would it have been a lie?

Mr. Detore. The statement that they made would have been a lie and the fact that the IRS -- I have never heard from the IRS. I can't believe they can have a problem with me.

Mr. Traficant. Did they question the transaction on your home and say it was a fraudulent transaction?

Mr. Detore. They had advised that the Cafaro Company's only reason in entering into an agreement with me was to provide fictitious paperwork in order for me to obtain a false mortgage through NationsBank, which I will tell you, you don't sell two homes, move your entire family from where their family lives, come to Virginia to work for a new company to commit a bank fraud. That is just the biggest bunch of nonsense that I have ever heard.

Mr. Traficant. Did they accuse you of bank fraud or suggest that they were going to look into you for bank fraud?

Mr. Detore. They said there absolutely was bank fraud.

Mr. Traficant. Who told you that?

Mr. Detore. The prosecutor.

Mr. Traficant. What was his name?

Mr. Detore. Morford.

Mr. Traficant. What else did they say that you did?

Mr. Detore. They also went through my employment -- I went through two meetings with the government. One of them was 9 hours, which basically, was more reminiscent of something I had seen on the History Channel with some sort of Nazi interrogation, yelling, screaming, throwing papers, throwing pencils.

Mr. Traficant. Who was throwing the pencils?

Mr. Detore. The prosecutor. The prosecutor is becoming very agitated. And he was telling me that I absolutely was not working with him. They spent a significant amount of time going through my employment agreement.

And I actually -- within the first half hour of meeting with the prosecutor, I actually got up and said I am done. Within that first half hour, the prosecutor advised me that if I thought that I was going to defend a Congressman, that I was dead wrong. And spent the half hour advising me that if I thought I was going to take that avenue there was nobody in this administration that was supporting me in any way, shape or form, so I was getting on the wrong train.

I decided within that first half hour I was done. I got up. Excused myself, went out in the hallway, met with my attorneys.

Mr. Traficant. Were you defending me at all, Richard?

Mr. Detore. No. I thought the only issues that I could state or could answer was the facts as I knew them, and as I saw them, period. And I was not going to lie for anybody in any way, shape or form.

Mr. Traficant. But they weren't satisfied with that; is that a fact?

Mr. Detore. Well, that is obvious. They weren't satisfied with that in the least.

Mr. Traficant. Did they ask you to drop your civil suit because they did not want you embroiled in a problem with Cafaro while he was going to be a witness against me in Cleveland?

Mr. Detore. They stated that they had significant issues with me in a civil action against their witness. They said they could not take a plea -- have a plea bargained witness with -- they admitted that he was a significant liar. And my attorney had even advised them that, in this case, my civil action, we were going to be able to prove quite clearly that Mr. Cafaro was lying.

In fact, the Cafaro Company and Mr. Cafaro had both stated on the record in my action in Fairfax County that Mr. Cafaro, John J. Cafaro, was not ever an employee of the Cafaro Company, was not a vice-president, and was not authorized to endorse my contract.

Well, we knew it was a lie. We knew that we had him. And the prosecutor said, I cannot afford that kind of exposure of my witness. They asked to drop the case. My attorney then discussed with me nonsuiting the case, which the prosecutor was not in favor of. He said, I don't care if you settle it, you drop it, but it needs to go away. Otherwise, I cannot consider you as a witness for the government.

Mr. Traficant. Could you have ever been a witness for the government under the terms that they asked you to agree to?

Mr. Detore. I couldn't lie. But I had been told -- I had actually been granted immunity. We were orally granted immunity from the U.S. Assistant Attorney Morford. That was reaffirmed in a letter to me. My attorney at that time was concerned on clarification on derivative use. The government, Morford then clarified it, made the changes, sent it back to us. And then upon the first meeting with the government, I also once again asked for clarification on the fact that I had direct and indirect immunity and that nothing I said or evidence I was providing would be used against me in any way, shape or form which he reconfirmed.

Mr. Traficant. Was that taken away?

Mr. Detore. He denied that he gave it.

Mr. Traficant. Was that after you would not go along with their script relative to lying about me?

Mr. Detore. Well, more significant than that. Two more times when -- each meeting that I had, the prosecutor, Morford, reaffirmed the conditions of the letter of immunity that he had granted me. It was far later when we raised the motion that I had immunity and that the charges should be dismissed based upon it. Also, I was never, ever given a notice of a grand jury proceeding and never had the opportunity to participate in a grand jury proceeding on my behalf.

So, basically, it would seem to be a process by ambush.

Mr. Traficant. On or about the time that Prosecutor Morford said that the administration wanted Traficant out, did they use the name and invoke the name of the attorney general in that same general context when they talked with you about that? Did they mention Reno when they talked about the administration?

Mr. Detore. Yes, they did. They mentioned it in the context of asking me if I was aware of comments that you had made about the attorney general.

Mr. Traficant. That she was a traitor?

Mr. Detore. I wasn't aware of what they were talking about, quite frankly.

Mr. Traficant. That she covered up for the Chinese money.

Mr. Detore. They might have said it. They discussed

something that I really didn't see -- they said it was on the news.

Mr. Traficant. But they said the administration wanted Traficant out. They mentioned Reno in the same context of the conversation. Is that a fair statement?

Mr. Detore. They said that nobody was going to support me in the administration, and that they were making sure that you were out.

Mr. Traficant. And they wanted you to lie?

Mr. Detore. Well, that is the sum total of it. They wanted me to lie.

Mr. Traficant. Did you tell me on the phone that you confirmed with your wife?

Mr. Detore. Yes, I did.

Mr. Traficant. And did you, under the serious strain of the financial hardship, you would have discussed with her this case?

Mr. Detore. I also -- shortly after that, my mother was very insistent upon making a call to the attorney, because she couldn't believe what was going on. I have family members that were killed in the line of duty. Come from a long line of members that have been in public service, police officers. My mother was very bothered, because they had essentially lost their home.

Her sister had died from a medical condition because they

had no medical benefits to cover her sister's medical care after her father had died in the line of duty. So she was appalled to think that this possibly could be happening. And she wanted to speak directly with my attorney as to what the government was requesting that I do.

And that attorney summed it up as it had to be considered as a business decision. And that it was a wise decision to simply get out of this case because there would be no gold stars awarded to anybody for telling the truth. And if I thought there was any benefit of telling the truth, I was living in fantasy land, and I believed in Santa Claus.

Mr. Traficant. How much money did you spend on attorney fees to date?

Mr. Detore. I have spent-- I have personally expended over $450,000 and have a remaining $150,000 of outstanding bills.

The Chairman. Mr. Traficant, we are going to have to recess for a vote as you know. We should be back by no later than 9 o'clock. I think it is one vote. And we will recess and be right back.

Mr. Traficant. Thank you, Mr. Chairman.

[Recess.]

The Chairman. The committee will come become to order. I apologize for the delay. But, we never can outguess them.

Mr. Traficant, I would remind you you have about an hour

left. If you -- so you can budget your time any way you want on that. But you may proceed with your questioning of your witness.

Mr. Traficant. I am going to go with a few more questions real fast. Thank you for the time.

Mr. Detore, at some particular point when they could find you in no sort of illegal acts, did they request your lifestyle?

Mr. Detore. Yes, they did.

Mr. Traficant. Was your house broken into during this period of time?

Mr. Detore. House was broken into. My children were threatened. When I picked the phone up, they didn't have the guts to talk to me.

We feel the dog saved the house probably, paid for it with his life, which was a dear pet to my children. And then we have had a lot of significant strange happenings that I brought to the attention of the FBI about people going through my trash. And I was advised that it is public and they can go through your trash.

Mr. Traficant. Did anyone in the Cafaro family ever tell you that J.J. Cafaro perjured himself in the trial of Phillip Chance?

Mr. Traficant. They said that the -- Capri Cafaro said that her family had significant issues with J.J. Cafaro and

J.J. -- that is her father -- his honesty, and that he had a significant problem in reference to lying in a court case, perjuring himself in reference to a sheriff in Youngstown, and the family was having major problems with it.

Mr. Traficant. Were you threatened with an IRS audit, Mr. Detore?

Mr. Detore. By the prosecutor, Morford, yes.

Mr. Traficant. Did you ever report what you considered to be some of the Cafaros' illegal activities to the prosecutor?

Mr. Detore. Yes, I did. I made him aware of a lot of concerns I had with Cafaros. Some of the specific concerns I had were judges that were gaining utilization of Cafaro Company aircraft. I was concerned with Senator Torricelli's apparent use of the aircraft, and concerns that I had heard in reference to a large purchase of an item on the Cafaro Company credit card for Mr. Torricelli's girlfriend.

RPTS BULKLEY

DCMN HERZFELD

[9 p.m.]

Mr. Detore. For Mr. Torricelli's girlfriend. I was also very concerned about the number of times that Patrick Kennedy's and the Kennedy family's name was coming up in reference to use of the aircraft, use of their estate, utilization of their estate with catered parties, and then also documents that we'd see coming through the fax machine.

And what I need to explain is that Cafaro Company was separate from where we were in Manassas. What we would see would be transactions or faxes that would come through that were for Capri Cafaro, not intended for us. It was an unusually large amount of documents that would flow through, discussing monies, contributions, dollars being set aside for different groups, and we would see confirmations that the aircraft will be there to pick up Secretary Cuomo at a certain time, make sure you're there at the airport. It did not involve us at all, but it did raise concern.

I brought it to the attention of the prosecutor. I also brought it to the attention of my personal attorney. My personal attorney thought that we would approach the Commonwealth's attorney out in Virginia and then became concerned that without being able to prove this, the Cafaros would only end up suing me. And since it was an Ohio-based

company and was not conducting anything through Virginia, the Commonwealth attorney probably would not be interested.

I then followed up with the Department of Justice in advising them of my concerns, and the question was -- and it was in reference to how Cafaros were dealing with government contracts. Plain and simple, they were lying to the government. The Federal Aviation Administration and the Department of Transportation had asked me to ride rein over contracts to make sure they got done because they found Mr. Cafaro and Capri Cafaro's statements to be less than honorable, less than honest and downright concerning. The contracts were on the verge of being cancelled and nullified. Employees paid for the contracts for parts out of their own -- basically out of your own wallet to get --

Mr. Traficant. Were you advised to file charges against Cafaro?

Mr. Detore. I was advised to file charges against Cafaros in relation to lies that Mr. Cafaro had made and the Cafaro Company had made in my proceeding in Fairfax County court.

Mr. Traficant. Do you know if I was ever on a Cafaro plane?

Mr. Detore. Not that I'm aware of.

Mr. Traficant. Did the government abuse your rights?

Mr. Detore. I think excessively.

Mr. Traficant. Did the prosecutor abuse your rights?

Mr. Detore. Without question.

Mr. Traficant. Did your attorney agree to that as well?

Mr. Detore. To the abuse of my rights?

Mr. Traficant. Yes.

Mr. Detore. I certainly would hope not.

Mr. Traficant. No. But did he --

Mr. Detore. The only attorneys that I have had in reviewing this found significant reason to be very, very concerned about what went on. We hired FBI agents, detectives to review all of the evidence, all of the facts. They were concerned with the abuse, and the problem was that when we did most of the initial investigation, I wasn't even indicted at that point.

Mr. Traficant. Did Al Lange sink the boat?

Mr. Detore. I was aware that the boat actually had been sunk several times by Mr. Lange.

Mr. Traficant. Did they ever report it to me?

Mr. Detore. I'm not aware if he reported to you. I only know from hearing from the Federal trial that he said he did not.

Mr. Traficant. Well, he admitted to one of them. You mean there were more than one?

Mr. Detore. Oh, yeah. Most of the people in the office used to refer to it as a U-boat because it seemed to be on the

bottom more than it did on the surface.

Mr. Traficant. But wasn't its appraised value at $32,000 as is when they first started out with it?

Mr. Detore. The appraisal I saw was -- I believe $42,000 was the value of the boat.

Mr. Traficant. Did you ever see Al Lange pay cash to any workers on that boat?

Mr. Detore. I never saw Al Lange in any transactions with any workers on the boat.

Mr. Traficant. Did he do the work himself, most of it?

Mr. Detore. He spent a significant amount of time out of the office, to the point that I actually had to make a complaint to Cafaros about -- it seemed basically the boat would sink, and then he'd spend all night long out on the boat. And he'd hear stories about a fireboat having to pull it up off the bottom and everything else, and he'd come in soaking wet. And he was totally useless to get his job done that we needed him to do.

Mr. Traficant. Now, Al Lange presented, and they presented it at the trial, requests from you to the Cafaros for cash to go to Al Lange for repairs of the boat. Did Al Lange ask you to do that?

Mr. Detore. Could you restate the question?

Mr. Traficant. They presented documents at the trial where you requested money for the repair of the boats for Al

Lange. Did Al Lange ask you to make that request to the Cafaros?

Mr. Detore. Al Lange, once he had the boat approved by ethics and bought the boat and was -- was making repairs on it, after this had been approved by Mr. Cafaro personally to deal with the repairs on the boat, Mr. Lange would repetitively come to you and plead his case about concerns with Cafaros not being forthcoming in either giving him advances on rents or being able to get repairs done when he wanted to. So if he would come to me, yeah, he probably came and came to quite a few people, but refused -- we normally refused to even get involved. But it was my function as his supervisor to pass on anything that he wanted to the Cafaros.

Mr. Traficant. Did you sign any waiver to have your medical records released to any government entity?

Mr. Detore. No. Never.

Mr. Berman. Mr. Chairman.

Mr. Traficant. To any government entity?

The Chairman. Mr. Berman.

Mr. Berman. I have no objection.

The Chairman. Mr. Traficant, go ahead and proceed, Mr. Traficant.

Mr. Traficant. I hope you don't take that out of my time.

The Chairman. We're taking it out of your time. This is

your time. You're going --

Mr. Traficant. No. I mean Mr. Berman's interruption there that he withdrew.?

The Chairman. Okay. Two seconds will be added back to your time, but the -- I want to make sure that you feel that these long and somewhat repetitive answers are helping you. You go ahead.

Mr. Traficant. Did you sign any waiver to have your medical records released to any government entity?

Mr. Detore. No.

Mr. Traficant. Did anyone say you did?

Mr. Detore. Yes, they did.

Mr. Traficant. Who?

Mr. Detore. The --

Mr. Berman. Mr. Chairman, I object. This is not relevant to the statement of alleged violations. Mr. Traficant is --

Mr. Traficant. I'll withdraw the question.

How much money have you paid in attorney fees to date?

Mr. Detore. I've spent in excess of $450,000 and have about $150,000 outstanding bills to attorneys.

Mr. Traficant. Do you have an attorney at this point?

Mr. Detore. No.

Mr. Traficant. Were you present when the judge allowed the withdrawal of your last counsel?

Mr. Detore. No. And more significant than that, I was actually advised by the firm that filed that motion that they were not going to file it, so I was not even aware the motion had even been filed with the courts.

Mr. Traficant. Isn't it a fact that after almost a half million dollars, you had three motions filed on your behalf?

Mr. Detore. That's correct.

Mr. Traficant. Have you recently been threatened with home arrest and wearing an ankle bracelet?

Mr. Detore. I initially had as part of my bond -- I needed to report to pretrial once a month. Since I became ill, and it seems as though the judge questioned the veracity of -- if I was actually sick or not, even though I was in the hospital for 2 days, she came back and said that I would then need to report in person to pretrial face to face twice a week. My doctor advised the courts that that was not possible. The courts, through pretrial, advised me this morning that more than likely I would have to be electronically monitored, because they did not have the ability to come out and meet with me twice a month -- or twice a week.

Mr. Traficant. And that happened today?

Mr. Detore. That's correct. It happened today, and they said I would be electronically monitored and have to stay in-house, which effectively becomes house arrest.

Mr. Traficant. Did you confer with any government entity about what you considered to be and your attorneys considered to be the prosecutorial misconduct of the U.S. attorneys in Cleveland?

Mr. Detore. Yes, we did. We brought it to -- before the indictment, we brought it to the attention of Congress through Representative Curt Weldon.

Mr. Traficant. Who advised you to go see Representative Weldon?

Mr. Detore. It was an individual that I worked with that heard a month's worth of harassment from the prosecutor in order to nonsuit the case or basically mold my way into saying what he wanted me to say, and he was insistent -- the fellow employee who is here today was insistent that I go to somebody. Well, when you have --

Mr. Traficant. Who is that fellow that is here today?

Mr. Detore. Bill Lord.

Mr. Traficant. Is he here?

Mr. Detore. He's right there.

Mr. Traficant. Okay. Did you see anybody else beside Representative Weldon?

Mr. Detore. Well, we came over here. It was scheduled for just after 9/11. We had the tragedy happen. The date we arrived here was the anthrax scare, so they were in the process of clearing out the building. He was very concerned.

He asked that I get additional documents over to him so they could be given to other Members of Congress, and of course we had the Brentwood 5 issues, and for weeks there we were basically paralyzed with getting him information because of that, and then I was indicted without even going before a grand jury.

Mr. Traficant. Did you know that I had taped conversations with you?

Mr. Detore. I'm aware of it now. I wasn't aware of it at the time.

Mr. Traficant. Did you make the statement that you thought you were living in Nazi Germany in red China?

Mr. Detore. It was not what I had ever grown up to believe that the United States was.

Mr. Traficant. No further questions at this time. I'd like to know how much time I have left.

The Chairman. 45 minutes, Mr. Traficant.

Mr. Lewis.

Mr. Lewis. Thank you, Mr. Chairman. So Mr. Detore, you're saying that when Congressman Traficant taped you, he did not tell you that he was taping you?

Mr. Lewis. That's correct.

Mr. Detore. Did you ask him if he was taping you?

Mr. Detore. No I did not.

Mr. Lewis. So he just didn't bother to tell you that he

was taping you.

Mr. Detore. That's correct.

Mr. Lewis. Was he under indictment when he taped you?

Mr. Detore. To tell you the truth, I'm not sure.

Mr. Lewis. Okay. Let me get this straight. Now, you currently have a civil suit against John Cafaro?

Mr. Detore. And the Cafaro Company.

Mr. Lewis. How much is that civil suit for.

Mr. Detore. 1.8 million.

Mr. Lewis. 1.8 million dollars. Do you have a civil suit against Mr. Lange right now.

Mr. Detore. No.

Mr. Lewis. Are you engaged in any litigation with Mr. Lange right now.

Mr. Detore. Not at this point.

Mr. Lewis. So the suit is just against Cafaro and the Cafaro Company.

Mr. Detore. That's correct.

Mr. Lewis. And you are Congressman Traficant's co-defendant in his indictment.

Mr. Detore. The case has been severed but that was --

Mr. Lewis. You were his co-defendant.

Mr. Detore. Correct.

Mr. Lewis. And you are still facing trial.

Mr. Detore. That is correct.

Mr. Lewis. And you are charged with conspiracy to violate the Federal bribery statute?

Mr. Detore. That is correct.

Mr. Lewis. And for conspiracy to bribe Congressman Traficant?

Mr. Detore. Correct.

Mr. Lewis. And you didn't testify at his trial in Cleveland did you?

Mr. Detore. That is also correct.

Mr. Lewis. Were you subpoenaed?

Mr. Detore. Initially I was subpoenaed. My attorneys discussed it with Mr. Traficant so that -- they felt it would put me at jeopardy, and Mr. Traficant withdrew it.

Mr. Lewis. And you stated that Mr. Morford told you that the administration was out to get you, that Janet Reno was out to get you?

Mr. Detore. They didn't specifically that Janet Reno was out to get me. He asked me if I had heard certain news broadcasts that Mr. Traficant had made in reference to statements about the Attorney General Reno. He said that the -- if I thought that the -- protecting a Congressman was going to gain me any benefit, he said that the administration was going to make sure that the Congressman was out. So don't take that course.

Mr. Lewis. But he directed you -- or your attention to

Janet Reno?

Mr. Detore. Janet Reno's name was mentioned in the same statement.

Mr. Lewis. And you were indicted in October of 20001.

Mr. Detore. That's correct.

Mr. Lewis. And Mr. Ashcroft was the Attorney General at the time?

Mr. Detore. I couldn't tell you.

Mr. Lewis. The Clinton administration was no longer in office in 2001.

Mr. Detore. That's correct.

Mr. Lewis. And you followed the trial in Cleveland very closely, didn't you?

Mr. Detore. I wouldn't say very closely, but I did follow it.

Mr. Lewis. So you knew that John Cafaro had admitted on the stand that he lied in the Chance trial; it's no surprise to anybody your testimony tonight?

Mr. Detore. Surprised that he's a liar, no, not at all.

Mr. Lewis. He admitted it under oath in Federal court previous to your testimony tonight.

All right. You were the chief operating officer of USAG?

Mr. Detore. That's correct.

Mr. Lewis. Now, I was confused. I understood your testimony to be that you were actually employed by the Cafaro

Company.

Mr. Detore. That is correct.

Mr. Lewis. Can you tell us how that worked out?

Mr. Detore. U.S. Aerospace was not even an entity. I had actually discovered when they had suggested selling U.S. Aerospace, which was one of the only reasons that I remained with them, that U.S. Aerospace wasn't a licensed registered or legal corporation, and I don't believe it was made so until the year 2000 after I had made essentially a big stink about the issue. So it wasn't -- U.S. Aerospace was -- all intents and purposes just appeared to be a shell to me.

Mr. Lewis. So you agreed to go to work as the COO of a shell corporation?

Mr. Detore. That is not true. I was in the employ of the Cafaro Company who hired me in interest of them divesting from their real estate holdings, and they said they wanted to invest about a hundred million dollars for the third generation of their family into aerospace, and it was not just one company. They actually wanted to purchase several different companies, and part of my function was to look at viable new technologies for them to acquire.

Mr. Lewis. All right. So your title was COO?

Mr. Detore. Correct.

Mr. Lewis. And how long did you hold that position for?

Mr. Lewis. It was from 1997 until I was terminated in

early 2000.

Mr. Lewis. Do you know exactly when Mr. Cafaro terminated you?

Mr. Detore. It was February of 2000.

Mr. Lewis. What was the basis for that, if you know?

Mr. Detore. The basis for it was that I had made a comment in reference to Capri Cafaro, which was unfounded and that they felt that I was undermining the company, and what they referenced in my undermining was actually concerns about the way they were conducting business, and I was forcing government accounting standards on DC A auditing and they felt that that was undermining them.

Mr. Lewis. Now Capri Cafaro was the President?

Mr. Detore. Correct.

Mr. Lewis. Did you make a comment undermining her?

Mr. Detore. Absolutely to the contrary. It was in reference to a press article. We had newspaper reporters coming to the building, asking about Capri Cafaro having a restraining order to remain away from Charles Rockefeller at Stanford University, and whether she was in some form of drug rehab and that Woody Harrelson's -- at that time I wasn't even aware who Woody Harrelson was but I was advised that he was one of the actors on cheers. If I was aware of Woody Harrelson's unlimited use of the Cafaro company's corporate jet through Capri Cafaro an his foundation to legalize hemp,

and then the question continued that if they were allowing him to ruse the jet and he was involved with a foundation to legalize hemp, it was safe to assume that they endorsed the use of drugs, and they had heard that she had been in a rehab. I spent a significant amount of time defending her because I didn't believe it and I suggested that they contact the Cafaro Company directly, because I couldn't respond to Woody Harrelson's use of their corporate jet at all.

Mr. Lewis. All right. So if Cafaro and Lange testified that they were upset because you were disparaging Capri, that wouldn't be true?

Mr. Detore. That is not true. It's absolutely to the contrary. I tried to, you know, protect her the best I could, but not aware of all of those allegations. It sounded like nonsense to me.

Mr. Lewis. For whatever reason, Cafaro fired you. Right?

Mr. Detore. Correct.

Mr. Lewis. And that an important position to you. You had been financially vested in it. It was important to you to keep this job?

Mr. Detore. I wasn't financially vested in it. It actually to me came as a God send. I was happy to be terminated, and the reason for it was is I was really getting tired of their consistent lies. I didn't like that they

seemed to be and I could never nail them down, you know -- they'd lie about checks. They'd lie about checks they got from the treasury on government contracts. It was nothing but a fire fight every day on items that they were either lying about, trying to course people to lie. It was an absolute disgrace. If they had not said that they were interested in selling the business and I had been able to verify that the -- and this is one of the concerns that they probably brought up, is they did not own the assets which they presented to individuals to sell. They did a business plan proclaiming they owned companies they did not own, and I watched them try to extort an individual with the threats of a criminal action against him for monetary damages in order to get him to turn his assets over.

Mr. Lewis. Okay. So you were glad to be fired?

Mr. Detore. I was glad to actually -- for it to be over with.

Mr. Lewis. When you wept to work for them, you were hoping that it would be a financial windfall, though. Cafaro told you that there's a potential for hundreds of millions of dollars of profits in the laser technology.

Mr. Detore. Cafaro has never said there was potential for hundreds of millions of dollars of profits. I thought when they got in and discussed monetary amounts which they felt they could make on the lighting systems -- I thought them

to be very unrealistically based of my knowledge of Aerospace. I thought they could make a decent amount. But I'll tell you quite honestly, the means of which they presented to me that I could partake in their profit was a farce. I was aware of it. I had made them very concerned. Other employees were aware of it. What they did is they simply gave you percentages in a corporation which they told you was real.

Mr. Lewis. When you went to work for them --

Mr. Detore. Let me finish my question for a second.

Mr. Lewis. Sure.

Mr. Detore. When we found out in fact that this corporation that I had 2.5 percent holding in, ownership in, which was supposed to benefit me in some way financially, it wasn't a real corporation, and they had no intentions at all of putting any money through it.

In fact, they had any monies that came into U.S. Aerospace transferred directly to Cafaro Company.

Mr. Lewis. They were marketing this new laser technology. Correct?

Mr. Detore. Correct.

Mr. Lewis. And the potential for the technology was that it could be used in every commercial airport in the country. Correct?

Mr. Lewis. Potentially, but probably not realistically.

Mr. Lewis. But it had the potential to be used as a

landing device in every commercial airport?

Mr. Detore. That would be like saying anything had potential but realistically, no. I mean, potentially, sure.

Mr. Lewis. So the Congressman yesterday when he said this could be used in all airports was wrong?

Mr. Detore. Well, to be say it could be used at all airports? Yes. Did I think it was realistic that it would be used at all airports? No. Would it be a benefit if it had been used at all airports? Yes. Do I think it is likely that the entire Nation would so embrace a technology that every airport in the Nation and around the world would buy it? I think it is unrealistic.

Mr. Lewis. Was it hoped that it would be a successful technology?

Mr. Detore. It was a successful technology. It had proven abilities to save lives. It is deployed currently aboard all anymore its aircraft carriers but the U.S. navy and has been summed up by an admiral in the Pentagon to be the most significant safety improvement that he has seen in saving naval aviator's lives in 30 years.

Mr. Lewis. And when you went to work for USAG, you hoped to be part of this technology that became successful?

Mr. Detore. Not only that technology --

Mr. Lewis. Why did you go to work for USAG?

Mr. Traficant. I object and he should let my witnesses

answer the questions totally and truthly.

Mr. Lewis. I'll withdraw the question. Please continue.

Why did you go to work for USAG?

Mr. Detore. That would be like why did you go to work for Johnson and Johnson. I had a job offer, and I had been involved with bringing forth technologies which I thought could enhance safety, and it appeared as though from the way Cafaros defined their interest as their most -- they said they were billionaires. They already had their money made. They had all their meals paid for for tenfold their lifetime. That money was not the issue. The issue was to generate interest of their third generation Cafaro family members on a technology which they thought would benefit people. I thought that to be a very legitimate and valid reason to be involved with them. They explained they were billionaires. They said that they understood it would take years to develop something like this, and they said that that was the business -- type of business they were in anyway with the -- buying property, developing it into mauls, turning it into shopping centers and they said it would be seven, eight years before they would get their first income on any property they would buy, turn into malls and then lease to Sears, J.C. Penney's. So I thought they had a very valid interest on benefitting people, saving lives and moving forward with successful technologies.

Mr. Lewis. And you contacted Al Lange and brought him

into the company?

Mr. Detore. That is correct.

Mr. Lewis. You hired Lange?

Mr. Detore. That is incorrect.

Mr. Lewis. Okay. Tell us how he was brought into the company.

Mr. Detore. I suggested that Mr. Lange confirm for himself the Cafaros, the Cafaro family, what they were suggesting doing. I was very cautious that he confirm for himself their interest of being involved in aerospace. It was a significant departure to go from shopping malls to aerospace technologies, and I wanted him to have the assurances for himself, not through me, and I arranged for a meeting to him to meet directly with the Cafaro family, and, I mean, initially I had turned the job offers down from him, and it was a month-long period which they flew me, my wife, everybody out there to convince us how determined they were to do this.

Mr. Lewis. How did you know Mr. Lange?

Mr. Detore. I knew Mr. Lange from working with him previously at Alliance Aerospace.

Mr. Lewis. And you thought enough of him, that he would be somebody to bring into this company?

Mr. Detore. I thought that he was a solid engineer -- he had a good hands-on ability to take a product that already existed and develop it without spending a fortune on it into

an easier way to manufacture it and make significant improvements on it. He's not the type of person that would develop a new technology out of the box and not come up with major renovations but he was very good at taking -- you know, taking a leg that would hold this thing up and develop it into a better leg and find better ways to make it. In that aspect, I thought he was a critical component, because I did not see any production ability to produce the systems. So I thought he would be valid.

Mr. Lewis. And you thought enough of Cafaro's pitch that you did in fact accept it and move your family like you said and change your entire life style and move down to Virginia to go to work for Cafaro?

Mr. Detore. Well, I wouldn't say change my life style. It is a significant commitment going to work for a company like that, because I spent almost a year living in hotels, flying and working this system. You had to do it in low visibility conditions, which normally means I was out in three, four, five o'clock in the morning with the DEA, the U.S. army, the CIA, special operations groups, and it requires you're out there all night long. So it's absolutely an arduous task. I had a daughter that was born, and I said that by the time I'd leave in the morning and come back at night, she would be asleep. I'm surprised my family even knew me for a year. So it was a significant undertaking that I felt very

beneficial to saving lives. It was proven to have the ability to save lives. It just need it had opportunity to show it to the military.

Mr. Lewis. And at that point in time you were very comfortable working with John Cafaro?

Mr. Detore. In the very beginning I thought that Mr. Cafaro's statements were honest, factual. He would sit in a room full of attorneys and his father and his brother, and he would tell you how many people worked for him for 40 years, 30 years. They'd talk about the 50 major malls that they owned, corporate jets operating.

I had come from an environment where I had worked for Johnson and Johnson and Midway Airlines. I'd worked for major corporations, and I couldn't imagine that -- you know, I didn't expect -- I was never lied to by the chairman of Johnson and Johnson. I certainly expected another multibillion-dollar corporation to have the same integrity and honesty.

Mr. Lewis. So what were Mr. Cafaro's duties as your supervisor or as the person above you? What did he do?

Mr. Detore. Mr. Cafaro was really responsible for everything. There was absolutely no buying a #2 pencil unless Mr. Cafaro approves it, sends it to you and eventually gets it to you.

Mr. Lewis. Now, you are in Virginia, and USAG was in

Virginia, correct?

Mr. Detore. That's correct.

Mr. Lewis. And Mr. Cafaro was located in Youngstown?

Mr. Detore. USAG was in Virginia because of the Federal Aviation Administration setting up a test site at the Manassas airport at the direction of the FAA Administrator David Hinson.

Mr. Lewis. So you were in charge of the day-to-day operations in Virginia?

Mr. Detore. You had to say that very loosely, because it was really -- in the beginning there was nothing to be in charge of, and there was really nothing you could do without getting Cafaro's approval. So I found myself very frustrated at the onset that you basically couldn't introduce anything, you couldn't get anything done, you couldn't move forward without either their blessing or, you know -- I mean, there was no accounting. There was no -- there was no -- nothing there. So you didn't have the ability to pay for something 10 cents unless you bought it yourself and then fell upon the mercy to finally reimburse your expenses some 6 months later.

Mr. Lewis. You were the supervisor in Virginia? There was nobody above you in Virginia?

Mr. Detore. No. Capri Cafaro was.

Mr. Lewis. Other than Capri.

Mr. Detore. Not other than Capri.

Mr. Lewis. You did the day-to-day operations, right?

Mr. Detore. No. That is not what I said. It was not really day-to-day operation run. It was --

Mr. Lewis. Your title was COO?

Mr. Detore. It is a nice title, but when you have two employees, there's really not a day-to-day operation. I had people that reported to me. It was essentially an organization that was trying to develop their technology. So what my function primarily was was working on developing that technology to a level that it would be beneficial to a covert operation for the military and would be beneficial to a commercial operation to the Federal Aviation Administration. It was test flying, no really business to operate.

Mr. Lewis. And USAG needed FAA certification?

Mr. Detore. To put a system in operation on a commercial airport, yes; to deal with the military, no.

Mr. Lewis. And Congressman Traficant helped you with both of those, to deal with the military and the FAA certification?

Mr. Detore. The military was already significantly under way, and the fact that the U.S. Navy was already under contract for the Nimitz class aircraft carriers, U.S. Army was already under way, and the FAA was -- already set up the test site in Manassas, Virginia, well before Congressman Traficant.

But he became significantly interested, and it was

actually a little intimidating in the very beginning because the FAA told me that if you had any inaccuracies which you were explaining to Mr. Traficant, who was on the Aviation Subcommittee, they said he would rip your esophagus out. And when I first met him, he spent more time doing due diligence on the technology, and I found out much later when he finally told me that his concerns were is that the Cafaros had had several failures in the Youngstown area, cars and everything else, and he needed to know, no ifs, ands or buts, that that technology merited his support and merited the support of Congress.

And then he sent letters out to all of the groups I was dealing with. And that was the Presidential helicopter, Marine One. That is HMX One. That was U.S. Park Police, NASA, the Federal Aviation Administration, SAIC -- that was a contractor -- the U.S. Navy --

Mr. Lewis. He did the due diligence, is that fair to say?

Mr. Detore. Exceptional due diligence. I was actually embarrassed. I thought he didn't believe anything I was saying.

Mr. Lewis. And it was great technology.

Mr. Detore. It was technology that had merits of -- when you're an inventor, you always try to improve it. You always try to make it better. You're never satisfied where it is,

but it had significant abilities in the right areas to save lives. Was it a do all, save all? No. I'm not convinced that any technology is a do all, save all. But it was a significant improvement.

Mr. Lewis. And Congressman Traficant did a good job helping USAG, right?

Mr. Detore. I think that Congressman Traficant did a significant job, as did other Members of Congress and/or members of the Aviation Subcommittee.

Mr. Lewis. Okay. My question was what Congressman Traficant did, though.

Mr. Detore. I mean, I would believe that he did a very good job on bringing merit -- or notice to the merit of the facts of the technologies' abilities.

Mr. Lewis. And that involved arranging meetings with USAG at his congressional office?

Mr. Detore. Arranging meetings for USAG.

Mr. Lewis. And the FAA at his office?

Mr. Detore. There was a meeting with the Federal Aviation Administration and U.S. Aerospace in response to concerns about the FAA not moving forward on --

Mr. Lewis. Just answer my question. Was there a meeting that he arranged?

Mr. Traficant. I object, and I think he's answering the question. And I wish he'd quit badgering Mr. Detore.

Mr. Lewis. I'm not badgering --

The Chairman. Mr. Traficant, watching your performance in questioning witnesses, I don't think you really are in a strong position to object to badgering witnesses. He didn't feel he was getting his question answered, so please restate your question --

Mr. Traficant. He admitted, Mr. Chairman, there was a meeting in the office and what it was about.

Mr. Lewis. And that is all I was asking. Did Congressman Traficant arrange demonstrations for the testimony -- for the technology at Manassas for the FAA?

Mr. Detore. No. I think that is -- is that a different question than the one you just asked?

Mr. Lewis. Yes. The first one was the meeting. The second I just asked you, did he arrange a meeting.

Mr. Detore. My answer on the first one was --

Mr. Lewis. My question was yes or no, did you have meetings?

Mr. Detore. I never finished the --

Mr. Lewis. My question was yes or no. Did he arrange meetings?

Mr. Detore. I can't tell you whether he arranged meetings.

Mr. Lewis. Did you attend a meeting in Congressman Traficant's office with members of the FAA?

Mr. Detore. Yes, I did.

Mr. Lewis. Was he at that meeting?

Mr. Detore. Very late, and he just kind of popped into the meeting and left. That is why I'm telling you I can't tell you what he arranged for or not. It might have been a member of his staff.

Mr. Lewis. Did his staff arrange the meeting?

Mr. Detore. I can't tell you who arranged the meeting. I was asked to come over to his office to meet with the FAA. I would imagine somebody from his staff did arrange for it. I couldn't tell you who, and I couldn't tell you how.

Mr. Lewis. And there were numerous faxes between you and his congressional office?

Mr. Detore. Probably. More than likely.

Mr. Lewis. And you received numerous faxes from Paul Marcone, chief of staff.

Mr. Detore. I don't know what I would consider as numerous, but I'm sure there was definitely faxes.

Mr. Lewis. Did the Congressman arrange for a demonstration of the technology at Manassas for the FAA?

Mr. Detore. I understood from him that he arranged for Administrator Garvey to appear, and Cafaros took credit that they had actually arranged it through Senator Torricelli's office and Senator Stevens' office.

Mr. Lewis. And you ended up spending a lot of time with

Congressman Traficant?

Mr. Detore. Yes, I did.

Mr. Lewis. You attended a lot of dinners with him on Capitol Hill?

Mr. Detore. I attended probably 20, 25 dinners over a 2-year period.

Mr. Lewis. And those were business dinners?

Mr. Detore. That's correct.

Mr. Lewis. And you charged them to USAG?

Mr. Detore. That's correct, and documented who I had dinner with as per the advice of his staff and other groups dealing -- making sure we didn't have an ethics violation.

Mr. Lewis. USAG paid for all of the -- the total price of all those dinners. He never paid, right?

Mr. Detore. That is incorrect. The USAG never had any money, so they couldn't pay anything. It was paid by the Cafaro Company.

Mr. Lewis. You vouchered USAG, and you got a check from the Cafaro Company?

Mr. Detore. No. He would actually send you a voucher -- Cafaro Company -- and then they would send you a check back by --

Mr. Lewis. Congressman Traficant never paid for any of the dinners?

Mr. Detore. Yes, he did.

Mr. Lewis. He never paid for any of the dinners that you vouchered and the Cafaro Company paid for, the 20 that you just mentioned?

Mr. Detore. If I sent in a voucher, that would mean he didn't pay for it. That's correct.

Mr. Lewis. All right.

Mr. Traficant. I missed the answer to that question if I paid for any of the dinners.

The Chairman. The answer was, yes, you did.

Mr. Traficant. Thank you.

Mr. Lewis. Did the Congressman become a friend of yours?

Mr. Detore. I would classify him as a friend through a business relationship. It's not a type of friend that I was over visiting his house or anything. It is somebody you get -- got to know and build a respect for his interest in safety, because it was not just this technology, but it was issues dealing with aircraft accidents and a lot of other issues that he seemed to really want to get to the bottom of that didn't benefit us in the least.

Mr. Lewis. Okay. At the time Mr. Cafaro terminated you, was USAG losing money?

Mr. Detore. USAG was started as an R&D to develop a technology to bring --

Mr. Lewis. Can you just tell me if it was losing money at the time you were --

Mr. Detore. No. Technically it was not. It was the first year we actually would have been in the black if the Cafaros properly reported their accounting and had gotten the money back. I actually had a joint venture arranged with a company called NavCom. If Cafaros had stayed the course with that, they would have been in the black that year.

The problem with USAG was -- is the Cafaros would not put the money back in the account. They'd get money from the Treasury on government contracts, and they'd put it in the Cafaro Company account, and as such, U.S. Aerospace would be debited -- with $2 million as an example -- for 1 year's worth of expenses, and the monies that were returned were never shown on USAG's accounts and went back to the Cafaro Company. So it looked like a total write-off, when in reality we were at a profit, and that is why I was driving to put in government accounting standards so I could end that, so we could show really on the books what was actually going on.

Mr. Lewis. Okay. So Mr. Lange's testimony under oath that the company was hemorrhaging money was incorrect?

Mr. Detore. Total nonsense and a lack of understanding of the facts.

Mr. Lewis. When you were terminated by Mr. Cafaro, USAG had not received the FAA certification for the laser technology?

Mr. Detore. That's correct.

Mr. Lewis. And USAG had not completed the contract for the Army for the ground laser system that you had talked about?

Mr. Detore. That is correct.

Mr. Lewis. And Cafaro owed you money when he terminated you, right?

Mr. Detore. That is correct.

Mr. Lewis. And Al Lange took over.

Mr. Detore. From my understanding after the fact, yes.

Mr. Lewis. Did you put a Corvette on your credit card and let Congressman Traficant use it?

Mr. Detore. I didn't let Congressman Traficant use it. There was a situation where he had bought a car from Cafaros, broke down coming into Washington, D.C., and I had the situation where he was very agitated, the Cafaros were very agitated, and we had to find a rental car to find for Mr. Traficant.

The rental car was delivered over here. Nobody would take it for some reason, or they couldn't find where to deliver it. They ended up bringing it out to us, and the company advised that although we had Mr. Traficant's credit card, we had his driver's license and everything faxed over to us, that they could not leave the car without having an actual credit card imprint. And this is all in Federal testimony. And I, under much duress, after listening for almost an hour

Mr. Cafaro telling me that you've got to get the car delivered because he's going to be really bent out of shape about the car, I finally said, if you're not charging me for the car, and it has nothing to do with me, and it's only a matter of holding it for whatever this stipulation is that your rental car company has, then you can use the imprint of my credit card.

Mr. Lewis. So the imprint of the credit card was put -- your credit card imprint was put on the invoice for the Corvette?

Mr. Detore. That's correct. Along with his.

Mr. Lewis. And you did deliver it here to the Rayburn House Office Building?

Mr. Detore. I didn't deliver it, no.

Mr. Lewis. Mr. Lange's testimony would be untruthful as to that?

Mr. Detore. I wasn't aware of it, but if that is a statement he made, it is untruthful.

Mr. Lewis. And the Congressman had a car for the month.

Mr. Detore. I believe that to be correct.

Mr. Lewis. And it was a daily charge of about $300.

Mr. Detore. I don't think that is true.

Mr. Lewis. It was a $5,000 total charge.

Mr. Detore. I've heard much controversy, because we had actually heard a significant lower amount of what that car was

supposed to be rented for. It was supposed to be -- from what I understood -- less than $100, but once again, I wasn't in the car rental business, didn't have anything to do with it, was uncomfortable with it, didn't think that U.S. Aerospace needed to be a clearinghouse for Cafaro's transactions on selling cars or modifying cars, and I was actually so bent out of shape about the whole transaction, I actually packed my office up and left and was out of that office for 3 weeks over that very transaction.

Mr. Lewis. But the transaction was on your credit card.

Mr. Detore. Transaction was on my credit card in order to hold the car only. It was not supposed to be --

Mr. Lewis. And the Congressman drove it.

Mr. Detore. Correct. And the Congressman paid for the car.

Mr. Lewis. Eventually in December of 1999, correct?

Mr. Detore. Same way as any rental car company. When you return the car, you pay for it. I've never rented a car that didn't take the imprint of your card and charge you when you return it, and that is what he did. And he gave him the credit card from day 1. They just would not accept his credit card without having an imprint of it, and that was the only issue.

Mr. Lewis. Were you there at the car dealership?

Mr. Detore. It wasn't a car dealership.

Mr. Lewis. At the Millennium Luxury Car Rental Agency?

Mr. Detore. No.

Mr. Lewis. Do you believe --

Mr. Detore. When he returned it or before when it was --

Mr. Lewis. When they wouldn't take the Congressman's credit card, what is your basis for knowledge?

Mr. Detore. No. They brought the car out to our office, and that is when they said they wouldn't accept it, because his office had faxed over his credit card and his driver's license.

Mr. Lewis. Who is Tracy Sloan?

Mr. Detore. The office manager at U.S. Aerospace.

Mr. Lewis. You supervised her?

Mr. Detore. No. I didn't really have the -- well, really I think she reported more -- you know, to tell you the truth, it was a title that you were given by Cafaros, but to tell you the truth, I don't -- I didn't have any real ability to do with anything. It was really more Capri Cafaro.

The Chairman. Sorry to interrupt, but the hour is getting late. How long do you plan to go on with your line of questioning?

Mr. Lewis. About another 20 minutes, Mr. Chairman.

The Chairman. Okay.

Mr. Lewis. Did you find her to be reliable?

Mr. Detore. Tracy Sloan or Capri Cafaro?

Mr. Lewis. Tracy Sloan.

The Chairman. I'd ask the witness to be as brief as you can and answer the question.

Mr. Detore. Yes.

Mr. Lewis. Did you follow her instructions?

Mr. Detore. As far as I'm aware of.

Mr. Lewis. Did you ever know her not to follow your instructions?

Mr. Detore. I can't think of anything right now. I was becoming concerned of what seemed to be kind of a whisper network going on between Capri Cafaro and several of the other people in the office of which she was involved.

Mr. Lewis. Who first contacted you in terms of talking to the FBI or Mr. Morford?

Mr. Detore. The FBI.

Mr. Lewis. The FBI.

How were you contacted?

Mr. Detore. They came to the house about 11 o'clock at night and beat on the front door, woke my kids up, and I went down, with two guys standing there with their badges folded out telling me that they needed to talk to me immediately about issues they had with my former employer John J. Cafaro.

Mr. Lewis. And did you eventually talk with the FBI?

Mr. Detore. No. I told them that I had a lawsuit against John J. Cafaro and that I was represented by a civil attorney

and suggested that they speak to them because I didn't want to say anything about Cafaros which could perhaps jeopardize my civil lawsuit.

Mr. Lewis. In March of 2001, you eventually talked with the FBI?

Mr. Detore. March of 2001 would have been a meeting with the prosecutor Morford.

Mr. Lewis. That is when you met Mr. Morford?

Mr. Detore. I believe so, yes.

Mr. Lewis. And was your attorney with you?

Mr. Detore. Yes.

Mr. Lewis. Was that the 9-hour meeting?

Mr. Detore. No.

Mr. Lewis. How long was this meeting?

Mr. Detore. About 3.

Mr. Lewis. Did Mr. Morford threaten you at all at this meeting?

Mr. Detore. No. The only thing I felt significant was everything I was saying, he was trying to change what I was saying and making it into something very different, and I had to constantly retract what he was saying. I felt that a little disconcerting.

Mr. Lewis. Did he tell you at what state the investigation was at that point?

Mr. Detore. He advised that he planned on having me as a

witness for the government and that he was significantly appreciative of the amount of information and the volume of documents that we had provided to him.

Mr. Lewis. All right. So the threats were at the next meeting you had with Mr. Morford?

Mr. Detore. That's correct.

Mr. Lewis. And that was in June?

Mr. Detore. After Mr. Cafaro had given his plea bargain and was indicted, then there was another meeting which was significantly different.

Mr. Lewis. And was your attorney with you at that meeting?

Mr. Detore. A different attorney.

Mr. Lewis. But you had an attorney present at the meeting?

Mr. Detore. That's correct.

Mr. Lewis. Was the attorney present when Mr. Morford threatened you?

Mr. Detore. Yes, he was.

Mr. Lewis. So it's your testimony that Mr. Morford made the statements that you just gave under oath in the presence of your attorney?

Mr. Detore. That is correct.

Mr. Lewis. An assistant U.S. attorney said those things to you, knowing that you were represented by counsel --

Mr. Traficant. Object. It's been asked and answered.

Mr. Lewis. And your counsel was there?

Mr. Detore. Counsel was there, and then it continued for a whole month after that.

RPTS COCHRAN

DCMN BURRELL

[10:15 P.M.]

Mr. Lewis. And while you were there in June, were you there voluntarily?

Mr. Detore. Well, to tell you the truth, I was there --

Mr. Lewis. Were you under arrest?

Mr. Detore. No, I was not under arrest, but I was told I had to be there.

Mr. Lewis. At any point during that 9 hours, could you have left?

Mr. Detore. I understand now I could have, but I was told I needed to go back in every time, because I got up several times and I said "end of meeting" when I was being harassed.

Mr. Lewis. You had an attorney and you never asked your attorney can we leave?

Mr. Detore. The attorney made no comments through the whole thing and has since advised us he had an unspoken relationship with the prosecutor. That was the reason I terminated that attorney within 3 weeks after that meeting and went to Plato Cacheris.

Mr. Lewis. So based on that attorney's friendship with the prosecutor, he let you be threatened?

Mr. Detore. He seemed to have way too close of a

relationship with the prosecutor and with the attorney for the Cafaros, in which they spent an unusual amount of time going through a Yale yearbook looking at the graduation pictures of Cafaro's attorney and then laughing about how they could utilize this to joke with him and everything else. It became very concerning that the relationship became too close and that my attorney never made issues every time that we either delved into my civil rights, my civil suit, any of my liberties, and I was very concerned about it. That is why I got up several times. I understand since from Plato Cacheris and other attorneys that I was the only one that made the right decision. I should have gotten up, walked out and known I could have.

Mr. Lewis. Why didn't you?

Mr. Detore. I was advised by my attorney I could not.

Mr. Lewis. Your attorney told you you could not leave?

Mr. Detore. That is correct. He told me that I would be in significant jeopardy and significant problems with the prosecutor --

Mr. Berman. Excuse me. I want to object. Does attorney-client privilege not mean anything at this hearing? He is not being asked to testify about advice that he was given by his lawyer. Now, we had a big stink about this the other day. Apparently when it applies to this witness, it doesn't apply any more, and I object to this line of

questioning.

Mr. Lewis. It is the witness' privilege to assert, Mr. Chairman.

The Chairman. I am going to sustain the objection. Go ahead, Mr. Lewis.

Mr. Traficant. I object, too.

Mr. Lewis. Can you tell us the name of the attorney?

Mr. Detore. The attorney is John Nassikas.

Mr. Lewis. John Nassikas. Can you spell that?

Mr. Detore. No, I can't.

Mr. Lewis. Who else was present at that meeting?

Mr. Detore. There was an FBI agent present and another Assistant U.S. Attorney.

Mr. Lewis. What was the name of the FBI agent?

Mr. Detore. I am not sure.

Mr. Lewis. What was the name of the other AUSA?

Mr. Detore. I do not know.

Mr. Lewis. Okay. So you hired Plato Cacheris?

Mr. Detore. Correct.

Mr. Lewis. He no longer represents you?

Mr. Detore. He was only hired -- I was not indicted at that time. He was only hired to do an investigation, and if there was any charges brought, then I would have to renegotiate a contract with him to defend me if there was ever a criminal action. And, quite frankly, very honestly, what he

wanted was way too much money, so I didn't elect to retain him.

Mr. Lewis. All right. So in June of 2001, at that point in time Congressman Traficant has been indicted. Correct?

Mr. Detore. I believe so.

Mr. Lewis. Okay. Mr. Cafaro has pled guilty to conspiracy to bribe the Congressman.

Mr. Detore. That is correct.

Mr. Lewis. Al Lange is cooperating with the government under an immunity agreement?

Mr. Detore. Not that I am aware of. I was told they had not spoken to Mr. Lange and Mr. Lange had no agreements with them.

Mr. Lewis. Mr. Detore, isn't is true that actually Mr. Morford just didn't believe you and he believed Cafaro and he believed Lange?

Mr. Detore. Well, if I believed Mr. Cafaro with the significant amount of lies that he does, over all the exculpatory evidence I had and all the facts which the government never had disputes with, I find preposterous to believe that Mr. Morford could think in any way, shape or form that there was any problem with any testimony or any information I had given him at any time.

Mr. Lewis. And knowing all your information, he chose to have you indicted?

Mr. Detore. Yup. And that is where I think there is a significant issue of what is going on with this country, when you can still indict somebody when they are sitting there with exculpatory evidence of which Plato Cacheris, Akin Gump through John Dowd, Larry Huntsman and Jay Harney, four different attorneys, tell you there is not even grounds for charges, there is nothing even wrong here, all the evidence is exculpatory -- and I have a letter to that effect from Plato Cacheris -- I find it to be horrifically tragic.

Mr. Lewis. I have no further questions, Mr. Chairman.

The Chairman. Redirect?

Mr. Traficant. I was going to go after the committee.

The Chairman. No, you are going to go now. But try not to be repetitive. Remember that you have 45 minutes.

Mr. Traficant. Well, on redirect I can discuss the issues that they discussed, Mr. Chairman.

The Chairman. You can discuss the issues that they discussed, but remember you have 45 minutes.

Mr. Traficant. That is exactly right.

Now, you had a number of attorneys present when you were threatened, is that correct?

Mr. Detore. I had an attorney present, correct, and I also had people present when I was continued to be threatened for the month after having that 9-hour meeting, and also verification through the billings from that attorney, where

they discussed consistently my non-suiting my civil case.

Mr. Traficant. Who paid for that Corvette?

Mr. Detore. You did.

Mr. Traficant. Was it not supposed to be a total of about $1,000?

Mr. Detore. Well, to tell you the truth, I didn't get involved with that. I heard you were very upset about it. I know you made the car rental agency aware of your concerns on the amount. And I would also say that the Federal testimony of the individuals from the rental car agency also verified that you in fact paid for the car.

Mr. Traficant. Was Morford comfortable in threatening you in front of those attorneys?

Mr. Detore. Well, I have never been experienced with anything like this in my life. I thought I was there to help the government, and I didn't know what comfortable, not comfortable, you know. He didn't seem to have any problem yelling and screaming at me and throwing papers at me.

Mr. Traficant. Did he actually throw things at you, Richard?

Mr. Detore. Yes, he did. It actually got to the point that the FBI agent actually asked him to calm down.

Mr. Traficant. Do you know if there was a 302 report written; what was the date of that? Do you remember the exact date?

Mr. Detore. I am not sure of the exact date.

Mr. Traficant. But it was in June of -- it was in what month, do you remember?

Mr. Detore. It was probably towards the end of June, because my 80-plus year old mother was at my home recovering from a medical condition. So I remember her being present. Not at the meeting, but after I returned home. So to me it would be the end of June, early July, 2001.

Mr. Traficant. Now, when they came to you at 11 o'clock p.m. at night, did you consider that to be a little bit unusual?

Mr. Detore. I was a little startled. I thought there was an emergency. It wasn't unusual for members of the government and the DEA or CIA or somebody to come to my house late at night about certain situations with using our products, so actually I thought initially that is what it was.

Mr. Traficant. Isn't it a fact that one of the reasons that this technology wasn't certified is Cafaro did not come up with the money needed to pay the testing laboratory that was the last requirement that the FAA had asked for?

Mr. Detore. That is correct. The FAA does not certify products. You have to actually pay third-party certification agencies to certify a product, and the Cafaros were unwilling or just never came up with the dollars to do it.

Mr. Traficant. Now, Al Lange testified that when he was

hired he was hired to fix my boat and that was a condition of being hired. Is that a truthful statement he made?

Mr. Detore. I never heard anything like that. I know that the only issue I ever heard about a boat when Mr. Lange was hired was that he had bought a boat that he had fixed up himself and he was not going to accept the job unless the Cafaros were willing to pay to have it moved from Florida to Virginia. That is the only thing I remember being discussed about a boat.

Mr. Traficant. At that meeting held in my office with the FAA officials and you relative to trying to resolve this so that the money could be paid and what needed to be done to get the certification, what percentage of time was I in the room?

Mr. Detore. I would say you weren't in the room for 5 minutes.

Mr. Traficant. Did you make derogatory remarks about Capri Cafaro?

Mr. Detore. No. I actually went to the extent of trying to defend her, that I had never seen any behavior like that that would indicate anything, and I never heard about a restraining order for her to remain away from Charles Rockefeller, or, yes, Charles Rockefeller.

Mr. Traficant. Were those Democrats or Republicans that were flown around in that Cafaro car -- plane?

Mr. Detore. It appeared to be primarily Democrats, from my knowledge of the parties. It is unfortunate I don't stay that abreast of who is who. But they talked about large Democratic affiliations quite a bit in the office when you would hear them talking. They would kind of use the office space as their launching pad for whatever they were dealing with, with their tax issues. So you would just hear bits and pieces when you went down the hallway.

Mr. Traficant. Was J.J. Cafaro promoting his daughter to run against me for Congress?

Mr. Detore. That is what I understand from J.J. and Capri Cafaro.

Mr. Traficant. Did you see the demand note that Cafaro wanted Lange to sign relative to the boat deal?

Mr. Detore. I saw the demand note when it was presented. Al Lange was so concerned with it that he was still griping about it after he was advised not to sign it, that I suggested he hand it to an attorney, my attorney, for him just to glance at it. And that is the only time -- as a matter of fact, the attorney says the only reason I asked for a copy of it is he says this is so significantly bad, he said I wanted to hang it on the wall in my office as an example of what not to do. So that is the only way I really had knowledge of it, other than Mr. Lange complaining about it.

Mr. Traficant. Those cars that I bought, were they worth

anything, really?

Mr. Lewis. Objection. Asked and answered. Relevance.

The Chairman. Do you want to make an argument for that, Mr. Traficant, because I do think we do have the answer to it.

Mr. Traficant. We do?

The Chairman. Answer very quickly. Objection overruled.

Mr. Detore. I honestly think they are valueless.

Mr. Traficant. Were they made in my district?

Mr. Detore. I believe so, yes, from what Cafaro said.

Mr. Traficant. Now, you had a 2.5 percent ownership. Did you have a contract?

Mr. Detore. Yes, I did.

Mr. Traficant. Who was the contract with?

Mr. Detore. Cafaro Company.

Mr. Traficant. Did you get a paycheck every month?

Mr. Detore. Yes, I did.

Mr. Traficant. Who wrote the paycheck?

Mr. Detore. The Cafaro Company.

Mr. Traficant. Did you have insurance?

Mr. Detore. Yes, I did.

Mr. Traficant. Whose insurance group company did you have?

Mr. Detore. The Cafaro Company.

Mr. Traficant. Did J.J. report to anybody when he needed money?

Mr. Detore. Not that I am aware of.

Mr. Traficant. Did he have to get clearance for some loans or need of money?

Mr. Detore. No, he seemed to have and what he would tell you is he had every authority in the world to do whatever he wanted to do. I mean, he gave you that in no uncertain terms. You didn't dare question it.

Mr. Traficant. Now, the counsel over there said that isn't it a fact that Cafaro admitted during the trial that he lied. Are you familiar with that?

Mr. Detore. I am familiar of his admission that he lied, because it proves that he also lied in Fairfax County Court, and I was also aware of his attempts to coerce people to lie in Prince William County Court in Virginia.

Mr. Traficant. What counsel didn't tell you, he also told you that he lied but he did not perjure himself, which was his exact testimony. Had you heard that?

Mr. Detore. I had heard his statement.

Mr. Traficant. Now, was it Capri Cafaro that told you that her father lied in the Chance trial?

Mr. Lewis. Objection. Relevance.

Mr. Traficant. It speaks to the issue here. You have prosecutorial misconduct spread all over the testimony here before this committee, and this witness has come here under jeopardy facing an indictment.

Mr. Lewis. There is no dispute that Cafaro admitted he lied at trial. It doesn't matter who told him. It is a known fact.

Mr. Traficant. This was before. The significance was --

Mr. Lewis. Mr. Chairman, it is cumulative. The trial record --

Mr. Traficant. I object to this. I am talking to the Chair. I want a ruling. I want to know if, before I was indicted, if Capri Cafaro told you her father had perjured himself in the Chance trial.

Mr. Lewis. I withdraw my objection.

The Chairman. Go ahead and answer the question.

Mr. Detore. Yes. She had said that he had perjured himself to a significant means in a Federal trial, that the family was very, very upset and there was huge problems.

Mr. Traficant. Did J.J. Cafaro ever tell you to give me anything?

Mr. Detore. No.

Mr. Traficant. Did you ever see me take anything from them?

Mr. Detore. No.

Mr. Traficant. Did I ever ask for anything from them?

Mr. Detore. I would say to the contrary.

Mr. Traficant. Isn't it a fact I paid for quite a few meals?

Mr. Detore. Let me clarify. The only thing that I ever heard was your request for the creation of jobs, and I saw Cafaro Company extend that they would have Capri Cafaro make a public announcement in Youngstown about the creation of jobs in building trailers in Youngstown.

I know you were very upset and Chief of Staff Paul Marcone was very upset because they did not want to make false promises, so they actually asked her not to make those public statements, and J.J. Cafaro became very upset.

Mr. Traficant. Isn't it a fact that I told him not to make that statement unless they moved it there?

Mr. Detore. That is correct, and that was in the presence of the FAA Administrator. It was actually very embarrassing that night about the -- J.J. was very heated about it.

Mr. Traficant. Did you know that Al Lange's defense attorney was paid for by Mr. Cafaro all the way through, his testimony previous to his in the Federal trial in Cleveland?

Mr. Detore. I was advised of it after his Federal trial, yes. I would also say that he had made statements to other individuals subsequent to my termination about the fact that he was -- the Cafaros were making certain concessions and paying for certain things for him.

Mr. Traficant. Did Mr. Lange have cancer?

Mr. Detore. Yes, he did.

Mr. Traficant. After U.S. Aerospace bankrupted, isn't it a fact that the Cafaro Company kept him on their hospitalization?

Mr. Detore. From what I understand, yes.

Mr. Traficant. As well as paid for their attorney through the trial?

Mr. Detore. That is what he testified to in Federal Court.

Mr. Traficant. Have you lost faith in the government, Richard?

Mr. Detore. I have lost faith in my ability to tell my kids to be honest, to be truthful, be fair to others and others will be fair to you. This is not where I was born. I don't know what is going on here. This is like I am having an out-of-body experience in another planet. The amount of treachery, deceit and lies throughout is unbelievable.

I got a wife laying home with shingles from stress, she can't even move, paralyzed. I have two children, crying, upset, a nervous wreck. I have never had situations where I passed out in my entire life. But 2 years of pure hell, and I defy anybody to walk in my shoes. And I could have simply just taken an easy path and just said, okay, I will say what you want me to say.

But I tell you, you can't tell your children, don't lie, don't be forced to lie, don't be coerced to lie, and, no

matter what, the truth will set you free. Well, I tell you, I don't know what to tell them. I don't know if it is better to tell them, you know what, under certain situations, go ahead and lie. Save your life, save your family. Walk on and let someone else feel the brunt of what your lie just created.

Mr. Traficant. Isn't it a fact that Morford told you that you would have to spend hundreds of thousands of dollars for attorney fees?

The Chairman. Mr. Traficant, this witness has been a very good witness to make the case for government misconduct in his eyes. I don't think we have to belabor this point any more. I don't think there is any other thing you can ask him that can make it more real than his closing statement.

Mr. Traficant. I have one last question.

The Chairman. Please proceed.

Mr. Traficant. Is it your opinion you were indicted to keep your credible testimony away from my trial?

Mr. Detore. It is the opinion of my attorneys, that are much better at understanding this, I have always had great difficulty really grasping what the heck is going on here. It just, you know, I don't have a traffic ticket. I don't even park in the wrong parking space in a doggone parking lot.

So when it comes down to something like this, you know, the attorneys, you know, they tell me that based upon once I had a plea agreement from the Cafaros, and I had an immunity

deal with them, they had to neutralize me.

Well, it has all the apparent effects of being exactly what everybody is telling me. All the pieces fit. It is what it is, and what has happened to me is what has happened to me. And I feel absolute retaliation just for having even come forward to other committees here in Congress. Now I am being threatened I am going to be under house arrest and have to wear an ankle bracelet. Nonsense.

Mr. Traficant. Did I honor your attorney's request to not subpoena you but send it to him?

Mr. Detore. That is correct.

Mr. Traficant. No further questions.

The Chairman. Any further questions, Mr. Lewis?

Mr. Lewis. I have one question, Mr. Chairman.

You stated that the Cafaros when they got to the point where they were about to get the technology approved, where they had spent tens of millions of dollars, where they could get the technology if they just spent a little bit more money, it is your testimony they decided not to pay?

Mr. Detore. I would tell you if they spent tens of millions of dollars I would eat that technology personally. There is no way that kind of money ever got spent and that was my concerns with driving in government accounting, because I felt the Cafaros were expensing huge amounts of money against U.S. Aerospace that U.S. Aerospace was not expending, and I

actually caught that and had proven it and the Cafaros did not spend that kind of money, and they did not spend almost any money necessary to get that technology certified.

Mr. Lewis. Nothing further, Mr. Chairman.

The Chairman. The committee. Mrs. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman. Mr. Detore, have you read the Defendant's Exhibit Zero, or O, whatever we want to say, which was a transcript of a conversation between Mr. Traficant and you?

Mr. Detore. I believe so. If that is the one he handed me earlier.

Mrs. Biggert. Let me call your attention to page 14. Mr. Detore, you said, yeah, you wouldn't want to accept anything on anything. All you wanted J.J. to do is what he agreed to do. Mr. Traficant replied, and that was to do what? And you replied to purchase the vehicle. Mr. Traficant said he wanted to purchase the vehicle. You have those papers, don't you? And your reply is yes. He goes on to say I want a copy of those sent to me; second of all, the only thing I wanted from J.J. is he would move not only the company but the headquarters up to Youngstown.

What did you mean by your first answer to purchase the vehicle?

Mr. Detore. Mr. Traficant had purchased the vehicle from Cafaro Company. The problem was, and Federal testimony bears

this out from their accountants and members of the Cafaro Company at his trial, they never delivered a title to him. Anytime that I would hear from somebody from his office, they would say can you speak to Mr. Cafaro about getting a title? And, in reality, the car wasn't even eligible to get a title, and Patty DeLorenzo of the Cafaro Company testified during the Federal hearing that she had requested from Mr. Cafaro to get a title to give to Mr. Traficant after they cashed his check for the car to deliver to him, and Mr. Cafaro said that is apparently not going to be possible, we can't do it, we can't produce it, and I will talk to him about it.

Mrs. Biggert. What kind of car was that?

Mr. Detore. It was a -- it ended up being a prototype, I remember a fiberglass, either 2 door or 4 door convertible, which we found out when it broke down that it was actually bolted onto a frame of a car obtained from a junk yard.

Mrs. Biggert. So that was not the car on the top of page 14 that you talked about, or Mr. Traficant talked about he thought was only going to be $1,000 that I rented to go to Louisiana, which turned out to be $6,000, that J.J. wanted to give me the money and I would not accept it?

Mr. Detore. Yeah, I think he is talking about the rental car there.

Mrs. Biggert. This is a different car.

Mr. Detore. What happened was when the car broke down,

Mr. Traficant was very angry and was planning on going someplace, and Cafaro said, well, can't he just take air travel there or is there another way he can get there? And he needed to drive there. And he said the least Cafaros could do is get a car. So I called J.J. Cafaro and I said how do you want to handle this? He said the car is as is. I will take care of what I need to take care of. It is his responsibility for a rental car. You can help him and arrange for it. And that is what I did.

Mrs. Biggert. So you went over that in the testimony?

Mr. Detore. Yes.

Mrs. Biggert. Okay. Then --

Mr. Detore. When I say I arranged it, it wasn't me. It was somebody else in the office.

Mrs. Biggert. Who won the contract, USAG or Cafaro, the laser technology?

Mr. Detore. I am not sure. I wasn't with the company at that time.

Mrs. Biggert. Okay. When you were seeking the contract, would you have thought that the -- you said that USAG was a shell company?

Mr. Detore. Correct.

Mrs. Biggert. Would you go after asking the Federal Government to grant a contract to a shell company?

Mr. Detore. No, you couldn't. I almost went into

atmosphere over finding out that what had been -- what I had been advised of many times, the corporation had no legal status. And then they came back with an entity they referred to as CAT, Cafaro Advanced Technologies, of which they said they were going to base all new contracts on, everything else, and it just appeared to be another way to dilute and filter the money. It was very disconcerting.

Mrs. Biggert. Then back to Defendant's Exhibit 0, I think it is 12 times that Mr. Traficant talks about lying and somebody asking you to lie.

Let me just ask you, you know, do you pay your taxes?

Mr. Detore. Pardon me?

Mrs. Biggert. Do you pay your taxes?

Mr. Detore. Yes.

Mrs. Biggert. Are you truthful when you file your taxes?

Mr. Detore. My accountant said that if I got an audit, they would actually be doing me a favor because they would owe me money back.

Mrs. Biggert. Then why are you afraid of the IRS or of the government? Why would you be afraid of a charge of bank fraud?

Mr. Detore. It is not the fear of what is being alleged; it is the fear of the way it is being handled. When you spend 9 hours with somebody yelling at you and told you you have done all this wrong, and you have come in believing that you

have immunity and you are providing information in cooperation with them, and then you are advised by your own attorney who appeared to the grand jury some 1 month before that the government was now out to get me at all costs, and you hear these threats of IRS, did I fear ultimately prevailing against me? No, I didn't. Did I fear having to hire attorneys, spend more money and having to defend myself?

At this point, I was so concerned with lack of trust in what was going on, you know, you get the point where you fear anything. You don't ever think yourself to be a paranoid individual, and I was the type of person that never believed anything I heard on television in reference to the Federal Government or things that happened. You become paranoid as heck. You know, I am coming to the point I would believe space aliens landed in the front yard and did something. It is a real travesty.

Mrs. Biggert. Thank you. No further questions.

The Chairman. Mr. Pastor.

Mr. Pastor. The first question is what do you gain by being here tonight and giving your testimony?

Mr. Detore. Nothing. I only hope that by being here today that I set an example for Americans. I don't come, you know -- and I don't mean it to offend anybody. I don't know about Mr. Traficant's dealings in Ohio. I have been in Ohio twice in my entire life. I can't discuss any of that. All I

can discuss is the truth as I have seen it and what I know. And I think a major problem that has happened with our country is everybody, including some of my own attorneys, will go, oh, I'm not getting involved with that. That could mean trouble for me.

Well, you don't set an example for others and you don't set an example for your own children unless you are willing to step up, step out and do. I am here strictly against advice of any counsel. I am here against the advice of physicians. But I am at the point also where I would rather go down telling the truth than ever be shadowed in lies.

Mr. Pastor. What do you think you are going to lose by being here tonight?

Mr. Detore. Well, God only knows. I never thought I would ever spend anything I ever saved in my entire life. I have worked since 14, paid my way through college. My wife has paid her way. We don't take vacations. Both of us work all the time. I wouldn't expect I would be on the verge of losing my house, losing credibility and losing everything.

When you have a court that now tells you that you are going to have to wear an ankle bracelet in your house and you are going to be held under some sort of house arrest, for what? I have not violated my bond. I have told the courts exactly what is going on.

They even came back and said we don't even believe your

note from the doctor to be true. That is just amazing. It is suggesting I stole the pad from the neurologist's office and wrote my own note? I don't know.

To tell you the truth, I would have thought I never had anything to lose from telling the truth. I tell you what, I have just about lost it all from telling the truth.

Mr. Pastor. Thank you, Mr. Chairman.

The Chairman. Mr. Hulshof.

Mr. Hulshof. Thank you. Mr. Detore, first let me say the fact that you are charged with a felony offense, at least for me, is no evidence of your guilt. What is the maximum sentence that you are facing in the Federal court?

Mr. Detore. To tell you the truth, I am not even aware.

Mr. Hulshof. Mrs. Biggert asked you some questions about the phone conversation that you had with Mr. Traficant. You actually knew that you were calling him back, correct? This was a page you were returning?

Mr. Detore. That is correct.

Mr. Hulshof. Was it an audio page or a page that had his number on it?

Mr. Detore. I think it just had his number.

Mr. Hulshof. You knew when you saw the number that was the number of Congressman Jim Traficant?

Mr. Detore. It was a number I didn't recognize.

Mr. Hulshof. I assume that the transcript is accurate.

Mr. Detore. I think so.

Mr. Hulshof. Mr. Traficant says hello. You say returning the page. And then the words yeah, how are you doing? And then immediately you recognize at least in the voice of Traficant, Mr. Traficant.

Mr. Detore. Yes.

Mr. Hulshof. Okay. Is it still your testimony under oath that you didn't know that this conversation was about to happen or that you had been given advance notice that Mr. Traficant was going to call you?

Mr. Detore. Not at all.

Mr. Hulshof. Is it just coincidence that, and I am not going to belabor the rental car, you very strongly stated your position, is it just coincidence the only car for Mr. Traficant to rent was a 1999 black Corvette with only 9,800 miles on it? They didn't have an Escort or midsize or compact?

Mr. Detore. Sure. It was -- he was upset because he was driving a convertible that he had planned on driving down south someplace, and I am not sure where he was going, and he wanted to find a convertible. Do you know how hard it is to find a convertible close to winter anywhere in Virginia? We must have called every place. I say me, it is not me, it is people in the office looking at this. What came from the car rental agency at Dulles Airport, they suggested we could find

a convertible with this Millennium. The only thing they had, the cheapest thing they had -- they had Ferraris, they had all kinds every other things, the cheapest thing they had was a Corvette.

Mr. Hulshof. It was a brand new Vet. Go figure.

Mr. Detore. I don't think they told the truth and what they said they would rent it for. But that is his money.

Mr. Hulshof. What I am going to do for the remaining time, and you have been here for an extended period, and I think Mr. LaTourette is going to ask some other question regarding some of your other testimony on the meals and so forth.

Mr. Lewis, would you please hand to Mr. Detore what has been received in evidence as Exhibit No. 40 and Exhibit No. 41.

Mr. Detore, again, I know again we are catching you at short notice, but if you would focus your attention at Exhibit No. 40, you will see a government exhibit number, it is 8-67 (1). What this purports to be in the upper left-hand corner if you will just follow along with me is a summary of expenses, Albert Lange, Jr., schedule of payments made for James A. Traficant boat expenses.

You will recognize or at least you will see that over a 2-year period it has a date paid category between August of 1998 through September of 1999, how paid, the receipt, check

numbers and the payees, and it indicates, do you see at the bottom there where it says expenses by category, and I am not talking about the slip rental or the electric and membership, but the total rental is roughly $20,480.62? Do you see that at the bottom left-hand?

Mr. Detore. Yes.

Mr. Hulshof. I am not including the amounts of what it cost for Eastern Power Boat Club. But $20,480.62?

Mr. Detore. Correct.

Mr. Hulshof. Put that aside. I want to focus your attention on Exhibit No. 41. You testified earlier you had significant knowledge about this boat and the expenses.

Exhibit No. 41 in the upper left-hand corner is John J. Cafaro and John J. Cafaro Company schedule of payments reimbursing James A. Traficant boat expenses. We have some different expenses, some different dates, different payers, different checks, in fact different accounts. In fact, you will notice that your name is listed under one of the payees for an amount of $8,000, and the total amount under this list of expenses is $26,472.

Am I to assume then that the total amount of money that was paid to Mr. Traficant for this boat, for the expenses, was roughly $46,000, $47,000?

Mr. Detore. No. I think these numbers are inaccurate, and I think the Federal testimony of Ernest DeGroot or his

grand jury -- I don't know if he testified in the Federal hearing, but his grand jury testimony bears out that he only received somewhere in the area of $8,000.

Mr. Hulshof. How much?

Mr. Detore. $8,000. And he actually felt bad because he didn't complete the work on the boat. I was also aware that monies that Mr. Lange had spent, that he lied to Mr. Cafaro and that $8,000 that he had originally received actually was stolen by an individual named -- let me see if his name is on here, it is like Captain Seneno or somebody, and the group makes reference to that. The guy made off with $8,000 that Lange had initially paid.

Mr. Hulshof. My time is about to expire, and I wanted to just give you a chance to at least shed some light for me on these two, but there is one I do want to ask your particular attention to. And, again Mr. Lewis, if you would hand to Mr. Detore Exhibits 33, 34, and I don't know if the back of the check is actually number 35 or not. If you hand him at least the interoffice memorandum, which is 33, the check ledger, which is 34, and then the back of the check which has Mr. Detore's endorsement.

Mr. Detore, it appears Mr. Lewis has handed you the book we have all been given as far as exhibits that had been introduced. Now, just briefly, Exhibit No. 33 says that this is a U.S. Aerospace Group inter-office memorandum. It appears

to be prepared by you, is that correct?

Mr. Detore. To tell you the truth, I have been asked about it before, and I don't remember preparing it. There is several things, not to belabor it, but these forms are automatically generated by computer out of the network. I programmed the computer. I did it for myself. Everybody else copied it. So it would automatically always generate my name on the form. So it wasn't unusual for secretarial staff sending notes out for people to find my name on all kinds of things. But it is not out of the question that I wouldn't have made reference that Al Lange needed something. I don't think I would say "we."

Mr. Hulshof. Let me ask you this, because in the memorandum itself it says J.J., which everybody here has been referring to Mr. Cafaro has J.J., and then the text, we need to get a check, $8,000, to complete the boat repairs. Please call if you have any questions.

Now, is it your testimony here tonight under oath that you did not generate that memorandum or cause that memorandum to be generated?

Mr. Detore. What causes me concern is it is not the way that I would have written the note, and that I also, if I had sent a fax, I normally initial next to my name or sign it someplace, so that the structure of the verbiage just doesn't seem like something I would do. But I certainly did a lot of

times when Al Lange said J.J. Cafaro is supposed to be sending me X for the boat. I mean, this was after the boat was his property and he bought it and it was approved by House Ethics. To me it didn't make any difference if he spent a half million dollars on this boat.

Mr. Hulshof. But looking at all of the different exhibits with all of the different notations about boat expenses to reimburse Mr. Traficant, the only one that bears your name as a payee is in reference to Exhibit No. 33, this interoffice memorandum.

Mr. Detore. Correct.

Mr. Hulshof. So I would assume that something this unique; that is, a reimbursement to a sitting Member of Congress for expenses that were incurred --

Mr. Traficant. Objection. It was not a reimbursement to me. I never received any of that money. That was for someone who supposedly did work on the boat that now I found out was $8,000 instead of 30.

Mr. Hulshof. My question will be amended by the Respondent's clarification. I would assume that something this significant, and especially the only time that you seem to have made that solicitation, and especially for an amount like $8,000, is it something that has just slipped your mind, that you didn't do it, or you may have done it and just don't recall? What is your testimony tonight?

Mr. Detore. To tell you the truth, the clearest thing that I remember is one of the administrative staff from U.S. Aerospace coming to me with a check and saying it was sent in error; that Mr. Lange has been waiting for it; and they walked in with a $8,000 check and I said what is this for?

For that reason, it doesn't seem to me that I would have sent a note to anybody or even been in that discussion, because I would have known an $8,000 check coming to me, because I thought, oh, great, pennies from heaven. Maybe they are finally paying expenses they owe me. But they said Al Lange had to have it right away, and they spoke to accountants in Cafaro Company and they said endorse it over to Mr. Lange. So, unfortunately, it wasn't for me. I endorsed it to him and away it went.

Mr. Hulshof. Let me follow up and finish that, and I will yield my time. You notice on Exhibit 33 at the corner, right hand, there is a handwritten notation that has PD, which I would assume to be "paid" and a date 12-24-98, and then CH, which I assume to be "check number," 3588. Do you see that designation on the lower right-hand side?

Mr. Detore. Correct.

Mr. Hulshof. Then go to page 34 which has been received in evidence for purposes of this hearing. That actually is a check ledger. I would presume you recognize Mr. Cafaro's handwriting in that ledger? Or is that handwriting that is

not familiar to you?

Mr. Detore. I don't believe that is his handwriting.

Mr. Hulshof. At least it is the check ledger or a copy thereof showing check number 3588 to correspond to the memorandum. The payee is at least your name, Richard Detore, in the amount of $8,000. Do you see that designation?

Mr. Detore. Yes, I do.

Mr. Hulshof. I think that exhibit also has the front of the check, and then, again, just for the clarification for the records, I don't know if this is actually numbered, Mr. Detore, the back of the check. Let's assume it is Exhibit No. 35 or 34-A.

But is this then an exact photocopy of the check? That is a fair and accurate depiction of your signature, is it not, as the --

Mr. Detore. Oh, yes, I endorsed this to him.

Mr. Hulshof. So you endorsed. Did you actually write the words "endorse to Al Lange?"

Mr. Detore. Correct. Actually, this has been brought up by the prosecutor. He had the front and says, aha. And I said no, you need to get the canceled check, because I endorsed that to Mr. Lange, because I remember the $8,000 coming to me unexpected with one of the employees. But this ledger, this is not anything we ever had. This is all Cafaro Company. Mr. Cafaro doesn't write his own checks. It is all

handled by staff. They don't even tell you what they are doing.

Mr. Hulshof. So as far as the generation for any receipts for this $8,000 reimbursement or check generally, as far as any receipts or any personal knowledge, your testimony tonight is that you have none; you generated no receipts, there is no additional paperwork that you generated as far as this $8,000 that was written on the account and actually cashed or paid out?

Mr. Detore. Not that I am aware of, other than endorsing that check.

Mr. Hulshof. Thank you, Mr. Chairman.

The Chairman. Further questions? Yes, Mrs. Tubbs Jones.

Mrs. Tubbs Jones. Mr. Detore, have you had an opportunity to publicly tell, and I don't mean to call it a story, but to make the statement that you have made before this committee today prior to today, sir?

Mr. Detore. Only to House Judiciary and Government Reform, Government Oversight.

Mrs. Tubbs Jones. That was at a public hearing, sir?

Mr. Detore. No.

Mrs. Tubbs Jones. So this is the first time you had an opportunity to make this statement to the world?

Mr. Detore. Absolutely I did not tell, because the retaliation would be significant.

Mrs. Tubbs Jones. So would it be a benefit to you, having not had an opportunity to previously make this statement to anyone, to come here and make this statement today, sir?

Mr. Detore. To tell you the truth, I am scared to death. I don't know what the heck is going to happen now. But it is at a point where I believe people need to know. I don't have faith in the system, and I don't know where to go. I don't know what to do at this point.

Mrs. Tubbs Jones. Can you tell me who the three attorneys you had representing you, sir?

Mr. Detore. We had initially an individual named Larry Huntsman that was a civil attorney dealing with the Cafaro matter. We had John Nassikas and that was in reference to the meeting with the government in June. And I had Plato Cacheris afterward that did an investigation which said that there would never be an indictment. There was not even an issue to worry about.

RPTS STUART

DCMN MAGMER

Mrs. Tubbs Jones. Of the $450,000 that you spent, how much of it was given to Mr. Huntsman?

Mr. Detore. Mr. Huntsman's bills were probably about $80,000 worth.

Mrs. Tubbs Jones. How about Mr. Nassikas?

Mr. Detore. Probably some $40,000.

Mrs. Tubbs Jones. And the balance of $300 some thousand went to Plato Cacheris?

Mr. Detore. No. Plato Cacheris cost me about maybe $60,000. There was one other attorney after that. The only attorney that represented me in the criminal matter before the courts, John Dowd from Akin Gump. And there was excess of $239,000 spent there. In reality, the billings were $359,000.

The Chairman. I don't want to cut anybody off, but we do have a vote. It is a motion to rise. I would like to get finished with this witness before we go for this vote. I don't think it is right to hold him over.

So if you would make your questions as brief as possible, I think we have at least one other one. So if everybody would make their questions as briefly as possible, maybe we can -- and the answers as briefly as possible.

Mr. Traficant. Mr. Chairman, I move that the committee reconvene tomorrow with this witness and not rush this witness

out of here because of the import.

The Chairman. No, I am going rule against your motion. We are going to finish with this witness. We are going to finish with him tonight. Mr. Traficant, I think we have been more than fair with you where this witness is concerned.

Mr. Traficant. I have never questioned your fairness. If you cut off the questions to this witness, he has put himself here in jeopardy.

The Chairman. All I am asking is that the members --

Mrs. Tubbs Jones. Mr. Chairman, how many more people are there to ask questions? Myself, Mr. Green and Mr. --

The Chairman. Three people, and we have 5, 10 minutes at the most. So you kind of take a third of that, that would be great.

Mrs. Tubbs Jones. You cut me off right in the middle of my examination. Let me figure out where I was going from here.

I believe my last question was, you paid Mr. Dowd and he is with what firm, sir?

Mr. Detore. He is with Akin Gump.

Mrs. Tubbs Jones. Akin Gump in what city?

Mr. Detore. D.C.

Mrs. Tubbs Jones. Some $239,000; is that correct?

Mr. Detore. That is correct.

Mrs. Tubbs Jones. And this was an investigation?

Mr. Detore. No. No. That was for three motions in this case.

Mrs. Tubbs Jones. Okay. And currently he no longer represents you because?

Mr. Detore. He made a motion to withdraw from my counsel. What he stated was lack of payment, although I actually have an agreement with him for significantly less than that. And the judge -- I was actually told by Akin Gump that it was going to be resolved, no motion to withdraw would be submitted the courts. I was not aware it was submitted to the court, and the judge ruled on it one day without my appearance and released them from my counsel.

Mrs. Tubbs Jones. Were there any other documents submitted to you, Mr. Detore, with regards -- that have your signature or with regard to any of the claims that are made for this hearing or in the courtroom other than this $8,000 check, sir? That you can recall?

Mr. Detore. Not that I am aware of. It might be something, but not that I am aware of.

Mrs. Tubbs Jones. Okay. Mr. Chairman, I have more questions, but in light of your request to limit my time --

Mr. LaTourette. I would make an inquiry, Mr. Chairman. I understand -- I would just ask, Ms. Tubbs Jones says she has more questions. Mr. Green, I would assume, gets 5 minutes. I would appreciate 5 minutes with the rather remarkable

testimony this man has given.

I don't want to come back tomorrow, but I wouldn't mind voting and coming back.

Mrs. Tubbs Jones. I would like to support Mr. LaTourette and us going and voting and coming back.

The Chairman. I have an insurrection going here. We will go vote and come back.

Mr. Traficant. I move that the insurrection be sustained.

[Recess.]

The Chairman. The committee will come back to order. I was being rude to Mrs. Tubbs Jones when we left. I apologize for that rudeness, and I will give you some additional time.

Mrs. Tubbs Jones. Thank you, Mr. Chairman.

Mr. Detore, when you stated that you were asked to drop the civil suit against Mr. Cafaro, who was your attorney at that time, sir?

Mr. Detore. It was Mr. Nassikas, and Mr. Huntsman was my civil attorney.

Mrs. Tubbs Jones. Well, you can choose to answer this or not. Were you advised to drop that suit by your attorneys?

Mr. Detore. Mr. Huntsman said it was absolutely out of the question and plain and simply couldn't even be brought up; and he suggested I seek other counsel. And Mr. Nassikas said he thought I ought to entertain what the government was

suggesting.

Mrs. Tubbs Jones. Okay. And you did, in fact, drop that suit, is that correct?

Mr. Detore. Well, what they suggested, they wanted me to either settle the case or drop it. And the -- Mr. Nassikas -- and I have got his billing statements which show about five conversations with the prosecutor subsequent to my 9-hour meeting with them in which they discussed and followed up with a nonsuit in Virginia, Virginia law in reference to the civil case.

So he says I have come to an acceptable agreement with them which you can nonsuit as opposed to drop your case. So he thought that was a major victory for us.

I wanted -- I was only 1 month from going to trial, and I wanted to go to trial, because I figured if in fact I ever had to launch a defense for my criminal charges I would have the money from what was owed me from my employment agreement.

Mrs. Tubbs Jones. You did, in fact, then reinstate that same suit?

Mr. Detore. Correct. I have reinstated it in February.

Mrs. Tubbs Jones. Is Mr. Huntsman still your attorney when you did that?

Mr. Detore. No, it is a different firm, because I had to give up just a significant portion of it in contingency fees to get it picked up.

Mrs. Tubbs Jones. Who is that firm?

Mr. Detore. It is in Fairfax County, Virginia.

Mrs. Tubbs Jones. Are they still representing you, sir?

Mr. Detore. They represent the civil case.

Mrs. Tubbs Jones. Yes. At the first meeting you had with Assistant Attorney -- U.S. Attorney Morford, there was an allegation of bank fraud. What did that reference, sir?

Mr. Detore. I don't believe the allegation of bank fraud came out until the second meeting.

Mrs. Tubbs Jones. The second meeting then. What was it referencing, sir?

Mr. Detore. He said that the Cafaros had given a story that they didn't actually sign my employment agreement and that the letter that they had sent verifying my income level to the bank was only to allow me through fictitious means to obtain a mortgage which otherwise I couldn't afford, which was utterly false.

Mrs. Tubbs Jones. Did you in fact -- what was your salary when you came to work for Cafaro?

Mr. Detore. It was -- salary was supposed to be $240,000.

Mrs. Tubbs Jones. Was it, in fact, $240,000?

Mr. Detore. No, they incidentally short-changed me in the first year, as they did with several other employees that had employment agreements similar to mine.

Mrs. Tubbs Jones. What was, in fact, your salary, sir?

Mr. Detore. They shorted me $50,000 in the first year.

Mrs. Tubbs Jones. So it was $190,000?

Mr. Detore. Correct.

Mrs. Tubbs Jones. And can you real quickly, because I know I don't have a lot of time, tell me again what your educational experience is, sir?

Mr. Detore. I attended the University of Delaware, degree in physics program. Extensive flying programs through extension through the colleges and universities with advanced aerodynamics. Advanced testing research. And then I have had extensive manufacturer -- most of the major manufacturers' schools for their aircraft.

Mrs. Tubbs Jones. Do you have certifications from these various schools, not degrees?

Mr. Detore. Absolutely. Full certifications from the schools and higher learning institutions for training for the aircraft.

Mrs. Tubbs Jones. I am moving fast, Mr. Chairman. Hold on.

You said you came to Capitol Hill and spoke to two committees but not in public. Who were those committees again, sir?

Mr. Detore. The House Judiciary and the Government Oversight.

Mrs. Tubbs Jones. Who in House Judiciary did you speak with?

Mr. Detore. It was Mr. Cannon and Mr. Coble. I am not sure which one is which committee.

Mrs. Tubbs Jones. Mr. Cannon and Mr. Coble.

Okay, and Government Oversight, who did you speak with? Was it staff you were speaking with, not actually Members of Congress?

Mr. Detore. No, actually the Members of Congress.

Mrs. Tubbs Jones. And Government Oversight?

Mr. Detore. I'm not sure who is on what committee, but it is just those two. I understand one was on the Judiciary and one was on the Government Oversight.

Mrs. Tubbs Jones. Again, can you tell us when that was?

Mr. Detore. Within the last 2 weeks. Before July 4th.

Mrs. Tubbs Jones. Just in the last month or so then?

Mr. Detore. Yes. And then before that, Congressman Curt Weldon, and that was right after 9/11. It was a day of the anthrax scare here. And he was concerned enough to stay, even while they were evacuating the Rayburn Building.

Mrs. Tubbs Jones. Isn't your statement, Mr. Detore -- just so I can get to the end of this -- that everything that you have stated here is the truth, the whole truth and nothing but the truth, sir?

Mr. Detore. Absolutely.

Mrs. Tubbs Jones. And you are -- have not been promised anything for your testimony?

Mr. Detore. The only thing --

Mrs. Tubbs Jones. Other than the threats you allege?

Mr. Detore. Yes. Nothing. Nothing.

Mrs. Tubbs Jones. And you have been granted no immunities from anyone?

Mr. Detore. None. Other than having immunity up front that was --

Mrs. Tubbs Jones. That was the last question. Who was your attorney when you were allegedly granted immunity?

Mr. Detore. Larry Huntsman, the civil attorney. He advised Prosecutor Morford that we would not give him any information, wouldn't discuss anything with him unless we were given direct and indirect immunity.

Mrs. Tubbs Jones. When the immunity was withdrawn, who represented you?

Mr. Detore. Nobody actually withdrew it. Even if I was to perjure myself, the only thing I could be charged with was perjury. The immunity would stand per the agreement. What has happened is the prosecutor has sought to deny that it was immunity for indirect derivative use. Although the agreements given to both Capri Cafaro and Albert Lang that they were given and conferred full immunity upon were the same original agreement I was given.

My agreement for derivative use was actually made stronger, and there was a clarification at the request of Attorney Huntsman in addition to getting immunity for himself.

Mrs. Tubbs Jones. Now, you are not familiar yourself with these legal terminologies and the types of immunity, you were advised with regard to this?

Mr. Detore. I was advised. In my first meeting with Prosecutor Morford, he asked me what I understood; and I told him that I understood that I had immunity and that nothing I said, provided them, did, could be used against me in any way, shape or form.

Mrs. Tubbs Jones. And this is before you told him all of the things that you told us today?

Mr. Detore. Oh, absolutely.

Mrs. Tubbs Jones. I have no further questions.

The Chairman. Mr. LaTourette.

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

Mr. Detore, I had understood to you say in response to somebody's questions that on this immunity discussion with Mr. Morford, that letters were generated and sent to either you or your counsel. Was that your testimony?

Mr. Detore. Well, they were sent to counsel, subsequently to me.

Mr. LaTourette. Do you have copies of those, sir?

Mr. Detore. Yes, I do.

Mr. LaTourette. Would you be willing to provide copies of those to the committee within a time specified by the Chair and ranking member?

Mr. Detore. Absolutely.

Mr. LaTourette. Now, if I understood your testimony correctly, you indicated that the disagreement that you had with Mr. Morford is that he wanted you to testify that you were standing outside of a door and you overheard a conversation that -- and the substance of the conversation, I may not have the words exactly right, but was that Mr. Traficant was doing favors for the company and the company was going to do favors for Mr. Traficant. Is that a fair --

Mr. Detore. That is essentially what it was. They really just kind of work on boxing you into what they want to say.

Mr. LaTourette. My question to you is, why -- how did they come to -- do you have any idea how it is that that story that they wanted your testimony -- did they indicate to you, for instance, that Mr. Lang or Mr. Cafaro or Ms. Cafaro said that they had such a conversation, oh, by the way, Detore was hanging out. Do you know how they even arrived at that story?

Mr. Detore. To tell you the truth, I am not really sure. I heard a lot of "we think," "you should have" and "this is what you should have heard" and -- I was like, that is very bizarre, because I don't remember even being in a place like

that to hear a conversation like that.

Mr. LaTourette. Clearly, I know this is somewhat -- but you never were present for such a conversation?

Mr. Detore. No. They actually described that this had happened on the Capitol, and that Mr. Cafaro and Mr. Lang was present, I was outside some door. I don't remember it happening like that ever, period.

Mr. LaTourette. Okay. And specifically, what are you charged with? What has the government charged you with?

Mr. Detore. I'm charged with -- I am the worst one for legal things. Like I said, I have never been involved in anything -- I guess as a co-conspirator on bribery against or to Mr. Congressman, Mr. Traficant.

Mr. LaTourette. Do you know what part of the bribery charges against the Congressman you are alleged to have conspired in?

Mr. Detore. Count III on this boat purchase, which House Ethics had preapproved. The meals, and then also this welder-generator that there is undisputed testimony, Federal testimony that the individual I said had it had it since day one. It was never given to Mr. Traficant. I don't have any idea what he would do with an aluminum welder. I couldn't use one.

Mr. LaTourette. The meals specifically, Exhibit 39 in our exhibit book details the meals. With one exception for

something called Carmello's and I think another one, the American Cafe, all of the meals seem to have occurred at a place called Taverna Restaurant.

Mr. Detore. Correct.

Mr. LaTourette. Taverna Restaurant is located between 3rd and 4th Street on Pennsylvania Avenue; is that correct?

Mr. Detore. Correct.

Mr. LaTourette. Have you done a lot of lobbying, Mr. Detore?

Mr. Detore. None.

Mr. LaTourette. I can -- just as a tip. I happen to like the Taverna because I like Greek food. But I don't think you are going to bag a lot of Congressmen by taking them to the Taverna and feeding them souvlaki and gyros, would be my observation to you.

Mr. Detore. It was a matter of what was cheap and fast.

Mr. LaTourette. So you are going to bribe a Congressman, you might want to pick a better location.

Mr. Traficant. I like Taverna.

Mr. LaTourette. I like Taverna, too.

Again, does your -- the generator you have explained. The welder you have explained. It was for this trailer construction. Aside from Mr. Hulshof's questions about this $8,000 reimbursement which we have heard your testimony on, did you -- by the way, at that moment in time was Mr. Lang the

owner of the Traficant boat at this time that this check --

Mr. Detore. Yes. It had been approved by Ethics.

Mr. LaTourette. I understand that. Is there any other involvement that you had with the transfer of the Traficant boat?

Mr. Detore. No other involvement, other than having to painfully live through his belly-aching about whatever he was doing with the boat.

Mr. LaTourette. Do you have -- as you sit here today before us -- and I want to commend you, because a lot of witnesses that are in the transcript have got immunity, they got plea deals, they are getting reduced sentences, they got something for what they are testifying to. So I want to commend you for coming and answering all of the questions put to you by counsel, Mr. Traficant and the committee.

Because I consider you to be a great -- this was stupid on your part in terms of -- from a criminal justice standpoint, but I want to commend you. I think that, in my mind at least, whether you have done what they said you have done or not, I commend you for being here today.

But as you sit here, do you know what conduct you engaged in that caused you -- the government to believe that you conspired with Mr. Traficant in a bribe scheme?

Mr. Detore. Other than contradicting someone that had taken a plea bargain from --

Mr. LaTourette. A convicted perjurer?

Mr. Detore. Right. And other than having knowledge of Cafaro's behaviors, which I think are significantly criminal and which the prosecutor never wanted to hear anything about, nothing. I mean, the greatest violation that I ever did was attempting to enhance safety. In reality, the system that we talked about, that is all of this great benefits were reaped upon us by the government, we were giving it to the Department of Defense.

Mr. LaTourette. I would just tell us as my last observation, Mr. Detore, that I -- this technology was included in a piece of legislation called AIR-21 that was passed by the House of Representatives. I voted for it. I would be surprised if there is any member of this committee who did not. The technology isn't the issue. It is whether a bribe was given.

I thank you for being here.

Mr. Detore. I have got 13,000 hours of flying. I have had friends in my class -- at least half of the members that were in my initial class are dead because of accidents, controlled flight into terrain. It is a significant issue. And it is one of the few systems. Unfortunately, this has happened to it, and it is -- it will probably never surface. But it is a system that truly could save lives.

Mr. LaTourette. Thank you.

The Chairman. Mr. Green.

Mr. Green. Thank you, Mr. Chairman.

Again, following up on my colleague from Ohio, do you have a trial date set?

Mr. Detore. November 13th.

Mr. Green. Okay. And most of the negotiations was with Larry Huntsman. He is your attorney -- the immunity agreement?

Mr. Detore. The immunity agreement was Larry Huntsman, correct.

Mr. Green. And when did Larry Huntsman no longer become -- be your attorney?

Mr. Detore. Mr. Huntsman was a civil attorney. And what happened is another attorney that I had used for years named Jay Harney was called before the grand jury. At some time around the summer or spring of 2001, he came back terrorized and said that -- and I said, well, I don't care what they are telling you. I have an immunity agreement. He said, this is far worse.

He said, they -- he says, I went out there to talk about other issues and things to verify. He says, they are coming after you with issues that I have never heard of. He says, they are on you about mortgage and all of those different things. He says, you need to get a criminal attorney. And that was the attorney -- Nassikas was the one

he suggested. As a matter of fact, he called him from his office; and he said, you need to go see him right now.

Mr. Green. And Nassikas was your criminal attorney up until June of this year?

Mr. Detore. Just up to that meeting. Then it got to the point where he called me so much -- I felt it very unusual that the prosecutor was calling him on a daily or an every-other-day basis to ask if I had thought about what I was going to say, and I was bothered. I thought that the prosecutor had a lot more to do than worry about what Richard Detore was going to say to that extent. I was concerned about what seemed to be a very close relationship.

So, by that time, I had spoken again with Mr. Huntsman who had come back from vacation. He advised, even the issues regarding the IRS, he said he had never heard of a subpoena in the blind and that the issues in regard to dropping my case were totally, totally unethical and that I needed to get rid of that firm right away.

Mr. Green. Mr. Huntsman, who is a civil attorney, and you said that negotiated you an immunity agreement, but it was a criminal case. You were -- the immunity was based on criminal prosecution?

Mr. Detore. He had previously been either a prosecutor or something. He handled just civil cases at that time.

Mr. Green. Okay. You mentioned -- what was the first

date that you were questioned by the Federal authorities?

Mr. Detore. Well, the first date is when they came to the door and they wanted to question me, and I didn't respond.

Mr. Green. When they -- under your testimony you talked about -- they said you are not going to get any help from the administration. What date was that?

Mr. Detore. That happened after Mr. Cafaro's plea bargain. Before that, all conversations --

Mr. Green. I need a date -- November, December, 2000.

Mr. Detore. June, July of 2001.

Mr. Green. Okay. June, July of 2001. In your testimony, it concerned me because you were parroting what Congressman Traficant said, that it seemed like that there was a conspiracy with Janet Reno in 2001. She was not our Attorney General at that time, and yet the FBI and the law enforcement was using her name?

Mr. Detore. That is correct.

Mr. Green. Can you imagine why they would do that?

Mr. Detore. I wasn't aware what they were talking about with her.

Mr. Green. The Attorney General wasn't going to protect you when she wasn't the Attorney General?

Mr. Detore. He didn't say that the Attorney General wasn't going to protect me. They said that the administration wasn't going to protect me. Then they asked me if I had heard

comments that the Congressman had made about the Attorney General, Reno; and I wasn't aware of them.

Mr. Green. But again in 2001, you know we changed administrations in 2001?

Mr. Detore. Correct.

Mr. Green. These agents, you know, I assume were career agents, and whether it was Attorney General Ashcroft or Reno, I guess that concerned me. Because one of the arguments our colleague, Mr. Traficant, has used is that it was a conspiracy by former Attorney General Reno. And now, you know, the threats weren't even made while she had any authority over you. Does that surprise you? I know it shocks the hell out of me.

Mr. Detore. Everything throughout the whole case surprises me. I don't know what the core here is of what the motives are. I mean, I had never had an issue with the government all the way through that meeting. I mean, something turned after they took the plea agreement from Cafaro, because they caused an attorney of mine to go out and go before a grand jury.

Mr. Green. You mentioned a number of times about the boat purchase was approved by House Ethics. Do you have your own personal knowledge of that, or is it something someone told you?

Mr. Detore. Well, I had -- Paul Marcone had advised that

it had been approved, former Chief of Staff for Congressman Traficant. He also testified to it in the Federal trial. And then I was also advised by J.J. Cafaro, in the presence of other people in my office, that House Ethics had approved the purchase of the boat.

Mr. Green. Well, Mr. Chairman, I am new on the committee, but I don't know of any procedure that we have that would approve -- if I called House Ethics and said, I am going to buy a boat or sell my boat or something like that, do we have any procedure for that?

Mr. LaTourette. May I just respond?

Mr. Green. Because I am new on the committee.

Mr. LaTourette. So am I. But this matter came up the other day. I specifically asked this question, because it was Mr. Marcone's testimony. It was indicated to me that, given the state of the information introduced by counsel for the committee, that we are to assume that that is true.

Mr. Green. Okay, so I will -- I didn't see that in the transcript I read that was of yesterday's testimony. I just didn't know that we could get those type of opinions.

But, again, you were told that. That was the testimony. You understand it was in Federal court?

Mr. Detore. Sure. It was relayed to me through Paul Marcone from Congress. I mean, I had no reason to disbelieve him.

Mr. Green. Let me talk about the meals that were paid. I share my colleague from Ohio's -- you don't impress folks by taking them to Taverna. But I noticed the laundry list. There were a number of meals. And I would assume -- 15 or 20 over a period of time. Did you pay for those?

Mr. Detore. They were reimbursed as business expenses by Cafaro Company. And it was actually advised by congressional staff to document who I was with, who the Member was with, number of people in attendance, and to always make sure that at no time that meal exceeded the $50 threshold.

Mr. Green. Did anybody on the congressional staff tell you that there is a cumulative limit of a meals under our ethics provisions of $50 twice during a year?

Mr. Detore. They said there was not as long as it did not exceed cumulatively some threshold of contribution amount or something, of what -- 2,000 or something per year.

Mr. Green. Again, being new on the committee, Mr. Chairman, that is not my understanding of our regulations and our ethics provisions. So, you know, my concern is, you have been advised by folks who may not be quoting you the House Ethics Rules correctly.

You also mentioned that Congressman Traficant paid for some of those meals?

Mr. Detore. That is correct.

Mr. Green. And one of our exceptions is that if you have

an exchange, he can pay for your meal one time, and you can pay for it the other time. But do you know how many of these meals that you invoiced or that you paid for or --

Mr. Detore. Well, I think there is about 20 meals over a 2-year period of which I submitted for reimbursement for with the documentation who I was with. And there is probably a significant number of meals in which the Congressman paid for.

Mr. Green. Do you have any idea? You said 20. Do you know how many other meals you were at with Congressman Traficant?

Mr. Detore. Not off the top of my head. But to be honest with you, there were other Members there that paid for it.

Mr. Green. Other Members of Congress?

Mr. Detore. Yes. Correct. At times.

Mr. Green. No other questions, Mr. Chairman.

The Chairman. Mr. Berman.

Mr. Berman. I am just -- I am struck by the 20 dinners, more dinners than that since you paid for 20 and Mr. Traficant paid for a significant number of other ones. In the context of that, would it be fair to conclude that while this may have started as an -- this relationship may have started, as an issue, significantly more than 20 meals. Relationship starts in the context of working on this technology that Mr. Traficant is fighting to bring to the FAA and to our military

services. Is it fair to assume that in the course of this relationship the two of you became friends as well as people who were working together on a common project?

Mr. Detore. I would classify him as a friend through business, a relationship that I developed a respect for. And I need to say that a good percentage of these meetings was not about U.S. Aerospace or its technology. There could be a certain accident -- I had come before the committees and talked about Apache helicopter accidents and why they had certain issues, without getting into any classified -- that -- issues with TWA 800, different things that I would know as a pilot.

Quite frankly, it seemed to me as though Members -- and even going to Jim Hall of the NTSB who was with Mr. Traficant at one point -- seemed to be hungry for information from the actual user-operators of the aircraft, the accident of the aircraft in Little Rock, Arkansas, of the American Airlines aircraft. There was a constant -- seemed to be a lack of really understanding what was going on with the aircraft and wanting to know. So sometime you would be -- repetitively over a period of time, a month, you would be discussing the same thing again and again.

Mr. Berman. It just seems to me, though, that this is a large number of dinners together. I think you have indicated what may have started as a working together on a common

project developed to a relationship which involved you enjoying being in his company, you developing respect and perhaps even affection for him as an individual, as a Congressman you admired, and that that became part of the reason for the frequency of the get-togethers. Is that an unfair conclusion?

Mr. Detore. I think it would be fairer to sum it up by I was told by Cafaro, in no uncertain terms, somebody from Congress calls, you go. The fact that it was at night was very bothersome to me, because I had young daughters. I didn't get to see them. Quite frankly, I'd just as soon have come over during the daytime and discuss the issues.

I don't take anything away from the Congressman, you know. It was the -- there was a point where he -- actually, my wife actually complained about the amount of time that I had to spend away. He actually called my wife and commended her for what I was doing in the interest of the Nation in trying to enhance safety.

Mr. Berman. All right. Well, then you are putting it in a different light for me, that Mr. Cafaro, as your boss, told you to respond when a Congressman called.

Mr. Detore. Absolutely.

Mr. Berman. That many of these dinners, if not most of them, were set up by Mr. Traficant, not by you?

Mr. Detore. A lot of the calls would come from his

office in regards to a question or an issue or something that came out of a committee or a recent accident.

Mr. Berman. But you could give the staffer that called that information?

Mr. Detore. Well, they normally requested that I come over personally so he could get to ask me the question on whatever it was.

Mr. Berman. You could come over personally to answer that question. I am talking about these number of dinners, significantly more than 20. How did it end up at dinners?

Mr. Detore. How did it end up at dinners?

Mr. Berman. Yes.

Mr. Detore. Because it was always come over in between votes. That is how it would end up with dinner. I mean, it would be a case of -- you know, they would say we are started.

Mr. Berman. You would come over. Let's go eat.

Mr. Detore. I would come to the Capitol. They said, in between votes let's run and eat and then we will come -- a lot of the time he would get paged and go. I am still sitting there trying to collect the check and everything, and he would go back to the Capitol and vote, and I would go home.

Mr. Berman. Appreciate that. My information is that the Ethics Committee received a phone call from Mr. Marcone and that in the criminal trial this came out, spoke to an attorney at the Ethics Committee and told him that an employee of a

company that they were working to get certified and working with legislatively wanted to buy the Congressman's boat and that this -- would this be okay by the ethics rules.

The attorney explained that as long as the individual paid fair market value and was not being given a special deal, it was okay. And that is the transcript page 1265.

According to Mr. Traficant's former Chief of Staff, Mr. Marcone, Traficant told him Al Lang wants to buy my boat. Later, Traficant told Mr. Marcone that Cafaro had previously offered him a check for $26,000 for the boat. That is in the transcript, page 1266. Traficant said to Mr. Marcone that he turned it down and said he could not do at that way, that Lang had to buy the boat and that he was annoyed with Cafaro for trying to do it that way. In the context of everything else, Marcone was bothered by this.

This is Mr. Marcone's testimony. Were you familiar with that testimony?

Mr. Detore. I think I have seen it, yes.

Mr. Berman. Is Mr. Marcone -- did he make a plea agreement with the U.S. Government?

Mr. Detore. Not that I am aware of.

Mr. Berman. Did he get immunity?

Mr. Detore. Not that I am aware of.

Mr. Berman. Do you know of any reason to think why he would not be truthful when he testified at trial?

Mr. Detore. No, I believe him to be very truthful.

The Chairman. No further questions, this concludes your testimony; and we appreciate you being here. You have been here a long time. You have done a good job, and we thank you for your attendance. I know you made a special effort to be here today. I think it was important to Mr. Traficant, and I think it was important to the committee. So thank you very much for being here. You are excused.

It would be cruel and unusual punishment to suggest that we do the summations at this hour of the night. Mr. Traficant, you will have, I think, some tapes and/or other documents that you want to put into the record tomorrow -- I mean, at some point. I think we will provide a little time for you to do that in the morning. We will do our summations at that time.

Mr. Traficant. What time?

The Chairman. Well, let me ask --

Mr. Traficant. I would like it to be a later, Chairman, if we could. If it is no offense to the committee, to maybe get a little rest.

The Chairman. Okay. Let's say 10:00 tomorrow morning. We were going to do it at 9:00. But I think in light of this late hour, let's do it at 10:00 tomorrow morning.

The committee stands in recess until 10:00 tomorrow morning.

[Whereupon, at 12:00 a.m., the committee recessed, to reconvene at 10:00 a.m. on Wednesday, July 17, 2002.]

RPTS SMITH

DCMN HERZFELD

ADJUDICATORY HEARING IN THE MATTER

OF REP. JAMES A. TRAFICANT, JR.

Wednesday, July 17, 2002

House of Representatives,

Committee on Standards

of Official Conduct,

Adjudicatory Subcommittee,

Washington, D.C.

The committee met, pursuant to call, at 11:30 a.m., in Room 2118, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Biggert, Hulshof, LaTourette, Berman, Pastor, Tubbs Jones and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargeant, Counsel; Virginia Johnson, Counsel to the Chairman; Bari Schwartz, Counsel to Ranking Member; and Joanne White, Administrative Assistant.

The Chairman. The committee will come to order. We apologize for the delay. We were considering several motions that have been presented during the course of these hearings by Mr. Traficant. The oral motion to dismiss made by Mr. Traficant on July 15, the recent written motion to dismiss submitted by him on the 15th, the motion to dismiss in writing dated July 16, and the written motion to refer criminal and other alleged conduct dated July 15, all of those motions are denied, Mr. Traficant.

Mr. Traficant. I object.

The Chairman. Now, Mr. Traficant, do you have additional submissions that you want to make at this point?

Mr. Traficant. Yes. I have an oral motion I would like to make. Since I will be filing a writ of mandamus in the Sixth Circuit Court today relative to the jury selection and service plan the Congress passed in 1967 and some of the elements therein, that this committee take no action until the adjudication by the Sixth Circuit Court determines those outcomes.

To be specific, the motion in the Northern District challenges the voir dire process on January 14 when I submitted a motion before trial. Judge Wells ruled on the motion 2 days later, basing her argument on the fact that it was untimely. I would like the committee to place in the record the following: That you should refer to U.S. v.

Ovalle, Sixth Circuit, 1998; and U.S. v. Green, ED Michigan, '97, which clearly states that it has been recognized, quote, the plain white language of rule 1(b) clearly does not require the constitutional challenges to a jury selection process must be made prior to trial -- that's U.S. v. Green -- even though I made them prior to trial.

I would like the committee also to refer again to U.S. v. Ovalle, Sixth Circuit, '98, to see that Judge Wells' further assertion that the Sixth Circuit approval of the jury selection plan means absolutely nothing to a defendant's right to challenge the jury selection process. Be advised that the Sixth Circuit's approval of the jury selection plan for the Northern District of Ohio was, in fact, not affirmed and approved until after my indictment. The judge clearly erred in that ruling. My case should have never gone to trial until that issue was explored, resolved and solved by a court of proper jurisdiction, in this case the Sixth Circuit.

So I'm asking the subcommittee to postpone any further proceeding against me until the issue is resolved with the court. I think it would be extremely unfair to expel any Member prior to a ruling on an issue that deals with a sixth amendment right. This committee should have allowed attorney Percy Squire, whom I asked to be subpoenaed, to explain this significant point.

Now, as further amplification and embellishment of those

issues, the jury service and selection plan basically points out that you have to be tried by a jury of your peers. What we have in the State of Ohio is a lottery system. You're not tried by your peers, you're tried by a lottery. When my case ended up in Cleveland, that meant that the Youngstown district was excluded, members and peers of mine from that jury pool. Now the unusual thing of this, and I think it is untruthful and were lies, that not one of the jurors said they knew of me, although one of the jurors later was quoted in the press saying, we knew he was flamboyant. Most Members of Congress are crooks, and he got caught.

Now, the point I am making is these alleged crimes all occurred in the Youngstown district. I was tried in the Cleveland district. Now, the sixth amendment doesn't say that we have a jury selection plan by lottery. It says we have a jury selection plan by peers. I believe the right, not just me, but as a microcosm of rights of any Americans to be tried by a jury of their peers is eminent. Russell Saadey, Jr., was also in that same position; Russell Saadey, Jr., now in prison.

But the most important thing about the peers is not that they know me, but they know these witnesses. They know Cafaro. They know Sinclair. They know Bucci, not just me. So I was basically tried outside of the jurisdiction when the jury selection plan that was approved by the Northern District

Court of Ohio judges, but it was not affirmed and ratified by the Sixth Circuit Court until after the Traficant indictment.

Now, in addition to that, with the information that was brought out yesterday, and Representative Green talked about 2001, my investigation started in the '90s when Janet Reno was there; clearly targeted by Reno. Called her a traitor, believed she committed treason.

The Chairman. Mr. Traficant, I think you're off your --

Mr. Traficant. I'm not off target. I want to make this point. I believe because of that vendetta and because of the jury selection plan placing me up in the Cleveland district, now with evidence showing that the judge's husband as a senior partner in Squires, Sanders and Dempsey, that there is judicial misconduct as well as prosecutorial misconduct. And I don't know what you, in fact, are deliberating about here after having denied me witnesses such as Mr. Detore to clearly speak to the issue. I was denied that right in Cleveland.

The Chairman. Mr. Traficant, if you would suspend. You know, we asked you -- the witnesses, we had great latitude in the witnesses you want. You keep saying we the denied witnesses. Every witness that you wanted --

Mr. Traficant. I disagree with that. You only subpoenaed one of my witnesses, Chairman. One.

The Chairman. Mr. Traficant --

Mr. Traficant. No, but I want to object. You only

subpoenaed one of my witnesses.

The Chairman. We let you bring in every witness you wanted to except when I asked you the question of what other witnesses do you think would help your case if you brought them in. You had a very difficult time telling me what other witnesses was. And I finally concluded there might be, might be, two witnesses there.

Mr. Traficant. I object. I submitted a subpoena list in writing.

The Chairman. What is your motion, Mr. Traficant?

Mr. Traficant. That you, in fact, do not take action on any sanctions or expulsions until the adjudicative matters of the Sixth Circuit Court relative to the sixth amendment rights of an American are resolved; second of all, that the prosecutorial misconduct as represented here finally brought out in the light and widely now heard around the country, and the judicial misconduct that has now come to light, where the judge's husband is in a law firm that received payments from the Cafaro Company -- God Almighty here.

The Chairman. Don't go into details on it.

Mr. Traficant. I think I have to. I want to put it on the record.

The Chairman. We're going to have closing argument, and I want you to say whatever you want to say in your closing argument.

Mr. Traficant. I don't want to waste my time in a closing argument.

The Chairman. I want to get to the motions here. You're talking about you don't think we should act. That is your motion, that you don't think we should act at this point. Is that correct?

Mr. Traficant. I don't believe you should act at this point, and I think you should at least give it a week to review. There's a writ of mandamus that's being filed. There's a motion for new trial being filed now in the connection between the judge's husband and the Cafaro Company.

The Chairman. We're back into details, and we're back into closing argument. I'm going to recess briefly so we can consider your motion that we do not act at this point, and we will be back in 5 minutes or so.

Do you have any other motions that you want to make? I asked you at the outset this morning if you had other motions so that we could consider them all in our deliberations earlier. You indicated to me you had no other motions. We come back in, and you have a motion. Now, do you have additional motions?

Mr. Traficant. I also ask unanimous consent that some of the supporting legal language of 28 USC, section 455 on judicial misconduct be incorporated into the record.

The Chairman. Okay. Now --

Mr. Traficant. And the other motion that I make is that you release me without harm and commend me for coming in here and facing you.

The Chairman. We've got your motions. Thank you.

[Whereupon at 11:40, the committee proceeded in Executive Session.]

[11:45 a.m.]

The Chairman. We need to get Mr. Traficant back in the room, and then we will send out a search party.

The committee will come back to order. Mr. Traficant, we -- the committee has carefully considered your motion and has denied it. Now, do you have additional material that you would like to submit for the record?

Mr. Traficant. Yes, I do. And I'd also like to have until 5 p.m. today since we got out at such a late hour, and I have a box of tapes, and there's some more I may want to introduce.

The Chairman. Mr. Traficant, this is your opportunity to introduce additional material. You've been told for some time that this would -- this would be the time. So if you have it, let's have it.

Mr. Traficant. I have an original tape of Pete Bucheit and Henry DiBlasio marked PC-21 and one original tape that is not marked. I shall mark it as --

The Chairman. Mr. Traficant, if you would give that to our person here and then go back to the microphone to describe it so that it will be picked up.

Mr. Traficant. This will be BS-3000.

I also have an affidavit of Linda Kovachik, original document under seal of notary, Exhibit AA; Exhibit BB, affidavit of Brian Kidwell, original document under seal of

notary; Exhibit CC, affidavit of Rolando Ferrante, original document under seal of notary; Exhibit DD, affidavit of Susan Bucci, original document under seal of notary; Exhibit GG, affidavit of Sandra Ferrante, original document under seal of notary.

There are original u altered tapes of the following phone conversations, I think, which I have labeled. They are labeled here, but be advised that the Manganaro tape and all those other matters that are on record are also there.

The Chairman. Mr. Traficant, the documents that you presented will be accepted in evidence.

(Traficant Exhibits Nos. AA, BB, CC, DD and GG were received in evidence.)

The Chairman. Would you describe the tapes briefly and what is contained in those tapes that you think will be beneficial for your case?

Mr. Traficant. Basically that there was no illegal action. We were pretty much pressured, pressured in to going along with the government, things very similar to what Mr. Detore talked about.

The Chairman. Do the tapes show the pressure?

Mr. Traficant. You'll have to listen to the tapes. I think people are very careful about how they talk about it, but you listen to it very carefully.

The Chairman. Do you have all the tapes? You gave us

all the tapes?

Mr. Traficant. The tapes that I have given you -- I have other tapes, but I haven't had a chance to go through all of them. I have another tape that deals with Cafaro, but I doubt if I'll submit it. I don't want to subject the individual to harm.

And I want to make one statement here without it coming out of my time. I want to mention some names. I want the committee to have these names spread across the record, and I don't want the --

The Chairman. That's all right, Mr. Traficant, we'll let you mention names, but do you want to describe to us individually the tapes and what you think they will do?

Mr. Traficant. Yes. What the government was doing to them, the types of things they were going through, and the pressure that they were under.

The Chairman. Is your voice on the tapes?

Mr. Traficant. I taped them.

The Chairman. So your voice is on the tapes?

Mr. Traficant. They didn't know that I taped them. I taped them.

The Chairman. But is your voice on the tapes?

Mr. Traficant. Yes.

The Chairman. Okay. So it was a two-way conversation between you and someone else.

Mr. Traficant. These parties, yes.

The Chairman. So you can verify these tapes are authentic as one of the persons that was involved in the conversation.

Mr. Traficant. Yes I can. I have.

The Chairman. All right. Continue. Individually on the tapes.

Mr. Traficant. Pardon?

The Chairman. Describe individually on the tapes what they have that you think will help your case.

Mr. Traficant. Basically the duress and pressure placed upon them to derive whatever they could that would be helpful in getting a conviction against me regardless of the veracity.

The Chairman. And that is all. Each of the tapes, that's what they do.

Mr. Traficant. Yes. The Manganaro transcript deals with Sugar. The DiBlasio tape deals with himself and Sinclair. The Bucheit tape, he's now under indictment. I assume he'll make some deal to save himself a couple of hundred thousands that I believe -- there's several tapes, and that's the one that says that they're now putting pressure to maybe indict his son and daughter in the matter.

The Best tape will confirm the Innella affidavit where Henry Nemenz wasn't charged, Comaceti was being threatened and to lie, and he felt real bad, but he didn't want to lose his

business. So I taped his girlfriend Robin Best. You have that tape, although that wasn't part of the charge, but I want it on this record because it speaks to the veracity of the witnesses and the misconduct.

The Chairman. I understand that Robin Best said specifically she did not want to be taped. And --

Mr. Traficant. No one wanted to be taped, but I'm talking about what happened.

The Chairman. No. I understand she said specifically she didn't want to be taped, and you taped her anyway. Is that true?

Mr. Traficant. Absolutely. Taped her stone cold dead, and got the truth the only way I could.

The Chairman. Okay. Go over again which tapes exactly you have handed us right now.

Mr. Traficant. I don't know all the tapes you got, but I think you have the transcript, and you said you had the Manganaro tape.

The Chairman. We've got the Manganaro tape.

Mr. Traficant. Where did you get it, because I don't have it, and I looked all over for it for a week. Did you get it from the Federal Government? I'm asking your counsel. Have you been in collaboration with the U.S. Justice Department?

The Chairman. Would you ask your question and then be

quiet until we can get an answer for you? We'd like to give you an answer.

Mr. Traficant. I'm going to do that. But Mr. Hulshof told me to be persistent, that that's the way you have to act in a courtroom. But Mr. LaTourette told me shut my big mouth, so I'll take a little bit of advice from both.

The Chairman. Okay. Mr. Traficant, I think you're aware of this. These tapes were provided by you to the Department of Justice during your criminal trial up in Cleveland, and they provided us copies of these tapes.

Mr. Traficant. They did?

The Chairman. Would you describe what you just --

Mr. Traficant. Could I first ask -- could I have the correspondence that requested those tapes, whether it came from the committee or the Justice Department?

The Chairman. No, you can't.

Mr. Traficant. I am a Member of Congress, and I am asking relative to a process that involves my future.

The Chairman. There is no relevance to your --

Mr. Traficant. Your simple communications.

The Chairman. Mr. Traficant, is this a difficult question?

Mr. Traficant. Yes.

The Chairman. What did you hand us just now? You mumbled it up here, but you were not at the microphone, so

we're not quite sure what you gave us.

Mr. Traficant. A number of affidavits.

The Chairman. Okay. Not the affidavits.

Mr. Traficant. And there are three tapes there.

The Chairman. All right. Give us the names, the title of those tapes.

Mr. Traficant. You have to look at them. I think there's the -- you have the DeTore tape, right?

The Chairman. What did you give us?

Mr. Traficant. I know I gave you --

The Chairman. Three tapes.

Mr. Traficant. The Bucheit tape, the DiBlasio tape and a -- I don't know what the other one was. Your staff will know.

The Chairman. We have two tapes. One has two conversations with DiBlasio and Bucheit, and the other one is a Bucheit tape.

Mr. Traficant. I do have a tape of DiBlasio dated June 19, and I don't know if that's that tape. That's the only thing that bothers me. I didn't get out of here 'til real late last night, and I want to reserve for the record the right to submit a tape of Henry DiBlasio dated June 19, and I will get that to you before the close of business today. I don't know if that is the tape, and I haven't had time to listen to these tapes, so I submitted those tapes, quite

frankly, but --

The Chairman. Is there any objection from counsel on these tapes?

Mr. Lewis. There is no objection, Mr. Chairman. The committee does have both tapes from DiBlasio that the Congressman gave to the Department of Justice and were given to the committee. So we have DiBlasio tapes.

Mr. Traficant. Is one June 19?

Mr. Lewis. I believe it is.

Mr. Traficant. Well, I would like that to be confirmed, or I would like the record left open for the June 19 tape.

The Chairman. Okay. The two DiBlasio tapes, the Manganaro tape, and the two tapes that you gave us today will be admitted into evidence.

Mr. Traficant. And the tapes that the Justice Department evidently sent you and the Best tape.

The Chairman. No. No. No.

Mr. Traficant. Why not the Best tape? It confirms the Innella affidavit. The key here is the Innella affidavit where Nemenz confided in me that he didn't want to lie, and I confirm that he called his girlfriend and told her that he told me, and the Justice Department come to Cleveland and gave him hell immediately.

The only thing the Best tape does is confirm the veracity of the Innella affidavit, and I think it's unfair not to have

it on this record. After hearing Richard DeTore last night, I think it's unfair not to accept any of my tapes.

The Chairman. Mr. Traficant, we're trying to accept everything we possibly can from you.

Mr. Traficant. Then accept that.

The Chairman. You know that.

Now, do you have any other things that you want to put on the record?

Mr. Lewis. Mr. Chairman, my notes indicate the committee does have the June 19, 2001, tape that the Congressman is interested in.

Mr. Traficant. Does it also have the Best tape?

Mr. Lewis. It's my understanding the committee does have a copy of the Best tape. The committee has the nine tapes that the Congressman gave to the Department of Justice at his trial and that the committee informed the Congressman of months ago that we had.

Mr. Traficant. Well, then why did you ask me for my tapes?

The Chairman. The Best tape was obtained by deceit, and that's the reason that was not being --

Mr. Traficant. None of these people knew they were being taped. Richard DeTore said he wasn't being taped. Under Ohio law one consenting partner can tape someone, and I object to this as to, in fact, eliminating and excluding my tapes.

Mr. LaTourette. Mr. Chairman, may I make a parliamentary inquiry?

The Chairman. Yes, you may.

Mr. LaTourette. It was my understanding as a result of the meeting that we had on a variety of matters before the committee that the procedure now would be that Mr. Traficant would indicate what he wanted in, and then that we as a body would get together and determine issues of relevance and deceit and things of that nature and come to a collective judgment as to what came in and what came out. And my question is was I mistaken in that understanding?

The Chairman. We're happy to do that. If you question the Chair's ruling, we'd be happy to do that.

Mr. LaTourette. I'm not questioning the Chair's ruling. What I'm questioning is I thought we were going to -- I believe it was Mrs. Tubbs Jones that indicated this procedure, and I thought that we had agreed that that's what we were going to do, and I don't have an opinion.

The Chairman. All right. We will do that.

Mr. LaTourette. Thank you.

The Chairman. I was trying to accept everything Mr. Traficant wanted to put in within reason, but I am happy to take the committee into executive session and discuss it, so we will adjourn again for a brief adjournment.

[Whereupon at 12:00 p.m., the committee proceeded in

Closed Session.]

[12:20 p.m.]

The Chairman. The committee will come back to order.

Mr. Traficant, so that we're clear on what you want introduced, the tape you have numbered BS-3600, Henry DiBlasio and Pete Bucheit, I guess is the way you pronounce it, you want that tape admitted?

Mr. Traficant. Yes.

The Chairman. Without objection, committee, that will be admitted.

(Traficant Exhibit No. BS-3600 was received in evidence.)

The Chairman. You want the tape -- well, the Defendant's Exhibit PB-21, which is a Bucheit tape again, I guess, you want that admitted?

Mr. Traficant. Yes.

The Chairman. Okay.

(Traficant Exhibit No. PB-21 was received in evidence.)

The Chairman. You want the Manganaro tape admitted?

Mr. Traficant. Yes.

The Chairman. Okay. Without objection, that will be admitted.

(Traficant tape was received in evidence.)

The Chairman. Oh, and I'm asking -- when I say without objection, I'm asking counsel as well. I should give you

time. Is there any objection to these tapes being admitted?

Mr. Lewis. No, Mr. Chairman.

The Chairman. All right. What other tapes would you like admitted, Mr. Traficant?

Mr. Traficant. All nine tapes that the government sent to you.

The Chairman. What would those tapes be, Mr. Traficant?

Mr. Traficant. They would all be relative to prosecutorial misconduct and elements of the investigation of this case, and would speak to the veracity of witnesses and were not allowed at trial and in this hearing, under a different burden, should be admissible.

The Chairman. In other words, you are not going to describe to us how -- you would propose it would help your case. What they say in there -- what I'm confused about, Mr. Traficant, is that many of your arguments, as I've said before, I think, are great arguments for appeal. But many of them --

Mr. Traficant. That's what the judge told me. Not to interrupt, Chairman, and sincerely as a friend, if my comments are offensive, I apologize, but that's what I heard from the judge through trial, that I could do everything on appeal. Appeal means that they've already predisposed the conviction. I keep hearing appeal here as if there's already a predisposed position on expulsion.

Mr. Berman. Mr. Chairman, can I make a suggestion?

The Chairman. Mr. Berman.

Mr. Berman. Could counsel for the committee read, if he has them, the tapes that are in -- or subcommittee -- the tapes that are in the -- apparently in the possession of the committee and one by one, and so we can identify them so we can mark them as exhibits, and then decide whether or not they're to be admitted?

The Chairman. I think that's an excellent suggestion, but at the same time I -- tell us whether you have any objection to them being admitted.

Mr. Lewis. I'd be glad to do that, Mr. Chairman, Mr. Berman. The committee has two tapes from Henry DiBlasio. There's a tape June 19 of 2001 and a tape July 11 of 2001.

Mr. Traficant. Is there a 6/19 tape I asked you before that you confirmed?

Mr. Lewis. I just said June 19.

Mr. Traficant. I thought you said 2/19. I apologize.

The Chairman. Please don't interrupt counsel. Let him go through the list.

Mr. Lewis. A tape from -- that -- a tape that purports to be representative --

Mr. Berman. Let's mark them as potential exhibits as you are mentioning them so we can get that out of the way. Well, at least let's identify them.

Mr. Lewis. All right. The first purported tape between Congressman Traficant and Henry DiBlasio, June 19. I thought that was just admitted.

Mr. Berman. It was.

Mr. Traficant. Are you talking to me?

Mr. Lewis. So that's marked. Okay.

Mr. Berman. Tape 1; why don't we call it that?

Mr. Lewis. Okay. Traficant tape 1; Traficant tape 2, the Congressman and allegedly Henry DiBlasio, July 11 of 2001; tape 3, purportedly the Congressman and Richard DeTore, May 16, 2001; tape 4, purportedly the Congressman and Richard DeTore, August 1, 2001.

The Chairman. Are you having any objection to these tapes being admitted?

Mr. Lewis. No, Mr. Chairman.

The Chairman. All right. You just note when you do have objection, if you do have.

Mr. Lewis. Tape number 5, purportedly the Congressman and a woman named Robin Best. Purportedly it was taped on September 5, 2001. Tape number 6, it's purportedly the Congressman and Peter Bucheit, and supposedly, allegedly, it was taped May 7, 2001; number 7, the Congressman and Pete Bucheit, August 6, 2001; tape number 8, purportedly the Congressman and Henry Manganaro, purportedly January 27, 2002; and number 9, I -- it's one conversation and two tapes. There

are actually 10 tapes we received from the Department of Justice. But the -- the 9 and 10 tapes are one conversation with a Mr. James Kerchum, allegedly a James Kerchum, and allegedly that was recorded by the Congressman on April 26, 2000. And there are no objections.

The Chairman. Inquiry?

Mr. Traficant. Was there -- were there any redacted tapes or transcripts submitted by the Justice Department between myself and an unknown anonymous person whose name was not disclosed in that prosecutorial misconduct proceeding?

Mr. Lewis. I have just described the 9 conversations and 10 tapes that I'm aware of the committee receiving from the Department of Justice.

Mr. Traficant. I would ask then that the committee leave open -- I have some questions, and before I say anything else, I'll just defer to the Chairman but --

The Chairman. We will consider the admission of all these tapes over the lunch break and render a decision when the lunch break is over.

Mr. Traficant. Mr. Chairman.

The Chairman. All right. I'm going to change that ruling, and we will admit those tapes.

(Traficant tapes numbers 1 through 9 were received in evidence.)

The Chairman. Congressman Traficant, do you have

anything else?

Mr. Traficant. Mr. Chairman, I did destroy a tape relative to an individual by the name of Russell Saadey, Jr., who is now incarcerated. That tape contained conversations of a gag order by Judge O'Malley in Cleveland, and I did so so as not to endanger him.

The Chairman. Mr. Traficant, if we don't have that tape, it can't be admitted.

Mr. Traficant. But I do have another tape of Mr. Saadey, and I would like a window of time to bring it in, that does not conclude -- does not include matters of the gag order and speaks again to the issues of which we discussed and had testimony here on.

The Chairman. Mr. Traficant, you've had enormous time in order to this. This is the time to get it in. So let's close the issue of additional submissions at this point.

Let's talk about what we're going to do in the summations. We're going to come back at 2:00, and we're going to --

Mr. Traficant. I have some questions, Mr. Chairman.

The Chairman. We're going to do some summations at that point. The way the summations will go, that Mr. Traficant will have the opportunity do his summation. You have 30 minutes left on your time. Do you think you could complete your summation in 30 minutes?

Mr. Traficant. Mr. Chairman, I ask unanimous consent that the counsel go first and I go last, and I have a full hour.

The Chairman. All right. Well, I'll tell what you we will do. The counsel can go first. I will agree with that. But they have the burden of proof, and, therefore, they get the last say because they have the burden of proof. So the counsel can go and use as much of their hour of summation as they would like to, and maybe save some time if they want to rebut. Then you go, Mr. Traficant, and we will grant you the full hour with them, even though you have used up that time. We will do it, and then we will come back if they have a rebuttal.

Mr. Traficant. I have another -- these are not motions of law or to concern you with matters of law, but I would like for you to just take a couple of minutes, and after we do come back, and after distilling and digesting what happened here this morning, I may have some other motions, but I would -- I'll just take a minute. This is very important.

The Chairman. The time for motions is over.

Mr. Traficant. No, this is very important. It's not even in the form of a motion. It's a request from a Member. I want this committee, and I want it placed upon the record, that I want no retaliation from Federal agencies against the following people: David Sugar and his family; Harry Manganaro

and his family; Mike Terlecky and his family, who they've also -- they've already gone after for $140,000, a disabled sheriff, a deputy sheriff; Brian Kidwell and his family; Richard DeTore, who's already been contacted by Federal officials this morning, I've just been notified that by staff; Henry Nemenz and his family or business; Robin Best and her family; Peter Bucheit, his son and his daughter; Sandra and Orry Ferrante, who are on disability; Russell Saadey, Jr., currently imprisoned, the same jury situation I faced, and in prison, in fact, on perjured testimony; John Innella and his family; Mike Antonoff and his family; Renee Lanzaro and their family; Dennis Johnson, his family; Billy Coleman, his family; Greg Tyson, his family; attorney Percy Squire and his family; and attorney Mark Colucci, his family; and Gary O'Nesti; that they not be subjects of targets of investigations due to anything that happened in the Traficant case, and that the committee, in fact, reflect that in the form of a letter to the Justice Department that that at least has been put on the record. And you can't tell them what to do, but I have asked for that request.

The Chairman. Your request will be noted, Mr. Traficant. Is it clear the procedure for this afternoon?

Mr. Lewis. Yes, Mr. Chairman.

The Chairman. Mr. Traficant?

Mr. Traficant. I did want the window open to make those

motions because I didn't have them totally prepared.

The Chairman. Mr. Traficant, I think you have had plenty of time to prepare. We just kind of keep going on with another deal. We want to be fair with this thing. I think you would agree.

Mr. Traficant. Mr. Chairman, I don't want to interrupt you, but let me tell you this. The last Member and the only one expelled since the Civil War was Representative Michael Myers. They had him on videotape tape and cameras taking money from an Arab sheik. Now, this is a different type of case.

The Chairman. That is exactly why we're taking this so seriously, and we have allowed --

Mr. Traficant. There's no physical evidence here, and I think my motion should be considered.

The Chairman. We have. You don't have a motion before us, Mr. Traficant.

Mr. Traficant. I have one now then.

The Chairman. We've tried; we really have stretched things to let you put in information that some of which is relevant, some of which is not relevant at all, because we wanted to give you the best opportunity we could to make your case.

And so we will begin the summations at 2:00 this afternoon.

Mr. Traficant. Can I inquire of the Chair if the possibility of judicial conflict exists with the husband of the judge in Cafaro --

The Chairman. Committee stands in recess until 2 o'clock.

Mr. LaTourette. Mr. Chairman, before you do that, just a housekeeping matter, and this will just take a minute. In front of every Member today was a letter from the Department of Justice to attorney Lawrence Huntsman in response to my request for Mr. Detore that he provide the letter describing immunity to him. Mr. Traficant's office, I guess, has communicated, and just to make sure that it's in the record, unless there's an objection, I would like it marked Subcommittee X or Z, or whatever is appropriate for marking purposes; and just wanted to inquire of Mr. Traficant that it was my understanding when we were discussing with Mr. Detore, he said that was a letter, and then there was a letter of clarification. I only have the one letter that's been provided this morning.

And you don't have anything, Stephanie?

Okay.

Mr. Traficant. I think in response the record should be left open, and I would like to say this --

Mr. LaTourette. Let me -- this is my request, and so I -- let me just make this observation that I have a letter in

front of me dated August the 18th, 2000. It would be my request that it be submitted or accepted as a subcommittee exhibit unless there's an objection by a member of the subcommittee. And the request I would have of you, Mr. Traficant, since this is your witness, if there is a second letter -- I think I asked him for all letters relating to this issue. If there is a second letter, I would ask if you could get it to us, and I would ask the abeyance of the Chair that if such a letter does, in fact, come in, and that we can also consider whether that could be a subcommittee exhibit as well.

Mr. Traficant. I'd request a copy of that letter, and I believe I have an affidavit from Attorney Huntsman, and if I do, I'll deliver it

The Chairman. The committee stands in recess until 2:00.

[Recess.]

RPTS O'ROURKE

DCMN HERZFELD

[2 p.m.]

The Chairman. Subcommittee will come back to order. In response to Mr. LaTourette's request, Mr. Traficant has submitted a -- the document of the motion to Mr. Detore's motion to have his case dismissed, and that will be admitted into evidence.

Mr. Traficant. Mr. Chairman, not to belabor the committee, I think Mr. LaTourette also talked about the matter of Mr. Huntsman, and Attorney Harney and I have an affidavit from Attorney Harney here and a statement from Lawrence D. Huntsman. I would like to have them just presented, not necessarily as evidence. You can consider them as evidence, but when I asked that the committee also register the names of people who could be subject to harm by their involvement in this case, I want to include Linda Kovachik, Anthony Traficanti, Bob Barlow, Mike Robertson and his family, Attorney Huntsman and Attorney Harney, and that the committee at least make note that there be no targeting of those individuals for their participation.

And I will place these two affidavits on the desk up here, and your staff can pick them up.

The Chairman. All right. We will take a look at those and so note your other comments, and, Mr. Lewis, you may begin

your summation.

Mr. Lewis. Mr. Chairman, Representative Berman, members of the subcommittee, Representative Traficant, the evidence presented at this hearing proves by clear and convincing evidence that Representative Traficant violated the standards of conduct charged by the investigative subcommittee in each count of the statement of alleged violations. The evidence proves that Representative Traficant misused his office for personal benefit.

The evidence proves that he misused his office for personal profit in three different ways: First, Representative Traficant sought and obtained tens of thousands of dollars worth of cash and other things of value from businessmen who were seeking constituent services from his congressional office. These violations are charged in Counts 1 through 3 and the Bucheit portion of Count 10. Second, Representative Traficant paid three senior congressional employees high salaries and in return received a portion of those salaries back in cash each month. These violations are charged in Counts 4 and 5 and Count 7. Third, Representative Traficant had his congressional staff perform hundreds of hours of personal work for him on his farm and on his boat while on official time and while they were being paid for official duties. These violations are charged in Count 7.

When you look at all the evidence together, it proves

that Representative Traficant's misconduct was repeated, ongoing, knowing and deliberate. Each count stands alone; however, the pattern and repetitive and ongoing nature of this conduct is charged in Count 10.

Members of the subcommittee, his actions were not mistakes. The evidence proves that Representative Traficant repeatedly and continually solicited the cash and services he received. He deliberately sought out the tens of thousands of dollars worth of cash and services. He asked for it.

It is your solemn constitutional duty delegated to you by the House to review this conduct. In reviewing the conduct, I will address five issues: first, what is the undisputed evidence for each count; second, what is the proof of an agreement between Representative Traficant and the witnesses, an improper agreement; third, what is the corroboration for the proof of that agreement. Fourth, I will address any relevant issues raised by Representative Traficant. He raised the issue of credibility with the key witnesses against him, who stated under oath that there was an improper agreement. I will address the issue of the credibility of those witnesses in detail. Finally, I will ask you to apply your common sense to this evidence. As a distinguished panel of attorneys, judges, public defenders, prosecutors and experienced members of the Ethics Committee and Members of Congress, I will ask you to use your common sense like all finders of fact do and

like the jury did in Representative Traficant's case where they found that he was guilty beyond a reasonable doubt and by a unanimous verdict.

I ask you to look at Counts 1 through 3 and the Bucheit portion of Count 10 together. Those are the counts that deal with actions with businessmen. The statement of alleged violations charges that Representative Traficant agreed to and did accept cash and services and other things of value in exchange for official acts from four different groups of businessmen.

Count 1, the Bucci brothers. The evidence shows that the Bucci brothers received what they paid for, a Congressman who went to bat for them over and over and over again. The official acts by Representative Traficant or his staff on his behalf of the Bucci brothers or companies they controlled are undisputed. They included interventions with the U.S. Department of Transportation, U.S. Department of Labor as late as 1996, the Federal Bureau of Prisons, the Ohio Department of Transportation, the Youngstown Halfway House and others.

The trial witnesses who testified in Cleveland were public servants with no interest in this case. The exhibits were undisputed documents. They are all about events that occurred many years ago, many years before the investigation against the Representative was commenced.

The things of value done for Representative Traficant by

the Buccis were also testified. Representative Traficant himself stated that in his opinion at least 3- or $4,000 worth of work was done on his farm by the Buccis. No witness testified that the six Bucci employees who took the stand under oath and said they worked at his farm did not do the work except Sandra Ferrante. No witness took the stand or gave testimony that the work that Peter Bucheit paid for on Traficant's farm, the $30,000 worth of work, wasn't done.

Representative Traficant presented two witnesses at trial, one a current employee of his, Dominic Marchese, who stated he was a very close personal friend of the Congressman, and who has had no experience in construction work in many years; second, Mr. Innella, who lives and works at Congressman Traficant's farm now for room and board, and who hasn't done any construction work since 1976. Both commented on the quality of the work done by Manevich and the other people. I submit to you that the jury found their testimony wasn't credible, and you should do the same.

There is no independent evaluation of the work done by Bucheit. There is no dispute over the handwritten list in Representative Traficant's handwriting of the things he wanted the Buccis to do for him at his farm.

Hearing Exhibit Number 10 for identification, the Congressman said this is his handwriting. Anthony Bucci had this document and gave it to the FBI. It is undisputed that

this document in the Congressman's handwriting says filter manufactured sand, haul debris, tracks and loading, oats, driveway, barn lane, 929. It is undisputed in the Congressman's handwriting in the possession of Anthony Bucci. He didn't object to its admission into evidence at trial. In fact, it was a joint exhibit. It corroborates the proof of the agreement.

The proof of the agreement started with the testimony of Anthony Bucci. You heard that he and his brother were approached by Congressman Traficant's district director Charles O'Nesti to settle their pay dispute with him. The only issue for you to decide in Counts 1, 2 and 3 and the Bucheit portion of count 10 is the proof of the agreement. But it is not just the word of Tony Bucci that you would have to take, or the word of Allen Sinclair, John Cafaro or Allen Lange, who each provided direct testimony of the agreement and the counts regarding their activity, for there is overwhelming corroboration of Buccis' testimony.

If you recall during my summary, I went through the many documents establishing that Representative Traficant owed the Bucci brothers $12,900 in 1988. That was undisputed. It was undisputed it was for work done at his farm. You saw Anthony Bucci's letter to his attorney requesting that a lawsuit be filed against the Congressman. It is the only evidence in this record of a lawsuit other than the uncorroborated

testimony by Sandy Ferrante. This corroborated testimony of the lawsuit. You saw the attorneys' letter to the Congressman all corroborating Anthony Bucci's testimony; the testimony of the career civil servants who were not under jeopardy, who were not under immunity, who did not have plea agreements also corroborated Bucci; attorneys like Wilbert Baccus from the Department of Transportation, investigators like Thomas Buckley from the Department of Labor and Thomas Williams and David Dreger of the Ohio Department of Transportation, all confronted by Representative Traficant because they were trying to enforce the law and regulations against Bucci.

Bucci is further corroborated by six of his employees who testified under oath without jeopardy, without plea agreements, without immunity, without any testimony other than the uncorroborated testimony of the Congressman that they are being harassed by the FBI or the IRS, that they worked for Anthony Bucci at the Congressman's farm and paid by Bucci, not the Congressman.

Joseph Altiero, his testimony is not disputed by anybody except Sandra Ferrante. Merrill Whippo, his testimony under oath was disputed by no one. James Ragazzine, his testimony not under jeopardy was disputed by no one. Bruce Pierce, his testimony under oath, not under jeopardy, was disputed by no one. Donald Burkey, the same. The only person who disputes their testimony is Congressman Traficant and Sandy Ferrante,

who says they are liars, liars, liars, based on her review of the television testimony of the trial. And keep in mind that this was not just a few hours of work at the farm. Altiero said he was there on and off on a regular basis for over 6 months.

If you have any doubt at all about the testimony of Bucci, Cafaro or Sugar, recall the testimony I pointed out of Representative Traficant's longtime chief of staff Paul Marcone. He served as his chief of staff for approximately 10 years. He was not under jeopardy. He was not under an immunity agreement or a plea agreement. He admired and respected Representative Traficant. Representative Traficant was his mentor. He said it was the hardest thing he has done in his life testifying against the Congressman, but it was Marcone who testified that the Buccis, Cafaro and Bucheit all received more attention from Representative Traficant than any other businessmen in his district.

You recall I stated that he testified on page 1458 of the certified trial transcript as follows:

Question: Do you recall Congressman Traficant asking you if the office of Congressman Traficant treated any company any different than anyone else? Do you recall that?

Answer: Yes.

Question: Were there some companies in the office that the office spent more time helping than others?

Answer: Yes.

Question: Where would the Bucheit companies fit?

Answer: They would be at the top of the list.

Question: How about Cafaro and USAG?

Answer: Very high on the list.

Question: How about the Buccis?

Answer: Very high on the list.

Question: So it is fair to say that the Bucheits, Cafaro and Bucci received more time and assistance from your office than the 100 or so companies you testified you helped over the years?

Answer: Correct.

Now, Representative Traficant questioned Anthony Bucci's credibility. Bucci has been convicted of at least four felonies, and you know that, and the jury in Cleveland knew that. He testified pursuant to a plea agreement with the United States Attorney's Office and under immunity. You know that other key witnesses did the same.

I will now address the credibility of all of these witnesses at this point. The evidence shows that each of these witnesses were credible, ladies and gentlemen. Look at the circumstances of their testimony. Each testified under oath. Each, with the exception of DiBlasio, was subject to extensive cross-examination. Each of those who testified was subject to the extensive cross-examination of this respondent

Representative Traficant. Keep in mind that each plea agreement was reviewed and accepted not only by the U.S. Attorney's Office, but by the U.S. district court. In each case the details of the plea agreement were examined in great detail in front of the jury, particularly by Representative Traficant. You know and the jury knew down to the month the possible sentence for each witness.

The witnesses were also open about their misconduct. Anthony Bucci testified to many acts of misconduct in addition to what he pleaded to. I read you the list. The list was so long, I didn't even read the entire litany. John Cafaro admitted that he did not tell the truth while testifying under oath in another trial. The jury heard that. You know that. He admitted that he did not tell the truth under oath, the laymen's term. He did not say he committed perjury, but he did say, I did not tell the truth under oath.

In addition to the factors I have just discussed, I ask you to keep in mind four points when you address the credibility of these witnesses. First, the only trouble these witnesses can get into at this point in time is if they did not tell the truth in their testimony under oath. In each case, it was indicated that they would lose their deal with the government or the court if the government or the court found out they were not being completely truthful in their testimony. And look what happened to John Cafaro. He made a

proffer agreement to the United States Attorney's Office, said that he was truthful. He did not tell them about the $13,000 cash payment to Congressman Traficant at first. Because he was not truthful, he lost his immunity and was indicted by the U.S. Attorney's Office.

Second, keep in mind -- ask yourself if they exaggerated or tailored their testimony to hurt Representative Traficant. If they were really out to get him as opposed to telling the truth, there were many areas that they could have embellished their testimony. If David Sugar wanted to lie to the jury and get Representative Traficant, wouldn't he have said it was the Congressman who told him to create those false invoices? Instead he said, no, that was my idea, and the Congressman had nothing to do with it. I panicked because I knew it was an illegal activity. But he didn't implicate the Congressman.

If John Cafaro wanted to lie to get Representative Traficant, wouldn't he have just said the Jeeps and the Avantis were outright gifts? But he didn't say that. He explained the situation. He said, Congressman Traficant just didn't get around to paying me.

If Lange were shading his testimony to hurt Representative Traficant, would he have stated under oath that he did not think John Cafaro was a truthful person?

If Grace Kavulic was out to get the Congressman, would she have lied about O'Nesti taking payments? If she was lying

about that, why wouldn't she go one step further and say DiBlasio also did it?

And finally, if Bucci were trying to exaggerate and extend, he would have said, I did the work for the Congressman at his house; but he said, no, I didn't do that.

Third, look at the evidence from Representative Traficant's point of view. Does it make sense for him to make an illegal agreement with these witnesses? If you are a Congressman and you want to make an illegal -- receive an illegal gratuity, who is going to give it to you, an honest businessman or dishonest businessman? Who can help him with the scheme? Who won't talk? If you want to receive a payment from your employee, who will do it? Paul Marcone or Henry DiBlasio, who gets to practice law and receive a congressional salary and rent in exchange, a witness whose interests are the same as the Congressman's.

Does Allen Sinclair even get a job? He is not vetted by both DiBlasio and Representative Traficant. It was in his interest to give a large portion of his salary back to the Congressman because he would not even have a job but for it.

John Carfaro desperately needed to save a $10 million family investment. What is a 40- or 50,000 boat deal in exchange for that?

Sugar needed something. He needed his son out of jail to help run the business.

And finally, Representative Traficant knew each of these individuals for years. Even Sinclair he said was a volunteer worker in his office for many years. And they knew him. In fact, Cafaro and some of the other witnesses said they didn't like Representative Traficant just like he didn't like them. But these people who didn't like each other, who despised each other, who hated each other did a lot of business together.

Why did Carfaro do business with Representative Traficant? Because he needed Representative Traficant, and Representative Traficant needed money and somebody to take his boat off of his hands. The very fact that some of them are convicted felons who are willing to give an illegal gratuity to a Congressman is why this Congressman was able to use them for his purposes. Remember, the government did not introduce any of these witnesses to Representative Traficant. Each course of conduct in Counts 1 through 3 and the Bucheit portion was well established before the government's investigation ever started.

Finally, in assessing credibility, the point I stressed earlier, corroboration. This case is about two things, credibility and corroboration. As you know, none of the counts rely solely on the word of a witness who has a plea agreement or immunity. Paul Marcone did not have a plea agreement or immunity. None of the Bucci brothers did. Sue Beegle, Sugar's secretary, had neither immunity or a plea

agreement. Dominic Rosselli, Patricia DiRenzo, Tracy Sloan for the Cafaro account, neither -- none of them were under jeopardy. Former employees for Representative Traficant, Lucia Foiani and Kimberly Bliton, who testified regarding Count 10, they did not have immunity or plea agreements. The other Bucheit witnesses including Bucheits' daughter did not have a plea agreement or immunity. So this is not a case, as you have heard, about every single witness being under jeopardy. That is just not the facts.

Now, having addressed credibility, returning to the Buccis in Count 1, I ask you to use your common sense in evaluating the evidence. Ask yourself about what Tom Williams said, the 37-year employee of the Ohio Department of Transportation who was on the phone Memorial Day weekend 1995 receiving a phone call from Tony Bucci and then a phone call from Representative Traficant, and the Congressman said the Buccis were messing up -- and was informed that he was harassing the Buccis. And he told the Congressman that it was the Buccis who were fouling up the holiday weekend for thousands of his constituents at a State park over that weekend, and why was the Congressman taking the side of convicts instead of his other constituents? Why did this Congressman keep helping the Buccis when he said he despised them, and his own staff began raising concerns?

You heard testimony yesterday from Sandy Ferrante. There

is nothing new that you heard yesterday that the jury didn't hear in Cleveland. She was a close friend, and she was repeating her trial testimony. The jury heard the testimony about the barn being damaged. They heard it from her and heard it from Susan Bucci, and they did not find it credible. Ferrante's testimony was contradicted by the Congressman himself. She said the Buccis did nothing around the farm. He admitted he they did at least 3- or $4,000 worth of work. And her testimony -- her opinion of the other witnesses lying was based on news reports and nothing else. In fact, she told the jury in Cleveland the only thing she knew about the Buccis is what Congressman Traficant told her.

As far as ownership, I remind you again about what I showed the Congressman yesterday, Government Exhibit 6-11. Now, he said, well, it was my wife's. I just signed it to help her out, and it does say it is from Patricia Traficant to the Congressman's daughter. But it also says that for valuable consideration, I, James A. Traficant, Jr., release this quitclaim. So it is more than the Congressman's signature. He was the one that actually said, I release this quitclaim to my daughter.

The date, significant date, December 10, 1999. What was occurring in December of 1999? You know from the Congressman's own words and the testimony of everybody at trial, Congressman Traficant knew he was under investigation.

The property suddenly becomes his daughter's once he is under investigation.

Count 2, you heard the testimony showed that on the very day David Sugar asked Representative Traficant for help with his son's legal problem, Representative Traficant had him go to his farm to show Sugar the work that he wanted to be done in exchange for the official acts. It is undisputed that Representative Traficant sent a letter to the court and to the halfway house on behalf of Sugar's son. Representative Traficant, no one, no witnesses disputed Sugar's testimony that he did over $12,000 worth of work on the farm during the same period. Sandy Ferrante couldn't even dispute that.

David Sugar testified about the agreement. He said he had an agreement with the Congressman. His testimony is corroborated by that of his secretary and by the false invoices he created. Use your common sense. When the FBI showed up, and Sugar panicked and he created the false invoices, if his dealings with Congressman Traficant were legitimate, why did he panic and create false invoices? Why did he tell his secretary to lie to the FBI? Why did he admit to lying to both -- both of them lying to the grand jury? Why bring his secretary into this? Because it was an illegal deal.

You have heard about Harry Manganaro. There is a tape. He testified at trial. He is a friend of the Congressman.

They have known each other for 20 years. What he says on the tape is that -- what you have heard the Congressman say, that Sugar was harassed by the FBI and was scared, and that is why he changed his testimony. Well, first of all, David Sugar testified and was cross-examined by the Congressman and said that wasn't true. Second of all, everything that Manganaro says on the tape he said to the jury in Cleveland. They heard him say he felt --

Mr. Traficant. Objection. Manganaro did not testify to the jury on Sugar. I want these facts clarified.

The Chairman. This is not a time for objections, as you well know, and I don't expect our counsel to object to you.

Mr. Traficant. Manganaro did not testify on the Sugar matter before the jury. I want that on the record now.

The Chairman. That will not be on the record. Mr. Lewis has a right to use his time -- you know this because you know the law well enough that you know --

Mr. Traficant. He has made a lot of misrepresentations, and I have had about enough of it.

The Chairman. You get your opportunity to make your misrepresentations when the time comes.

Mr. Traficant. I will make none.

Mr. Lewis. Members of the subcommittee and the public, I direct your attention to the affidavit, to the trial transcript which you have, and which is on the committee's Web

site. He testified under oath.

Mr. Traficant. Not about Sugar. Now, admit it.

The Chairman. Mr. Traficant.

Mr. Traficant. I will not have him lie here and force me to waste my time to deny it. I want to see the damn record now.

The Chairman. Sit down, Mr. Traficant.

Mr. Traficant. I have been railroaded once, and I will be damned if I will be railroaded. Manganaro did not testify about this. No one testified about any of this -- any of these damn lying witnesses.

The Chairman. Mr. Traficant, would you like the hearing closed?

Mr. Traficant. No. Not really.

The Chairman. I wouldn't think so. Sit down and let Mr. Lewis complete his testimony. We do have a vote. We have a series of votes.

Mr. Traficant. I object to anybody leaving in the heat of this contest.

Mr. Green. Mr. Chairman, we might admonish both the attorneys and Congressman Traficant that the committee Chair runs this hearing, and we have the right to go vote, and we make the decisions. And I know that has been a concern I have had for a couple of days now, but you know the Chair actually manages the hearing.

Mr. Traficant. I was just kidding, but I'll tell you what, I am not going to have him make any more misrepresentations. I am going to object to them whether it is committee rules or not. And I want to see the trial evidence. I want it now.

The Chairman. We are going to recess, and at this moment we don't particularly care what you want. This is --

Mr. Traficant. How much time has he already used?

The Chairman. None of your business. He gets to use the hour as he sees fit -- by the way, an additional 30 minutes that I granted you so that you would have absolutely a fair opportunity to do your summation even though you used up that time, we granted that to you. I want to ask you when we come back to cool your jets, relax and listen to Mr. Lewis' summation, and then you summarize any way you want.

Mr. Traficant. Listen, if he misrepresents that record or misrepresents the facts, I am going to object.

The Chairman. We are in recess until the vote is over.

Mr. Traficant. How many votes are there, and when are we expected back? Does anybody how many votes there are and when we will be expected back?

The Chairman. There are three votes, I understand, Mr. Traficant.

[Recess.]

The Chairman. We will get the microphones turned on, and

we will resume. Committee will come back to order.

Mr. Lewis, you were saying --

Mr. Lewis. Thank you, Mr. Chairman.

Mr. Chairman, on page 4480 of the trial transcript of the trial in Cleveland, the defendant Congressman Traficant called Harry Manganaro to the stand in front of the jury. On page 4492 he started asking Mr. Manganaro a series of questions about Mr. Sugar's relationship with the FBI. And on page 4496 he asked the question:

When you looked at Mr. Sugar, what was his normal condition?

Normally he was grumpy. But this time he is extremely nervous, and he confided in me because I'm his friend.

Question by the Congressman: Was he worried about something?

Answer: Yes he was.

Question: Was he worried about his family?

The point I was trying to make is that the testimony of Mr. Manganaro and the tape and the affidavit were presented to the jury.

Mr. Traficant. Object.

Mr. Lewis. As far as Mr. Sugar, the testimony I wanted to clarify about the piano and the other antiques. If you look at the trial testimony, that goes to racketeering act 6, which is not charged by the investigative subcommittee,

regarding Mr. Sugar. Mr. Sugar only involves payments or things of value for April of 1999. And even if you throw in the piano, which is estimated at 5,000, and the antiques and the $1,000, it still didn't add up to the total of $12,000 worth of work that was done in 1999 by Mr. Sugar.

Count 3, the proof of the agreement and the evidence of the cash services and other things of value provided to Representative Traficant were initially based on the testimony of Cafaro and Lange, but there is overwhelming corroboration. There is the $13,000 check, the bank ledgers. You saw the date and the amount. There is Patricia DiRenzo's testimony that Mr. Cafaro needed $13,000, and she went out and got it for him. The day before he testified, he gave it to the Congressman. There is Cafaro's calendar and Representative Traficant's press release about appointing Mr. Cafaro to the committee that was meeting on the morning of that day. You also have Allen Sinclair's statement to the FBI in early 2000 before Lange, before Cafaro went to the FBI that Representative Traficant told him that Carfaro had given him cash. You have Mr. Detore's expense reports for dinners with Mr. Traficant. You have the Crevet rental documents. You have invoices that show USAG did purchase the welder and did purchase the generator.

As far as the cars, there is disputed testimony about the value of the cars, the condition they were in. I will just

say this: It is undisputed that Cafaro gave the Congressman the use and possession of two Avantis and a Jeep for at least the period of 1999 through 2000. Whatever their value, he had the use of those vehicles.

Recall that everybody, even Representative Traficant's own witnesses, testified that he wanted to get rid of that boat. He tried to get Tony Bucci to buy it. There is testimony he wanted Bucheit to buy the bought. Robert Gatti. Lisa Bucheit said he wanted their help with the boat. And even Paul Marcone said Representative Traficant told him he needed to unload his boat on somebody.

You know Cafaro was trying to buy the boat. The Congressman admitted it. He said that Cafaro tried to give him the check. You have seen the check. It is documented. Why would USAG want to buy Congressman Traficant's boat for nautical testing of a system that they are trying to get funding and approval for? Why not buy a new boat? Why buy an old boat that everybody says needed thousands and thousands of dollars of repairs? As I said, Marcone even said the boat was in bad shape. You have seen the pictures of the boat, and the pictures are available, and it is not in dispute. They are Exhibit 869-1, and they show the state that this boat was in.

So either Cafaro and Lange were untruthful or were truthful, and this money was for Traficant, or Lange pocketed the money. Now, Lange did testify under immunity, but when

you have immunity, as you heard, you are also under jeopardy. If you are not truthful, you lose your immunity.

You heard how the testimony shows how this case started. The Cafaro portion was started. USAG was subpoenaed. They obtained an attorney. Lange was told, you better get an attorney. He made a proffer to the government. The government studied that proffer. The government decided that he was truthful and said, you have immunity if you continue to be truthful.

You have the uncorroborated testimony of the testimony that Lange sunk his boat. Richard Detore said the boat was sunk. You also have corroboration of Lange and Cafaro, Government's Exhibit Number 36-1. It is 48 pages of receipts for work done for the boat. These receipts are not challenged by the Congressman. They were offered into evidence, and you heard no testimony today and there is no testimony at trial other than the other uncorroborated testimony from Congressman and Detore that the work was not done to the boat.

As far as the boat being sunk, I direct your attention to page 21 of the exhibit, which is not challenged by the Congressman. He has never challenged it. April 16, 1999, the remaining work consists of details like manufacturing mahogany trim, PTP trim surrounding flybridge, staining new mahogany, refastening grab rails, and most importantly, as even Lange said, the engine work. There was still work on the engine to

be done.

There is also the testimony of Dominic Rosselli, who is the treasurer and chief financial officer of the Cafaro Company. Mr. Rosselli testified that the Cafaro Company spent $10 million in USAG in contradiction of the testimony of Mr. Detore.

Mr. Detore was in jeopardy. You know why he was in jeopardy. However Dominic Rosselli did not testify under immunity or did not testify under a plea agreement. He said the company had spent $10 million. It was hemorrhaging money, and that is why USAG failed. He also testified about Detore and business expenses that Detore signed off on Lange's request for the boat expenses. Detore agreed to Cafaro, and there is written documentation, that those were business expenses, not personal money going to Lange, which corroborates Lange.

Tracy Sloan also testified to the jury without immunity, without a plea agreement, without jeopardy. She stated Richard Detore ran the day-to-day operations of USAG, and that Richard Detore instructed her to get a luxury car or exotic car, quote/unquote, luxury car or exotic car for the Congressman, and she went to Millennium and she obtained the Corvette. So it just wasn't any as you heard last night. She, who was not under jeopardy, was told to get an expensive car for the Congressman.

You also heard the Congressman testify about Brian Kidwell and Mr. Squire, an attorney, that it wouldn't be possible for Cafaro to have given the $13,000 cash to the Congressman. I just direct your attention to the transcript of that testimony. Mr. Kidwell said he wasn't even sure which year he saw Mr. Cafaro, and Mr. Squire said that it was possible that Cafaro could have left with the Congressman. All Mr. Squire said is that at the end of the morning that Cafaro said he gave $13,000 to the Congressman and the car, that the Congressman left with someone else, not -- so it is possible that at some point the Congressman did leave with Cafaro. Cafaro said he dropped him off, and then the Congressman could have left with somebody else. So I submit to you the testimony and affidavits of Kidwell and Squire are not credible.

Count 10, the only issue here is nothing is contested about the official acts. Nothing is contested about the $30,000 spent on the farm other than Innella and Marchesi, as I stated earlier. And the only thing different here, and that is why this is in Count 10, is Bucheit did not testify. He is under indictment, and he is charged with lying on behalf of the Congressman about this issue. So you do have to make an inference here. There is no direct testimony about the agreement. But you can make an inference in Count 10 that -- just like Counts 1, 2 and 3.

Representative Traficant asked Bucheit to do something in exchange for the cash. Bucheit's own daughter, Lisa Bucheit, admitted between 1993 and 1996 the company was never paid by Representative Traficant for the addition to the farmhouse. She billed him -- she sent the bill to the farm, but he never paid for 3 years. Now, if -- like I said earlier, if this was a loan and not an illegal gratuity, why didn't he list it as a loan in his financial disclosure statements for those years? The common-sense answer, like the answer to all the others, is that he never intended to pay Bucheit because it was not a loan, it was a gratuity.

Counts 4 and 5, in these two counts you heard that instead of receiving cash and services from businessmen, Representative Traficant received cash from one of his own employees. The essential agreement with Allen Sinclair was I will put you on my staff and let you continue your private law practice on a full-time basis with no supervision and pay you $60,000 a year. I will continue to let the government rent the space and pay you rent on the building you were were buying from DiBlasio, and then you will give me $32,500.

It is undisputed that Representative Traficant committed the official acts of hiring Allen Sinclair, setting the salary at a high level, letting him to continue practice law, minimal supervision, minimal duties except for the Congressman's uncorroborated testimony, and rental of office space from the

building. Sinclair's testimony provided proof of the agreement and that he paid the money to the Congressman. His testimony is corroborated. It is corroborated by copies of the checks, copies of the bank receipts and copies of the bank statements. It says there is $2,500 in cash every month. Does it say where that cash went? No. But it corroborates Allen Sinclair. It is also corroborated by the rent checks paid by the U.S. Treasury.

Sinclair is corroborated by the testimony and the congressional records regarding the office structure salary. Paul Marcone corroborated that Sinclair lacked any kind of experience for his position, and that he strongly opposed his hiring. Granted, Congressmen can hire people over the opposition of their chief of staff, but there should be a credible basis for it. Marcone and the congressional salary records corroborate that Sinclair was paid more than any other employee except for Marcone.

DiBlasio's plea agreement admitting paying the Congressman money corroborates Sinclair's testimony that DiBlasio orchestrated and managed the implementation of the Sinclair payment for Representative Traficant. While the DiBlasio and O'Nesti kickbacks, payments, are only charged in Count 7, not in Counts 4 and 5, the evidence of those payments also corroborates Sinclair. It corroborates him because it shows that his payments to the Representative are merely a

continuation of the DiBlasio and O'Nesti payments, and it explains why he was hired. Sinclair's testimony is even more credible when it is seen as the continuation of an ongoing scheme instead of the start of a scheme.

The testimony of former office manager Jackie Bobby and Representative Traficant's former secretary Grace Kavulic regarding the DiBlasio and O'Nesti payments also corroborates Sinclair, their testimony that both of them received cash in envelopes from Congressman Traficant, he left it for them on a regular basis, and they deposited this cash in the bank for him on a regular basis. Keep in mind that their testimony was given not to the government by a cooperating witness, but, as far as the DiBlasio and O'Nesti statements, was told that by fellow congressional employees over a decade before this investigation commences.

Like Sinclair, DiBlasio was allowed to practice law full time at the same time he was supposedly the administrative assistant in charge of the entire office. Paul Marcone and even Representative Traficant's own witness Anthony Traficanti admitted that he did not perform that job. No one knew what DiBlasio did. Paul Marcone, Jackie Bobby, Grace Kavulic, West Richards, the other chief of staff who testified, and Anthony Traficanti all testified that staff members regularly complained about the fact that DiBlasio received such a high salary for doing such little work, and the Congressman can't

answer that testimony that is not under immunity or not under plea agreements.

Bank records show that like Sinclair, DiBlasio almost always received cash when he deposited his congressional paycheck. For the 3-year period that the government was able to document it, Henry DiBlasio cashed $120,000. And you also now know he has admitted making the payments to the Congressman. What was the Congressman's testimony? His testimony that O'Nesti didn't make kickbacks was the testimony of a convicted felon, a former deputy sheriff who pleaded guilty to taking money from the mob and testimony by two current employees.

I ask you to use your common sense. Why would Representative Traficant bother to stay in the Overhill office when he had a brand new office in the Youngstown courthouse? Why would DiBlasio bother to obtain Richard Jeren and Nicholas Chuirazzi to pretend that they owned the building long after the office was supposed to have moved to the courthouse? Why would the Congressman have his secretary, office manager, his caseworkers in one office in Youngstown and 5 miles away have an office for himself and Henry DiBlasio or Allen Sinclair? Why did he do this over his chief of staff's strong objection and the chief of staff's memo saying it would strain the budget, raise ethics issues and waste money? Why? Because if DiBlasio and Sinclair could stay in the Overhill office, they

could run their law practice full time, which they couldn't do if they had to be in the courthouse and work on congressional matters from 8:30 to 4:30 like all the other employees. They needed to practice law because they needed to make the payments to Representative Traficant.

Count 7, this count presents evidence of three different methods by which Representative Traficant took money from a new source, the U.S. Government. That includes the salary payments to the Congressman from Sinclair, DiBlasio and O'Nesti, but this time in terms it was defrauding the U.S. Government. The second method, as you know, instead of having his congressional employees to do office work, he directed many of them to provide him with free work on his farm all paid for by the U.S. Government. The third method, congressional employees also provided him with free work on his boat, also paid for by the U.S. Government.

The testimony of Traficanti, his own witness, Bucella and Rovnak was corroborated by his own witness Betty Manente and other office workers. They all said Bucella was gone, he went to the farm, and they complained about it. They testified that Rovnak didn't even have a desk in the district office. And they testified that Anthony Traficanti also worked.

The boat testimony, granted, it is not comprehensive as the farm, but it is uncontested. West Richards, chief of staff, not under immunity or plea agreement, said it happened.

Mr. Whitehead, another former employee said it happened. Richard Rovnak said it happened. And Rovnak said he went to the boat more often than once.

Count 6. You have heard argument that the government pressured witnesses. The only corroborated testimony of any witness being pressured in this case is the charges against Congressman Traficant. The only direct testimony of pressure is from his former employees. You heard what they said. You heard what Sinclair said, that he was pressured, in his grand jury testimony. You heard -- you know the testimony of Paul Marcone that he was also pressured, in his grand jury testimony.

You heard -- you know the testimony that the Congressman gave Sinclair the cash that he asked him to burn the envelopes, that he gave him the Post-it notes. The Congressman said those notes and letters are in his own handwriting. They are uncontested. Paul, I may have violated House ethics rules giving you the loan. Paul, tell the truth. I never gave you kickbacks. The Congressman can't explain those letters. They are in his own handwriting. The only official mention in writing of the term "kickback" is in the Congressman's own handwriting.

And think about other testimony you have heard. This is how, according to Sinclair, the Congressman operated when he felt he was under threat by the FBI. Well, it fits in with

the other testimony. Suddenly in December, on December 17, after using the Corvette for a month, the Congressman pays for the Corvette. Why is December 17, 1999, significant? He knows he is under investigation. He also decided to give David Sugar a check for $1,142 for work done in April in December because, quote/unquote, the government is after me. Does this fit in with a pattern of requesting Sinclair to burn envelopes a month later? Use your common sense. Recall that Representative Traficant, and in the words of Paul Marcone his chief of staff, said, have to go on the offensive.

Count 10 is an overarching count. It basically states what I said earlier, that for this Congressman's entire career, he is -- he has used his office for public benefit. Remember, no matter what you have heard, the evidence in this case is that the case was not started by the government. Mr. Traficant knew these people before any government investigation was going on. The FBI did not introduce him to the Bucci brothers, David Sugar, John Cafaro, Al Lange, Peter Bucheit, Henry DiBlasio or Allen Sinclair. This is a case not based on wiretaps or video surveillance, it is a case based upon the testimony and records of his friends, his business associates and his employees. That is why they didn't need a videotape or physical surveillance.

The standards of conduct that are charged are those that are very familiar with you. Exchanging your office for

personal benefit brings discredit to the House and violates the spirit of the rules. Improper compensation, the way it is described, violates the rules. And you know the rules, so I won't read them to the members of this committee. This statement of alleged violation charges Representative Traficant with failing to conduct himself in a manner that reflects credibly on the House of Representatives and other related charges; the repeated sale of his office in violation of the public trust in exchange for money, personal services and other things of value to Representative Traficant.

It is not often that we see such direct evidence of this sort of misconduct. This case displays misconduct, which, thankfully, often is not seen. Based on the evidence of that misconduct, the undisputed testimony of witnesses who were not in jeopardy, the direct testimony of his friends, his employees, his business associates and not hearsay, but direct testimony, when you evaluate the evidence, you will find that each count of the statement of alleged violations has been proved by clear and convincing evidence.

Thank you, Mr. Chairman and members, for your patience and attention, and I reserve the balance of my time.

The Chairman. You have 15 minutes left if you wish to use it.

Mr. Traficant, you have an hour.

RPTS SMITH

DCMN MAGMER

Mr. Traficant. There's an awful lot of misrepresentations. I won't call them lies. Many of the people referred to that testified, testified outside the presence of the jury under voir dire, were not allowed to testify before the jury.

Second of all, you have before you a hearsay transcript, and I am going to go one count at a time.

Now, he said, I admitted to 3 or 4,000 dollars by the Buccis. Quite frankly, they never bought any oats, never bought a damn thing and didn't do no driveway. They did send a machine out to do some grading, and I gave them the benefit of the doubt.

The Susan Bucci affidavit clearly states and the Sandy Ferrante testimony, they owe me money. Bucci was on his fourth plea agreement, working to bring his brother back from Cuba who fled on another warrant; and he lied through his teeth. And if you believe Anthony Bucci over a fellow Member of Congress, expel me. His own sister-in-law said he burned his farm down, called her overnight and said, move my horse. Would it be all right if I put your horse out in the pasture? She said she wondered why. The next day she heard on the news the barn burned down. This guy was a crook.

Now they said and my staff said that I did most of my

work for the Bucheits, the Cafaros, the Buccis, and whomever else. They were the ones that had the most problems that my staff couldn't handle. Now I don't know how you handle your business, but my staff can't handle a case, it comes to me.

I didn't like Anthony Bucci, but he employed about a hundred people in my district, and when they got a highway contract, there were 250 people working there with subcontractors, and I fought like hell for them. They ruined my dad's bank barn, and I should have sued them. Period.

Now let's talk about Sugar. His dad and my dad were good friends. Sugar come out and talked to me about his son. Yes, I helped him with his son. He did some work for me. That piano was not $5,000. It was $5,500 or $6,500 -- conservatively -- plus a $1,400 check. What David Sugar got indicted for was for backdating an invoice that I didn't know he backdated, and he wasn't done with work at my farm.

If you listen to Harry Manganaro and that tape -- Manganaro, who was not my close friend, I hadn't talked to him more than four times in my life but knew him through some business experiences. He was a demolition man, came to me; and I said, I love Dave Sugar. I don't want to see him hurt, but I don't want to see you hurt. Dave told me after the second FBI visit that he lied, had perjured himself, that he didn't backdate invoices. His secretary said that he did backdate the invoice, and they were going to indict his wife

and son if he didn't go with the script like Detore testified to.

David Sugar never finished the work he said he was going to finish at my farm. I even paid for the concrete that his people laid, that TC Redimix came out at that trial. And you misrepresent the fact when you say Manganaro testified to the jury about that Sugar matter. I won't say you lied, but get your figures right.

Number three is Cafaro. Give me a break. He said he lied about 13,000, and so his immunity was taken away. It was just in the paper. He's getting zero jail time.

Richard Detore told you exactly the way it was. You will have affidavits from attorneys that were in his presence when he was pressured by that attorney. Richard Detore is a good American the country could be proud of, and exactly what happened to Richard Detore happened in every one of these cases, one common thread. They all had them going to jail, going to jail.

Now let's look at Cafaro. Cafaro paid for Al Lange's attorney. Now I want to ask you as a prosecutor and people affiliated with the criminal justice system, if I hire your attorney, is it your attorney or is he mine? He said the boat had no value. Then why did an independent survey show it to be of a value of 32,000 and 38,000 before they sunk it? I didn't learn till yesterday that only $8,000 went into that

boat, and I know that's a fact. They ruined my damn boat.

Now, Dennis Johnson was not allowed to testify before the jury. Dennis Johnson went to Cafaro and was trying to go to Cafaro because he is the chairman of a county in my district and also on my staff. He was trying to contact Cafaro to get the titles for me.

I didn't have the use of any cars. The only car I had use of was that he asked me to drive an Avanti down here so someone might see it and maybe someone might buy it. He sold the company for $1. The car I drove I couldn't even drive back and forth. It overheated every 20 miles, took me 10 hours to get home. It's been stored, and the man who stored it wants 35,000 for the storage.

The other car was built out of scrap parts. The frame was a used Malibu frame. The Jeep was worthless. The engine was blown. I paid him 10,000, and I wanted the titles. I never got any titles.

But the key to it was when Dennis Johnson finally went outside in that driveway and Cafaro turned around -- Cafaro just unexpectedly told him -- and this should have been a hearsay exception -- I did nothing illegal with your boss. Tell him not to worry about it. I've got problems with another case.

And Dennis Johnson said, I'm not here to talk to you about the case. I want the titles.

John Vogel was not allowed to testify before the jury. He testified that George Bucella took $2,500 to fix a DUI case which I didn't know about, and that's what the government had on him. Bucella didn't come to the farm 300 days. And I ordered nobody to come to my farm. People that came out to see came of their own volition and free will and put in their hours of work every day.

Anthony Traficanti said that Rovnak shared a desk and was always at work when he was hired. Look at that in your transcript. You misrepresented that. Anthony Traficanti said it was a health spa, and I wanted to go there. He knew Bucella was lying, and everybody in town knew Bucella was lying because the FBI had him. And I don't even blame him.

Now let's look at Sinclair, O'Nesti and DiBlasio. There's a 302. O'Nesti is on his deathbed. The FBI comes in with a fruit basket. And if you don't have it, you'll get it, whether I put it on the Congressional Record or not. They come in with a fruit basket and admit that they say loud enough for him on his deathbed to hear them say that they don't want the U.S. attorneys to hear this because the U.S. attorneys may send him to a medical facility.

Now, Chuck told me several weeks before that, Jim, they want to take me and put me in a medical facility. I want to die at home. They're pressuring the hell out of me.

He told Mike Terlecky at a Speedway when he saw a

headline "Traficant Problems on Kickbacks," he said, why don't they let that guy alone?

I sure as hell didn't give any kickbacks, and I feel bad what's going on. But the bottom line was the FBI come to corroborate some evidence of kickbacks, and they brought an affidavit and said, if you gave him kickbacks, sign it. And he said, I'm not signing it.

There is nothing but hearsay evidence from two women who were disgruntled that they didn't get a big job and didn't like the woman I hired and split that one job up into three. And those were long-time employees. When you talk about high payrolls, I had probably the least turnover of any staff member in this house until all of this stuff broke. And I want you to tell me where you hire a decent attorney, a decent attorney for the type of task I had for him for under $55,000.

Now let's talk about some circumstantial evidence here, which is what you're bringing out.

Let's talk about Sinclair. How on $50,000 did he say he told the government in the 302 you have in which he wouldn't help get Jim Traficant, with all these kickbacks, did he buy a $300,000 house, brand new Buick van, a $300 brand new car rental and spend $55,000 on media advertising? What they had on Sinclair is they --

He told me, Jim, my wife, Kimberly Ann Sinclair, KAS Enterprise, he could benefit from it. When I found that home

savings and loan account there were five accounts. The government only showed one, and I had it the last day. And Mike Robertson was limited from offering testimony to that jury.

Sinclair and DiBlasio's problem, DiBlasio put it in a trust. Sinclair could benefit from it, DiBlasio evidently could benefit from it, and they were going to be charged. Sinclair already had a suspension, would lose his law license. Sinclair owed DiBlasio what DiBlasio said was $470,000. Sinclair said it was only $120,000.

Let's talk circumstances. $2,500 a month comes out of his pay, but no one shows the other four accounts. Now let's talk IOLTA. Twenty-two months after $2,500 is put in there, there's never a $2,500 check from anybody put in again.

Now, you're prosecutors. You're looking at the number one target of the Department of Justice. And I hate those bastards, and I believe America's starting to hate them.

You want to get Jim Traficant? They had a thousand ways for Allen Sinclair to take me. Came out in the trial that he told me he was going to be before the grand jury on March 2, and he testified in February.

Now I'm an old sheriff. I'd get a tape on any of you, if I wanted it. They had tapes on me. They had wiretaps on me. And they're lying. They had no physical evidence. Cafaro admits he lied. But I didn't perjure myself. And Bernard

Smith told me on the break you can lie without perjuring yourself.

When Capri Cafaro told people at U.S. Aerospace that his dad had trouble with his perjured testimony in the Chance trial, they had JJ right here. Now he said he gave me $13,000 cash. Come on now.

You Members don't know Attorney Percy Squire. I'm not sure if Mr. LaTourette knows him. But I believe Ms. Jones knows him. He was the Chief Clerk of the Chief Justice of the Northern District of Ohio, Tom Lambrose. He is now handling my appeal on the jury service selection plan and the sixth amendment constitutional issue which you should have heard, even if it was for an educational purpose for you.

I asked Percy to come in as a character witness. When he got in, he says, Jim, why do you want me to be a character witness for you? I know the Bucci case. I handled Greg Tyson, and I know the Cafaros lie. When you talk about that meeting where JJ was asked to be a participant, he was not at the head table.

But the counsel that was helping me trying to put together this regional development community to bring my valley out of the problems it has by putting a quarter percent sales tax, putting it together and raise $13 million to leverage $50 million a year for infrastructure matching monies, Percy was the counsel helping me do that.

He got there late; and he said, Jim, I've got to talk to you.

I said, Percy, I'm already late. We've got to get going.

He said, I'll see you after.

Cafaro's testimony was he waited till everyone left, everyone. Look in your transcript. Then he said, Jim and I walked out, got in the car, went around the block. I picked up the thing and he took the envelope.

Sinclair lies and said he saw the Cafaro envelope. Here's the testimony of Attorney Percy Squire, Clerk of the Chief Judge of the Northern District of Ohio:

When the meeting was over, people were all around you, and you wanted to get out of there. I walked out with you. We discussed my issue. I saw you get in the green truck.

Brian Kidwell testified he picked me up in the green truck. He had a cab on his, took me to my office where my pickup truck was, did not have a cab because we had pre-fab sides made for a 6-by-8 hunting hut that we were installing in Trumbull County.

God almighty here. What happened to me in Cleveland is what happened to me here. Mr. Hefley's a friend of mine, and I'm so damn mad I've infuriated you. I infuriated a jury that convicted me over my attitude without a damn bit of evidence.

But here's the point I'm making. You have a tape there on everybody. And Henry Nemenz come to me on this 150,000

national news barn. He said, Jim, I feel so damn bad. I feel like a coward. My attorney told me it's going to cost me hundreds of thousands of dollars if I get indicted. I'm going to lose my business, but I feel so bad.

I said, sit down, Henry. Wasn't our original deal this? Wasn't this our agreement?

In front of a witness, John Innella gives an affidavit. I know that affidavit would be thrown in 13, so I taped his girlfriend, Henry's girlfriend, the next day who confirmed that Henry called and said, yeah, he talked to Traficant. Now his attorney said, oh, Henry ran into Traficant, but they had no discussion.

Here's another point I want to make. The prosecutor said he did no threatening of these witnesses because the attorneys were always present. That's "bullshlip." Because one common thread runs through the entire Traficant case. There's no evidence.

Mr. DeGroot did the work on the boat, and he said he got $8,000 cash. I didn't even have the Harney stuff to know that there was a demand note. If there's a boat scheme, why did Mr. Cafaro want a demand note signed by Al Lange for repayment in the event he quit work?

The only reason they indicted Mr. Detore is to keep him out of my case. And if they realized that I'd have the jury I had and the way I got the jury so damn mad they wouldn't have

indicted him.

You had an opportunity to meet a great American who put himself in great jeopardy. If something happens to him, you should protect him.

I expect to go to jail. I'm not guilty of these crimes. If I were, I'd throw myself at the mercy, try and cut a deal and come to the big congressional Members and say, hey, give me a hand. I've been a decent guy. But you know what? I don't like the government. It's true I came here with a chip on my shoulder; and, Ms. Jones, you would, too, if you faced the RICO trial with a fake confession and had to prove it. And that's why I'm sitting here today.

Mr. Kerchum was not allowed to testify, and he was put on a payroll. His FBI undercover code name was Cheese One. He said they'd build a monument to him if he could get Traficant for them.

He said, I couldn't get anything on Traficant. They were supposed to give me 250 a week and 250 expenses. They paid me about four times, stopped paying me. He said, I called a person in Washington by the name of Lewis Slade; and they said no one by the name of Lewis Slade worked for the Department of Justice. But then the local newspaper found a guy by the name of Lewis Slade in the Department of Justice. To stop Kerchum from assisting me, they finally indicted him. They said he was making bombs. Finally turned out his grandfather made two

old muskets and he didn't have a Federal stamp, and he was indicted on a felony four. His total fines were $30, $15 per gun; and they never even collected it.

Russell Saadey was not allowed to testify before the jury; and he said his brother-in-law said, look, I'm going to go to jail for 15 years. I'm going to lose $10 million. I added up the money I gave Traficant over the years and said it was a bribe. Like a dummy, he couldn't even identify the so-called barn he gave me the money in; and they threw that out. But I wonder about why that was thrown out because Mr. Sabatine made a statement under duress to his brother-in-law who was subject to being sentenced in complete jeopardy, which is clearly eligible for the hearsay exception which should have been offered to the jury.

So as we talk about this pattern of things, did I help the Bucci brothers? Yeah. No one else could in my district. But did I help the Bucci brothers or did I help 250 workers in my area at a 20 percent unemployment rate?

Did they put asphalt in my driveway? Go and see what it was. Dan paved his -- Sandy said it's a mile long. I measured it, it's about 1,800 feet. And the little bit they had left over in the truck, rather than have it jam their truck up or have their workers take it 45 minutes to Girard, took it across the street and dropped it in the Traficant farm. Quite frankly, put it where I wouldn't have had them

put it.

Cafaro lied through his teeth to save himself. Sinclair would have lost his law license, and his wife would have been involved. Manganaro says that Sugar told him that his son and his wife would be involved. O'Nesti would die in an Army hospital.

Read the DiBlasio letters and the DiBlasio tapes. Now, after the conviction, falls right in, don't he? He even says on the tape, I don't want to spend $250,000 to defend myself. Richard Detore spent a half a million dollars for three motions. You should have those attorneys in here.

What is the ethical violation? One afternoon, those members who wanted to, went down to my boat; and they had some beer. Some said they did a little bit of scraping. Some didn't go, were never forced to go. Never asked them to go. I don't even know if that was my idea. Someone probably said it was. I'll take credit for it then. I never compel anybody to come to my farm or our farm and do any work -- ever.

So now let's look at some of these testimony. Linda Kovachik was not allowed to testify about the O'Nesti statement. She said she went to Chuck. Chuck said, go back to work for him. He's a great guy. I didn't give him any kickbacks. That wasn't allowed to be presented to the jury.

Vogel's testimony not allowed to be presented to the jury.

Manganaro's testimony not allowed to be brought to the jury.

Saadey's testimony not allowed to be brought to the jury.

Detore successfully kept out.

DiBlasio's tapes and statements not allowed to be admitted, even though he took the fifth.

As a gentleman, I was asked by Detore's attorney to subpoena Detore through his attorney; and I did. You heard Detore last night, and if you believe Cafaro over Detore I'm going to talk about some common sense. You don't have to even meet Mr. Cafaro. You met Mr. Detore. Mr. Detore is subject to great harm, and I think they might also have to put the nails in the coffin with me to jackpot him.

Now let's talk about Sandy Ferrante, that you sort of impugn and you sort of make slight of the witnesses that have spoken on my behalf. You don't know them, and I take offense to that. Sandy Ferrante knew what happened with Bucheit and my dad, and she testified truthfully. Sandy Ferrante knew about the deal with Nemenz and that barn. She knew about the Buccis, and she knew about the work I did across the street.

Do you know what it costs if you're a farmer to have 40 acres of a field Brush Hogged? About 40 an acre. I did that for 5 years. Look at Susan Bucci's affidavit. Do you know what it costs to use your own equipment to bail 25 acres of hay? I did that for 5 years for Dan. He was sick. The baler

didn't work. Did they get me some sawdust? Yeah. Did he come and use some sawdust? Yeah. I even had some straw, good oat straw; and I did not use it because the horses would eat it. I gave that straw to Dan for his cows. I let Dan use my equipment. I went over and used my own equipment and my own fuel. I never charged him.

Many times Bucella come to the farm, and I didn't call him. Sandy called them. No one could drive that truck. Most of the time the staff was there on the weekend as a voluntary act.

Now when Richard Rovnak testified, who's a friend of mine and also want to list his name so he don't get hurt -- he testified that he worked 16 straight days at the farm for 16 hours and even slept there. I think Richard was trying so hard to get the jury not to believe him because he didn't want to hurt me that that's the way he testified.

Now, come on. I did not own the farm, did not live on the farm, and the bill that Lisa Bucheit sent was to the farm and to my father. My father died. Pete Bucheit come to me and I says, Pete, I'll reconcile this. How do we do it? And I wanted to do it with horses. I didn't have the money.

He said, I don't want it. I don't want the horses. When you come up with the money, you pay.

I did a great job for him, and I'll be damned if the Saudi Arabians are going to rip off one of my constituents.

By the way, when I personally settled this case with the Assistant of the Ambassador from Saudi Arabia, the reason they didn't want that Bucheit case settled was they were exposed to 16 other cases, up to a billion dollars. But they were forced to.

So I'm looking here, and I see what the hell I'm charged with.

Rovnak not only didn't work at the boat, Rovnak happened to be with me in Washington staying on the boat where I lived when I signed an agreement for a guy to make repairs on the boat, and he witnessed it. That came out in the trial.

Paul Marcone testified and, truthfully, when I'm going through all this, I have been for the last 3 years, you know, the big criminal, the mobster, the crook, every election -- and I had a powerful election. And something I say to a staff they may take one way, but my intent may be another. I'm talking about spin to my administrator, not about grand jury testimony. And he said I never asked him to lie to the grand jury. You lied.

Lange did admit that the boat sunk. He said the engines had to be pickled. That's the first I heard about it. Now Richard told me yesterday. It's the first I heard about it. It sunk twice. I have a valueless boat that was appraised at 32 to 38,000 before these jackasses started meddling with it.

The boat survey is on record, Mr. Chairman; and I didn't

pay for that boat survey. And they left that boat in a bad position.

Now, you said Darmocelli said that the Cafaro company spent $10 million. He works for Cafaro. Now, if he's told this is to be marked off against U.S. Aerospace I guess they marked it off against U.S. Aerospace. You said these people didn't have immunity. What did they have to have immunity for? All they did was authenticate some letters.

Did I send letters? Yes. Am I a personally involved, active congressman? Big time. If there's a job, I want it. And that's the only deal I had with Cafaro. I want those jobs, and I want the manufacturing of those jobs, and I want your corporate headquarters. That's the only deal I had. Now if that's a quid pro quo favor, then I am sure as hell guilty.

The people that were not allowed to testify before the jury and who were voir dired under oath by the judge were Vogel, Kerchum, Hudach, Kovachik, Johnson relative to the Cafaro matter, Saadey. Saadey, who testified that if he would have lied he would have walked, he's now in prison. They got him real fast.

By the way, Richard Detore was contacted by Cleveland early this morning, and I'm waiting to see what that letter says. Richard Detore was kept out by his attorney. And in all respect to Detore I believed that I'd be able to use at least his tape and his transcript. As you know, two of those

transcripts, because I couldn't afford to have them all officially transcribed, the two were by notarized transcribers from the Youngstown area, the Detore tape and the Best tape. I'm not sure if the DiBlasio tape was. But the other ones are true and accurate statements and reflections.

Manganaro was not allowed to testify about Sugar, nor was his tape allowed. Now, as common sense was discussed by counsel, if you have an individual just visited by the FBI that's in a state of let's call it legally uttered "exciterance," or excitement, and then he makes a statement to a friend, that person making that statement to that friend in a state of excitement and distress qualifies for admission under the hearsay exception.

Now, Jackie Bobby said DiBlasio kicked back money, but I don't know how much. Chuck O'Nesti kicked back me. Grace said Chuck O'Nesti kicked back money. Pure hearsay. Said he deposited large deposits of cash. Where are they? Where are the records? Where the hell are the records?

My deposits average $482 a month. I ran a farm and earned approximately $600 a month cash. I repaid the money I borrowed. And I did borrow money from Chuck -- he was a long-time friend -- and Henry, long-time friend.

I don't blame anybody involved in my case for saving their ascot and now, after these 10-count indictments, wouldn't be surprised to see Bucheit even make some kind of a

deal and wouldn't blame him. I did nothing illegal.

But I think at some particular point you have to start to talk about the case itself. Now I jokingly recommended yesterday on one of the breaks that those in the gallery should be treated to some refreshments, and it should be Coors beer from Colorado because Mr. Hefley was the chairman. But let's talk about beer.

That police officer said Ms. Jones was weaving. She went left of center. When we talked to her, she seemed in a state of confusion. She took a Breathalyzer, and it was .09. They can't charge her with DUI because it's .10 in Ohio. You need physical evidence on the damn driving violation.

Mike Robertson was not allowed to testify to something that was very important.

And I think two things. Let's talk about common sense. If there was a scheme for kickbacks, look at the transcript. Why did Mr. Sinclair say, first of all, he thought it was a loan? I mean, if there was a deal made, why did he think it was a loan? Oh, then I realized it was a kickback. He's already had his license suspended for 12 months for lying, misrepresenting his ads. This is a RICO case -- RICO.

Now who did I conspire with? Cafaro is running his daughter against me trying to give credit for a $4 million appropriation to Senators Stevens and Torricelli. When, quite frankly, I worked hard with Jimmy Duncan and guys like Mr.

LaTourette and proved that that was a worthy technology and I wanted those jobs. So what count is it that I'm guilty of and where is the evidence?

Have any of you ever written a letter on behalf of one of your companies involved in an international dispute where they keep their workers, keep their equipment in the Gaza Strip and screw a businessman in my district? Or some monarch who says, we don't have laws like America. I'm sorry. Take his bank account. Take his equipment. All the money he paid for attorneys didn't do a damn thing.

Yes, I got it done. If I was an attorney, I'd be a millionaire.

And what Sandy testified to was the truth. She asked my father -- and she's close to my father. My father would visit her every morning, and my father went every morning to my mother's grave and put flowers on it. And she asked my father to enclose that deck. But those workers wouldn't listen to her.

That's true. Manevich didn't lie about. But who's lying, Manevich or Gatti? Manevich said he got $15 an hour. Gatti said he got $10 an hour.

Now you say Dominic Marchese is not a builder. Dominic Marchese is an excellent builder, as recently as 3 years ago did masonry work in building a public school.

John Innella worked with his father, was a construction

man all his life. He could build a desk and table exactly the way it is that you're sitting at, counsel. They looked at it at today's prices and estimated three guys doing the job in 2 weeks at a cost of $8,000, including material -- maybe 12. And the bill was what, 30,000?

Now let's talk about the car. I was going to Representative Cooksey's district to hunt deer and to speak at one of his events. The car I bought from Cafaro, the damn thing stopped; and they couldn't even fix it. I said, get me a car. What do you want? I said, I'm going to Louisiana. Get me something nice. I was to pay for it.

Well, what happened is I got the car, I went back home, I had problems back home in the district -- I don't know, strike or something -- and I put off my trip to Louisiana. I went about 3 weeks later. In fact, I got picked up coming in from Louisiana. The 30-day plate tag had expired. The officer -- I didn't even know that -- stopped me out here on, I think, 395. You could check with Representative Cooksey.

But, meanwhile, I don't know the meter's running. I get the bill. It's $6,000. I paid that $6,000 myself, and that hurt me to pay it. When I said a nice car, I wasn't talking about a Rolls. I'd have been very satisfied with a little Chevrolet convertible, yes.

But I was going to Cooksey's district, and I stayed with John, and I spoke to his group, and I went hunting.

None of my tapes were allowed to be admitted. None of my affidavits. None of my witnesses to rebut government witnesses. And Richard Detore told it like it was.

Henry Nemenz corroborated it. Jim, if I get indicted, I lose my business.

But here's the Traficant case. In 2001, Mr. Bush is President. And, quite frankly, I tell this jury, I told the Democrat National Committee and Vice President Al Gore visited my valley, I'd endorse President Bush. Because that Chinese money went to the Democrat National Committee. My investigation was going on, and Janet Reno was after me, and, quite frankly, she should have been brought before you. And that's the genesis here. The 1983 embarrassment where I beat the hell out of him, the only American in history, Janet Reno and an FBI investigation I was conducting in my own valley that will make the mob Boston connection look like a choir body.

Now I have submitted for the Congressional Record details of murders through FBI affidavits signed by FBI agents of whom killed whom, and they were never brought to a grand jury -- never.

DCMN NORMAN

And I'll be damned if an FBI agent by the name of Anthony Speranza will compromise one of my constituents in a state of mental instability, desperately trying to maintain custody of her child, and this guy believes her, that he's got so much steam he'll help her keep the custody of her child. She told me, My mother's 87 years old. I want to just let it go. He didn't push me to the ground, but I hated the creep."

Ladies and gentlemen, I'm a sheriff. To compromise a woman in a state of mental instability in the State of Ohio is a felony one. That's rape. And I want that bastard in jail. While I'm Congressman, you don't rape my constituents.

By the way, the FBI agent, Speranza, threatened me and Russell Saadey. Jr., and Russell Saadey, Jr.'s case should be revisited. That man's in jail and it's a damn shame what happened to him. And part of the reason he's being jackpotted so bad is because he come forward about his brother-in-law.

There's no conspiracy. That jury was right. They didn't like the way I treated the judge. Quite frankly, that judge and I did have a hell of a conflict. And when you look at the judge, when you talk to her, quite frankly, she's a nice lady, and I probably should have been a little bit more diplomatic. But when they go outside and say Cafaro was the least credible witness, well why did they accept his testimony and throw out Sabatine's? They all said they didn't know Traficant, but

they said he was flamboyant. I knew he was flamboyant. But most of those Members of Congress are crooks, and he got caught.

Now, the sixth amendment situation that I face I think is very critical to all Americans. And I think it is why Americans are beginning to not just mistrust but to dislike our government. I have the greatest respect, and this is not to patronize to get your vote. Vote whatever you want. I expect you to expel me. I love the armed services. I love the GSA that I worked with as chairman, and now Mr. LaTourette is their chairman, and they've got a good one. He'd better help my district after I'm in jail, too, or I'll come visit him.

I learned to love and respect the Congress. I've never held my tongue. I think you have turned it into an advisory board and let the executive branch run the government. I think the only hope is the Republicans to take it back because the Democrats caused it, Stephanie.

Excuse me for referring to you as Stephanie.

But as a lifelong Democrat, I realized for 50 years all the laws that are put in place are put in by the Democrats. They wouldn't even hold hearings on my IRS reform. All of my IRS reforms were put in by Chairman Archer, a Republican.

And I think the only hope now, nothing to do with any quid pro quo, and the reason why I voted for Speaker Hastert,

right to the point. I think he gives America the best chance in your Party. And I think the main thing you have to do is take back the trust of the American people. They dislike our government.

I hate the FBI, the Justice Department, the Treasury Department, the Internal Revenue Service, because they intimidate our people and invoke fear, and in America no one should fear the government. And I'll be damned; I'm prepared to go to jail for the length of time I'll spend in jail, Ms. Jones. I will die in jail. But you know what? I will die in jail before I would admit to doing something I did not do and had no intent to break any laws.

And there's one big word in this legal dictionary. It's called the intent. The only intent I had involved with all these people was to ultimately help my community. And the reason they are highlighted is because, number one, they had problems; and number two, they couldn't be solved by my staff.

Now, you've heard nothing of the Demjanjuk case. But he'd have been put to death in Israel. I brought him back on the plane. Nothing to do with this trial, but I want to commend Israel, I really do. Democratic state surrounded by a cluster of monarchs and dictators; ripped us off for oil for years. And you know what I learned in Israel? When they looked at the evidence, they knew he wasn't Ivan. They showed me more justice than I've seen in our own courts. And now,

Demjanjuk is back on the stand for something else. Nothing to do with this case, but I think they should let the man alone now and die at home.

Count 1, Bucci. His partner Joseph Satarelli said, if Tony Bucci told me his name was Tony Bucci, I wouldn't believe him. His own sister-in-law said he ripped her off and he lied, and we owed Jim money.

Count 2, Sugar. He didn't want his wife and son involved. Look at the Manganaro tape.

Count 3, under the jeopardy faced by Detore, I want to applaud him because I know the government's got to hurt him. And you should make sure that the Detore case, irregardless of what happens to me, is looked into by an appropriate committee of this House.

Counts 4, 5 and 7, there's no money kickbacks. There were loans. I averaged $2,400 a month after the IRS took all my pay. See, after I beat them in the criminal case, they took me into a civil trial and took all my pay. And I never bitched; I paid.

But when you look at this case, your counsel already said Traficant got all this money. The record clearly reflects they went back 15 years looking for one person that I bought something from for cash. Not one. The one agent said he estimated to be 47 agents working on the case. Then a couple of other names come up and I kept adding them. Just in the

FBI and Department of Justice, 60. And I don't know how many contract agents. Not counting IRS agents. They don't bring an IRS investigator to the stand. None. He was a summarist. Said he did investigation of Jim Traficant. The FBI agent was a rookie. Said he took the so-called currency and envelopes and plastic bags to the FBI to go to the lab, and the lab report says no prints.

Jim Traficant has two scars on his right index finger and when you talk about fingerprints, prosecutor, we talk about Galton points. And if you have a man who is in the midst of a powerful FBI, Treasury Department, Justice investigation, handing an envelope that goes immediately to the FBI with dry hands, then you're looking at a special bird, buddy. Because out of 1,000 documents, they don't catch the scar on the right index finger of Traficant.

Come on now. Common sense. Can a plastic bag hold water? Manila envelopes. Currency. True, go get some Charmin or go get some napkins from the kitchen and the porosity, very hard. But there's too many options there for 1,000 documents without one print, folks. So I'm just not going to be intimidated.

The FBI in my valley has been connected with the mob, been paid by the mob for years. Their former FBI Agent in Charge just died. Was not only on the payroll when he left the FBI retirement, Mr. Berman, the mob appointed him chief of

police of the City of Youngstown, and that's in an FBI affidavit.

One of the candidates running against me for sheriff come down here and testified before a Senate subcommittee and said how mob-infested our valley was. The affidavit just come out that he got $80,000 in cash from the mob when he ran against me. My God.

And look at a 1987-1988 Senate subcommittee hearing where Joseph -- where a man named Lombardo, the under boss of the Cleveland mob, testified that Joseph Naples and James Prato admitted to killing a Charles Carubia to them, and there was never a grand jury hearing on James Prato and Charles Carubia and Joseph Naples who were reputed to have strong connections with the judges in Cleveland, Ohio at the Federal level. Never even a grand jury.

Senator Glenn was at the hearing, by the way. In fact he said, I think we need more money for the FBI down there.

There's no evidence here. You have a hearsay transcript. That paper trail could be taken every which way you want. Yeah, I sent those letters. Advocated like mad. I'd do it again. But you see, I think in America, here's the basic issue. If you allow one man's rights to be trampled or violated, or don't take every step or measure to ensure the sanctity of this Constitution and Bill of Rights, then you endanger every American. I mean, that's what my case is

about.

As far as the jury selection plan, it's a joke. In fact it was put in place, I believe, in time with the Traficant indictment. The plan was not approved until after my indictment by the Sixth Circuit Court. And the 1967 law passed by Congress, basically moot.

Now how much time do I have left, Mr. Chairman?

The Chairman. Five minutes, Mr. Traficant.

Mr. Traficant. You know you always give me that 5-minute ploy, Mr. Hefley.

The Chairman. You saw it on my face, didn't you?

Mr. Traficant. I resemble that. I know you as Members, I know you have a job to do, and do what you're going to do. But I'm going to tell you something. You have got an FBI that investigates the FBI at Waco and an FBI that investigates the FBI at Ruby Ridge. You've got an Office of Professional Responsibility that provides damage control for the Justice Department. The Justice Department is without oversight. And there's no reason why the American people have to fear the IRS or the Justice Department. Those suckers work for us.

And if there's one attitude or maybe chip that I bring down here -- and I admit to it -- I think that's what's wrong with the country, and I think that's your job now. And I think the Republicans are going to have to do it.

I hate to say this, Howard, but I think the Democrats

created it. Maybe the intentions were well, but we screwed up.

Count 1, Count 2, Count 3, Count 4, Count 5, Count 6, it sounds like a Tyson-Lewis fight.

In closing, I've tried to be civil. I desperately wanted to wear my denim outfit, but I knew that Stephanie Tubbs-Jones would go back and say he wore his denims. And I know there are Members that I'm friends with, and you're in a tough position.

I will accept any decision here, but I'm going to make this statement to you: You're looking at an American that may be elected from a prison cell, because the people back home know I have been railroaded, because they know these witnesses. And I'll be moving not only for a new trial on newly gained information, but I have found out that the judge, her husband's law firm does business with the Cafaro company. And if that's the case, USC 28. Section 455, she should have removed herself. If that's the case, you may not be done with me.

In closing, I make this recommendation. I don't think you should jump with very much haste on your expulsion hearing. Now, I'm to be sentenced July the 30th, and I suspect that she'll put me in jail because I have certainly got her so damn mad and she's the sentencer. But quite frankly, Scarlet, do what you got to do; because no judge is

going to push me around, because judges are afraid of the Justice Department, too. And what a mess we've got.

So in that regard, I think you should at least stay to see what she does. And furthermore, even though you're staying to see what she does, I think you should stay before you expel a Member until my sixth amendment rights have had an opportunity to be heard that have an impact on Americans throughout all these States. Throughout all these States.

And if I am in Leavenworth and I am reelected -- they say I have to be an inhabitant of the State of Ohio, but my name will still be on the ballot. Now, what happens if they vote for me, even though I am not an inhabitant of the State of Ohio and I'm in Leavenworth? Then you're going to have to have Mr. LaTourette help me with the Transportation Committee. And Mr. Hefley, you're going to have to give money for my air base. I had it. And Mr. Berman, you're going to have to spread the word around that I'm not antiSemite. And if there's anything over the years that have caused you or anyone in this Congress to believe that, I would apologize for any overt acts that would have made it look that way.

And I commend you for the work you have done. So I know you have a tough time here. I want you to disregard all the opposing counsel has said. I think they're delusionary. I think they've had something funny for lunch in their meal. I think they should be handcuffed to a chain link fence,

flogged, and all of their hearsay evidence should be thrown the hell out. And if they lie again, I'm going to go over and kick them in the crotch.

Thank you very much.

The Chairman. Thank you, Mr. Traficant. Mr. Lewis.

Mr. Lewis. Nothing further, Mr. Chairman.

The Chairman. All right, here's where we are. As I said earlier on in this hearing, the adjudicatory subcommittee will meet now in executive session to consider each count contained in the statement of alleged violations, and will determine by a majority vote of its members whether each count has been proved. In its deliberations, the adjudicatory subcommittee will consider all evidence that was properly entered into the record in these proceedings.

As the committee advised Mr. Traficant prior to the hearing, any statements made by Mr. Traficant or the committee counsel, other than those statements which were made under oath, will not be considered as evidence. If any one of the 10 counts in the statement of alleged violations is proved by clear and convincing evidence, the full committee of the Committee on Standards will conduct another open hearing to determine what sanction, if any, the committee should recommend to the House of Representatives.

Pursuant to committee rule 24(n), counsel to the committee bears the burden of proving the counts in the SAV,

by clear and convincing evidence.

RPTS O'ROURKE

DCMN MAGMER

[4:45 p.m.]

The Chairman. Clear and convincing evidence is evidence that produces in the mind of the factfinder a firm belief or conviction as to the matter at issue. This standard does not require proof to an absolute certainty since proof to an absolute certainty is seldom possible.

The Supreme Court has described the clear and convincing standard as requiring evidence that could place in the ultimate factfinder an abiding conviction that the truth of factual contentions is highly probable.

I would like to take this opportunity to thank all the parties involved in this proceeding for their time and their attention, including Mr. Traficant and members of the Adjudicatory Subcommittee, the witnesses, the committee counsel Paul Lewis and Ken Kellner, the committee staff, as well as the staff of the Armed Services Committee that provided this facility for us to meet in.

The plan at this point is for us to go into Executive Session. We don't know how long it will take.

Mr. Traficant. Will it be today, Mr. Chairman, and what kind of a timetable can I expect? Because I am in between motions and adjudicatory matters in my case and travelling, and I would like to know what type of timetable so I can be

here.

The Chairman. Let me give you the best of my ability. It will not be today. We have scheduled -- because the Armed Services Committee is holding a hearing in this room tomorrow morning, we have scheduled Room 2237 to resume the hearing tomorrow morning at 10 o'clock. If we are not finished -- we are going to be constrained by that time limit. If we are not finished by that time, we will plan on reconvening in this room at 2 o'clock tomorrow afternoon.

Let me make sure I am telling you right about this.

Mr. Traficant. I want the facts here. When will you report to the floor? Let us cut to the chase.

The Chairman. I can't tell you that.

Mr. Traficant. Will it be this week? Because I will not be needed until you do go to the floor.

The Chairman. I wish I could tell you that. I have no idea of what is in the minds of my committee members here, and they want -- I want them to have as much time as they feel they need to deliberate. That could be one hour, and there could be no telling what.

Mr. Traficant. Mr. Chairman, could I make a request of the committee? That regardless of what decision you make this week that you do not require me for any official action -- good, bad or in different -- until next week and notify me by Friday closing time of that.

The Chairman. Mr. Traficant, you don't have to be here at all, but we can't give you that kind of a guarantee.

Mr. Traficant. It may come to the floor this week. I want to know if I have to stay in town.

The Chairman. My advice would be for you to stay in town.

Mr. Traficant. Doesn't sound too good, Mr. Chairman.

The Chairman. We will meet tomorrow morning at 10 a.m. That may or may not be when we do. We will at that time in that room announce if we are not prepared to go forward and then 2 o'clock here.

Mr. Berman, I believe you wanted to be recognized.

Mr. Berman. Mr. Chairman, just so I think it is clear to Mr. Traficant and to anyone else who is interested and concerned, obviously, the Adjudicatory Subcommittee will now deliberate. There are different possibilities and alternatives, and one cannot cover all of them. But nothing goes to the floor unless certain findings are made and at that time there is still a -- if there were findings made, there is a sanctions hearing; and nothing can go to the floor before there is a sanctions hearing.

Mr. Traficant. Will I be involved in that sanctions hearing, Mr. Chairman? Not to interrupt you. What I am saying is, at some point you have got to report to the floor your actions, and then I am under the impression that I have 8

hours to present my case on the floor.

The Chairman. That is an entirely separate issue, and we don't control that part of the issue. The sanctions hearing I would assume would be conducted fairly soon.

Mr. Traficant. Sanctions hearing?

The Chairman. If there is a sanctions hearing, and we don't know there will be a sanctions hearing.

Mr. Traficant. Let us say there is a sanctions hearing tonight.

The Chairman. There will not be a sanctions hearing tonight.

Mr. Traficant. Let us say tomorrow. Is the House in session Friday and is it possible I could be brought to the floor on Friday?

The Chairman. No, it is not and if --

Mr. Traficant. Could I request that if you come to some agreement and have a sanctions hearing, could you do that Monday and will that be ample time to give me time to address some of my major legal problems? Would that be unreasonable?

The Chairman. I have given you the schedule the best I can tell. I would like for you to make sure that you know that we know where you can be reached, and we will try to give you ample time.

Mr. Traficant. Well, no one will know where I will be able to be reached. I won't disclose that to anybody. And if

the IRS -- I will tell them that LaTourette told them to go to hell, too.

The Chairman. So the committee stands in recess so we can go into Executive Session.

[Whereupon, at 4:50 p.m., the committee proceeded in Executive Session.]

RPTS STUART

DCMN BURRELL

ADJUDICATORY HEARING IN THE MATTER
OF REP. JAMES A. TRAFICANT, JR.
Thursday, July 18, 2002
House of Representatives,
Committee on Standards
of Official Conduct,
Adjudicatory Subcommittee,
Washington, D.C.

The committee met, pursuant to call, at 10:05 a.m., in Room 2237, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Biggert, Hulshof, LaTourette, Berman, Pastor, Tubbs Jones, and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargeant, Counsel; Virginia Johnson, Counsel to the Chairman; Bari Schwartz, Counsel to Ranking Member; and Joanne White, Administrative Assistant.

The Chairman. The committee will come to order.

The Adjudicatory Subcommittee of the Committee on Standards of Official Conduct in the Matter of James A. Traficant. Jr., met in Executive Session yesterday after the adjournment of the adjudicatory hearing in this matter. The committee, the subcommittee, deliberated until well after 11:00 last night. Healthy discussion, lot of opinions, went over a lot of evidence --

Mr. Traficant. Get to the chase.

The Chairman. -- and at which time the Members voted on the 10 counts contained in the Statement of Alleged Violations pursuant to the vote requirements of Committee Rule No. 10.

As to the counts in the Statement of Alleged Violations, the committee found as follows: Count I through IX of the Statement of Alleged Violations were proven by clear and convincing evidence. Count X of the Statement of Alleged Violations was dismissed by the subcommittee.

The full committee will convene to hold a sanction hearing at 2:00 p.m. today in Room 2118, the one we have been meeting in, the Armed Services room of the Rayburn House Office Building, at which time, Mr. Traficant, you will be given 30 minutes, as will committee counsel, to make any oral presentation you would like about what the sanction should be.

I would refer you to Rule 25, page 46, 47 and 48 in the rule book, which talks about the various options for

sanctions.

And with that, the committee stands adjourned.

Mr. Traficant. Question. You say there are options for sanctions?

The Chairman. There are options for sanctions, yes.

Mr. Traficant. Is one of those options that you might refer this matter to other committees in lieu of the testimony of Mr. Detore, and, in fact, recommend an investigation into some of the misconduct that is highly unusual, since you have a targeted Member, that is not just a Member, but probably the number one target --

The Chairman. Well, that is not part of the sanction. This committee certainly can do that. It is taking that under consideration.

Mr. Traficant. I am very disappointed that you would find that in light of the testimony of Mr. Detore. I am also very disappointed that you would have heard many more revelations had you allowed my witnesses. And I am disappointed. I think the body of last resort in America for an American, once they have gone through a criminal justice system that is in fact flawed, that in fact is beyond oversight, that you are the people of last resort, and for you to take face blank the process that occurred in Cleveland and stamp it as being in fact an infallible document of truthfulness leaves, I think, all of America wanting, and I am

very disappointed.

I know I have been very light in some of the comments I have made, but I am going to say this. I think as one of those options of sanction you should give me the right, whether I was a truck driver like my father, or a steel worker like your dad, or a farmer, the right to exhaust my appeals relative to the revelations that came forward before you that were not allowed to come before that trial jury in Cleveland before you do that which I read in one of the local Congressional papers, to decide my, quote-unquote, fate.

And I think that is very important for all of America, because I think no American should fear their government, and I think that we are perpetuating and promoting an attitude and atmosphere of fear in America that is very bad for our country. And I think that fear and mistrust is going to turn into at some point a hate for our government.

So having said that, there is nobody that should hate the Congress. And as a last resort, if you can't appeal to Congress, it is a sad day in our country. So I guess that is a little bit of a self-serving statement, some might say.

But I believe in my heart I am disappointed in you, and I want to ask one question. If you found all nine, why didn't you find Count X? If you didn't find Count X, how could you find most of those in Count IX, because the statute of limitations would have run out if they didn't get Count X.

Could someone answer that for me?

The Chairman. It will be in the report, Mr. Traficant. It will be in the report. We will have a sanctions hearing at 2 o'clock this afternoon.

Mr. Traficant. Mr. Chairman, I request you go light. I request that you be fair. And do I have to be there?

The Chairman. You do not have to be there.

Mr. Traficant. Quite frankly, I don't think I am going to be there. I want to ask for an extended period of time on the House floor beyond House rules to make my statement to the American people.

I know Mr. Walker is definitely afraid of that, but I am going to put the hay where the goats can reach it on that House floor.

The Chairman. Mr. Traficant, I waive the necessity for your appearance if you do not wish to appear. You are welcome to appear, and we will afford you the 30-minute opportunity if you would like to. But that is your decision.

As for the House floor, once this is out of our hands and goes to the House floor, you can make that request to the House leadership who schedules these matters. If there is anything that goes to the House floor, you can make a request there.

Mr. Traficant. One last question. When it goes the House floor, how will it go? Will it go in the form of a

privileged resolution with someone controlling time against me, or will this be an opportunity for me to address the body?

The Chairman. The leadership will set up that. You need to talk to them about how they schedule it and what you think you need for -- if it is on the floor, what you need for your presentation on the floor.

So we stand --

Mr. Traficant. Do we stand adjourned or do we sit adjourned?

The Chairman. I am told by counsel here that you need to affirmatively waive your right to appear this afternoon if you think you might not appear.

Mr. Traficant. You know, I am getting tired of all of these legal eagles. I don't waive a damn thing. I am either going to be there or I am not. But I am not going to officially waive it.

The Chairman. Okay. We will proceed at 2:00 whether you are there or not.

Mr. Traficant. Well, you weren't ready to go at 10:00 this morning. I take offense.

The Chairman. I would urge you to be there and hope you will be there.

Mr. Traficant. And I think you weren't here because Mr. Hulshof was out drinking coffee.

The Chairman. We stand adjourned.

[Whereupon, at 10:10 a.m., the committee was adjourned.]

APPENDIX 2

ASPHALT SPECIALIST, INC.

GENERAL ROAD BUILDING CONTRACTOR
"A Specialist Makes the Difference"

December 5, 1986

Congressman James A. Traficant
11 Overhill Road
Youngstown, OH 44512

Dear Congressman Traficant:

Regarding our meeting with the Union, enclosed is a copy of a letter dated September 22, 1986 detailing the information needed to form an agreement between the Union and Asphalt Specialist, Inc.

Please arrange for another meeting with the Operating Engineers so we can discuss these items with you.

Looking forward to hearing from you.

Respectfully,
ASPHALT SPECIALIST, INC.

Dan T. Bucci
President

DTB:bb

Encl.

JOINT EXHIBIT

GOVERNMENT EXHIBIT 01CR907

EXHIBIT 4 for ID

1506 South State Street, Girard, Ohio 44420 / (216) 545-5555

MEMORANDUM OF UNDERSTAND BETWEEN
ASPHALT SPECIALIST, INC. AND THE OPERATING ENGINEERS LOCAL #66

The agreement being signed today, January 26, 1987, between Asphalt Specialist, Inc. and the Operating Engineers Local #66 is done so with the following understanding:

1. Through out the period of this agreement Asphalt Specialist, Inc. will have the opportunity to place 10 (ten) men into the union commencing with the signing of this agreement and extending until December 31, 1987.

2. Re-instatement of the following: Paul Wilson, Dan Bucci, Robert Bucci, and Anthony Bucci and provided the following fees of $2,129.70 are paid. (P. Wilson-$332.70, R. Bucci-$508.20, D. Bucci-$780.60, A. Bucci-$508.20.) Amount paid through January, 1987.

3. It is understood from joint and various meetings that the operators will be given consideration for start and stop time due to certain conditions and will be discussed at pre-job conferences.

4. It is understood that the contract to be so signed holds that the Operating Engineers Local #66 levies no authority over the Girard or Bessemer facilities owned and operated by Ashphalt Specialist, Inc.

5. Individual consideration will be given on smaller projects between the local representatives and the company and will be further reviewed one year from the contract date.

6. The union will re-instate Anthony Bucci as lead engineer/ master mechanic. This re-instatement is separate and exclusive of the 10 (ten) new members agreed on.

7. This agreement is signed by the following from local #66 of the Operating Engineers:

James Boggs
Business Representative

Robert Bucci
Asphalt Specialist, Inc

Joseph Beasley
Business Manager

Jack Anderson
President

JOINT EXHIBIT

EXHIBIT
5 for ID

GOVERNMENT EXHIBIT

001085

FORM NO. E-Z-3 3 PARTS
INVOICE FORM
COPYRIGHT 1980

E-Z INVOICE

THE CARLCO, P.O. BOX 228, LISBON, OHIO

INVOICE

TO

CONGRESSMAN JIM TRAFFICANT
11 OVERHILL ROAD
YOUNGSTOWN, OHIO 44512

Asphalt Specialists, Inc.
1506 S. STATE ST.
GIRARD, OH 44420
(216) 545-5555

DATE	YOUR ORDER NO.
5-19-87	
TERMS	SALESMAN
DATE SHIPPED	SHIPPED VIA

SHIPPED TO

INVOICE NO. 751

QUANTITY	DESCRIPTION		PRICE	AMOUNT
	AIR COMPRESSOR	72 hours	25.00/hr	1,800.00
	DUMP TRUCK	40 hours	35.00/hr	1,400.00
	BACKHOE	56 hours	42.00/hr	2,352.00
	LABOR	144 hours	25.00/hr	3,600.00
	LOWBOY	4 hours	75.00/hr	300.00
			SUBTOTAL	9,452.00
22½ T	SLAG		12.50/T	281.25
40 T	SLAG		12.50/T	500.00
			SUBTOTAL	781.25
		TOTAL DUE:		10,233.25

(THIS INVOICE REPLACES BOTH INV.# 710 & 715.)

(copy attached ↗)

GOVERNMENT EXHIBIT
2-3 (8)
4:01CR207

JOINT EXHIBIT

EXHIBIT
6 for ID

ASPHALT SPECIALIST, INC.

GENERAL ROAD BUILDING CONTRACTOR

"A Specialist Makes the Difference"

COPY

Jim Traficant
11 Overhill Road
Youngstown, Ohio 44512

October 7, 1988

Re: Work done at farm SR 165
Per Mr. Jim Traficant's instructions

Balance 5-19-87			$ 10,233.25
Service Charge:	6-19-87	$ 153.50	
	7-19-87	155.80	
	8-19-87	158.14	
	9-19-87	160.51	
	10-19-87	162.92	
	11-19-87	165.36	
	12-19-87	167.84	
	1-19-88	170.36	
	2-19-88	172.92	
	3-19-88	175.51	
	4-19-88	178.14	
	5-19-88	180.81	
	6-19-88	183.53	
	7-19-88	186.28	
	8-19-88	189.07	
	9-19-88	191.91	
Balance 9-19-88			$ 12,985.85



JOINT EXHIBIT

EXHIBIT 7 for ID

GOVERNMENT EXHIBIT 2-6 4:01CR207

ASPHALT SPECIALIST, INC.

GENERAL ROAD BUILDING CONTRACTOR
"A Specialist Makes the Difference"

October 27, 1988

Attorney John Spain
Spain & Spain Co., L.B.A.
137 East Market Street
P. O. Box 647
Warren, OH 44482

Dear John,

Enclosed again, are copies of all the invoices for Congressman Jim Traficant. We have given him all the fair warning possible. I want you to call his office, speak with his aide, Chuck O'Nesti and tell him, if we do not have the money in 3 days, we are going to have to file a lawsuit to protect our interest. If in 3 days you do not have the money, I do not want to set up any meetings to discuss the problem at any length with these people at all, if the money is not paid within 3 days, please commence a lawsuit against Congressman Traficant on behalf of Asphalt Specialist, Inc.

Call Linda in our office to let us know what the filing fees are, as we have this and a couple other lawsuits that have filing fees due you.

In addition, we would like to know the status of the Delta Management Case.

What about the money we requested from Dempsey Steel? With the sale of the property, he has retained $300.00 in escrow. Please research and indicate to me the results.

Also, please inform me of the status of the case that we have pending regarding the lawsuit concerning my and Cheryl's accident.

Yours truly,

ASPHALT SPECIALIST, INC.

Anthony Bucci

ARB/lls
Enc.

JOINT EXHIBIT

EXHIBIT 8 for ID

GOVERNMENT EXHIBIT 2-8 4:01CR207

1506 South State Street / Girard, Ohio 44420 / (216) 545-5555

LAW OFFICES
SPAIN & SPAIN CO., L. P. A.
ONE THIRTY SEVEN EAST MARKET STREET
POST OFFICE BOX 647
WARREN, OHIO 44482
216-399-7557

ALEXANDER D. SPAIN (1906-1958)
FULLY R. SPAIN, SR.
JOHN R. SPAIN
FULLY R. SPAIN, JR. (1946-1979)

November 14, 1988

James A. Traficant, Jr.
11 Overhill Road
Youngstown, OHio 44512

Dear Congressman Traficant:

As I previously advised you that I represented Robert and Anthony Bucci, the owners of Asphalt Specialist Inc. relative to the account still open on their books for work the corporation performed on your farm on State Rt. 165 for which you have not personally responded to.

The account balance at this time is $12,985.85 and I have been instructed to file a lawsuit against you on their behalf.

I want to avoid this and I am sure you do to, therefore please contact me so that proper arrangements can be made to pay this debt otherwise I have been instructed to file.

Very truly yours,

SPAIN & SPAIN CO., L.P.A.

JOHN R. SPAIN
Attorney at Law

JRS/mab

JOINT EXHIBIT

EXHIBIT 9 for ID

GOVERNMENT EXHIBIT 2-9 4:01CR207

GOVERNMENT EXHIBIT
2-11
4:01CR207

JOINT EXHIBIT



EXHIBIT
10 for ID

WEDNESDAY, SEPTEMBER 2, 1992 8 HRS.

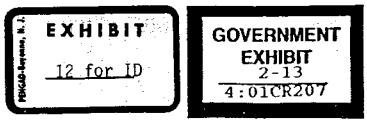
I MET W/ J. TRAFICANT, HIS BROTHER, HIS OFFICE ASSISTANT, BOB BUCCI & PAUL WILSON TO HEAR THEIR COMPLAINTS RE: T. WILLIAMS. TRAFICANT THREATENED SOME KIND OF ACTION IF ODOT & CAUSES BUCCI'S TO GO OUT OF BUSINESS. THE MEETING DID NOT ACCOMPLISH ANYTHING. THEY WANTED T. WILLIAMS @ THE MEETING, THEY SAID, BUT NONE OF THEM INVITED HIM.

GOVERNMENT EXHIBIT 2-12 4:01CR207

EXHIBIT 11 for ID

Friday, May 26, 1995

Roy Wild came to talk with me and then later I had a telephone conversation with Tom Williams. There was a controversy that developed today with Prime Contractors and the Bucci brothers. It came about because of a contract they have with the department to do work at Mosquito State Park. The park supervisor asked that no work be done over this holiday weekend. It is most likely in Roy's opinion that it was never the intent of the contractor to work, but once it was brought to his attention he decided that was in his agenda. If he was refused permission to work



the State would have to pay his down time. He announced that he was working. The department took the approach that if they were going to behave that way and look at the nit picky issues that we would do the same. They found them in violation of two or three specification requirements and told them that they were shutting them down. Bucci brothers scrambled around trying to come into compliance before the end of the day. I do not know if they succeeded or not, but Tom's comments were that he was put on the telephone in conversation with them and that he was alone in the telephone conversation, but after a while U.S. Representative James Traficant made some comments so apparently he was included in the entire telephone communication but without Tom being aware of it. They made the same comments that they usually do that the Department is threatening Prime Contractors and that the Representative will not allow them to be put out of business by this department. It was his intention to speak to Jerry Wray and to Paul Mifsud about it to straighten things out. It is not likely that will happen in my view. Tom's final words to them were that if they come into compliance they could be technically approved to proceed but we will not allow them to work and we will pay them the overhead for being down but only if they comply with those things that we have found them to be in non-compliance with. I do not know if they made it or not, but it is another interesting battle with these folks.

6-8-95





Tom Bob Brothers → 216/545-0900 Anthony Robert DAN
↳ Bucci
↳ Tom Williams, ODOT
↳ contracting problems
↳ ODOT - Leg. Affairs - Cheryl Worley 614-466-8480 no answer
↳ 614-466-[redacted]2335

PHONE CALL BETWEEN JERRY WRAY & JAT
-RE: BUCCI BROTHERS
↳ problem Tom Williams, ODOT
↳ 250 jobs at stakes
↳ WANTS TO HAVE A MTG BETWEEN WRAY & BUCCI
↳ ODOT does have an investigation in district
Jerry will call them at JAT's request

001379

12-39

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
ECONOMIC DEVELOPMENT
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
ENERGY
SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

WASHINGTON, DC 20515-3517
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD
SUITE 2685
NILES, OH 44446
(216) 652-5649

Congress of the United States
House of Representatives
Washington, DC 20515-3517

November 4, 1992

Warden Frank Woods
Federal Prison Camp-
Seymour Johnson
Caller Box 8004
Goldsboro, North Carolina 27534

RE: Anthony Bucci
ID # 33573-060

Dear Warden Woods:

The family of the above named are constituents of my district and have contacted my office for assistance.

Due to the distance a tremendous hardship has been placed on the family and has caused a disruption of family continuity because of the inability for visitation.

I am therefore requesting that Mr. Bucci be transferred to a facility near or within a reasonable proximity to his family so that the family contacts can be made on a regular basis. It is my understanding that Mr. Bucci has had no other problems with the Federal Judicial System. This was an unusual case.

I have personally spoken with your Executive Assistant, Randy Meeks. Mr. Meeks is a fine man and I appreciate the courtesy shown me by his receiving my call personally.

Mr. Charles O'Nesti of my staff will be in contact with your facility regarding this matter. I am requesting that a transfer be made and expedited preferably to the Bradford-McKean facility in Bradford, Pennsylvania. Bradford-McKean is within a reasonable distance for family visitation.

I would appreciate a response to my request at your earliest convenience. Mr. O'Nesti may be reached at 216-788-2414. Thank you.

I remain,

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/gy

THIS STATIONERY PRINTED ON PAPER MADE OF RECY

JOINT EXHIBIT

EXHIBIT
14 for ID

GOVERNMENT EXHIBIT
2-21
4:01CR207

JAMES A. TRAFICANT, JR.
17TH DISTRICT OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
ECONOMIC DEVELOPMENT
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
ENERGY
SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-3517

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3517
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 795-2414

9899 YOUNGSTOWN-WARREN RD.
SUITE 2000
NILES, OH 44446
(216) 652-5849

FAX
COVER
SHEET

DATE 3-22-93 NUMBER OF PAGES (including cover page) 2

TO: NAME Robert Bucci for Anthony

AGENCY

TELEPHONE NUMBER TELEX NUMBER 545-1805

FROM: NAME Jackie

MESSAGE

JOINT EXHIBIT

EXHIBIT 15 for ID

GOVERNMENT EXHIBIT 2-30 4:01CR207

THIS STATIONERY PRINTED ON PAPER MADE O

SENT BY:Xerox Telecopier 7020 : 3-22-93 : 15:54 : 2167889243→ 1 216 545 1805:# 1

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
ECONOMIC DEVELOPMENT
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
ENERGY
SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-3517

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3517
(202) 225-3261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

8589 YOUNGSTOWN-WARREN RD.
SUITE 2B8B
NILES, OH 44446
(216) 652-8540

March 22, 1993

FILE COPY

Mr. Richard Billock, PhD
Community Corrections Assoc.
1608 Market St.
Youngstown, OH 44507

Dear Rick,

Pursuant to our conversation today, thank you for the information and your willingness to mitigate the problem.

Be advised that the enclosed Pass Request and Approval does not require a specific time for a resident to telephone the Center.

This is an unusual case and I appreciate your willingness to resolve all the problem occurred.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/jb

cc: Antony Bucci

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

SENT BY:Xerox Telecopier 7020 ; 3-22-93 ; 15:55 ; 2168892243- 1 216 545 1805:# 2

Copy sent to Gerger

JAMES A. TRAFICANT, JR.
17TH DISTRICT OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
ECONOMIC DEVELOPMENT
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
ENERGY
SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-3517

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3517
(202) 225-6261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

6665 YOUNGSTOWN-WARREN RD.
SUITE 2685
NILES, OH 44446
(216) 652-5849

JOINT EXHIBIT

April 8, 1993

GOVERNMENT EXHIBIT
2-32
4:01CR207

Wilbert Baccus, Esq.
Office of Chief Counsel
FHWA
HCC-32
400 Seventh Street SW
Washington DC 20590

REGISTERED MAIL --RETURN RECEIPT REQUESTED

Dear Attorney Baccus:

I want to thank you for the courtesy extended to me on April 8, 1993 during our telephone conversation regarding Anthony Bucci. I also appreciate your thoughtfulness by having Attorneys Pete Snyder and Ron Moses on a conference call with us.

Complying with your Notice to Anthony Bucci dated March 18, 1993; Paragraph (2), Page 5; Anthony Bucci voices his opposition, through me as his representative, to the proposed debarment and reserves his right to be represented by counsel.

I am asking that you consider the arguments discussed in our telephone conversation and that you will preclude Prime Contractors, Inc. and Robert Bucci from any legal action.

Should you have further questions, do not hesitate to contact me or Chuck O'Nesti of my staff .

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/jb

cc: Anthony Bucci
Robert Bucci
Prime Contractors, Inc.

EXHIBIT
16 for 40

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEES
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
CHAIRMAN, SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT
SUBCOMMITTEE ON SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SUBCOMMITTEE ON SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN ROAD
SUITE 2685
NILES, OH 44446
(216) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(216) 385-5921

May 20, 1993

ACTION
is assigned to
FHWA
CONTROL NO.
930524-036
SIMS S-10

The Honorable Federico Pena
Secretary of Transportation
400 Seventh Street S.W.
Washington DC 20590

Attention: **Neil Dhillon**

Dear Sir:

It was surely a pleasure to have met both you and Mr. Dhillon and I want to wish you the best with your appointment.

I spoke with Neil regarding Prime Contractors, Inc., a company in my district. Cheryl Bucci is the President of Prime Contractors and Anthony Bucci is her husband. Recently, Anthony and his company, Asphalt Specialist, Inc., were convicted of a felony and is pending disbarment from participation in Federal financial assistance programs and from direct Federal contracting and federally-approved subcontracting.

Robert Bucci, brother of Anthony was convicted of a misdemeanor and is in danger of being disbarred. Both Anthony and Robert are affiliated with Asphalt Specialist, Inc. and the only relationship between these two men and Prime Contractors is that of a marital status.

It is my understanding that an investigation of Prime Contractors is being initiated. This company has been operated solely by Cheryl Bucci for the past four years.; she has remarkable experience and expertise in this profession and has approximately 150 employees. Our Valley has been devastated with unemployment during the past ten years and their disbarment will only add to the unemployment statistics in our area.

JOINT EXHIBIT

GOVERNMENT EXHIBIT
2-34
4:01CR334

EXHIBIT
17 for ID

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

The Honorable Federico Pena

May 20, 1993

I would recommend that Robert Bucci not be disbarred and I would like an opportunity to meet with you to discuss the situation with Prime Contractors also. Will you please review their situation and contact me about a possible meeting. I thank you for your consideration.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/jb

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515–3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

July 6, 1999

JOINT EXHIBIT

GOVERNMENT EXHIBIT 5-4 (1) 4:01CR207

Licking County Court of Common Pleas
ATTN: Court of Appeals Judges
P.O. Box 4370
Newark, Ohio 43058-0878

Re: Dave Sugar, Jr.
Licking County Court of Common Pleas Case No: 98CV 363

Dear Honorable Judge Spahr:

Compellably, and with great conviction, I write in support too the above-mentioned individual of this 17th Congressional District on behalf of the recent Motion for Reconsideration on Request for Appellate Bond filed by Attorney Mark S. Colucci.

Though it is not common practice for me to write letters of support for legal matters such as this; however, by knowing the entire Sugar family as hard working and honest people, I felt my input and concern was necessitated. Moreover, Mr. Dave Sugar Sr., and his son, Dave Jr., have always arisen to the occasion in our community by donating either equipment and/or materials for all sorts of charitable causes.

I have personally spoken to Mr. Dave Sugar Sr., concerning the importance of his son's role both as a worker and future owner of his business, in keeping the company running smoothly. Mr. Sugar's son is needed more than ever, due to the recent death of their lifelong foreman. Moreover, Dave Sugar, Jr. is willing to pay for house arrest and will agree to work privileges only as a condition of bond. I truly believe that Dave Sugar, Jr. will be able to comply with any and all conditions the court finds necessary if said Appellate Bond Motion is agreed to.

Therefore, I respectfully request your utmost consideration to approve said Reconsideration Motion filed by Attorney Colucci on behalf of this individual. Moreover, I am more than willing to discuss this matter with you at your convenience if you feel that it is necessary for me to further characterize this young man. Your time and consideration are greatly appreciated and I thank you.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/at

EXHIBIT 18 for ID

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION

COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515–3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

July 15, 1999

Community Corrections Association
ATTN: Rick Billak, Chief Executive Officer
1507 Market Street
Youngstown, Ohio 44506

JOINT EXHIBIT

GOVERNMENT EXHIBIT
5-5
4:01CR207

Re: Dave Sugar, Jr.
Case No: 98CV 363

Dear Mr. Billak:

I am addressing this letter on behalf of the above-mentioned individual of this 17th Congressional District, per your conversation with Mr. Anthony Traficanti of my staff on 7-15-99.

I personally want to thank you for all your help and input in assisting Mr. Sugar to continue his daily duties with his father's construction company. By allowing this individual to continue to work as a condition of probation will not only prove to be therapeutic for Dave Sugar, Jr., but will also be advantageous for the overall continued success/operation of their company.

Per your request, Dave Sugar Sr., will be forwarding you a letter explaining his son's position in the company and will also outline his son's work schedule and other need facts.

If I can be of further assistance concerning this individual, please do not hesitate to contact me personally and I thank you in advance.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/at

JUL 1999 RECEIVED

EXHIBIT
19 for ID

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

Jun-17-98 05:01P USAerospace Group 703 35 2635 P.01





Certification

USAerospace Group, L.L.C
9817 Godwin Drive
Manassas, VA 20110
(703) 365-8000 / Fax: (703) 365-263

Fax

To:	John J. Cafaro	**From:**	Richard Detore
Fax:	330 743-2902	**Pages:**	3
Phone:	330 744-3739	**Date:**	06/17/98
Re:	FAA letter	**CC:**	

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

JJ:

I will be having dinner with the "Chairman" tonight to talk about the final mark up on the bill scheduled for tomorrow. He is very happy with the letter from Garvey in regard to the statement that the lasers are in commercial certification, and that she states that they are working as funding permits. With this statement he can target funding for the program rather than wait for "as funding permits".

In regard to the high efficiency xenon metal halide bulb, which is only a slightly more up to date incandescent, it is clear that she is still very lost when it comes to new technology. Jim is going to ask her to attend a joint briefing with him at our Manassas location.

Regards,

FAXed TO DD.





JOINT EXHIBIT

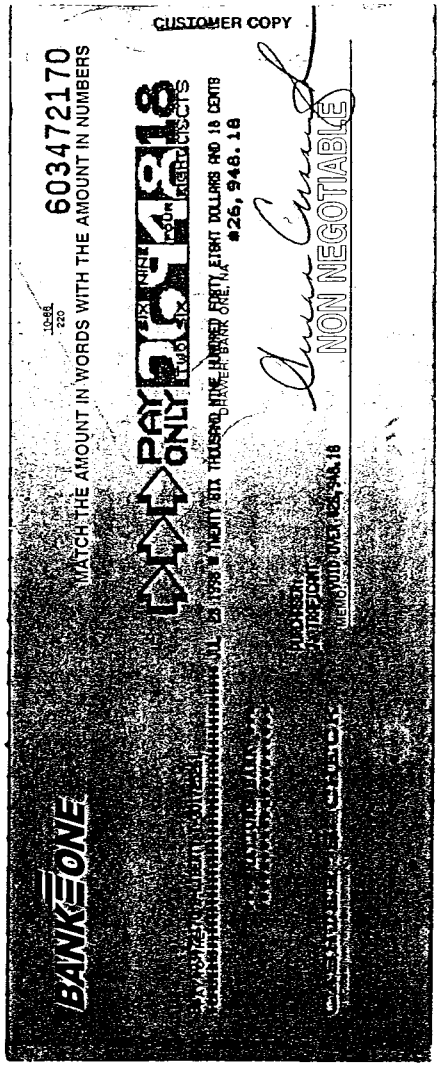


EXHIBIT
21 for ID

GOVERNMENT EXHIBIT
21 CR 217

JOINT EXHIBIT

Sales/Purchase agreement

GOVERNMENT EXHIBIT 8 17 4:01CR207

An agreement has been struck between Jim Trafficant (seller) and Albert Lange (buyer) for the purchase of Jim's 37foot 1970 Egg Harbor boat for the purchase price of $26,000.00 + cost of repairs under the following Conditions:

Conditions:

1) Albert Lange will pay for a boat survey to determine the boats condition and value after repairs have been made.
   a) survey will identify problems to be repaired
   b) estimated costs for repairs will be desired from the survey for which Albert Lange will pay for repaires

2) Repairs on the boat will be made at the cost of Albert Lange before final payment of $26,000.00 is made to Jim Trafficant under the following conditions:
   a) if repair cost and payment to Jim trafficant far exceed the value of the boat as stated on the survey then Albert Lange will not continue with the purchase, but will be responsible for the cost of the survey
   b) final payment of $26,000.00 will be made to Jim Trafficant will be made at the time Albert Lange has obtained financing to cover the cost of the payment to Jim Trafficant

3) In the event that repairs to the boat are started and the cost to repair the boat or if something happens to make repair costs to expensive then Albert Lange has the right to back out of the sale with the following condition:

Condition:

If Albert Lange backs out of the purchase of the boat, all monies spent on the repair of the boat will be held until such time

EXHIBIT 22 for ID

Once the boat is sold by Jim Trafficant. At the sale of the boat Albert Lange will receive a cashiers check for the amount of the repairs he has paid to restore the boat only. All slip rents and club dues are the responsibility of Albert Lange until final purchase has been made or until Albert Lange has declined the purchase of the boat.

Upon completion of the payments of $2,000.00 To Jim Trafficant, Jim Trafficant will present clear title of the 37 foot 1970 Egg Harbor boat to Albert Lange within 10 working days.

This agreement is understood by both parties and they have entered into this agreement on 10 August 1998.

Albert Lange

Jim Trafficant

10:12 USAerospace Group 6550 P.01/01

USAerospace Group, L.L.C.
9617 Godwin Drive
Manassas, VA 20110
(703) 365-6000 / Fax: (703) 365-2635

JOINT EXHIBIT

Fax

To: J.J. Cafaro **From:** Al Lange

Fax: (330) 743-2902 **Pages:** 1

Phone: (330) 744-3739 **Date:** 08/13/98

Re: **CC:**

x **Urgent** x **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

• **Comments:**

8/13/98

Good morning JJ,

I just wanted to send you a reminder to bring $3,500.00 dollars in cash with you today when you come to USAerospace. This money will be used for the operation that you and Rick discussed at your meeting yesterday.

Have a safe trip, I will update you when you get to the office.

Sincerely,

Al Lange

General Manager

GOVERNMENT EXHIBIT

EXHIBIT 23 for ID

TO

JOINT EXHIBIT

GOVERNMENT EXHIBIT
8-19
4:01CR207

3350
DATE 8-11-98
PAY TO Creative Office Resources
FOR
TOTAL
THIS CHECK 112.50
OTHER TRANSACTIONS
TAX DEDUCTIBLE
BALANCE BROUGHT FORWARD
DEPOSIT/CREDIT
BALANCE
ck. # 3304 void 16,124.12

3351
DATE 8-11-98
PAY TO Cash
FOR Jump
TOTAL
THIS CHECK 2000.00
OTHER TRANSACTIONS
TAX DEDUCTIBLE
BALANCE BROUGHT FORWARD
DEPOSIT/CREDIT 5,710.00
BALANCE

3352
DATE 8/13/98
PAY TO Cash
FOR U.S. Aerospace
TOTAL
THIS CHECK 3500.00
OTHER TRANSACTIONS
TAX DEDUCTIBLE
BALANCE BROUGHT FORWARD
DEPOSIT/CREDIT
BALANCE (66,079.41)

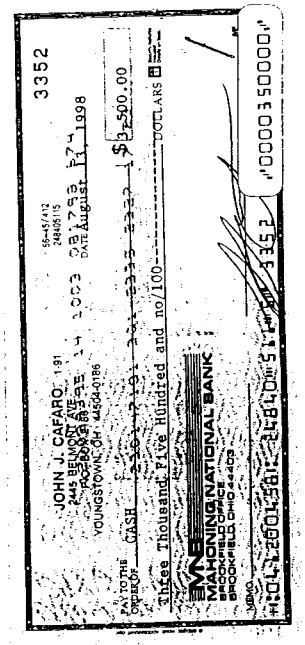


EXHIBIT
24 for ID

ENDORSE HERE

Albert Lyn Jr

098 201480-5

0005 23471

0005 23502

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

RESERVED FOR FINANCIAL INSTITUTION USE

301-953-8033

CHEVY CHASE FSB

CHEVY CHASE FSB

LAUREL MAIN 5707

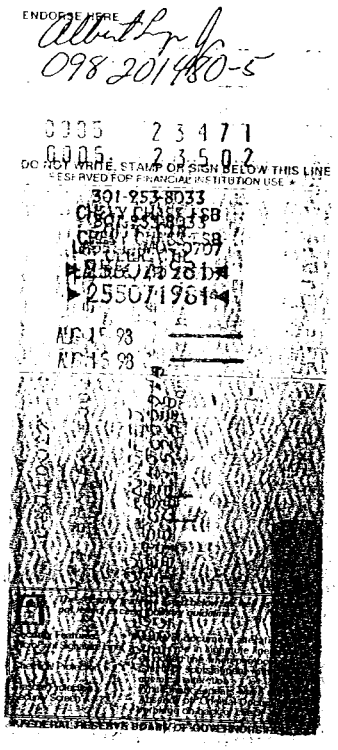
LAUREL MAIN

255071981

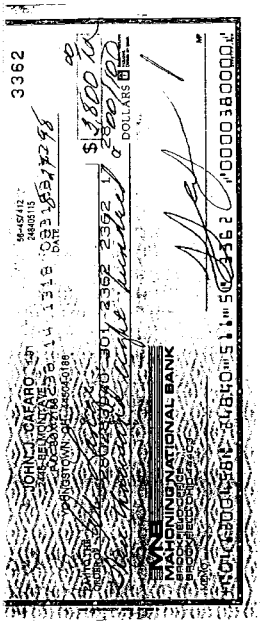
AUG 15 93

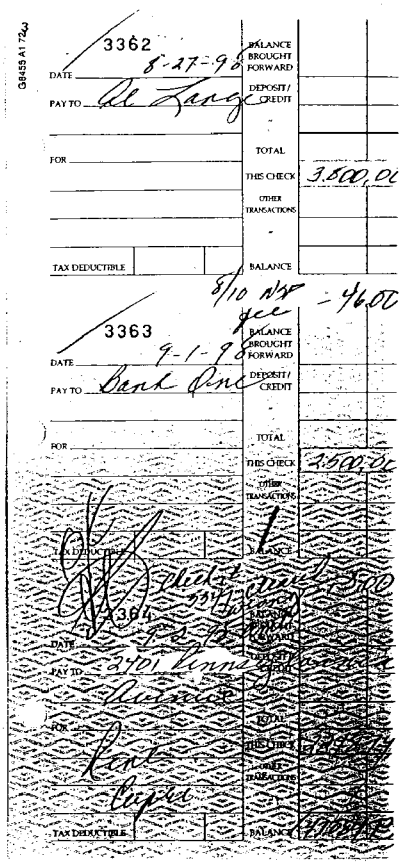
AUG 15 93

FEDERAL RESERVE BOARD OF GOVERNORS



JOINT EXHIBIT

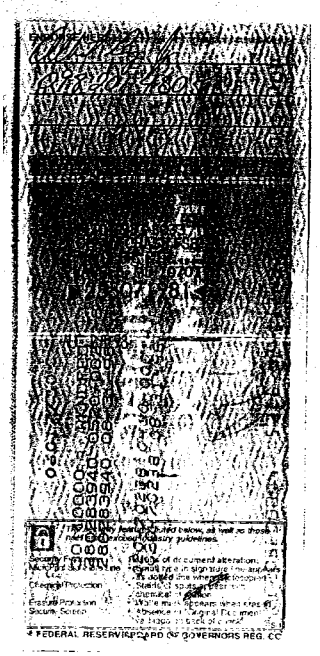


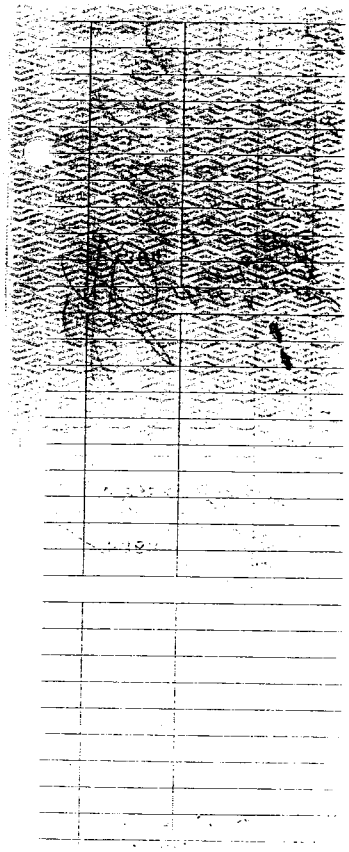


GOVERNMENT EXHIBIT
8-20
4:01CR207

EXHIBIT
25 for ID


EXHIBIT
GOVERNMENT







MEMORANDUM

DATE: SEPTEMBER 10, 1998

TO: DOMINIC ROSSELLI

FROM: J. J. CAFARO

RE: U. S. AEROSPACE GROUP / CAFARO LASER LTD.
AL LANGE

Please issue a check in the amount of $3,000.00 payable to Al Lange for expenses. I will explain to you in full at a later time.

Please overnight this check to Al Lange to the U. S. Aerospace address.

Thank you.

JJC/gh





Mar 01 01 10:59a Lawrence D.Huntsman Esq. 703 591 0922 p.13

THE CAFARO COMPANY 94 2445 BELMONT AVENUE P.O. BOX 2186 YOUNGSTOWN, OHIO 44504-0

INVOICE NUMBER	INVOICE DATE	PURCHASE ORDER NO.	INVOICE AMOUNT	ADJUSTMENTS	NET	PROPERTY OR LOCATION
EXPENSES	9/10/98		3,000.00		3,000.00	LADERLINE

CHECK NUMBER	CHECK DATE	VENDOR				
86997	9/10/98	389089			3,000.00	NON-OPERATIONAL

THE CAFARO COMPANY
2445 BELMONT AVENUE
P.O. BOX 2186
YOUNGSTOWN, OHIO 44504-0186

DATE 9/10/98

BANK ONE, COLUMBUS, NA
CIRCLEVILLE, OH OFFICE
1-800-879-8400

No. 86997

AMOUNT

PAY TO THE ORDER OF: ***3,000 DOLLARS & 00 CENTS **3,000.00

AL LANGE

AUTHORIZED SIGNATURE

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

⑈086997⑈ ⑆044115445⑆ 966620868⑈

JJ 00282

*****A/P INVOICE, EXPLANATION, AND CONTRACTED SERVICES REPORT*****

CONTRACTOR A Lange CENTER Laser

EXPENSE MONTH	BATCH	DIV	SINGLE: PROJ-PRO#	CTRCODE	ACCT#	BUDGET Y N
09,98	1	1A	------	395	789029	

INVOICE DATE 09/10 98	MANUAL CHECK # 86997	CHECK DATE 09/11 98	SEP CHECK	
INVOICE # Expense				
VENDOR # 389089	PROJ PRO# CO	DIST. AMT.	RETAINAGE	
VOUCHER #				
P.O. #				
DUE DATE 09/11 98				
TYPE CIRCLE E (M) C *				
DIST AMT. 3000.00				
SALES TAX				
GROSS AMT.	TOTAL			
RETAINAGE	CTR. CODE ACCT #	DIST. AMT.	BUDGET	
DISCOUNT			Y N	
AMT. TO PAY 3000.00			Y N	
			Y N	
			Y N	
			Y N	
			Y N	
			Y N	
	TOTAL		Y N	

HOLD CODE	BUDGET EXP DATE	RECOUP	COMP
	09/10 98		

CONTRACTED SERVICES USED ONLY**

DESCRIPTION OF EQUIPMENT USED	TIME IN	TIME OUT	TOTAL HOURS

NUMBER OF WORKERS USED	TIME IN	TIME OUT	TOTAL HOURS

EXPLANATION -- BE SPECIFIC: WHAT, WHEN, WHERE OR MATERIALS/SERVICES:

COMMENTS:

BUDGET	AMOR #	AMOUNT APPROVED YEAR TO DATE

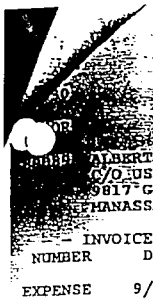
APPROVAL

JJ 00284

PROPERTY MANAGER

REGIONAL MANAGER

DIRECTOR OF OPERATIONS



INVOICE COPY RUN ON 9/10/98 PAGE 13

MANUAL CHECK DIVISION

NON-OPERATIONAL

ALBERT LANGE
C/O US AEROSPACE
9817 GODWIN DRIVE
MANASSAS VA 201100000

INVOICE NUMBER	DATE	VOUCHER	PO NUMBER	BATCH	SEP CHK	DUE DATE	BUDGET DATE	COMPLETE	RECOUP
EXPENSE	9/10/98			94	N	9/11/98	9/10/98		

GROSS	RETAINAGE	DISCOUNT	SALES TAX	NET
3,000.00	.00	.00	.00	3,000.00

AMOR DISTRIBUTION	ACCOUNT	AMOUNT	BUDGET
395 CAFARO-LASER, LTD.	789-020 TRAVEL/ENTERTAIN-HOME	3,000.00	
COMPANY BREAKDOWN	01 CAFARO-LASER, LTD.	3,000.00	

INITIALS:

JJ 00283

JOINT EXHIBIT

PENGAD-Bayonne, N.J.

JOHN J. CAFARO
44 SEE MONTAVE
P.O. BOX 288
DUNGSTOWN, OH 44504-0188

3390

DATE 9-28-98

$ 6,000.00 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

3390

G8455 A1 72 4

3389

DATE 9-28-98

PAY TO Cash

FOR Don Tritt

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

DEPOSIT/CREDIT

TOTAL

THIS CHECK 200.00

OTHER TRANSACTIONS

BALANCE

3390

DATE 9-28-98

PAY TO Cash

FOR

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

DEPOSIT/CREDIT

TOTAL

THIS CHECK 6,000.00

OTHER TRANSACTIONS

BALANCE

3391

DATE 9-28-98

PAY TO Charles Carlzale

FOR

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

DEPOSIT/CREDIT

TOTAL

THIS CHECK [illegible]

OTHER TRANSACTIONS

BALANCE [illegible]

GOVERNMENT EXHIBIT
8-28
4:01CR207

EXHIBIT
27 for ID

PENGAD-Bayonne, N.J.

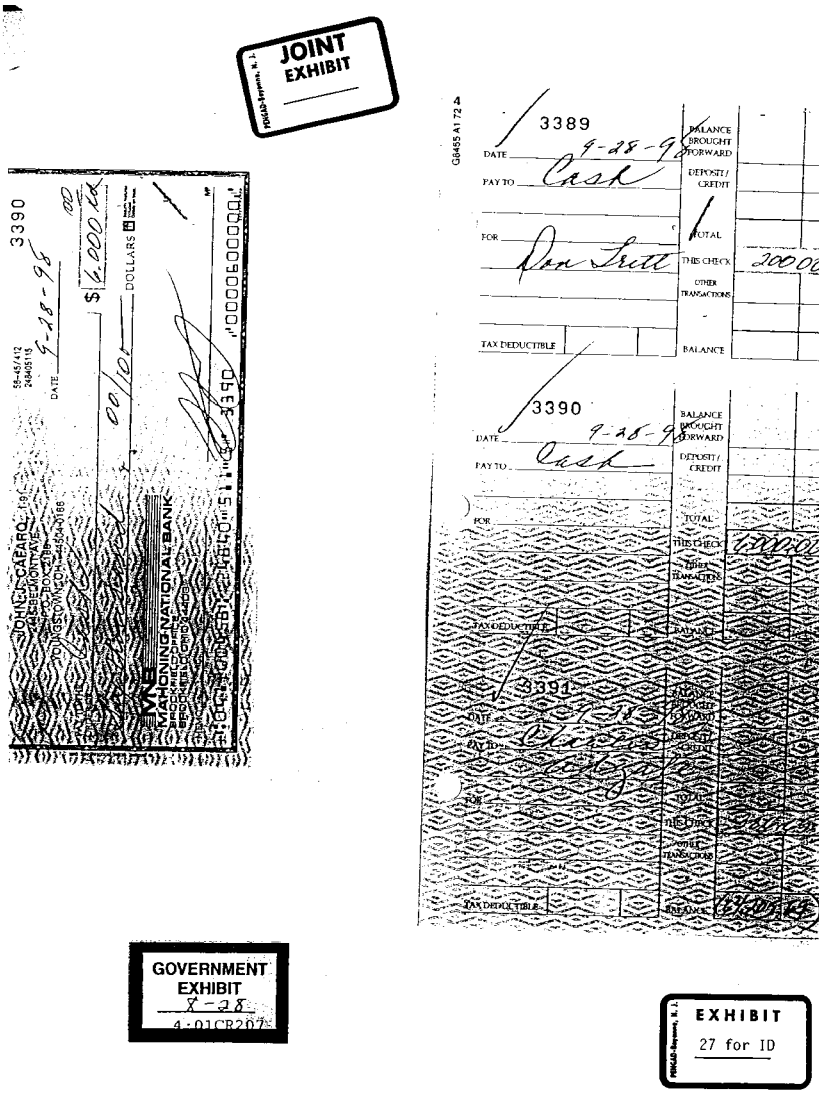
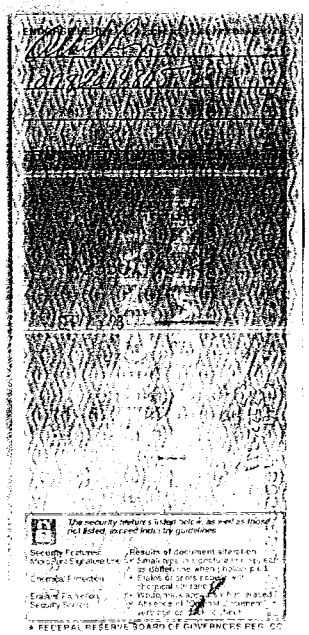
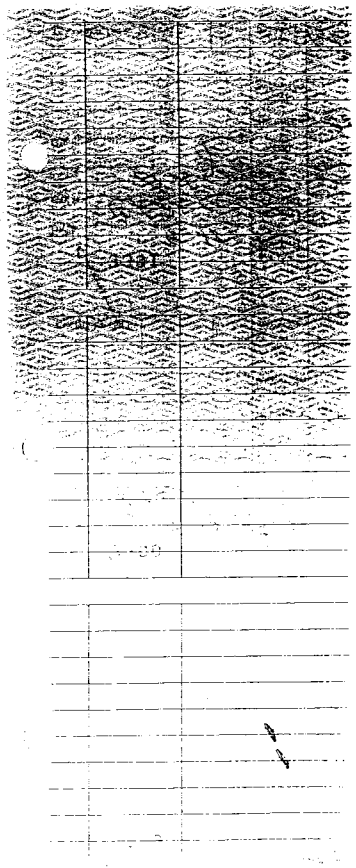



EXHIBIT
GOVERNMENT





NOV-04-1998 15:20 US REP JAMES A TRAFICANT 202 225 3719 P.01

A fax from...

Congressman James A. Traficant, Jr.

17th District – Ohio

2446 Rayburn House Office Building • Washington, D.C. 20515
Telephone 202/225-5261 • Fax 202/225-3719

Date: 11/4/98

Number of pages (not including cover page): 1

To: RICHARD DETORE' From: PAUL MARCONE

Receiving fax number: _____

Comments/Message: FYI

Please make sure J.J. sees this Thanks.

PM



District Offices:

• 5555 Youngstown-Warren Rd. • Suite 303 • Niles, Ohio 44446
Telephone 330.652.5849 • Fax 330.652.2637

• 125 Market St. • Youngstown, Oh • 44503
Telephone 330.743.1614 • Fax 330.743-4920

• 109 West 3rd St. • E. Liverpool, Oh • 43920
Telephone 330.385.5201 • Fax 330.385.7582

GOVERNMENT EXHIBIT
DEFENDANT

EXHIBIT
28 for ID

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT, PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515–3517

November 4, 1998

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

126 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 303
NILES, OH 44446
(330) 652-5648

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-5021

Ms. Jane Garvey
Administrator
Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, D.C. 20591

Dear Administrator Garvey:

As you know, for the past year I have been advocating the expanded use of enhanced vision technologies at airport runways and helipads. Enhanced vision technologies should be an integral part of the Federal Aviation Administration's ongoing efforts to improve aviation safety.

I am encouraged by the fact that the FAA is moving forward with the certification of some of the more promising enhanced vision technologies, especially cold cathode lighting. I urge you to continue moving the certification process forward.

Knowing of your strong interest in aviation safety initiatives, I would like to invite you to join me for a night time demonstration of enhanced vision technologies. I am ready and willing to accommodate your schedule. The demonstration would take place at Manassas Airport in Northern Virginia. I know that you will find a demonstration of this technology to be both fascinating and informative.

I certainly hope you will find the time in your busy schedule to join me for a demonstration. Should you or your staff have any questions or need additional information, please call my chief of staff, Paul Marcone, at 202-225-5261.

Thank you for your time and consideration. I look forward to your response.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/pm

Cafaro 002376

THIS STATIONERY PRINTED ON PAPER MADE OF

October 1998 | November 1998 | December 1998 | January 1999 | February 1999 | March 1999

Thursday 12
316/049 WEEK 45

4 P.M. Mark Beck - Don Kark
PHD Tax Audit

10 AM Conf Call Jeff Gwin - NWP
re: 1st Union

8:30 P.M. Traficante - Anthony's By the River
Exec. Comm only

JOINT EXHIBIT

Friday 13
317/048 WEEK 45

3:30 Sara Brown Clark
4:00 Ron S Rowron

GOVERNMENT EXHIBIT
8-30
4:01CR207

14 Saturday
318/047 WEEK 45

Sunday 15
319/046 WEEK 46

Mandatory Work
Saturday
9 AM VSU Lincoln Phelps
Urban Studies Bldg
2nd Floor

Cafar

EXHIBIT
29 for ID



Tuesday, November 10, 1998

TRAFICANT FORMS COMMITTEE TO PROMOTE FUTURE OF GM'S LORDSTOWN PLANT

Youngstown, Ohio – U.S. Rep. James A. Traficant, Jr. (D–OH) today named the co-chairs and executive committee members of a local committee he is establishing to promote the future of the General Motors assembly plant in Lordstown. The committee's first meeting will be held on SATURDAY, NOVEMBER 14TH AT 9:00 A.M. ON THE 2ND FLOOR OF THE PHELPS BUILDING ON THE YOUNGSTOWN STATE UNIVERSITY CAMPUS.

The committee will be chaired by Traficant. The co-chairs will be Bruce Zoldan, chief executive officer of the Youngstown-based B.J. Alan Company, David Johnson, CEO of Summitville Tile, Inc. and chairman of the Columbiana County Republican Party, Dennis Johnson, chairman of the Columbiana County Democratic Party, and Jim Graham, president of UAW Local 1112.

Members of the executive committee include Mahoning County Auditor George Tablack (D), Youngstown Mayor George McKelvey (D), J.J. Cafaro of the Cafaro Company, Attorney Percy Squire, Dr. William Binning of YSU, and Dr. Gil Peterson of YSU. Attorney Squire, a partner in the Columbus-based law firm of Brickler & Eckler, has also agreed to be the committee's legal counsel. In addition to naming an executive committee, Traficant has also asked a number of local officials to join the committee, and will name the other members later this week.

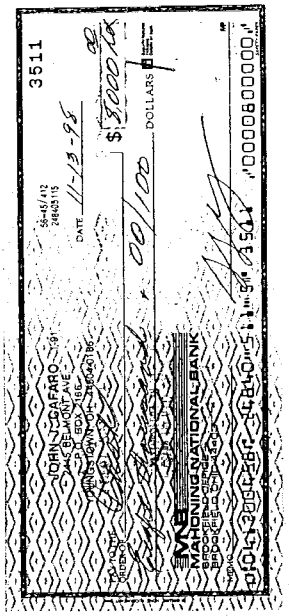
Last week Traficant wrote to Ohio Governor George Voinovich (R) and Governor-elect Robert Taft (R) to reaffirm the state's commitment to secure the future of the Lordstown plant. Traficant is putting together a meeting of his committee with Voinovich, Taft and other state officials. Traficant has also asked for a meeting with GM CEO John F. Smith and other top GM officials.

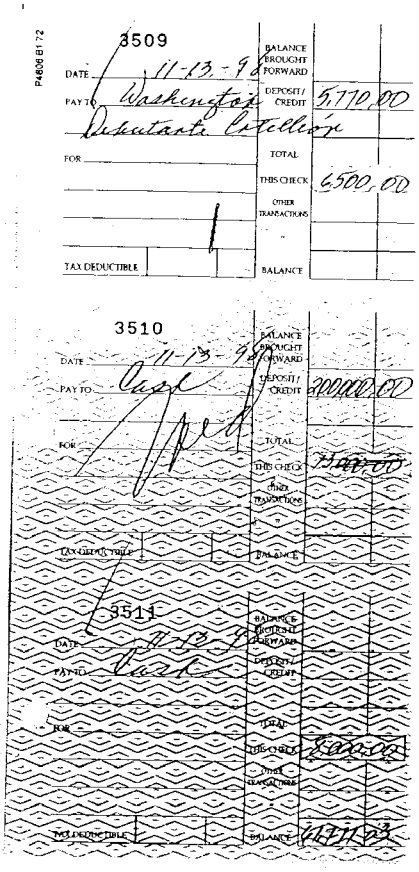
Back to the Retriever





JOINT EXHIBIT





GOVERNMENT EXHIBIT
8-31
4:01CR207

EXHIBIT
31 for ID

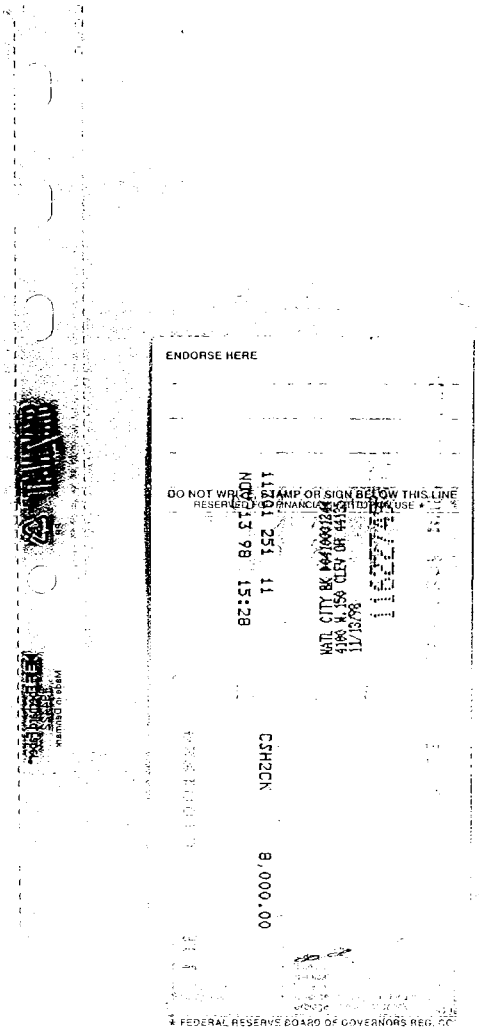
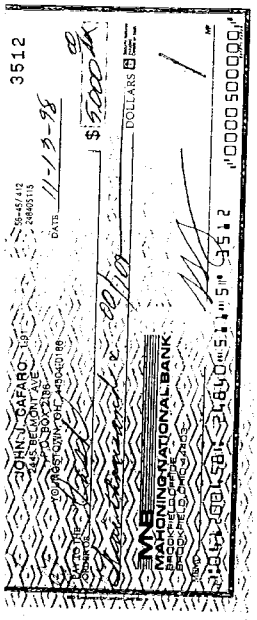
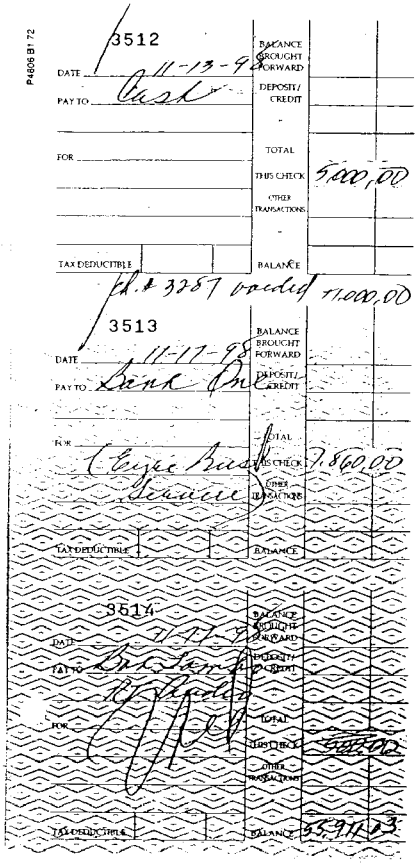

ENDORSE HERE
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE
CASH
8,000.00
FEDERAL RESERVE BOARD OF GOVERNORS REG. CC


EXHIBIT
GOVERNMENT

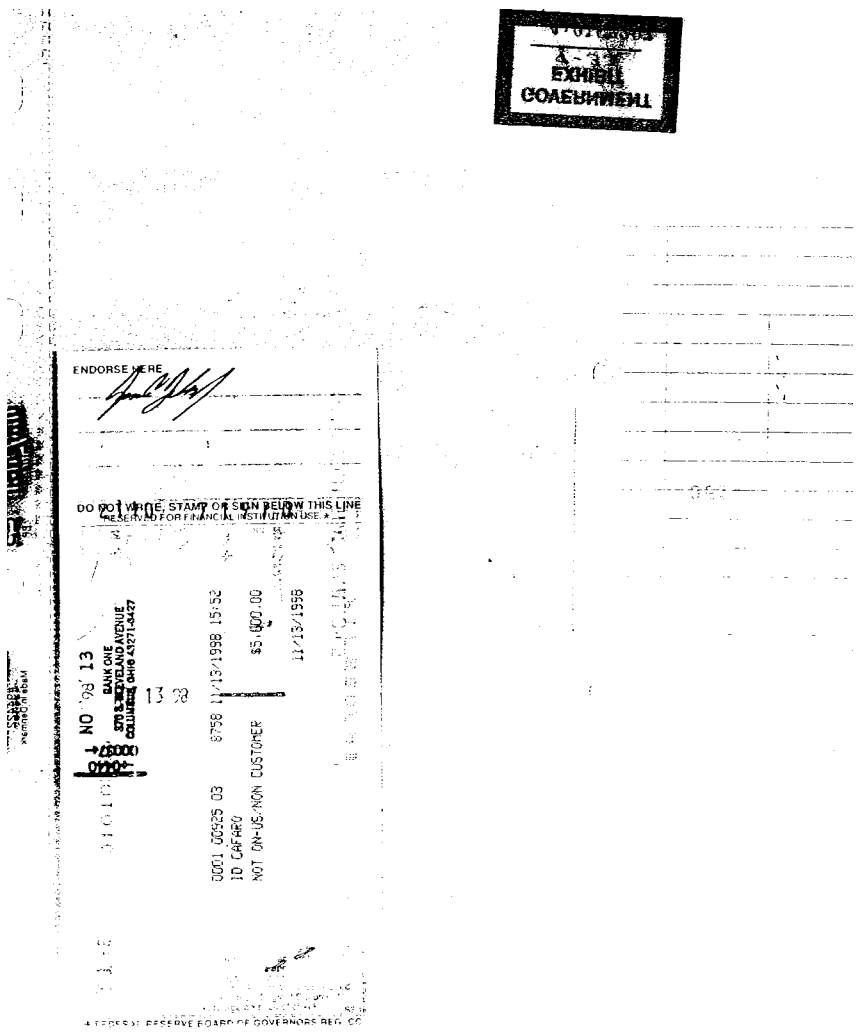
JOINT EXHIBIT





GOVERNMENT EXHIBIT 8-32 01CR207

EXHIBIT 32 for ID


ENDORSE HERE
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE
NO 98 13
BANK ONE
STO & BEXELAND AVENUE
COLUMBUS, OHIO 43271-0427
13 98
0001 00925 03
ID CAFARO
NOT ON-US/NON CUSTOMER
8758 11/13/1998 15:52
$5,000.00
11/13/1998
FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

USAerospace Group, L.L.C.
9817 Godwin Drive
Manassas, VA 20110
(703) 365-8000 / Fax: (703) 365-2635

JOINT EXHIBIT

Interoffice Memorandum

To: John J. Cafaro
From: Richard Detore
CC:
Date: 11/23/98
Re:

JJ:

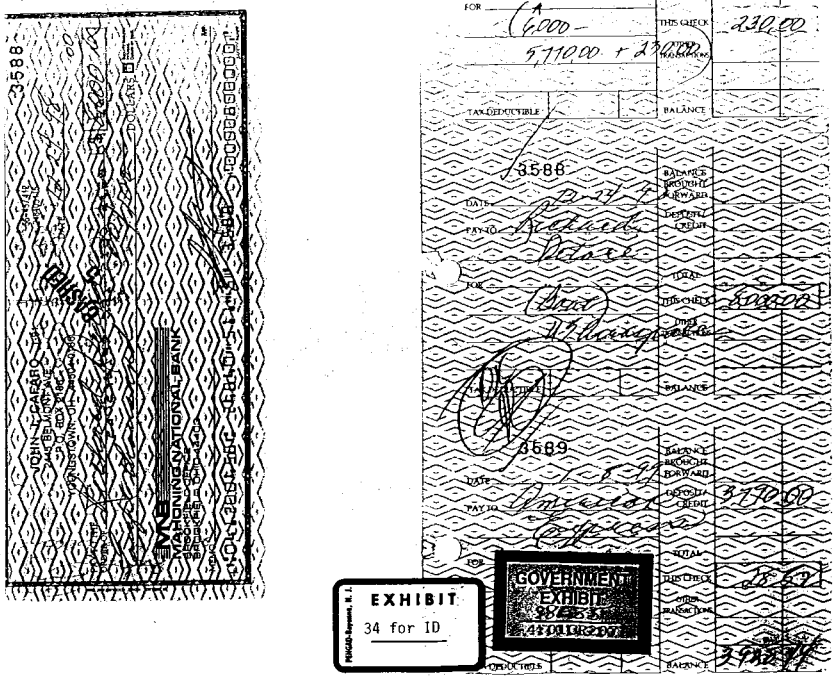
We need to get a check for $8000.00 to complete the boat repairs. Please call if you have any questions.

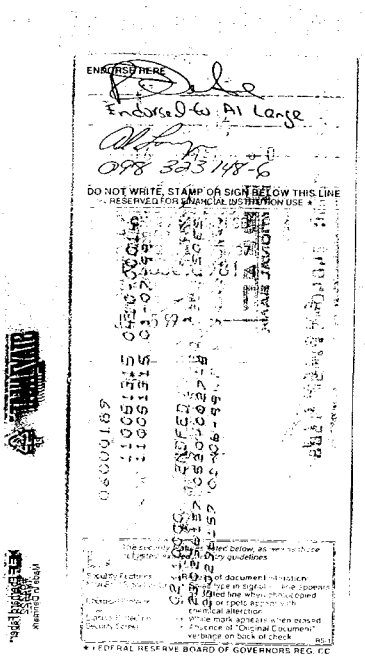
Pd. 12-24-98
Ck. #3588

GOVERNMENT EXHIBIT
8-33
4:01CR207

EXHIBIT
3 for 10

JOINT EXHIBIT




ENDORSE HERE
Endorsed-Ex Al Lange
098 323 148-6
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE
FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

102

D.	YOUR INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOU
		11/15/99	2172.17	2172.17	.00	2172.17

JOINT EXHIBIT

USAEROSPACE GROUP L.L.C.
9817 GODWIN DRIVE
MANASSAS, VA 20110

FIRST UNION NATIONAL BANK
68-141-510

102

	DATE	CONTROL NO.	AMOUNT
**** 2172 DOLLARS AND 17 CENTS **	1/17/00	001024	****2172.17

AY THE DER OF ALBERT LANGE JR
9043 CORIANDER CIRCLE
MANASSAS, VA 20110

Capri L. Cafaro

⑈0000102 4⑈ ⑆051001141⑆ 431167659 8⑈

SPACE GROUP, L.L.C.

1024

GOVERNMENT EXHIBIT
8-39
4:01CR207

LUXE BUSINESS FORMS 1-800-328-0004

Cafaro 000387

EXHIBIT
35 for ID

*****A/P INVOICE, EXPLANATION, AND CONTRACTED SERVICES REPORT*****

CONTRACTOR Alabama CENTER USA4

EXPENSE MONTH	BATCH	DIV
11 99	/	/

SINGLE: PROJ-PRO# / CTRCODE / ACCT# / BUDGET Y N

INVOICE DATE	11/15/99
INVOICE #	BOAT
VENDOR #	
VOUCHER #	
P.O. #	
DUE DATE	11/15/99
TYPE CIRCLE	E M C *
DIST AMT.	2102.10
SALES TAX	
GROSS AMT.	
RETAINAGE	
DISCOUNT	
AMT. TO PAY	2102.10

MANUAL CHECK # / CHECK DATE / / SEP CHECK

PROJ PRO#	CO	DIST. AMT.	RETAINAGE
	TOTAL		

CTR. CODE ACCT #	DIST. AMT.	BUDGET
		Y N
		Y N
		Y N
		Y N
		Y N
		Y N
TOTAL		Y N

HOLD CODE	BUDGET EXP DATE	RECOUP	COMP
	/ /		

CONTRACTED SERVICES USED ONLY

DESCRIPTION OF EQUIPMENT USED	TIME IN	TIME OUT	TOTAL HOURS

NUMBER OF WORKERS USED	TIME IN	TIME OUT	TOTAL HOURS

EXPLANATION -- BE SPECIFIC: WHAT, WHEN, WHERE OR MATERIALS/SERVICES:
USA4 - WORK PERFORMED ON BOAT/EXPENSES

COMMENTS:

BUDGET	AMOR #	AMOUNT APPROVED YEAR TO DATE

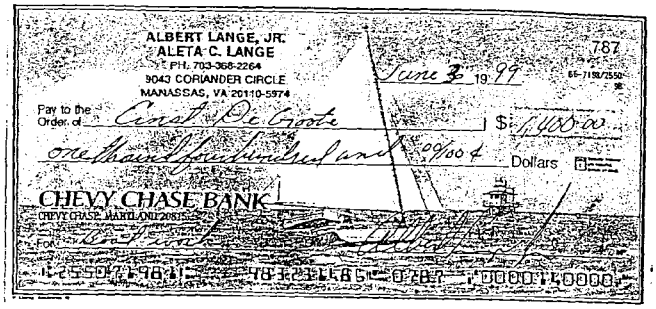
APPROVAL

PROPERTY MANAGER

REGIONAL MANAGER

DIRECTOR OF OPERATIONS

Cafaro 000388


ALBERT LANGE, JR.
ALETA C. LANGE
PH. 703-368-2264
9043 CORIANDER CIRCLE
MANASSAS, VA 20110-5974

787

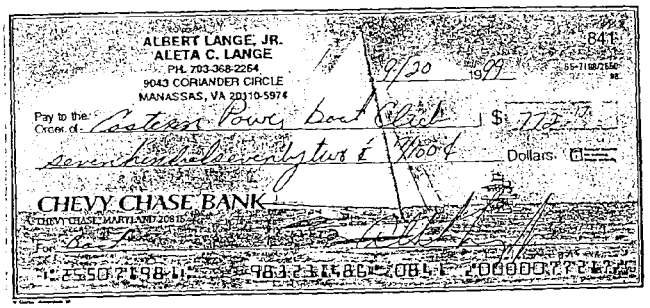
June 3 1999

Pay to the Order of Ernst De Groote $ 1,400.00

one thousand four hundred and 00/100 ¢ Dollars

CHEVY CHASE BANK
CHEVY CHASE, MARYLAND 20815

For Boat Work


ALBERT LANGE, JR.
ALETA C. LANGE
PH. 703-368-2264
9043 CORIANDER CIRCLE
MANASSAS, VA 20110-5974

841

9/20 1999

Pay to the Order of Costern Power Boat Club $ 772.17

seven hundred seventy two & 17/100 ¢ Dollars

CHEVY CHASE BANK
CHEVY CHASE, MARYLAND 20815

For Boat Work

INDUSTRIAL AND COMMERCIAL EQUIPMENT, AND SUPPLIES
2947 GALLOWS ROAD
FALLS CHURCH VA 22042-1024

PH# (703) 698-1503

SHIP TO
CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

ORIGINAL INVOICE
NUMBER: 932-370290-3
DATE: 04/08/99
PAGE: 1 OF 1

SOLD TO
ATTN: ACCOUNTS PAYABLE
CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

CARRIER: TA

ORDER NUMBER	RELEASE NUMBER	WEIGHT	NO. PIECES	ACCOUNT NUMBER
1172		380	1	896 84-853-488-9

SHIPPED	BACK ORDER	OPEN OR CORRECTION	STOCK NUMBER	DESCRIPTION	PART NUMBER	MANUFACTURER NO.	UNIT PRICE	TOTAL PRICE
1			1Z827-5	WELDER 250 AMP 200/230			2,253.00	2,253.00

JOINT EXHIBIT

GOVERNMENT EXHIBIT
8-43
4:01CR207

CALLER: TAMMY DYER PHONE#: (703) 365-8000
DATE SHIPPED: 04/08/99

INVOICE SUBTOTAL	2,253.00
20110- 0 TAX	101.39
SHIPPING CHARGES	61.00
TOTAL	2,415.39

PAY THIS INVOICE	AMOUNT DUE	$ 2,415.39
NO STATEMENT SENT	DATE DUE	05/08/1999
PAYABLE IN U.S. DOLLARS	TERMS	NET 30 DAYS

SEE SALES TERMS AND CONDITIONS ON THE REVERSE

PLEASE DETACH THIS PORTION AND RETURN WITH YOUR PAYMENT

DO NOT STAPLE

REMIT TO:

SOLD TO
CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

[redacted]

8485348899323702903100024153910010139100061001000000799050821

ACCOUNT NUMBER	DATE	INVOICE NUMBER	AMOUNT DUE
896 84-853-488-9	04/08/99	932-370290-3	[redacted]

FOR COMMENTS OR CHANGE OF ADDRESS, CHECK BOX AND ENTER INFORMATION ON REVERSE S

http://www.grainger.com

EXHIBIT
36 for ID

INDUSTRIAL AND COMMERCIAL EQUIPMENT, AND SUPPLIES

4748 FORBES BLVD
LANHAM MD 20706-4302

PH# (301) 459-7780

CONTROL
070811

070811/90804 I

ORIGINAL INVOICE
NUMBER: 973-787842-2
DATE: 04/08/99
PAGE: 1 OF 1

SHIP TO
CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

SOLD TO
ATTN: ACCOUNTS PAYABLE
CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

CARRIER: UPS

ORDER NUMBER	RELEASE NUMBER	WEIGHT	NO. PIECES	ACCOUNT NUMBER
1172		53	2	896 84-853-488-9

SHIPPED	BACK ORDER	RETURN OR CORRECTION	STOCK NUMBER	DESCRIPTION	PART NUMBER	MANUFACTURER NO	UNIT PRICE	TOTAL PRICE
1			1Z517	METER KIT AMP/VOLT	352-8858	043665	112.00	112.00
1			1Z521	PRE-FLOW TIMER	352-8890	042144	137.80	137.80
1			1Z523	RUNNING GEAR KIT #	352-8916	042258	205.75	205.75

DATE SHIPPED - 04/08/99

UPS PKG IDENT # JG4, #P?00

INVOICE SUBTOTAL		455.55
22042	TAX	20.50
SHIPPING CHARGES		15.69
TOTAL		491.74

PAY THIS INVOICE	AMOUNT DUE	$ 491.74
NO STATEMENT SENT	DATE DUE	05/08/1999
PAYABLE IN U.S. DOLLARS	TERMS	NET 30 DAYS

SEE SALES TERMS AND CONDITIONS ON THE REVERSE

PLEASE DETACH THIS PORTION AND RETURN WITH YOUR PAYMENT

DO NOT STAPLE

REMIT TO:

[redacted]

SOLD TO

CAFARO/U S AEROSPACE
9817 GODWIN DR
MANASSAS VA 20110-4156

[redacted]

8485348899737878422100004917410002050100015691000000990508 99

ACCOUNT NUMBER	DATE	INVOICE NUMBER	AMOUNT DUE
896 84-853-488-9	04/08/99	973-787842-2	[redacted]

010582-2

FOR COMMENTS OR CHANGE OF ADDRESS, CHECK BOX AND ENTER INFORMATION ON REVERSE SIDE ☐

[redacted] http://www.grainger.com

... EXPLANATION, AND CONTRACTED SERVICES REPORT*****

CONTRACTOR Grainger CENTER USAG

EXPENSE MONTH BATCH DIV	SINGLE: PROJ-PRO#	CTRCODE	ACCT#	BUDGET Y N
4 / 99 / /		395	1109-006	

INVOICE DATE 4/08/99	MANUAL CHECK #	CHECK DATE / /	SEP CHECK	
INVOICE # 932-376290-3				
VENDOR # 283058	PROJ PRO# CO	DIST. AMT.	RETAINAGE	
VOUCHER #				
P.O. # 1172				
DUE DATE 5/08/99				
TYPE CIRCLE E M C *				
DIST AMT. ~~$2,053.00~~	2314 10			
SALES TAX $101.39				
GROSS AMT. skip ~~$61.00~~	TOTAL			
RETAINAGE	CTR. CODE ACCT #	DIST. AMT.	BUDGET	
DISCOUNT			Y N	
AMT. TO PAY $2,415.39			Y N	
			Y N	
			Y N	
HOLD CODE / BUDGET RECOUP EXP DATE / / / COMP			Y N	
			Y N	
	TOTAL		Y N	

CONTRACTED SERVICES USED ONLY

DESCRIPTION OF EQUIPMENT USED	TIME IN	TIME OUT	TOTAL HOURS

NUMBER OF WORKERS USED	TIME IN	TIME OUT	TOTAL HOURS

EXPLANATION -- BE SPECIFIC: WHAT, WHEN, WHERE OR MATERIALS/SERVICES:

Welder 250 Amp 200/230 needed for the line

COMMENTS:

→ pre-approved per J. J. CAFARO.

BUDGET	AMOR #	AMOUNT APPROVED YEAR TO DATE

APPROVAL

PROPERTY MANAGER

REGIONAL MANAGER

DIRECTOR OF OPERATIONS

ACP030 INVOICE COPY RUN ON 4/28/99 PAGE 18

VENDOR REGULAR DIVISION

283058 W. W. GRAINGER, INC. NON-OPERATIONAL
DEPT 896 - 848534889

PALATINE IL 600380001

- - INVOICE - - NUMBER	DATE	VOUCHER	PO NUMBER	BATCH	SEP CHK	DUE DATE	- - - BUDGET - - - DATE COMPLETE	RECOUP
370290-3	4/08/99			06	N	5/08/99	4/08/99	

GROSS	RETAINAGE	DISCOUNT	SALES TAX	NET
2,314.00	.00	.00	101.39	2,415.39

AMOR DISTRIBUTION	ACCOUNT	AMOUNT	BUDGET
395 CAFARO-LASER, LTD.	109-000 OTHER RECEIVABLES	2,415.39	
COMPANY BREAKDOWN	01 CAFARO-LASER, LTD.	2,415.39	

INITIALS:

USAerospace Group L.L.C.
9817 Godwin Drive
Manassas, VA 20110

Purchase Order No. 1172

PURCHASE ORDER

Vendor
Name Grainger
Address
City Falls Church St VA ZIP 22042
Phone (703) 698-1503

Ship To
Name USAerospace Group L.L.C.
Address 9817 Godwin Drive
City Manassas St VA ZIP 20110
Phone (703) 365-8000

Qty	Units	Description	Unit Price	TOTAL
1	each	1Z517 OPTIONAL METER KIT AMP/VOLT	$151.66	$151.66
1	each	1Z521 OPTIONAL PREFLOW TIMER KIT	$151.66	$151.66
1	each	1Z523 OPTIONAL RUNNING GEAR	$151.66	$151.66
1	each	1Z827 SYNCROWAVE	$2,253.00	$2,253.00
			SubTotal	$2,707.98
			Shipping & Handling	
			Taxes VA	$121.86
			TOTAL	$2,829.84

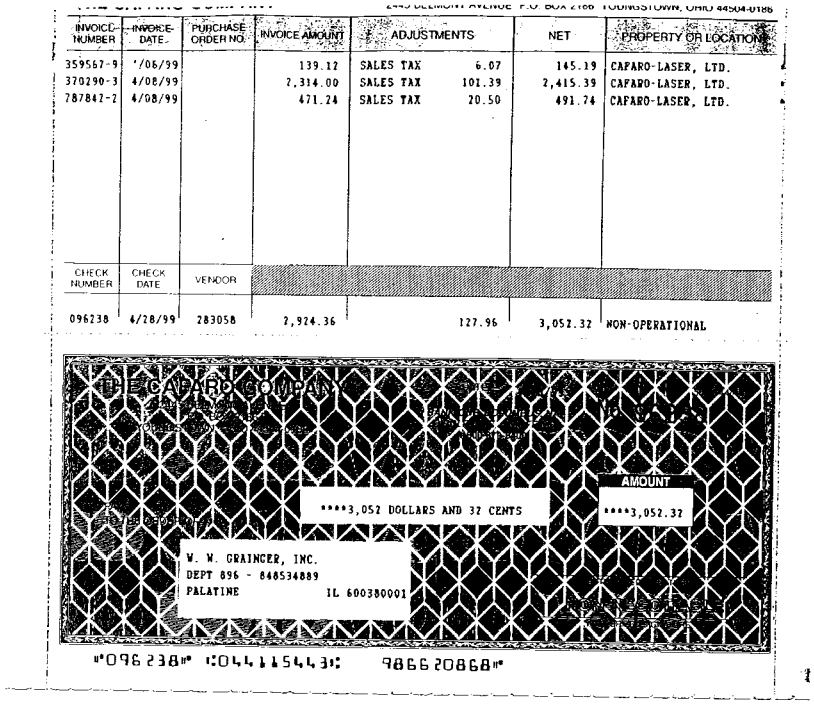
Payment Details
O Check
O Cash
● Account No.
O Credit Card
Name
CC #
Exp Date

Shipping Date

Approval
Al Lange Richard Detore

Date 4/8/99
Order No
Sales Rep
Ship Via

Notes/Remarks
Required for the Shipping Department.



INVOICE NUMBER	INVOICE DATE	PURCHASE ORDER NO	INVOICE AMOUNT	ADJUSTMENTS		NET	PROPERTY OR LOCATION
359567-9	'/06/99		139.12	SALES TAX	6.07	145.19	CAFARO-LASER, LTD.
370290-3	4/08/99		2,314.00	SALES TAX	101.39	2,415.39	CAFARO-LASER, LTD.
787842-2	4/08/99		471.24	SALES TAX	20.50	491.74	CAFARO-LASER, LTD.

CHECK NUMBER	CHECK DATE	VENDOR				
096238	4/28/99	283058	2,924.36	127.96	3,052.32	NON-OPERATIONAL

BLALOCK CYCLE CO., INC.

MOTORCYCLES ATVs HONDA POWER EQUIPMENT DEALER

170 I EE HIGHWAY, WARRENTON, VA. — PHONE (540) 347-4591

HONDA
YAMAHA

SOLD TO US AERO SPACE GROUP ~~CAFARO, JOHN~~ Home Phone ____ Office Phone 703 365-8000

ADDRESS 9817 GODWIN DRIVE

CITY MANASSAS STATE VA COUNTY ZIP CODE 20110

Date 5/18/99 Salesman RICK BLALOCK

Delivery Date 5/18/99 Dealer # 00002877

Insurance Co.: ____

t of Vehicle, Power Pro EB5000XK1A	2,598.00
ond Unit	
rd Unit	
Freight	
Dealer Preparation	
essories 4TH	
5TH	
~~6TH~~	
~~7TH~~	
0 EX SERVICE	
ssories	
l Accessories	
l Units and Accessories	
s and Title	0
s Tax	116.91
Delivered Price	2,714.91
le In Allowance	
unt Check ☐	
tercard Visa ☑ Cash ☐	2,714.91
nce Due	0

JOINT EXHIBIT

DESCRIPTION OF UNIT BEING SOLD

Make HONDA Year 99

Serial No EA7-3144654

Model No EB5000XK1A Guarantee ____

Color ~~RE~~ Mileage ____

SECOND UNIT BEING SOLD

Make ____ Year ____

Serial No ____

Model No ____ Guarantee ____

Color ____ Mileage ____

THIRD UNIT BEING SOLD

Make ____ Year ____

Serial No ____

Model No ____ Guarantee ____

Color ____ Mileage ____

GOVERNMENT EXHIBIT 8-46 4:01CR207

Key # ____

SPECIAL ORDER ACCESSORIES

Specially ordered accessories require nonreturnable deposits at the time of order. Please carefully consider the accessory options before you reach your final decisions.

License No ____

Date of Birth ~~0/-0/-0~~

TAG AND TITLE

	VA.	TOTAL
Dealer Bus. Licnse Tax	None	
Vehicle Tax	3%	
Processing Fees	$49.00	
Uninsured M/V Fees		
Tags	$24.50	
Transfer	$ 2.00	
Temporary Tags	$ 2.00	
Title	$10.00	
Inspection Fees	$ 5.00	
TOTAL		0

APPRAISAL OF TRADE IN

License No. ____

License No. ____

Age ____ Year ____

Model ____ Color ____

Paid by ____ Allowance $ ____

PERMISSION FOR MINORS

I hereby give permission to my son/daughter, ____

to purchase a motorcycle from Blalock Cycle Co., Inc.

EXHIBIT 37 for ID

COPY OF THIS INVOICE RECEIVED AT OR BEFORE DELIVERY WITH UNDERSTANDING THAT SAME IS SUBJECT TO AUDIT BY SELLER

Signed [signature] Date ____

ABOVE ORDER SUBJECT TO APPROVAL BY AUTHORIZED MANAGER OF BLALOCK CYCLE CO., INC.

Signed [signature] Date 5/18/99

Authorized Manager

Blalock Cycle Co., Inc.
170 Lee Hwy
Warrenton, VA 22186
(703) 347-4591

SALES DEPARTMENT INVOICE

Layaway Deal

Receipt # 9000526
Receipt Date: 5/18/99

Cashier: '' -) RICK BLALOCK

ceived From: US AERO SPACE GROUP
9817 GODWIN DRIVE
MANASSAS, VA 20110
703 365-8000

Deal Sheet # 00002877

r: 99 Make: HONDA Model: EB5000XK1A Stock: 144654 VIN: EA7-3144654

Method of Payment: MC/Visa

Payment Amount: 2,714.91

Comments/Reference:

Tuesday, May 18th, 1999 3:02 pm

BUSINESS CARD STATEMENT

BANK ONE.

24 HOUR CUSTOMER SERVICE
800-346-5538

Billing Statement for Account Number

Statement Date	New Balance	Payment Due Date	Minimum Payment
June 15, 1999	$9,875.59	July 10, 1999	$446.00

Amount Enclosed $

☐ *Check this box if address change is indicated on back*

Make checks payable to:

BANK ONE,N.A.
PO BOX 530808
ATLANTA GA 30353-0808

JOINT EXHIBIT

JOHN J CAFARO
CAFARO MANAGEMENT COMPANY
2445 BELMONT AVE
YOUNGSTOWN OH 44505-2418

5586

⑆5000 160 28⑆ 1094 5700 7000 85⑈

Please return this portion with your payment to ensure proper credit. *Please write your account number on your check.*

Transactions for Account *24 Hour Customer Service 800-346-5538*

Tran Date	Post Date	Description	Debits	Credits	Reference Number
05/18	05/18	BLALOCK CYCLE CO INC WARRENTON VA	2,714.91		24246514B2PHDDZY5
05/19	05/19	VERIO *INTERNET SVC 888-523-7959 TX	75.00		24692164B0083R2L9
05/27	05/27	RESEARCH ELECTRO OPTICS 303-9381960 CO	1,000.00		247170541JMDKYRFH
05/27	05/27	RESEARCH ELECTRO OPTICS 303-9381960 CO	1,000.00		247170541JMDKYRG3
06/15	06/15	LATE FEE	20.00		
06/15	06/15		78.61		*FINANCE CHARGE*
Totals			*$4,888.52*	*$0.00*	

HAVE YOU OVERLOOKED YOUR PAYMENT?
IF YOU HAVE, PLEASE REMIT NOW.

TO RECEIVE OUR EXCLUSIVE CARDMEMBER OFFERS AND DISCOUNTS, REGISTER YOUR EMAIL ADDRESS AT WWW.SPECIALVALUES.COM TODAY!

GOVERNMENT EXHIBIT
8-47
4:01CR207

Cafaro 002159

Account Activity

Previous Balance	- Payments	- Credits	+ Purchases	+ Cash Advances	+ Other Debits	+ FINANCE CHARGE	= New Balance	Company Credit Line	Available Credit Line	Available Cash Advance Line
$4,987.07	$0.00	$0.00	$4,789.91	$0.00	$20.00	$78.61	$9,875.59	$10,000	$124	$124

Finance Charge Calculation

	Balance Subject to Finance Charge	Daily Periodic Rate	Resulting from Periodic Rate	Transaction Fees	Total	NOMINAL ANNUAL PERCENTAGE RATE	ANNUAL PERCENTAGE RATE	Days in Billing Cycle
Purchases	$6,552.97	0.04038%	$78.61	$0.00	$78.61	14.74%	14.74%	29
Cash Advances	$0.00	0.04038%	$0.00	$0.00	$0.00	14.74%	14.74%	29

Back of this statement contains information regarding your account and annual renewal.

MILLENNIUM luxury car rentals est. 1998

RENTAL AGREEMENT

NO DRIVER UNDER THE AGE OF 21

JOINT EXHIBIT

EXPIRATION OF CONTRACT

DATE DUE: 12/10/99 10:00 AM PM EXTENDED TO: NO. 707346

RENTER NAME: Richard Detore HOME PHONE: 703-365-8000

HOME ADDRESS: 13303 Balmoral Greens Ave VERIFIED:

CITY: Clifton STATE: VA ZIP CODE: 20124

DRIVER'S LICENSE #: T-627 1625 STATE: VA EXP. DATE: 8/28/05

DATE OF BIRTH: 2-3-66 SOCIAL SECURITY # VERIFIED:

LOCAL CONTACT ADDRESS PHONE

EMPLOYER: US Aerospace POSITION: COO VERIFIED:

EMPLOYER'S ADDRESS: 9017 Godwin Drive PHONE: 703-365-8000

INSURANCE CO. POLICY # PHONE

INSURANCE AGENT CLAIM # OTHER

ONLY THE BELOW NAMED PERSONS ARE AUTHORIZED AS ADDITIONAL DRIVERS. IF NONE, PRINT "NONE" ACROSS THIS SECTION AND HAVE SIGNED BY RENTER.

NAME: JAMES A. TRAFICANTE JR. DATE OF BIRTH: 05/08/41

DRIVER'S LICENSE #: RM 983095 EXP. DATE: / /

NAME: DATE OF BIRTH: / /

DRIVER'S LICENSE # EXP. DATE: / /

FUEL	OUT	IN
	E	E
	1/4	1/4
	1/2	1/2
	3/4	3/4
	F	F

$1000 Ded w/dmg WEHICLE DAMAGE WAIVER — ACCEPTS: X

RATES: $ 20 PER DAY, $ _____ PER WEEK. BY INITIALING A BOX, RENTER ACCEPTS OR DECLINES VEHICLE DAMAGE WAIVER FOR RATES LISTED ABOVE AND FOR DAMAGE OPTION BELOW. BY ACCEPTING WAIVER, RENTER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO THE RENTED VEHICLE UP-TO/OVER (circle one) $ _____ AMOUNT PER OCCURRENCE REGARDLESS OF CAUSE. NOTICE: WAIVER DOES NOT COVER LOSS OR DAMAGE RESULTING FROM ANY VIOLATION OF PARAGRAPHS 1 OR 2 OF THIS AGREEMENT, FOR MISSING VEHICLE PARTS OR INTERIOR VEHICLE DAMAGE OTHER THAN NORMAL WEAR AND TEAR CAUSED BY OCCUPANTS. BY DECLINING WAIVER, CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO RENTAL VEHICLE. — DECLINES: X

VEHICLE DAMAGE WAIVER IS NOT INSURANCE

Supplemental Liability Insurance (SLI)
Personal Accident Insurance (PAI) and Personal Effects Insurance (PEI)

I have read and understand the material which describes these benefits and conditions, the material which is available at this rental office.

accept at the rate shown on the rental contract, or decline, SLI, PAI, PEI and/or as indicated below by my initials. I understand that I will be charged the rate per rental day for each full or partial day. Acceptance is proof of coverage.*

SLI		PAI		PEI	
ACCEPTS	DECLINES	ACCEPTS	DECLINES	ACCEPTS	DECLINES
X	X	X	X	X	X

VEHICLE CONDITION OUT OPERATED BY

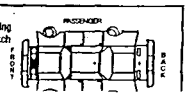
VEHICLE CONDITION IN CHECKED BY

TEXACO CARD # 100 7202 6112 2626 EXP. DATE 10/02 AUTH. CODE

ATTENTION LAW ENFORCEMENT

IF THIS AUTO IS STOPPED FOR ANY REASON AND THE DRIVER IS NOT AUTHORIZED ON THIS RENTAL AGREEMENT, CONSIDER THIS AUTO STOLEN. PLEASE IMPOUND AUTO, TAKE NECESSARY ACTION AGAINST THE DRIVER

X = Dent
O = Missing
– = Scratch



VEH #	LICENSE #	VIN
3	769655K	1G1YY32G9X5L

YEAR-CAR LINE: 1999 Chevrolet MODEL/COLOR: Corvette / Black

ODOMETER OUT	DATE & TIME OUT	AM/PM
	11, 10, 99	10:
ODOMETER IN	DATE & TIME IN	AM/PM
	/ /	
MILES DRIVEN	MILES ALLOWED: 100 per day	MILES CHARGED

RENTAL RATES DO NOT INCLUDE FUEL			CHARGES
HOURS	@ $	PER HOUR	$
DAYS 30	@ $	PER DAY	$
1 Month	@ $ 5000	Monthly	$ 5000
MILES	@ $ 56 UNMET	PER MILE	$
[redacted]			$
FUEL GALS	@ $		$
VEHICLE DAMAGE WAIVER	@ $ 20	PER DAY	$ 600
SLI	@ $	PER DAY	$
PAI	@ $	PER DAY	$
PEI	@ $	PER DAY	$
SUB TOTAL	Additional Driver $10/day 30		$
SALES TAX	8%		$ 340
OTHER	Delivery - Manassas		$ Waived
SUB TOTAL			$
LESS CREDITS/DEPOSIT/OTHER			$
Breezeout Discount 10%			$
TOTAL CHARGES			$
[redacted]			$ 6740
CASH REFUND / CUSTOMER INITIAL			$

WARNING: [redacted]

RENTER HAS READ BOTH SIDES OF THIS AGREEMENT AND AGREES TO THE TERMS AND CONDITIONS THEREOF. RENTER AUTHORIZES RENTOR TO PROCESS A CREDIT CARD VOUCHER, IF ANY, IN RENTOR'S NAME. RENTER MAY BE PROSECUTED IF VEHICLE IS NOT RETURNED WHEN DUE BACK. THIS AGREEMENT SHOULD NOT EXCEED A 30 DAY PERIOD.

X RENTER SIGNATURE

EXTEND TO	ADDITIONAL COST DEPOSIT $	DATE	INITIALS

EXHIBIT 38 for ID

GOVERNMENT EXHIBIT 7-5-01 DEFENDANT

Rental Company:

MILLENNIUM luxury car rentals est. 1998

RENTAL AGREEMENT

NO DRIVER UNDER THE AGE OF 21

EXPIRATION OF CONTRACT

DATE DUE: 12/10/99 10:00 AM PM EXTENDED TO:

NO. 707346

RENTER NAME: Richard Detore	HOME PHONE: 703-365-8000		VERIFIED
HOME ADDRESS: 13305 Balmoral Greens Ave			
CITY: Clifton	STATE: VA	ZIP CODE: 20124	
DRIVER'S LICENSE #: T-6271625	STATE: VA	EXP. DATE: 8/28/05	
DATE OF BIRTH: 2-3-66	SOCIAL SECURITY #:		VERIFIED
LOCAL CONTACT: /	ADDRESS:	PHONE:	
EMPLOYER: US Aerospace	POSITION: COO		VERIFIED
EMPLOYER'S ADDRESS: 9817 Godwin Drive	PHONE: 703-365-8000		
INSURANCE CO:	POLICY #:	PHONE:	
INSURANCE AGENT:	CLAIM #:	OTHER:	

VEH #: 3	LICENSE #: 769655K	VIN: 1G1YY32G9X5104[illegible]	
YEAR-CAR LINE: 1999 Chevrolet	MODEL/COLOR: Corvette / Black		
ODOMETER OUT:	DATE & TIME OUT: 11 / 10, 99	AM/PM: 10:00	
ODOMETER IN:	DATE & TIME IN: / /	AM/PM:	
MILES DRIVEN:	MILES ALLOWED: 100 per day	MILES CHARGED:	

ONLY THE BELOW NAMED PERSONS ARE AUTHORIZED AS ADDITIONAL DRIVERS. IF NONE, PRINT "NONE" ACROSS THIS SECTION AND HAVE SIGNED BY RENTER.

NAME: JAMES A TRAFICANT JR	DATE OF BIRTH: 05/08/41		
DRIVER'S LICENSE #: RM-983095	EXP. DATE: / /		
NAME:	DATE OF BIRTH: / /		
DRIVER'S LICENSE #:	EXP. DATE: / /		

FUEL OUT	FUEL IN
E	E
1/4	1/4
1/2	1/2
3/4	3/4
F	F

$1000 Deductible

VEHICLE DAMAGE WAIVER — ACCEPTS [X]

RATES: $ 20 PER DAY, $ ____ PER WEEK. BY INITIALIZING A BOX, RENTER ACCEPTS OR DECLINES VEHICLE DAMAGE WAIVER FOR RATES LISTED ABOVE AND FOR DAMAGE OPTION BELOW. BY ACCEPTING WAIVER, RENTER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO THE RENTED VEHICLE UP TO/OVER (circle one) $ ____ AMOUNT PER OCCURRENCE REGARDLESS OF CAUSE. NOTICE: WAIVER DOES NOT COVER LOSS OR DAMAGE RESULTING FROM ANY VIOLATION OF PARAGRAPHS 1 OR 2 OF THIS AGREEMENT, FOR MISSING VEHICLE PARTS OR INTERIOR VEHICLE DAMAGE OTHER THAN NORMAL WEAR AND TEAR CAUSED BY OCCUPANTS. BY DECLINING WAIVER, CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO RENTAL VEHICLE. — DECLINES [X]

VEHICLE DAMAGE WAIVER IS NOT INSURANCE.

Supplemental Liability Insurance (SLI)
Personal Accident Insurance (PAI) and Personal Effects Insurance (PEI)

"I have read and understand the material which describes these benefits and conditions, the material which is available at this rental office.

I accept at the rate shown on the rental contract, or decline, SLI, PAI, PEI and/or as indicated below by my initials. I understand that I will be charged a rate per rental day for each full or partial day. Acceptance is proof of coverage."

SLI ACCEPTS	SLI DECLINES	PAI ACCEPTS	PAI DECLINES	PEI ACCEPTS	PEI DECLINES
	X		X		X

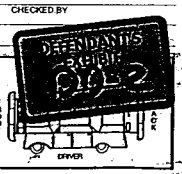
VEHICLE CONDITION OUT — OPERATED BY

VEHICLE CONDITION IN — CHECKED BY

CREDIT CARD # 4800 1202 6112 2626 EXP. DATE 10/02

ATTENTION LAW ENFORCEMENT
IF THIS AUTO IS STOPPED FOR ANY REASON AND THE DRIVER IS NOT AUTHORIZED ON THIS RENTAL AGREEMENT, CONSIDER THIS AUTO STOLEN. PLEASE IMPOUND AUTO, TAKE NECESSARY ACTION AGAINST THE DRIVER AND CALL OUR RENTAL OFFICE.

x = Dent
0 = Missing
- = Scratch



RENTAL RATES DO NOT INCLUDE FUEL

			CHARGES
HOURS	@ $	PER HOUR	$
DAYS 30	@ $	PER DAY	$
~~1 month~~	@ $ 5000	Months	$ 500000
MILES	@ $ 1 Source	PER MILE	$
[illegible]			$
FUEL GALS	@ $		$
VEHICLE DAMAGE WAIVER	@ $ 20	PER DAY	$
SLI	@ $	PER DAY	$
PAI	@ $	PER DAY	$
PEI	@ $	PER DAY	$
SUB TOTAL	Additional Driver $10/day		$ 300 00
SALES TAX	8%		$
OTHER	Delivery - Manassas		$ Waived
SUB TOTAL			$
LESS CREDITS/DEPOSIT/OTHER			$
	Breezenet Discount 10%		$
TOTAL CHARGES			$
[illegible]			$
CASH REFUND / CUSTOMER INITIAL			$

[illegible]

RENTER HAS READ BOTH SIDES OF THIS AGREEMENT AND AGREES TO THE TERMS AND CONDITIONS THEREOF. RENTER AUTHORIZES RENTOR TO PROCESS A CREDIT CARD VOUCHER, IF ANY, IN RENTOR'S NAME. RENTER MAY BE PROSECUTED IF VEHICLE IS NOT RETURNED WHEN DUE BACK. THIS AGREEMENT SHOULD NOT EXCEED A 30 DAY PERIOD.

X _____ RENTER SIGNATURE

EXTEND TO	ADDITIONAL COST DEPOSIT $	DATE	INITIALS

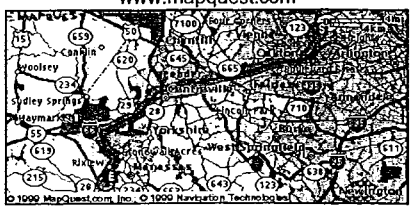
4800 1202 6112 2626

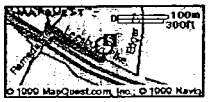
10/02

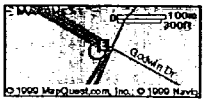
RICHARD E DETORE

MAPQUEST

www.mapquest.com







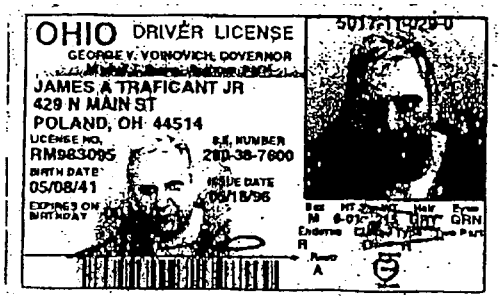
Start
7801 Leesburg Pike
Falls Church, VA 22043

Destination
9817 Godwin Drive
Manassas, VA 20164

Door to Door Directions

From:	7801 Leesburg Pike Falls Church VA 22043
To:	9817 Godwin Drive Manassas VA 20164

Direction	Distance
1: Start out going Northwest on LEESBURG PIKE towards LISLE AVE by turning right.	0.1 miles (0.1 km)
2: Turn LEFT onto LISLE AVE.	0.0 miles (0.0 km)
3: Turn RIGHT onto LEESBURG PIKE.	0.3 miles (0.5 km)
4: Take the I-495 SOUTH/CAPITAL BELTWAY ramp towards RICHMOND/ALEXANDRIA.	0.7 miles (1.2 km)
5: Merge onto CAPITAL BELTWAY.	1.2 miles (2.0 km)
6: Take the I-66 WEST exit, exit number 9, towards MANASSAS/FRONT ROYAL.	0.3 miles (0.5 km)
7: Merge onto I-66 W.	17.2 miles (27.7 km)
8: Take the VA-234 NORTH exit, exit number 47B, towards MANASSAS NATIONAL BATTLEFIELD PARK.	0.2 miles (0.4 km)
9: Merge onto SUDLEY RD.	0.1 miles (0.1 km)
10: Turn LEFT.	0.0 miles (0.0 km)
11: Turn LEFT onto SUDLEY RD.	2.7 miles (4.4 km)
12: Turn RIGHT onto GODWIN DR.	2.3 miles (3.7 km)
Total Distance:	25.2 miles (40.5 km)
Estimated Time:	34 minutes


OHIO DRIVER LICENSE
GEORGE V. VOINOVICH, GOVERNOR
JAMES A TRAFICANT JR
429 N MAIN ST
POLAND, OH 44514
LICENSE NO.
RM983095
S.S. NUMBER
280-38-7600
BIRTH DATE
05/08/41
ISSUE DATE
09/15/96
EXPIRES ON BIRTHDAY
Sex
M
Hair
GRY
Eyes
GRN

TOTAL P.02

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (800)261-3600

MERCHANT 1702 829740003916 002
DECEMBER 17, 1999 02:31PM

BATCH # : 128 REF # : 006
ACCOUNT # : 4237950007822332
TYPE : VISA 01/00
AUTH # : 017946

SALE $ 5760.00

X_____
SIGNATURE

* PLEASE IMPRINT CARD *

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (800)261-3600

MERCHANT 1702 829740003916 002
DECEMBER 17, 1999 02:32PM

BATCH # : 128 REF # : 007
ACCOUNT # : 4000120261122626
TYPE : VISA
AUTH # : 000102 10/02

RETURN $ 5760.00

X_____
SIGNATURE

* PLEASE IMPRINT CARD *

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (800)261-3600

MERCHANT 1702 829740003916 002
DECEMBER 17, 1999 02:31PM

BATCH # : 128 REF # : 006
ACCOUNT # : 4237950007822332
TYPE : VISA 01/00
AUTH # : 017946

SALE $ 5760.00

X_____
SIGNATURE

* PLEASE IMPRINT CARD *

CUSTOMER COPY - NO SIGNATURE.

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (800)261-3600

MERCHANT 1702 829740003916 002
DECEMBER 17, 1999 02:32PM

BATCH # : 128 REF # : 007
ACCOUNT # : 4000120261122626
TYPE : VISA
AUTH # : 000102 10/02

RETURN $ 5760.00

X_____
SIGNATURE

* PLEASE IMPRINT CARD *

CUSTOMER COPY - NO SIGNATURE.

MILLENNIUM luxury car rentals

RENTAL AGREEMENT

NO DRIVER UNDER THE AGE OF 21

Tracy Sloan

Jm# 202-225-5261

XPIRATION OF CONTRACT

ATE DUE: 12/10/99 10:00 AM PM EXTENDED TO: Dec 24

NO. 707346

NTER NAME: Richard Detore HOME PHONE: 703-365-8000

ME ADDRESS: 3305 Balmoral Greens Ave VERIFIED

Y: Clifton STATE: VA ZIP CODE: 20124

VER'S LICENSE: 6271 1625 STATE: VA EXP. DATE: 3/28/05

E OF BIRTH: -3-66 SOCIAL SECURITY # VERIFIED

AL CONTACT ADDRESS PHONE

LOYER: SAerospace POSITION: COO VERIFIED

LOYER'S ADDRESS: 817 Godwin Drive PHONE: 703-365-8000

SURANCE CO. POLICY # PHONE

SURANCE AGENT CLAIM # OTHER

VEH #	LICENSE #	VIN
3	769655K	1G1YY32G9X5104

YEAR-CAR LINE: 1999 Chevrolet MODEL/COLOR: Corvette / Black

ODOMETER OUT: DATE & TIME OUT: 11 / 10 / 99 AM PM 10:00

ODOMETER IN: 9980 DATE & TIME IN: / / AM PM

MILES DRIVEN: MILES ALLOWED: 100 per day MILES CHARGED

RENTAL RATES DO NOT INCLUDE FUEL			CHARGES
HOURS	0 $	PER HOUR	$
DAYS	30 0 $	PER DAY	$
1 Month	0 $ 5000	Miles PER MILE	$ 500.00
MILES	0 $ 56 cents	PER MILE	$
FUEL GALS	0 $		$
VEHICLE DAMAGE WAIVER	0 $ 20	PER DAY	$ 600
SLI	0 $	PER DAY	$
PAI	0 $	PER DAY	$
PEI	0 $	PER DAY	$
SUB TOTAL	Additional Driver $10/day		$ 300.00
SALES TAX	8%		$ 360
OTHER	Delivery - Manassas		$ Waived
SUB TOTAL		TAX	$
LESS CREDITS/DEPOSIT/OTHER	Breeze net Discount 10%		$ 120.00
TOTAL CHARGES			$ 540
CASH REFUND / CUSTOMER INITIAL			$

THE BELOW NAMED PERSONS ARE AUTHORIZED AS ADDITIONAL DRIVERS. NE, PRINT "NONE" ACROSS THIS SECTION AND HAVE SIGNED BY RENTER.

AMES A TRAFICANT JR. DATE OF BIRTH 05/08/41

M 983095 EXP. DATE / /

DATE OF BIRTH / /

S LICENSE # EXP. DATE / /

FUEL OUT	FUEL IN
E	E
1/4	1/4
1/2	1/2
(3/4)	3/4
F	F

000 Ded with VEHICLE DAMAGE WAIVER ACCEPTS [x]

$ 20 PER DAY, $ _____ PER WEEK. BY INITIALIZING A BOX, RENTER ACCEPTS UNES VEHICLE DAMAGE WAIVER FOR RATES LISTED ABOVE AND FOR DAMAGE OPTION BELOW. BY WER (circle one) $ _____ AMOUNT PER OCCURRENCE REGARDLESS OF CAUSE. NOTICE: WAIVER OT COVER LOSS OR DAMAGE RESULTING FROM ANY VIOLATION OF PARAGRAPHS 1 OR 2 OF THIS DENT, FOR MISSING VEHICLE PARTS OR INTERIOR VEHICLE DAMAGE OTHER THAN NORMAL WEAR AND USED BY OCCUPANTS. BY DECLINING WAIVER, CUSTOMER ACCEPTS FULL RESPONSIBILITY LOSS/DAMAGE TO RENTAL VEHICLE. DECLINES [x]

CLE DAMAGE WAIVER IS NOT INSURANCE

Supplemental Liability Insurance (SLI), ional Accident Insurance (PAI) and Personal Effects Insurance (PEI)

ad and understand the material which describes these benefits and conditions, the material which ble at this rental office.

d the rate shown on the front of this contract, or decline, SLI, PAI, PEI and/or as indicated below by my understand that I will be charged a rate per rental day for each full or partial day. Acceptance is overage."

SLI		PAI		PEI	
CEPTS	DECLINES	ACCEPTS	DECLINES	ACCEPTS	DECLINES
	x	x	x	x	x

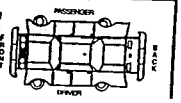
CONDITION OUT: Traficant Jr. 42379500 8982 2332 01 08 OPERATED BY:

CONDITION IN: Cust to check for $5000 with mail CHECKED BY:

1202 6112 2626 EXP. DATE 10/02 (HOLD ONLY) AUTH. CODE

TENTION LAW ENFORCEMENT
S AUTO IS STOPPED FOR ANY ON AND THE DRIVER IS NOT ORIZED ON THIS RENTAL AGREE- CONSIDER THIS AUTO STOLEN. E IMPOUND AUTO, TAKE NECES- ACTION AGAINST THE DRIVER ALL OUR RENTAL OFFICE.

X = Dent
O = Missing
- = Scratch



RENTER HAS READ BOTH SIDES OF THIS AGREEMENT AND AGREES TO THE TERMS AND CONDITIONS THEREOF. RENTER AUTHORIZES RENTOR TO PROCESS A CREDIT CARD VOUCHER, IF ANY, IN RENTOR'S NAME. RENTER MAY BE PROSECUTED IF VEHICLE IS NOT RETURNED WHEN DUE BACK. THIS AGREEMENT SHOULD NOT EXCEED A 30 DAY PERIOD.

RENTER SIGNATURE

EXTEND TO	ADDITIONAL COST DEPOSIT $	DATE	INITIALS

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (888)261-3688

Corvette

MERCHANT 1702 02974003916 002
DECEMBER 20, 1999 03:34PM

BATCH # : 129 REF # : 001
ACCOUNT # : 4237958007822332
TYPE : VISA 01/00
AUTH # : 020091

SALE $ 1306.80

X_____
SIGNATURE

* PLEASE IMPRINT CARD *

MILLENIUM LUXURY CAR RENTALS
431 W. MAPLE AVE.
VIENNA, VA. 22180
PHONE (888)261-3688

MERCHANT 1702 02974003916 002
DECEMBER 20, 1999 03:34PM

BATCH # : 129 REF # : 001
ACCOUNT # : 4237958007822332
TYPE : VISA 01/00
AUTH # : 020091

SALE $ 1306.80

X_____
SIGNATURE

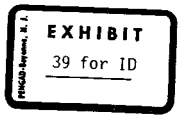
* PLEASE IMPRINT CARD *

CUSTOMER COPY - NO SIGNATURE



USAG - Expense Summary Submitted By Richard Detore
Exhibit 8-62(2)

Date Meal Provided	Detail	Total
02/04/1998	Carmellos - Briefing - Congressman Jim Traficant	260.00
04/29/1998	Taverna - Meeting at Congress - Congressman Jim Traficant	157.08
05/06/1998	Taverna - Dinner with Congressman Jim Traficant	105.59
05/20/1998	Taverna - Meeting at Congress - Congressman Jim Traficant	92.28
06/17/1998	Taverna- Business Meeting - Congressman Jim Traficant	92.03
06/23/1998	Taverna - Business Meeting - Congressman Jim Traficant	112.53
07/23/1998	Taverna - Business Meeting - Congressman Jim Traficant	105.43
07/14/1998	American Café - Business Lunch - Congressman Jim Traficant	25.27
07/14/1998	Taverna - Late Meeting - Congressman Jim Traficant	68.69
07/15/1998	Taverna -Meeting at Congress - Congressman Jim Traficant	90.58
08/05/1998	Taverna - Late Meeting - Congressman Jim Traficant	149.75
09/09/1998	Taverna - HEF Trip - Congressman Jim Traficant	124.73
09/15/1998	Taverna - Business Meeting - Congressman	83.54
09/24/1998	Taverna - Dinner/Meeting Customer - Washington	140.45
10/06/1998	Taverna - Business Meeting - Congressman	129.57
10/12/1998	Taverna - Business Meeting - Customer	136.83
	TOTAL 1998	1,874.35
02/24/1999	Taverna Receipt	70.88
03/23/1999	Taverna - Business Meeting - Manassas	101.28
04/12/1999	Taverna - Business Dinner Meeting Washington	116.65
04/21/1999	Taverna - Business Meeting Washington $104.23 + $20.00 Tip (Receipt)	124.23
05/11/1999	Taverna - Business Meeting Washington	135.02
05/19/1999	Taverna - Business Meeting Washington Cash Receipt	120.00
09/22/1999	Taverna	148.98
10/06/1999	Taverna	110.32
10/13/1999	Taverna	88.68
09/29/1999	Taverna Receipt	124.62
10/21/1999	Taverna Receipt	90.08
10/18/1999	Taverna Receipt	79.84
10/26/1999	Taverna Receipt	180.06
11/03/1999	Taverna Receipt	77.87
11/10/1999	Taverna Receipt	56.39
11/16/1999	Taverna Receipt	142.67
12/17/1999	Taverna Receipt	34.39
	TOTAL 1999	1,801.96
	GRAND TOTAL	3,676.31





Albert Lange, Jr. - Schedule Of Payments Made For
James A. Traficant Boat Expenses

Date Paid	How Paid	Payee: Bruce Sannino	Payee: Ernst De Groot	Payee: Eastern Power Boat Club	Amount: 1998	Amount: 1999	Exhibit
08/14/98	Receipt	600.00			600.00		8-36.1
08/20/98	Receipt		300.00		300.00		8-36.1
08/24/98	Receipt - Check #604			400.00	400.00		8-36.1/8-38
08/24/98	Receipt -Check #605			200.00	200.00		8-36.1/8-38
08/24/98	Receipt - Check #606			25.00	25.00		8-36.1/8-38
08/22/98	Receipt			1,750.00	1,750.00		8-36.2
08/28/98	Receipt	3,000.00			3,000.00		8-36.1
09/04/98	Receipt		100.00		100.00		8-36.1
09/09/98	Receipt		1,500.00		1,500.00		8-36.1
09/11/98	Receipt		1,500.00		1,500.00		8-36.1
09/25/98	Receipt		1,000.00		1,000.00		8-36.1
09/29/98	Receipt		3,000.00		3,000.00		8-36.1
09/30/98	Receipt - Check #633		1,848.34		1,848.34		8-36.1/8-38
01/06/99	Check #691			774.00		774.00	8-36.3/8-38
01/06/99	Check #692			300.00		300.00	8-36.3/8-38
01/06/99	Receipt & Statement - 1/1/99 - 3/3/99		500.00			500.00	8-36.1/8-36.2
03/04/99	Statement - Check #732		750.00			750.00	8-36.1/8-38
03/18/99	Handwritten Record - Check#737		711.76			711.76	8-36.2/8-38
03/18/99	Handwritten Record - Check #738			100.00		100.00	8-36.2/8-38
03/25/99	Handwritten Record - Check #745		1,844.00			1,844.00	8-36.2/8-38
04/08/99	Handwritten Record - Check #753		2,426.52			2,426.52	8-36.2/8-38
06/03/99	Handwritten Record - Check# 787		1,400.00			1,400.00	8-36.2/8-38
09/20/99	Handwritten Record - Check #841			772.17		772.17	8-36.2/8-38
Total		3,600.00	16,880.62	4,321.17	15,223.34	9,578.45	
Total 1998 & 1999						24,801.79	

Expenses By Category

Repairs:	
Bruce Sannino	3,600.00
Ernst De Groot	16,880.62
Total Boat Repair Expense	20,480.62
Slip Rent, Electric & Membership:	
Eastern Power Boat Club	4,321.17
Total Boat Expenses	24,801.79

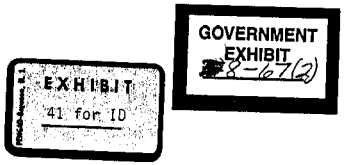
JOINT EXHIBIT

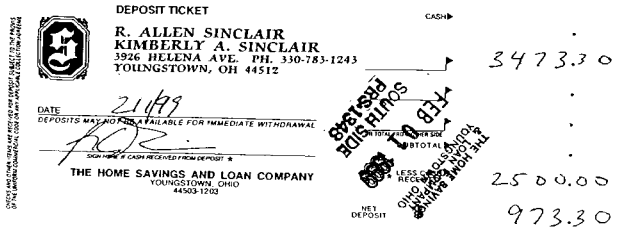
EXHIBIT 40 for ID

GOVERNMENT EXHIBIT 8-67(1) 4:00CR207

John J. Cafaro & John J. Cafaro Company Schedule Of
Payments Reimbursing James A. Traficant Boat Expenses

Date	Payor	Check Number	Payee	Amount	Exhibit
08/13/98	John J. Cafaro	3352	Cash	3,500.00	8-19
08/27/98	John J. Cafaro	3362	Al Lange	3,800.00	8-20
09/10/98	The Cafaro Company	86997	Al Lange	3,000.00	8-21/8-22/8-24
09/28/98	John J. Cafaro	3390	Cash	6,000.00	8-28
12/24/98	John J. Cafaro	3588	Richard Detore	8,000.00	8-33/8-35
01/17/00	U.S.A.G.	1024	Al Lange Jr	2,172.17	8-39
Total				26,472.17	




DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

CASH 3473.30

DATE 2/4/99
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

SIGN HERE IF CASH RECEIVED FROM DEPOSIT

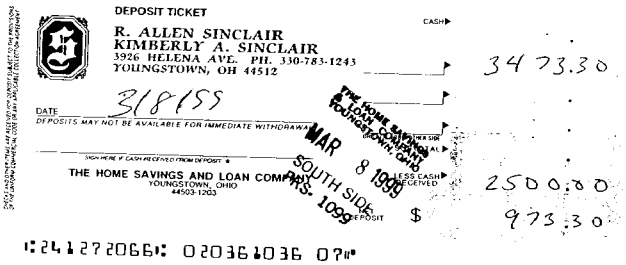
THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

SOUTH SIDE FEB 5 1999 THE HOME SAVINGS AND LOAN COMPANY YOUNGSTOWN OHIO

TOTAL
LESS CASH RECEIVED 2500.00
NET DEPOSIT 973.30

(1)

⑆241272066⑆ 020361036 07⑈


DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

CASH 3473.30

DATE 3/8/99
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

SIGN HERE IF CASH RECEIVED FROM DEPOSIT

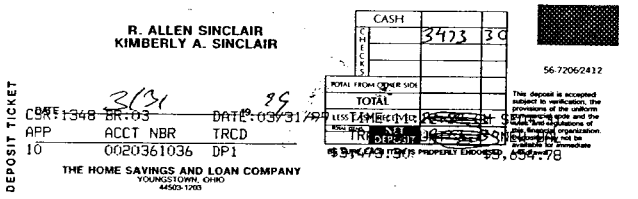
THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

THE HOME SAVINGS AND LOAN COMPANY YOUNGSTOWN OHIO MAR 8 1999 SOUTH SIDE MS. 1099

TOTAL
LESS CASH RECEIVED 2500.00
DEPOSIT $ 973.30

(2)

⑆241272066⑆ 020361036 07⑈


R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR

DEPOSIT TICKET

DATE 2/24/99

CASH 3473 30

56-7206/2412

TOTAL FROM OTHER SIDE

TOTAL

LESS CASH RECEIVED

NET DEPOSIT

This deposit is accepted subject to verification. The provisions of the uniform commercial code and the rules and regulations of this financial organization. Funds may not be available for immediate withdrawal.

CSR 1348 BR:03 DATE:03/31/99 TIME:08:34:47

APP	ACCT NBR	TRCD
10	0020361036	DP1

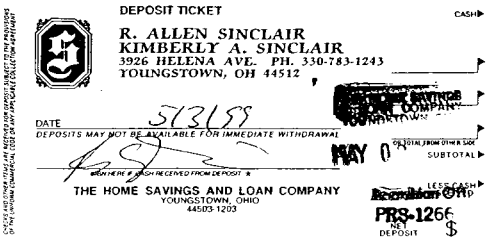
THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

(3)

⑆241272066⑆ 020361036 07⑈

EXHIBIT
42 for ID

GOVERNMENT EXHIBIT
4:01CR207



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

CASH ▶ 3473.30

DATE 5/3/99

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

OR TOTAL FROM OTHER SIDE

SUBTOTAL ▶

SIGN HERE IF CASH RECEIVED FROM DEPOSIT ★

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

LESS CASH ▶ 2500.00

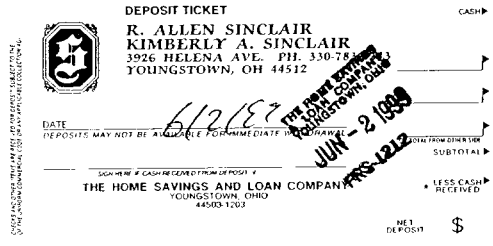
NET DEPOSIT $ 973.30

MAY 0

PRS-1266

(4)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

CASH ▶ 3474.65

DATE 6/2/99

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

OR TOTAL FROM OTHER SIDE

SUBTOTAL ▶

SIGN HERE IF CASH RECEIVED FROM DEPOSIT ★

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

LESS CASH RECEIVED ▶ 2500.00

NET DEPOSIT $ 974.65

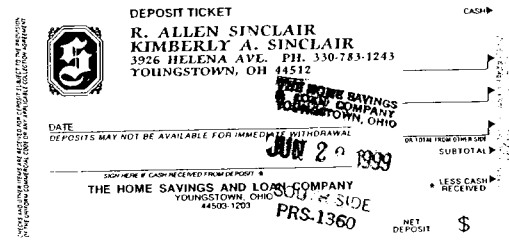
THE HOME SAVINGS AND LOAN COMPANY YOUNGSTOWN, OHIO

JUN - 2 1999

PRS-1212

(5)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

CASH ▶ 3424.65

DATE

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

OR TOTAL FROM OTHER SIDE

SUBTOTAL ▶

SIGN HERE IF CASH RECEIVED FROM DEPOSIT ★

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

LESS CASH RECEIVED ▶ 2500.00

NET DEPOSIT $ 924.65

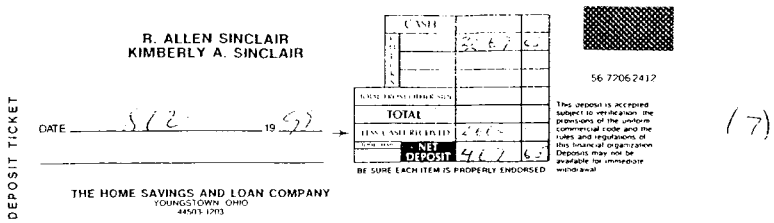
THE HOME SAVINGS AND LOAN COMPANY YOUNGSTOWN, OHIO

JUN 2 0 1999

PRS-1360

(6)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR

DATE 5/2 19 99

CASH	567	65
TOTAL		
LESS CASH RECEIVED	2500	
NET DEPOSIT	567	65

BE SURE EACH ITEM IS PROPERLY ENDORSED

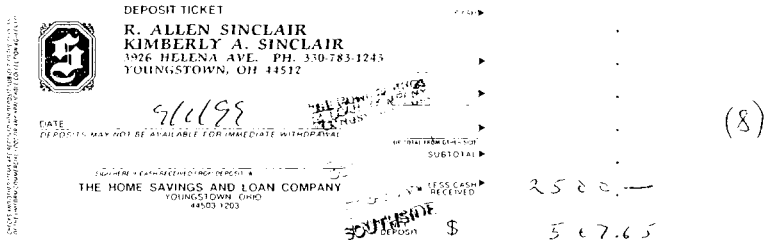
56 72062412

This deposit is accepted subject to verification, the provisions of the uniform commercial code and the rules and regulations of this financial organization. Deposits may not be available for immediate withdrawal

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

(7)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

DATE 9/1/99

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

SUBTOTAL

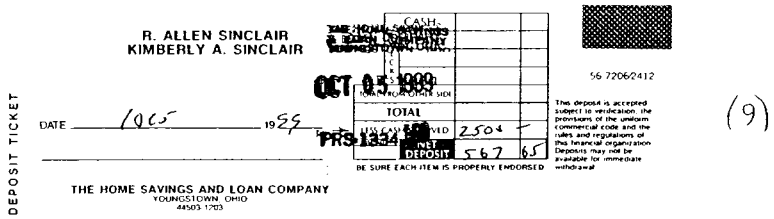
LESS CASH RECEIVED 2500.—

DEPOSIT $ 567.65

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

(8)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR

DATE 10/5 19 99

CASH		
TOTAL		
LESS CASH RECEIVED	2500	—
NET DEPOSIT	567	65

BE SURE EACH ITEM IS PROPERLY ENDORSED

OCT 05 1999
PRS 1334

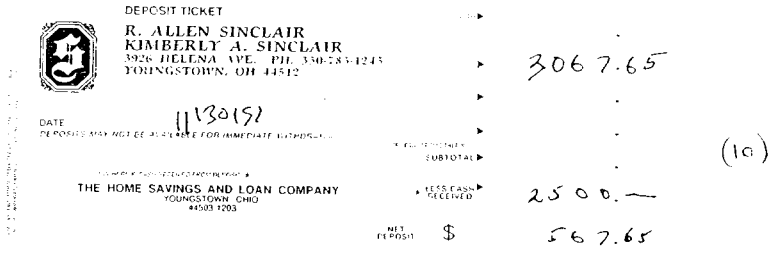
56 72062412

This deposit is accepted subject to verification, the provisions of the uniform commercial code and the rules and regulations of this financial organization. Deposits may not be available for immediate withdrawal

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

(9)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

DATE 11/30/(5)

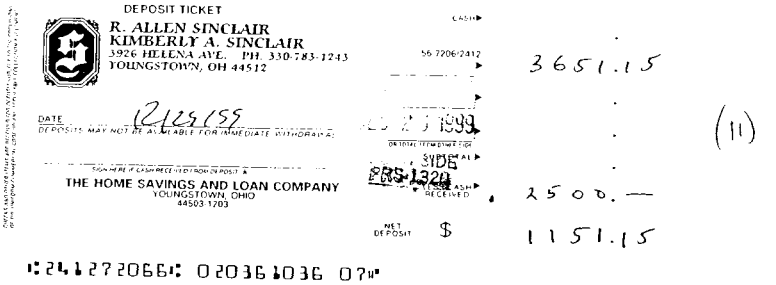
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

CASH
56-7206/2412 3067.65
SUBTOTAL
LESS CASH RECEIVED 2500.—
NET DEPOSIT $ 567.65

(10)

⑆241272066⑆ 020361036 07⑈



DEPOSIT TICKET

R. ALLEN SINCLAIR
KIMBERLY A. SINCLAIR
3926 HELENA AVE. PH. 330-783-1243
YOUNGSTOWN, OH 44512

DATE 12/15/99

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

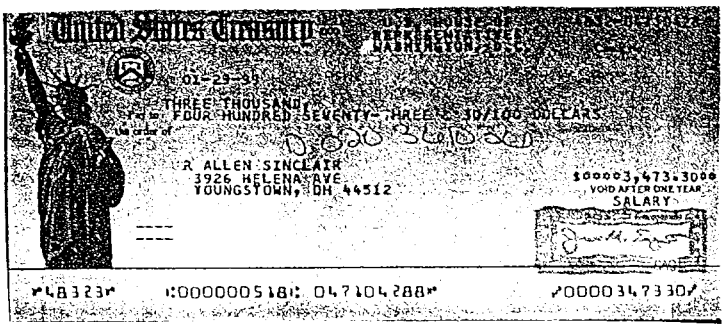
THE HOME SAVINGS AND LOAN COMPANY
YOUNGSTOWN, OHIO
44503-1203

CASH
56-7206/2412 3651.15
SUBTOTAL
LESS CASH RECEIVED 2500.—
NET DEPOSIT $ 1151.15

(11)

⑆241272066⑆ 020361036 07⑈

020 361036
DEPOSIT
02-01-99
$973.30



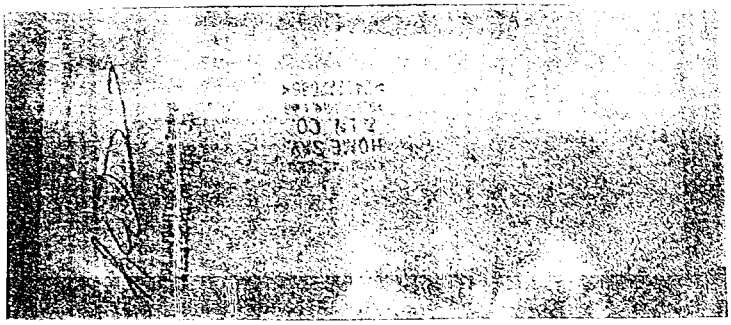
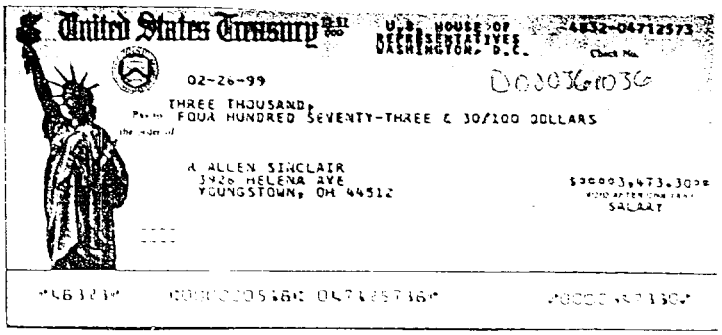


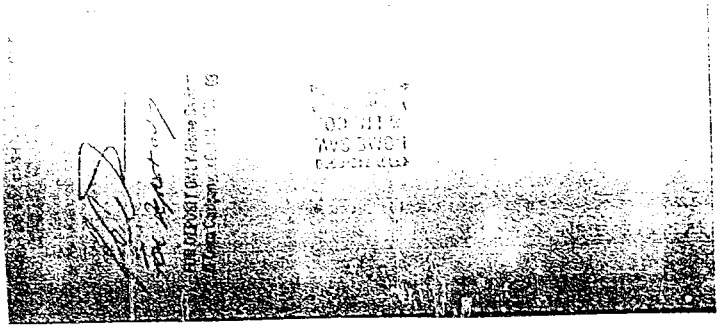
EXHIBIT
43 for ID

GOVERNMENT
EXHIBIT
1-4(1)
4:01CR207

The Home Savings & Loan Co
P.O. Box 1111
Youngstown, Ohio 44501-1111

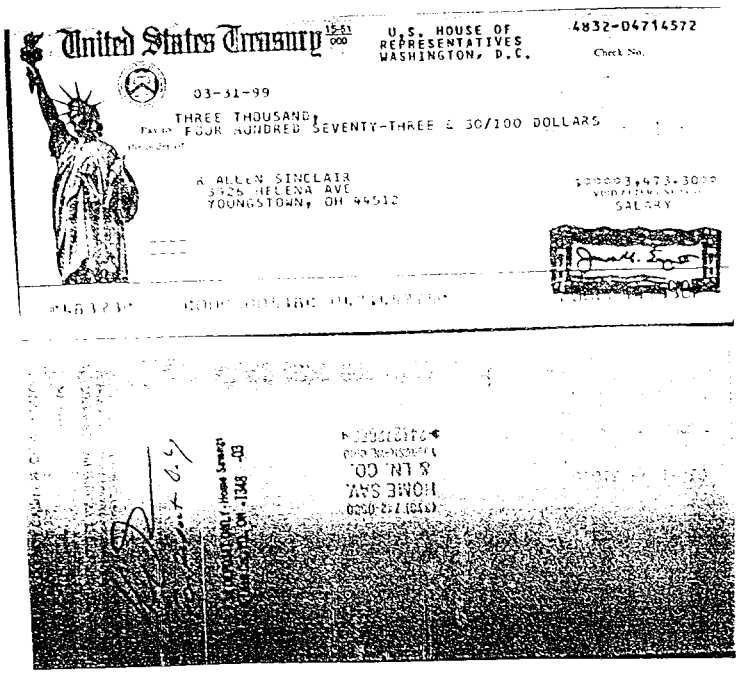
020361036
DEPOSIT
03-08-99
$973.30


United States Treasury
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
4432-04712573
02-26-99
020361036
THREE THOUSAND,
FOUR HUNDRED SEVENTY-THREE & 30/100 DOLLARS
R ALLEN SINCLAIR
3420 HELENA AVE
YOUNGSTOWN, OH 44512
$3000.473.30
SALARY



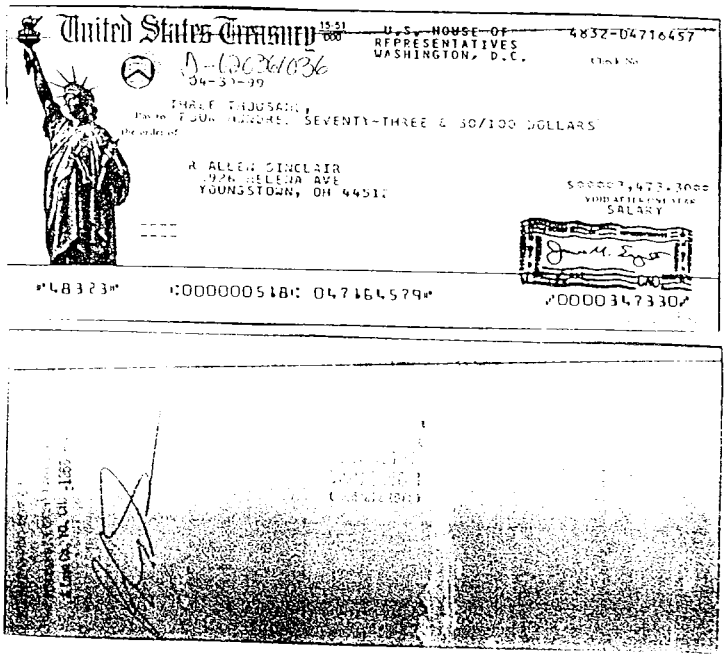
The Home Savings & Loan Co
P.O. Box 1111
Youngstown, Ohio 44501-1111

020361036
DEPOSIT
03-31-99
$ 3,473.30


United States Treasury
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
4832-04714572
Check No.
03-31-99
THREE THOUSAND, FOUR HUNDRED SEVENTY-THREE & 30/100 DOLLARS
R ALLEN SINCLAIR
3525 HELENA AVE
YOUNGSTOWN, OH 44512
SALARY

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

020361360
DEPOSIT
05-03-99
$973.30



United States Treasury 15-51 000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04716457

Check No.

D-020361036
04-30-99

THREE THOUSAND,
Pay to FOUR HUNDRED SEVENTY-THREE & 30/100 DOLLARS
the order of

R ALLEN SINCLAIR
1926 HELENA AVE
YOUNGSTOWN, OH 44512

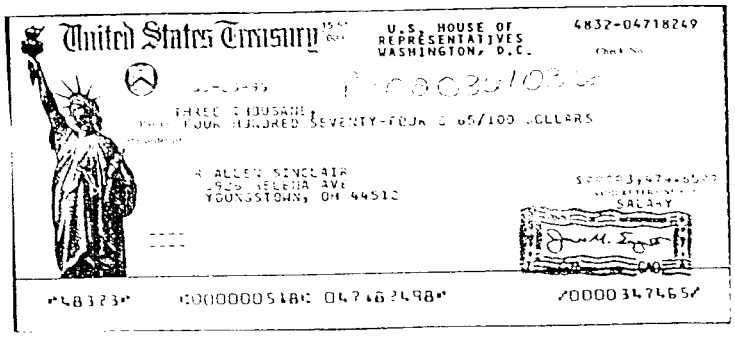
$00003,473.3000
VOID AFTER ONE YEAR
SALARY

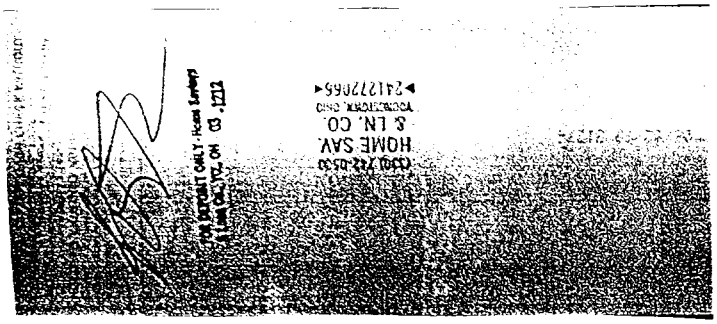
⑈48323⑈ ⑆000000518⑆ 047164579⑈ ⑇0000347330⑇

Check Amount $3,473.30

The Home Savings & Loan Co
P.O. Box 1111
Youngstown, Ohio 44501-1111

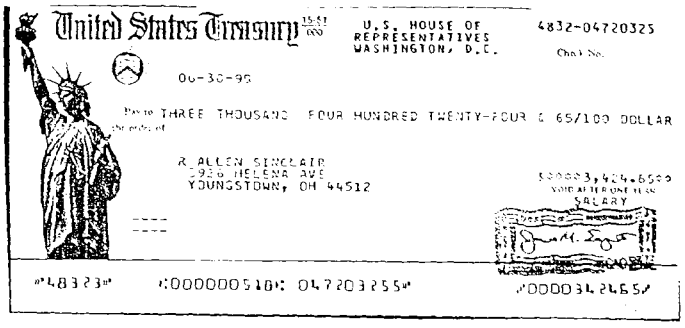
020361036
DEPOSIT
06-02-99
$974.65

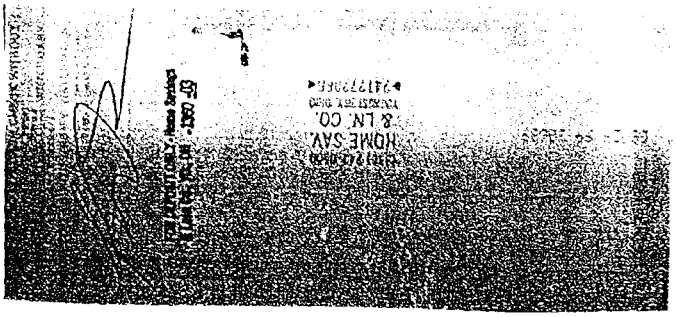




The Home Savings & Loan Co
P.O. Box 1111
Youngstown, Ohio 44501-1111

020361036
DEPOSIT
06-24-99
$924.65


United States Treasury
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
4832-04720325
Check No.
06-30-99
Pay to THREE THOUSAND FOUR HUNDRED TWENTY-FOUR & 65/100 DOLLAR
R ALLEN SINCLAIR
7936 HELENA AVE
YOUNGSTOWN, OH 44512
SALARY
"48323" :000000518: 047203255" "0000324265"



The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

DEPOSIT
08-02-99
$467.65

United States Treasury 15-51/000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04722567
Check No.

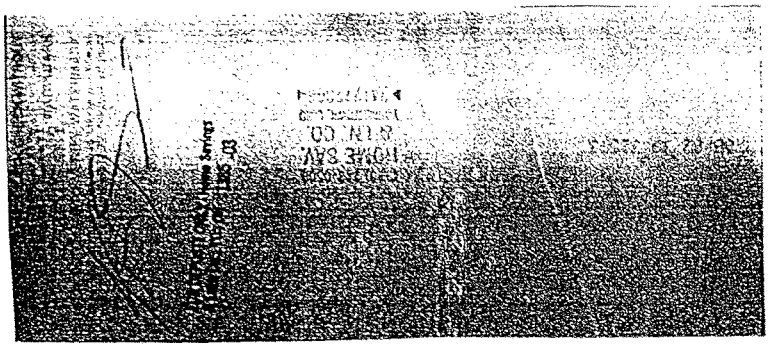
07-30-99

Pay to THREE THOUSAND SIXTY-SEVEN & 65/100 DOLLARS
the order of

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

$****3,067.65**
VOID AFTER ONE YEAR
SALARY

⑈48323⑈ ⑆000000518⑆ 047225673⑈ ⑈0000306765⑈



The [illegible] Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

020361036
DEPOSIT
09-01-99
$567.65

United States Treasury

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04724694

Check No.

020361036

03-31-99

Pay to the order of THREE THOUSAND SIXTY-SEVEN & 65/100 DOLLARS

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

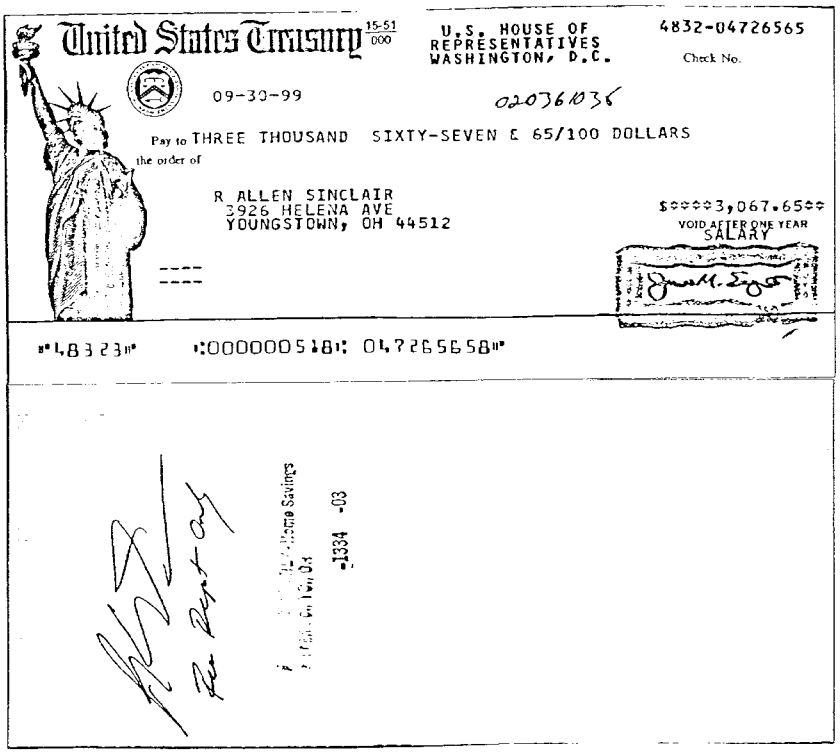
$****3,067.65**
VOID AFTER ONE YEAR
SALARY

⑈48323⑈ ⑆000000518⑆ 04724694⑈ 70000306765⑈

FOR DEPOSIT ONLY
The Home Savings & Loan Co.
Youngstown, Ohio 44501-1111

The Home Savings & Loan Co.
P.O. box 1111
Youngstown, Ohio 44501-1111

020361036
DEPOSIT
10-05-99
$567.65



United States Treasury 15-51/000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04726565
Check No.

09-30-99

020361036

Pay to THREE THOUSAND SIXTY-SEVEN & 65/100 DOLLARS
the order of

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

$****3,067.65**
VOID AFTER ONE YEAR
SALARY

⑈4832⑈ ⑆000000518⑆ 04726565⑈

-1334 -03

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

U20361036
DEPOSIT
11-02-99
$567.65

United States Treasury 15-51/000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04728411
Check No.

10-29-99

P20361036

Pay to the order of THREE THOUSAND SIXTY-SEVEN & 65/100 DOLLARS

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

$****3,067.65**
VOID AFTER ONE YEAR
SALARY

⑈48323⑈ ⑆000000518⑆ 047284116⑈

WARNING - DO NOT CASH CHECK WITHOUT

HOLD TO LIGHT TO VIEW CITY WATER MARK

FOR DEPOSIT ONLY-Home Savings
& Loan Company, Yo., OH PRS 1000

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

DEPOSIT
11-30-99
$567.65

United States Treasury 15-51 000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04730172

Check No.
D-0803601036

11-30-99

Pay to the order of THREE THOUSAND SIXTY-SEVEN & 65/100 DOLLARS

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

$****3,067.65**
VOID AFTER ONE YEAR
SALARY

⑈48323⑈ ⑆000000518⑆ 04730172⑈

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

U&U 561036
DEPOSIT
12-29-99
$1,151.15

United States Treasury 15-51 000

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

4832-04731856
Check No.

12-20-99

Pay to THREE THOUSAND SIX HUNDRED FIFTY-ONE & 15/100 DOLLARS
the order of

R ALLEN SINCLAIR
3926 HELENA AVE
YOUNGSTOWN, OH 44512

$****3,651.15**
VOID AFTER ONE YEAR
SALARY

⑈48323⑈ ⑆000000518⑆ 047318568⑈

FOR DEPOSIT ONLY - Home Savings & Loan Co., YO., OH - 1320

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

1000

*** E16 ***

50 Page 1

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

R ALLEN SINCLAIR OR
KIM SINCLAIR
3926 HELENA AVE
YOUNGSTOWN OH 44512-1201

Statement Date: 01/20/99
Account Number: 020361036
Social Security No: 291-62-2154

********** CHECKING ACCOUNT 020361036 **********

All Transactions by Date

Date	Description	Amount	Balance
12/19	Balance Forward ---------->		2,109.92
12/21	METLIFE 550INS PAYMT	69.00-	2,040.92
12/21	ATM 7525 MARKET STREET YOUNGSTOWN OH	3,779.42	5,840.34
12/21	ATM BOARDMAN SPARK YOUNGSTOWN OH	71.95-	5,768.39
12/21	ATM OLD NAVY #5745 YOUNGSTOWN OH	5.25-	5,763.14
12/21	Withdrawal (L.O.C. Payment)	71.48-	5,691.66
12/22	ATM RITE AID CORP YOUNGSTOWN OH	98.02-	5,593.64
12/22	Check Number 3927	101.51-	5,492.13
12/22	Check Number 3936	120.00-	5,372.13
12/22	Check Number 3925	505.72-	4,866.41
12/23	Check Number 3934	20.00-	4,846.41
12/23	Check Number 3931	26.00-	4,820.41
12/23	Check Number 3929	52.78-	4,767.63
12/23	Check Number 3917	65.00-	4,702.63
12/24	ATM FELPAUSCH FD C EATON RAPIDS MI	62.14-	4,640.49
12/24	Check Number 3918	20.00-	4,620.49
12/24	Check Number 3923	29.77-	4,590.72
12/24	Check Number 3920	58.31-	4,532.41
12/24	Check Number 3928	60.33-	4,472.08
12/25	Withdrawal	2,500.00-	1,972.08
12/28	ATM TARGET MIDLAND MI	12.31-	1,959.77
12/28	ATM 00240610053122 LANSING MI	59.97-	1,899.80
12/28	ATM TRANSACTION SERVICE CHARGE	.50-	1,899.30
12/28	Check Number 3919	10.00-	1,889.30
12/28	Check Number 3931	20.00-	1,869.30
12/28	Check Number 3921	29.96-	1,839.34
12/28	Check Number 3932	41.65-	1,797.69
12/28	Check Number 3922	46.84-	1,750.85
12/29	STATE FARM RO 16INSURANCE	115.10-	1,635.75
12/30	Check Number 3937	124.78-	1,510.97
12/31	Interest Paid	1.98	1,512.95
01/04	ATM WALGREEN BOARDMAN OH	113.18-	1,399.77
01/04	Check Number 3926	55.06-	1,344.71
01/04	Check Number 3938	104.25-	1,240.46
01/05	Check Number 3946	14.75-	1,225.71
01/05	Check Number 3945	15.37-	1,210.34

------ Continued on next page ------

10-S

GOVERNMENT EXHIBIT 4:01CR207

EXHIBIT 44 for ID

1001

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

70

Page 1

R ALLEN SINCLAIR OR
KIM SINCLAIR
3926 HELENA AVE
YOUNGSTOWN OH 44512-1201

Statement Date: 04/20/99
Account Number: 020361036
Social Security No: 291-62-2154

********** CHECKING ACCOUNT 020361036 **********

All Transactions by Date

Date	Description	Amount	Balance
03/20	Balance Forward ---------->		1,794.83
03/22	METLIFE 550INS. PAYMT	49.00-	1,745.83
03/22	Check Number 4048	10.00-	1,735.83
03/22	Check Number 4040	53.97-	1,681.86
03/22	Check Number 4039	79.33-	1,602.53
03/22	Check Number 4045	350.05-	1,252.48
03/22	Check Number 4054	370.00-	882.48
03/22	Check Number 4043	505.72-	376.76
03/22	Withdrawal (L.O.C. Payment)	92.20-	284.56
03/23	Check Number 4058	35.00-	249.56
03/23	Check Number 4041	58.66-	190.90
03/23	Check Number 4055	79.52-	111.38
03/24	Deposit	1,000.00	1,111.38
03/24	Check Number 4057	9.50-	1,101.88
03/24	Check Number 4053	10.00-	1,091.88
03/24	Check Number 4052	10.00-	1,081.88
03/25	STATE FARM RO 16INSURANCE	109.66-	972.22
03/25	Check Number 4072	5.00-	967.22
03/25	Check Number 4068	24.28-	942.94
03/25	Check Number 4063	29.61-	913.33
03/25	Check Number 4069	44.26-	869.07
03/25	Check Number 4059	58.50-	810.57
03/26	ATM WAL MART POLAND BOARD OH	32.26-	778.31
03/26	Check Number 4070	99.75-	678.56
03/26	Check Number 4071	179.35-	499.21
03/29	Check Number 4067	20.00-	479.21
03/29	Check Number 4074	45.56-	433.65
03/30	Deposit	1,500.00	1,933.65
03/30	ATM 4005 HILLMAN WAY YOUNGSTOWN OHUS	350.00	2,283.65
03/30	Check Number 4073	4.79-	2,278.86
03/30	Check Number 4075	25.00-	2,253.86
03/30	Check Number 4078	34.46-	2,219.40
03/30	Check Number 4076	37.92-	2,181.48
03/31	Deposit	3,473.30	5,654.78
03/31	Withdrawal	2,500.00-	3,154.78
03/31	Check Number 4065	10.00-	3,144.78

---- Continued on next page ----

*** N06 ***

10-5

GOVERNMENT EXHIBIT 4:01CR207

EXHIBIT 45 for ID

PENGAD-Bayonne, N. J.

The Home Savings & Loan Co.
P.O. Box 1111
Youngstown, Ohio 44501-1111

R,ALLEN,SINCLAIR OR
KIM,,SINCLAIR
3926 HELENA AVE
YOUNGSTOWN OH 44512-1201

Statement Date: 11/20/99

Account Number: 20361036

********** CHECKING ACCOUNT 20361036 **********

All Transactions by Date

Date	Description	Amount	Balance
10/20	Balance Forward ---------->		1,760.55
10/21	ATM 7525 MARKET STREET YOUNGSTOWN OH	20.00-	1,740.55
10/21	Check Number 4501	23.13-	1,717.42
10/21	Check Number 4497	33.44-	1,683.98
10/21	Check Number 4499	60.89-	1,623.09
10/21	Withdrawal (L.O.C. Payment)	19.27-	1,603.82
10/22	Check Number 4496	27.46-	1,576.36
10/22	Check Number 4506	171.51-	1,404.85
10/25	Check Number 4511	10.00-	1,394.85
10/25	Check Number 4510	37.71-	1,357.14
10/25	Check Number 4513	57.89-	1,299.25
10/25	Check Number 4503	80.73-	1,218.52
10/25	Check Number 4502	93.15-	1,125.37
10/25	Check Number 4509	120.00-	1,005.37
10/25	Check Number 4507	494.00-	511.37
10/26	STATE FARM RO 16 INSURANCE	141.81-	369.56
10/26	Deposit	1,900.00	2,269.56
10/26	ATM FAMILY BOOKSTO YOUNGSTOWN OH	23.14-	2,246.42
10/26	Check Number 4505	74.50-	2,171.92
10/26	Check Number 4514	100.00-	2,071.92
10/27	ATM GORANT'S #0742 YOUNGSTOWN OH	43.17-	2,028.75
10/27	ATM BOARDMAN SPARK YOUNGSTOWN OH	30.34-	1,998.41
10/27	ATM 746 BOARDMAN CANFIELD YOUNGSTOWN	103.70-	1,894.71
10/27	ATM TRANSACTION SERVICE CHARGE	.50-	1,894.21
10/27	ATM PARTY MAX YOUNGSTOWN OH	44.87-	1,849.34
10/27	ATM OH EYE ASSOCIA YOUNGSTOWN OH	120.00-	1,729.34
10/27	Check Number 4518	60.00-	1,669.34
10/27	Check Number 4515	14.05-	1,655.29
10/27	Check Number 4504	50.00-	1,605.29
10/27	Check Number 4517	56.06-	1,549.23
10/28	ATM HEAVEN ON EART BOARDMAN OH	75.00-	1,474.23
10/28	Check Number 4516	14.98-	1,459.25
10/28	Check Number 4519	15.39-	1,443.86
10/28	Check Number 4508	53.93-	1,389.93
10/30	Check Number 4527	30.60-	1,359.33
11/01	ATM RITE AID CORP YOUNGSTOWN OH	18.33-	1,341.00

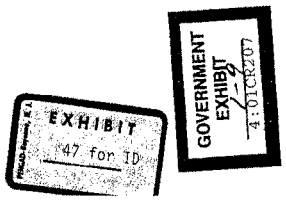




GENERATION OF CASH FROM U.S. TREASURY SALARY CHECKS BY ALLEN SINCLAIR

Check Date	Check Number	Check Amount	Date of Transaction	Name of Bank Where Negotiated	Cash Generated	Comments
Unknown	Unknown	$3,779.42	21-Dec-98 28-	Home Savings & Loan Company		Deposited to account # 20361036
Cash W/D	N/A	-	Dec-98	Home Savings & Loan Company	$2,500.00	Cash withdrawal from account #20361036
Total 1998		$3,779.42			$2,500.00	
29-Jan-99	4710428	$3,473.30	1-Feb-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
26-Feb-99	4712573	$3,473.30	8-Mar-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
03/31/1999	4714572	$3,473.30	31-Mar-99	Home Savings & Loan Company		Deposited to account # 20361036
Cash W/D	N/A	-	-	Home Savings & Loan Company	$2,500.00	Cash withdrawal from account #20361036
30-Apr-99	4716457	$3,473.30	3-May-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
26-May-99	4718249	$3,474.65	2-Jun-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
30-Jun-99	4720325	$3,424.65	29-Jun-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
30-Jul-99	4722567	$3,067.65	2-Aug-99	Home Savings & Loan Company	$2,600.00	Split deposit to account # 20361036
31-Aug-99	4724694	$3,067.65	1-Sep-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
30-Sep-99	4726565	$3,067.65	5-Oct-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
29-Oct-99	47284:1	$3,067.65	2-Nov-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
30-Nov-99	4730172	$3,067.65	30-Nov-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
20-Dec-99	4731865	$3,651.15	29-Dec-99	Home Savings & Loan Company	$2,500.00	Split deposit to account # 20361036
Total 1999		$36,308.60			$30,100.00	
Total 1998		$3,779.42			$2,500.00	
Total 1999		$39,781.90			$30,100.00	
Total 98-99		$43,561.32			$32,600.00	

1003



DEC-10-1998 15:04 US REP JAMES A TRAFICANT 202 225

JOINT EXHIBIT

GOVERNMENT EXHIBIT 1-23 4:01CR207

Washington, D.C. 20515

DISTRICT OFFICE LEASE AGREEMENT

1. Pursuant to 2 U.S.C. 57 (as modified from time to time by Committee Order) and the Regulations of the Committee on House Oversight relating to office space in home districts, it is hereby agreed between KAS Enterprises (NAME), of 11 Overhill Road (ADDRESS) Youngstown, Ohio 44512, hereafter referred to as the LESSOR, and the Honorable James A. Traficant, Jr., Member of Congress, hereafter referred to as the LESSEE, that the LESSOR shall furnish to the LESSEE 1312 square feet of office space located at 11 Overhill Road. Capital improvements by the LESSEE to the leased property are prohibited.

2. The LESSEE shall have and hold the leased premises for a term of 24 Months commencing on January 1, 1999. The term of this lease agreement may not exceed two years, and shall in no case extend beyond the constitutional term of the Congress to which the Member is elected. The LESSOR and the LESSEE agree that the amount due at the end of each month of occupancy shall be $ 656.00 per calendar month. Rent payable under this lease agreement shall be prorated on a daily basis for any fraction of a month.

3. This lease agreement may be terminated by either party by giving 30 days notice in writing to the other party.

The date on which such 30 days shall commence shall be the date such termination notice is delivered, or if mailed, the date on which such notice is postmarked. This agreement and a copy of any termination notice given shall be filed with the Office of Finance, U.S. House of Representatives, 263 Cannon House Office Building, Washington, D.C. 20515.

4. When directed by the LESSEE, the Chief Administrative Officer, U.S. House of Representatives, will remit to the LESSOR at the end of each month during the effective term of this lease agreement, the rent due computed in accordance with paragraph 2. Any payment made to the LESSOR by the Chief Administrative Officer for any period after this lease agreement has ended or has been terminated shall be refunded by the LESSOR to the Chief Administrative Officer, U.S. House of Representatives, without formal demand.

5. Neither the House of Representatives nor its Officers assumes any liability for the performance of this lease agreement. Payments made by the Chief Administrative Officer of amounts due the LESSOR by the LESSEE under the terms of this lease agreement are made solely on behalf of the Member of Congress in his official and representational capacity. Such Member assumes all liability for performance of the lease agreement and the LESSOR agrees to look solely to the LESSEE in his/her official and representational capacity for performance of the rental agreement.

6. In the event of the death, resignation, or removal from office of the LESSEE, this agreement may be terminated by the Clerk of the House of Representatives by giving thirty (30) days notice in writing to the LESSOR. The date on which such thirty (30) days shall commence shall be the date such termination notice is delivered to LESSOR, or if mailed, the date on which such notice is postmarked.

7. Any amendments, additions or modifications to this basic lease agreement, and the District Office Lease Attachment attached hereto and incorporated herein by reference, inconsistent with paragraphs 1 through 6 above shall have no force and effect to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the 11th *day of* December, 19 98.

Kimberly A. Fontana (LESSOR)
KAS Enterprises

(LESSEE)
Hon. James A. Traficant, Jr.
Finance Office

EXHIBIT 48 for ID

000106

* U.S. GPO: 1996-22-985/40018

FEB-06-2002 10:40 CI-TRIAL ILLUSTRATION 606 292 3130 P.02

1-26 (1)

Summary of Congressional Salaries - 1996 to 1999

NAME OF EMPLOYEE	TITLE	1996	1997	1998	1999
Marcone, Paul P.	Chief of Staff	$88,416.66	$91,338.92	$101,511.09	$109,195.59
Diblasio, Henry A.	Administrative Assistant	$80,000.04	$80,472.22	$ 86,538.93	-
O'Nesti, Charles Patrick	District Director	$72,124.96	$74,961.14	$ 30,915.57	-
Sinclair, R. Allen	Counsel	-	-	$ 7,937.50	$ 60,169.40
Blair, Daniel Ross	Legislative Director	$46,991.65	$48,968.77	$ 51,966.69	$ 54,700.00
Barlow, Robert W.	Staff Representative	$11,075.04	$11,636.36	$ 13,409.58	$ 41,936.34
Maluso, Claire M.	Staff Representative	-	-	$ 25,012.94	$ 41,936.34
Manente, Betty N.	Regional Director	$28,808.31	$30,113.33	$ 34,327.76	$ 41,936.34
Traficanti, Anthony	Staff Assistant	$33,900.00	$34,993.92	$ 36,765.15	$ 41,936.34
Bobby, Jacqueline Marie	Staff Representative	$38,216.65	$40,002.39	$ 20,353.82	-
Yavorsky, Grace Marie	Staff Representative	$38,216.66	$40,002.39	$ 33,132.76	-
Pollard, Devonne Richburg	Legislative Assistant	$19,791.67	$23,722.24	$ 30,466.19	$ 35,805.59
Bliton, Kimberly A. Harris	Senior Legislative Assistant	$30,250.04	$30,935.56	$ 35,733.09	$ 31,929.48
Johnson, Dennis C.	Staff Representative	-	-	-	$ 35,304.20
Buccella, George F.	Staff Representative	$25,800.00	$26,717.05	$ 29,653.44	$ 32,151.01
Davis, Carrie J.	Staff Representative	$27,221.04	$28,167.81	$ 29,719.59	$ 32,151.01
Drummond, David L.	Staff Representative	$28,500.00	$29,475.42	$ 31,068.06	$ 32,151.01
McCrudden, Charles J., III	Legislative Assistant	$27,124.96	$29,352.76	$ 17,911.09	-
Straub, Charles W.	Office Manager	-	-	$ 13,999.99	$ 26,861.07
Clark, Brian W.	Legislative Assistant	$24,117.50	$26,148.46	$ 12,800.00	-
Wefley, James M.	Legislative Assistant	$26,066.69	$ 9,099.99	-	-
Hulett, Josephine	Staff Representative	$15,009.96	$15,693.69	$ 19,799.00	$ 22,639.07
Ryan, Timothy J.	Staff Assistant	$19,965.00	$13,344.94	-	-
Palmer, Danette R.	Staff Assistant	-	-	-	$ 16,583.37
Malamisura, Heather Ann	Office Manager	$ 1,600.00	$15,356.64	$ 7,000.00	-
Dulovich, Cecelia E.	Part-time Employee	-	-	$ 4,166.68	$ 12,755.59
Sarra, Faye Lulu	Part-time Employee	$11,075.04	$11,334.27	$ 12,209.58	$ 12,632.26
Rossi, Glorian M.	Staff Representative	$10,577.00	$10,789.85	$ 11,314.58	$ 11,737.26
Mitlin, Michelle	D.C. Intern	$ 3,000.00	-	-	-
Patrone, Joyce L.	Paid Intern	-	-	$ 1,100.00	-
Fritz, Paul B.	D.C. Intern	$ 1,000.00	-	-	-
Smith, James C.	Part-time Employee	-	-	$ 1,000.00	-
Rigelsky, Michael J.	Temporary Employee	-	-	-	$ 8,440.00

EXHIBIT
49 for ID

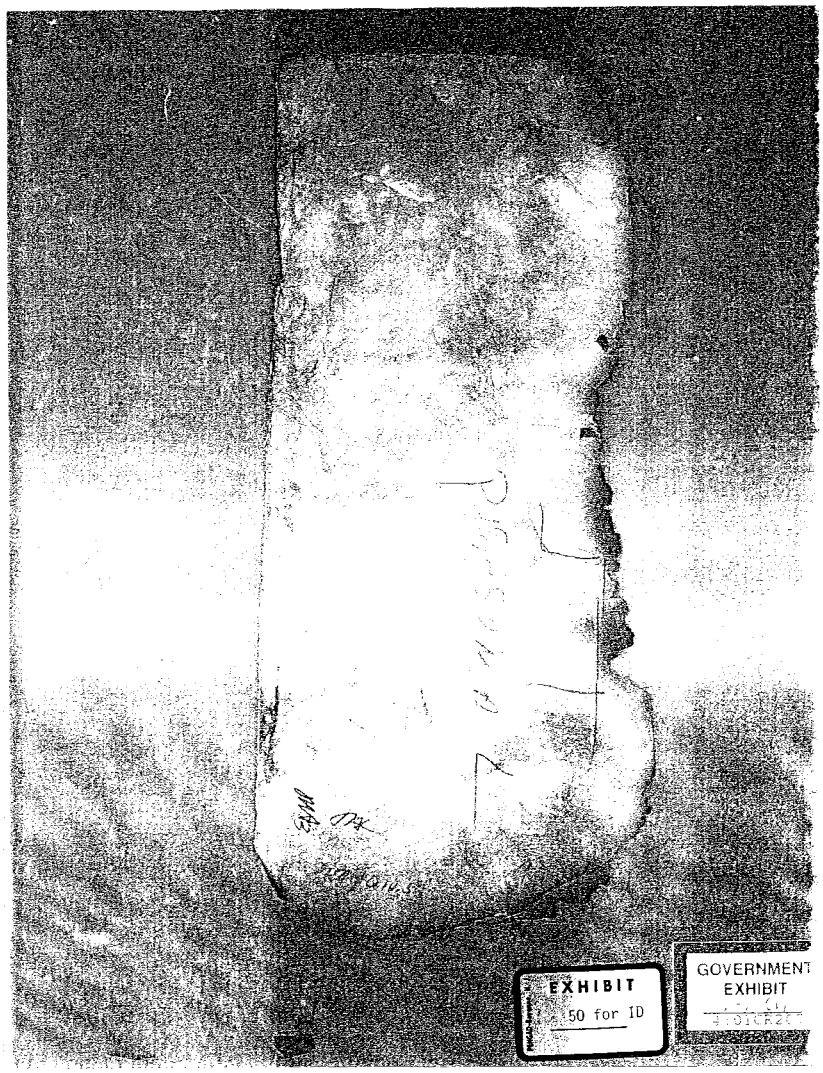
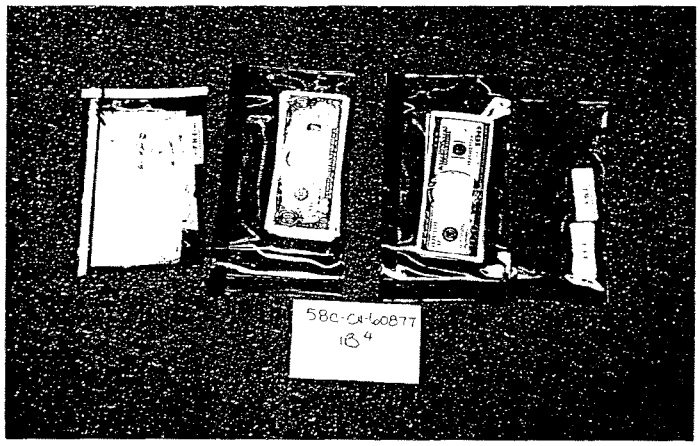


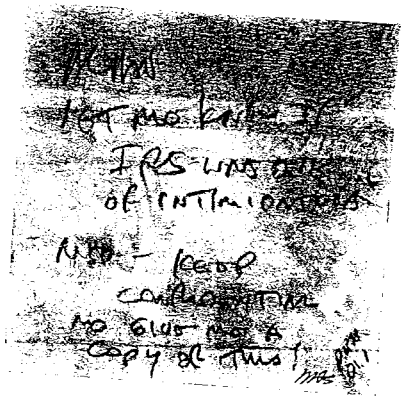
EXHIBIT
50 for ID
GOVERNMENT
EXHIBIT





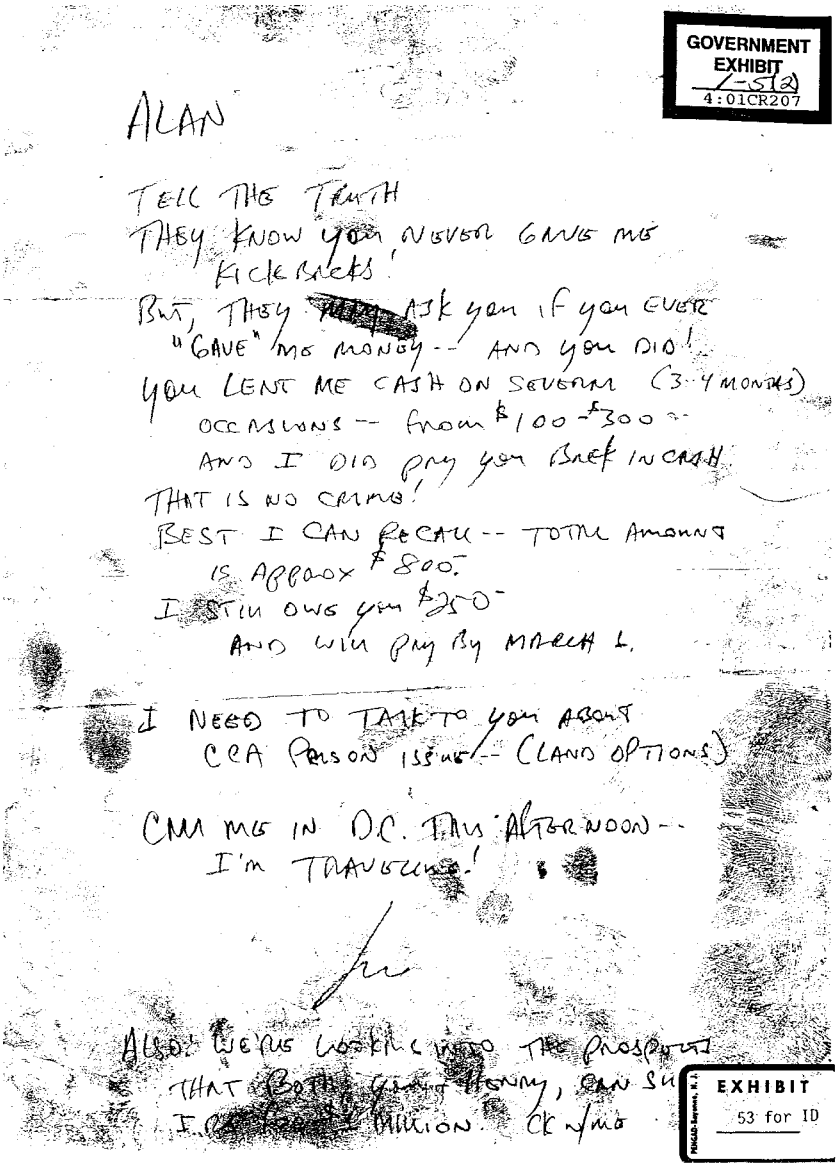
GOVERNMENT
EXHIBIT
1-2
4:01CR207

EXHIBIT
51 for ID



GOVERNMENT
EXHIBIT
1-511
4:01CR207

EXHIBIT
52 for ID



GOVERNMENT EXHIBIT 4:01CR207

ALAN

TELL THE TRUTH
THEY KNOW YOU NEVER GAVE ME KICKBACKS!
BUT, THEY [redacted] ASK YOU IF YOU EVER "GAVE" ME MONEY -- AND YOU DID!
YOU LENT ME CASH ON SEVERAL (3-4 MONTHS) OCCASIONS -- FROM $100-$300 --
AND I DID PAY YOU BACK IN CASH.
THAT IS NO CRIME!
BEST I CAN RECALL -- TOTAL AMOUNT IS APPROX $800.
I STILL OWE YOU $250
AND WILL PAY BY MARCH 1.

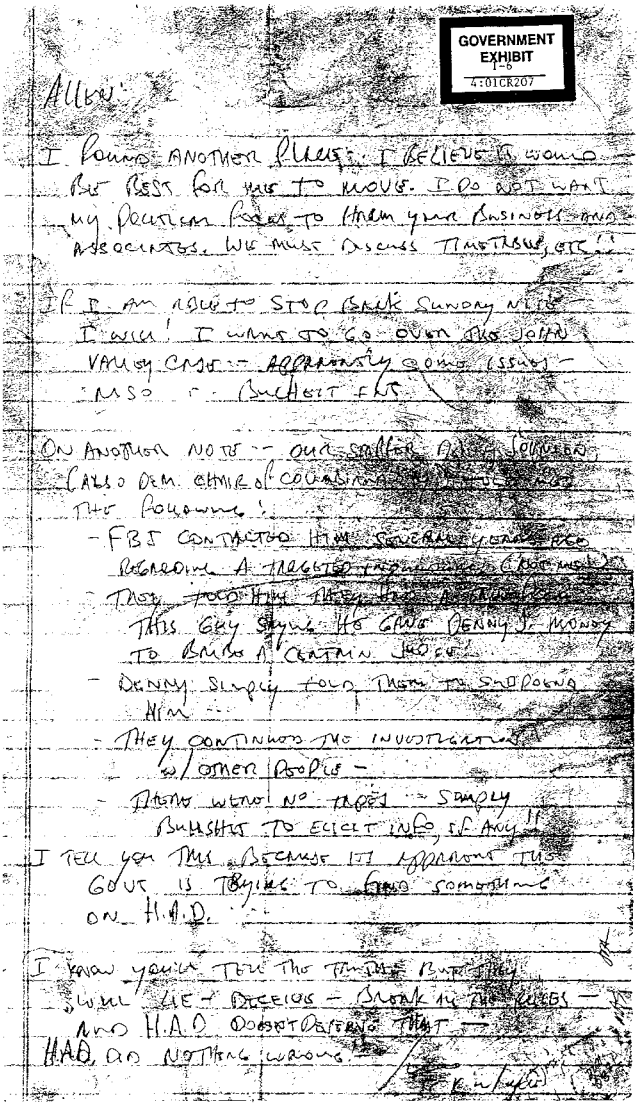
I NEED TO TALK TO YOU ABOUT CCA PRISON ISSUE -- (LAND OPTIONS)

CALL ME IN D.C. THIS AFTERNOON --
I'M TRAVELING!

JR

ALSO: WE'RE LOOKING INTO THE PROSPECT THAT BOTH GIRLS' MOMMY, CAN SU
I [redacted] MILLION. OK W/ME

EXHIBIT 53 for ID



GOVERNMENT EXHIBIT 1-6 4:01CR207

Allen:

I found another place: I believe it would be best for me to move. I do not want my political focus to harm your business and associates. We must discuss timetables, etc!!

If I am able to stop bank Sunday nite I will! I want to go over the John Valley case -- apparently some issues -- also -- bucket ins.

On another note -- our staffer [illegible] Johnson, (also Dem. chair of Columbiana [illegible]) the following:

- FBI contacted him several years ago regarding a targeted [illegible] (not me)
- They told him they [illegible] this guy saying he gave Denny J. money to bribe a certain judge.
- Denny simply told them to subpoena him --
- They continued the investigation w/ other people -
- There were no tapes -- simply bullshit to elicit info, if any!!

I tell you this because its apparent the Govt is trying to find something on H.A.D.

I know you'll tell the truth but they will lie + deceive - break all the rules - and H.A.D. doesn't deserve that -

H.A.D. did nothing wrong.

[illegible]

EXHIBIT 54 for ID

ALLEN

IT IS AGAINST

HOUSE RULES TO LEND

ME MONEY - —

BUT YOU DID - —

I DON'T KNOW

AMOUNT - —

MAYBE $ 1,000

OVER A PERIOD OF

TIME —

I HONESTLY DON'T

KNOW!





MEMORANDUM

TO: HENRY DI BLASIO
FROM: PAUL MARCONE
DATE: DECEMBER 7, 1993
SUBJ: DISTRICT OFFICE MOVE

In response to your memorandum regarding the move of the Youngstown office to the new federal building, I have closely reviewed our expense budget for 1994, and have found the following:

* Because of cutbacks made by Congress, every Congressional office will experience a reduction in their Expense Accounts in 1994.

* If we move the Youngstown office entirely into the new federal building and do not maintain any presence at the 11 Overhill Road office, our Expense Account would be extremely strained. The additional costs for rent for the new office space, new furniture, new phone system, the move itself, and new stationery will amount to any where from $30,000 to $35,000 in additional costs (the final amount depends upon what types of bids we get for certain services) -- out of an estimated total Expense Account of $160,000.

* Maintaining a presence in the 11 Overhill Road office will further exacerbate this problem. Given the fact that the Congressman wants to maintain this presence, we will have to find a way to cut as many costs as possible to fund this additional expense.

* According to the House Finance Office, depending upon what our final costs are for phone service and furniture, we will more than likely have to transfer funds from our Clerk Hire account to cover the anticipated shortfall in our Expense Account. That means the Congressman would be severely limited in backfilling positions and giving raises.

* As such, we are not in a position to add any further to the costs of the move to the new federal building. We simply do not have the available funds to pay for such items as assigned parking slots.

Any assistance you could render in convincing the Congressman to not maintain a presence at 11 Overhill Road would be deeply appreciated. It will be extremely difficult for me to justify to the press and the public the additional expenditures in taxpayer funds to have two district offices within five miles of one another. According to the House Finance Office, such an arrangement is "highly irregular." My concern is that this could be used against Jim in future political campaigns and could pose a potential ethics problem.

Please call me if you have any questions or suggestions on how we can address the problems I have outlined in this memorandum. Thank you.





FROM: DiBlasio, Flask & Assoc. FAX: 216 788 9265 Dec-09-93 Thu 01:55 PAGE: 01

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2416

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44440
(216) 652-5849

To: Paul Marcone

12/9/93
Via Fax

Dear Paul,

Re: District office

I received your memo. Discussed it with Jim.

He feels a small presence is absolutely required in Boardman. He insists that Congressional office be manned by one staff person plus me. I guess I will be going back and forth between Federal Building and here.

Expenses will be kept at a minimum. Rent will be decided later on. I guess more will not be entered 1994.

Hope this answers some of your concerns. Call me if any questions.

I will be in Calif. for the Holidays but will not be leaving until the end of next week.

My best regards to all. Have a great Holiday Season!

Henry

GOVERNMENT EXHIBIT
EXHIBIT
57 for ID

D000565

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEES
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
CHAIRMAN, SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT
SUBCOMMITTEE ON SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SUBCOMMITTEE ON SPACE

Congress of the United States
House of Representatives
Washington, DC 20515-3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
YOUNGSTOWN, OH 44503
(216) 743-1914

6555 YOUNGSTOWN-WARREN ROAD
SUITE 2685
NILES, OH 44446
(216) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(216) 385-5921

11/5/98

Dear Paul,

Here is new lease & attachment
Please have this approved ASAP.
The Bldg will be transferred soon
so you will have the name of
the new entity within a week or so.
The utilities will continue to
be 1/4 th of Gas and Electric.
Please send written acknowledgment
of approval of lease.

Thanks

Henry D. Blanco

GOVERNMENT EXHIBIT 1-20 01CR207

JOINT EXHIBIT

EXHIBIT 58 for ID

000104

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

GOVERNMENT EXHIBIT
1-21
4:01CR207

U.S. House of Representatives

Washington, D.C. 20515

DISTRICT OFFICE LEASE AGREEMENT

EXHIBIT
59 for ID

1. Pursuant to 2 U.S.C. 122 (as modified from time to time by Committee Order) and the Regulations of the Committee on House Administration relating to office space in home districts, it is hereby agreed between Trumbull Land Co. (NAME), of 11 Overhill Road (ADDRESS) Youngstown, Ohio 44512, hereafter referred to as the LESSOR, and the Honorable James A. Traficant, Jr., Member of Congress, hereafter referred to as the LESSEE, that the LESSOR shall furnish the LESSEE office space located at 11 Overhill Road with a total number of square feet* as follows: 1312
(Capital improvements by the LESSEE to the leased property are prohibited.)

2. The LESSEE shall have and hold the leased premises for a term of 24 months, commencing on January 1, 1999. The term of this lease agreement may not exceed two years, and shall in no case extend beyond the constitutional term of the Congress to which the Member is elected. The LESSOR and LESSEE agree that the amount due at the end of each month of occupancy shall be $ 656.00 per calendar month. Rent payable under this lease agreement shall be prorated on a daily basis for any fraction of a month.

3. This lease agreement may be terminated by either party by giving 30 days notice in writing to the other party. The date on which such 30 days shall commence shall be the date such termination notice is hand-delivered or mailed. This agreement and a copy of any termination notice given, shall be filed with the Committee on House Administration, U.S. Capitol, Washington, D.C. 20515.

4. When directed by LESSEE, the Clerk of the House of Representatives will remit to the LESSOR at the end of each month during the effective term of this lease agreement, the rent due computed in accordance with paragraph 2. Any payment made to the LESSOR by the Clerk of the House of Representatives for any period after this lease agreement has ended or has been terminated shall be refunded by the LESSOR to the Clerk of the House of Representatives without formal demand.

5. Neither the House of Representatives nor its Officers assumes any liability for the performance of this lease agreement. Payments made by the Clerk of the House of Representatives of amounts due the LESSOR by the LESSEE under the terms of this lease agreement are made solely on behalf of the Member of Congress in his official and representational capacity. Such Member assumes all liability for performance of the lease agreement and the LESSOR agrees to look solely to the LESSEE in his official and representational capacity for performance of the rental agreement.

6. In the event of the death, resignation, or removal from office of the LESSEE, this lease agreement may be terminated by the Clerk of the House of Representatives by giving thirty (30) days notice in writing to the LESSOR. The date on which such thirty (30) days shall commence shall be the date such termination notice is hand-delivered or mailed to the LESSOR.

7. Any amendments, additions or modifications to this basic lease agreement inconsistent with paragraphs 1 through 6 above shall have no force and effect to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the 5th *day of* November, *19*98.

000102

N. Chuzzy, President
(LESSOR)
Trumbull Land Company

(LESSEE)
Congressman James A. Traficant, Jr.

*The total number of square feet of occupiable space is computed as follows:

In those instances where the space involved consists of a room accessible from a public corridor, the occupiable area is computed by measuring from the inside finish of the exterior wall (or face of the convector if the convector occupies at least 50 percent of the length of the exterior wall) to the tenant's side of the corridor wall and to the tenant's side of the partitions separating the space in question from the other tenants. Occupiable area would include

O.R. 3937 PAGE 239

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That TRUMBULL LAND COMPANY, a Corporation incorporated under the laws of the State of Ohio, the Grantor, who claims title by or through instruments recorded in OR Volume 1468, Page 245, Mahoning County Recorder's Office for the consideration of One Dollar and Other Valuable Consideration----Dollars ($1.00 OVC) received to its full satisfaction of KIMBERLY A. SINCLAIR, Married, the Grantee, whose TAX MAILING ADDRESS will be 3926 Helena Avenue, Youngstown, OH 44512, does give, grant, bargain, sell and convey unto the said Grantee, her heirs and assigns, the following described premises:

SITUATED in the Township of Boardman, County of Mahoning and State of Ohio; and known as being Sublot No. 413 in Replat of Lots 366, 367 & 368 of the Alburn Heirs Plat No. 2 (V. 24, P. 18), a subdivision of a part of Original Boardman Township, Great Lot No. 1 - 3rd Division, as shown by the recorded plat of said subdivision in Volume 28 of Maps, Page 296, of Mahoning County Records.

Said Lot No. 413 has a frontage of 92.34 feet on the southerly side of Overhill Road, and extends back 92.55 feet on the easterly line, 46.4 feet on the westerly line and has a rear line of 80.00 feet, as appears by said plat, be the same more or less, but subject to all legal highways.

TO HAVE AND TO HOLD the above granted and bargained premises, with the appurtenances thereunto belonging, unto the said Grantee, her heirs and assigns forever. And the said Grantor does for itself and its successors and assigns covenant with said Grantee, her heirs and assigns, that at and until the ensealing of these presents it is well seized of the above-described premises as a good and indefeasible estate in fee simple, and has good right to bargain and sell the same in manner and form as above written; that the same are free and clear from all encumbrances whatsoever, except taxes and installments of special assessments, if any, which shall be prorated as of the date of the delivery of the deed, and except restrictions, reservations and easements, which may be of record, and except zoning ordinances, if any, and that it will warrant and defend said premises, with the appurtenances thereunto belonging to the said

9800046843
Filed for Record in
MAHONING COUNTY, OHIO
BRUCE E PAPALIA
On 11-23-1998 At 03:02 pm.
DEED 14.00
Book OR Vol. 3937 Pg. 239 - 240

EXHIBIT
60 for ID

GOVERNMENT EXHIBIT
1-22
4:01CR207

Grantee, her heirs and assigns, forever, against all lawful claims and demands whatsoever.

IN WITNESS WHEREOF said corporation sets its hand and corporate seal, by NICHOLAS CHUIRAZZI, its President, and AL RHODES, its Secretary, this 20 day of November, in the year of our Lord one thousand nine hundred and ninety-eight.

Signed and acknowledged in presence of:

Jennifer D. Gruden
JENNIFER D. GRUDEN

Margaret Spatara
MARGARET SPATARA

TRUMBULL LAND COMPANY

By: Nicholas Chuirazzi Pres.
Nicholas Chuirazzi, President

By: Al Rhodes Sec
Al Rhodes, Secretary

STATE OF OHIO)
)ss:
COUNTY OF MAHONING)

Before me, a Notary Public in and for said County and State, personally appeared the above named TRUMBULL LAND COMPANY, by NICHOLAS CHUIRAZZI, its President, and AL RHODES, its Secretary, who acknowledged that they did sign the foregoing instrument and that the same is the free act and deed of said corporation and the free act & deed of each of them personally and as such officers.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal, at Youngstown, Ohio, this 20th day of NOVEMBER, 1998.

Notary Public

JOHN F. BIERDEMAN, Notary Public
STATE OF OHIO
My Commission Expires Oct. 1, 2000

THIS INSTRUMENT PREPARED BY:
Davis & Davis, Attorney at Law
275 Federal Plaza W., Ste. 707
Youngstown, Ohio, 44503

File No. 26-1044

U.S. TREASURY SALARY CHECKS PAYABLE TO HENRY DIBLASIO

Check Date	Check Number	Check Amount	Date of Transaction	Name of Bank Where Negotiated		Comments
28-Jun-96	4334752	$3,954.51	29-Jun-96	Home Savings & Loan Company		Not deposited to account # 020322088
31-Jul-96	4337511	$3,954.51	31-Jul-96	Home Savings & Loan Company		Not deposited to account # 020322088
30-Sep-96	4342783	$3,954.51	30-Sep-96	Key Bank		Not deposited to account # 466331807
31-Oct-96	4345154	$4,200.41	02-Nov-96	Home Savings & Loan Company		Deposited to account # 466331807
4-Nov-96	852	$1,000.00	4-Nov-96	Home Savings & Loan Company		Check to "Cash" drawn on account # 466331807
29-Nov-96	4449270	$4,367.84	2-Dec-96	Home Savings & Loan Company		Not deposited to account # 20322088
Total 1996		**$21,431.78**				
20-Dec-96	4451532	$4,367.84	8-Jan-97	Home Savings & Loan Company		Not deposited to account # 020322088
31-Jan-97	4454459	$3,775.41	3-Feb-97	Key Bank		Not deposited to account # 466331807
28-Feb-97	4457166	$3,816.89	7-Mar-97	Key Bank		Not deposited to account # 466331807
31-Mar-97	4459473	$3,816.89	3-Apr-97	Key Bank		Not deposited to account # 466331807
30-Apr-97	4461722	$3,816.89	12-May-97	Key Bank		Not deposited to account # 466331807
30-May-97	4463901	$3,816.89	4-Jun-97	Key Bank		Not deposited to account # 466331807
30-Jun-97	4466419	$3,816.89	30-Jun-97	Metropolitan Savings Bank		Not deposited to account # 14021356
31-Jul-97	4469027	$3,816.89	1-Aug-97	Key Bank		Not deposited to account # 466331807
29-Aug-97	4471591	$3,816.89	2-Sep-97	Key Bank		Not deposited to account # 466331807
30-Sep-97	4473802	$3,816.89	1-Oct-97	Key Bank		Not deposited to account # 466331807
31-Oct-97	4476096	$3,941.92	4-Nov-97	Key Bank		Not deposited to account # 466331807
28-Nov-97	4478223	$4,235.39	5-Dec-97	Metropolitan Savings Bank		Not deposited to account # 14021356
19-Dec-97	4480234	$4,235.39		Metropolitan Savings Bank		Not deposited to account # 14021356
Total 1997		**$51,091.07**				
30-Jan-98	4482664	$3,930.99	4-Feb-98	Metropolitan Savings Bank		Not deposited to account # 14021356
27-Feb-98	4484813	$3,930.99	3-Mar-98	Key Bank		Not deposited to account # 466331807
31-Mar-98	4486762	$3,930.99	31-Mar-98	Metropolitan Savings Bank		Not deposited to account # 14021356
30-Apr-98	4488796	$3,930.99	5-May-98	Metropolitan Savings Bank		Not deposited to account # 14021356
29-May-98	4490771	$3,930.99	2-Jun-98	Metropolitan Savings Bank		Not deposited to account # 14021356
30-Jun-98	4493061	$3,930.99	30-Jun-98	Metropolitan Savings Bank		Not deposited to account # 14021356
31-Jul-98	4697368	$4,175.80	4-Aug-98	Key Bank		Not deposited to account # 466331807
31-Aug-98	4699714	$4,175.80	2-Sep-98	Home Savings & Loan Company		Not deposited to account # 020322088
30-Sep-98	4701827	$4,175.80	2-Oct-98	Metropolitan Savings Bank		Not deposited to account # 14021356
30-Oct-98	4703811	$4,347.30	2-Nov-98	Metropolitan Savings Bank		Not deposited to account # 14021356
30-Nov-98	4705670	$4,635.63	3-Dec-98	Key Bank		Not deposited to account # 466331807
18-Dec-98	4707669	$5,281.13	28-Dec-98	Metropolitan Savings Bank		Not deposited to account # 14021356
Total 1998		**$50,377.40**				
Total 1996		$21,431.78				
Total 1997		$51,091.07				
Total 1998		$50,377.40				
Total 96-98		**$122,900.25**				

EXHIBIT
61 for ID

GOVERNMENT EXHIBIT
4:01CR207

Jacquelyn Bobby
6695 Roberto Place #26 • Poland, OH 44514 • Telephone (330) 757-1344

March 18, 1998

Honorable James A. Traficant, Jr.
11 Overhill Road
Youngstown, OH 44512

Dear Chairman,

If I don't ask--I'll never know!!

I handle the majority of Chuck's responsibilities as "District Director".

My reputation and credibility are impeccable.

I have had total responsibility for your campaign with no complaints.

I donate many, many hours to the campaign.

I think you should give me the position of "District Director" and a salary increase because you can justify it and I deserve it.

I will fulfill any obligation Chuck had (let's talk about this one!)

You won't be sorry because I don't want to be a "big shot!"

If you don't fill Chuck's position, I am afraid it will truly look like he had a token job.

Thanks for listening and I await your response.

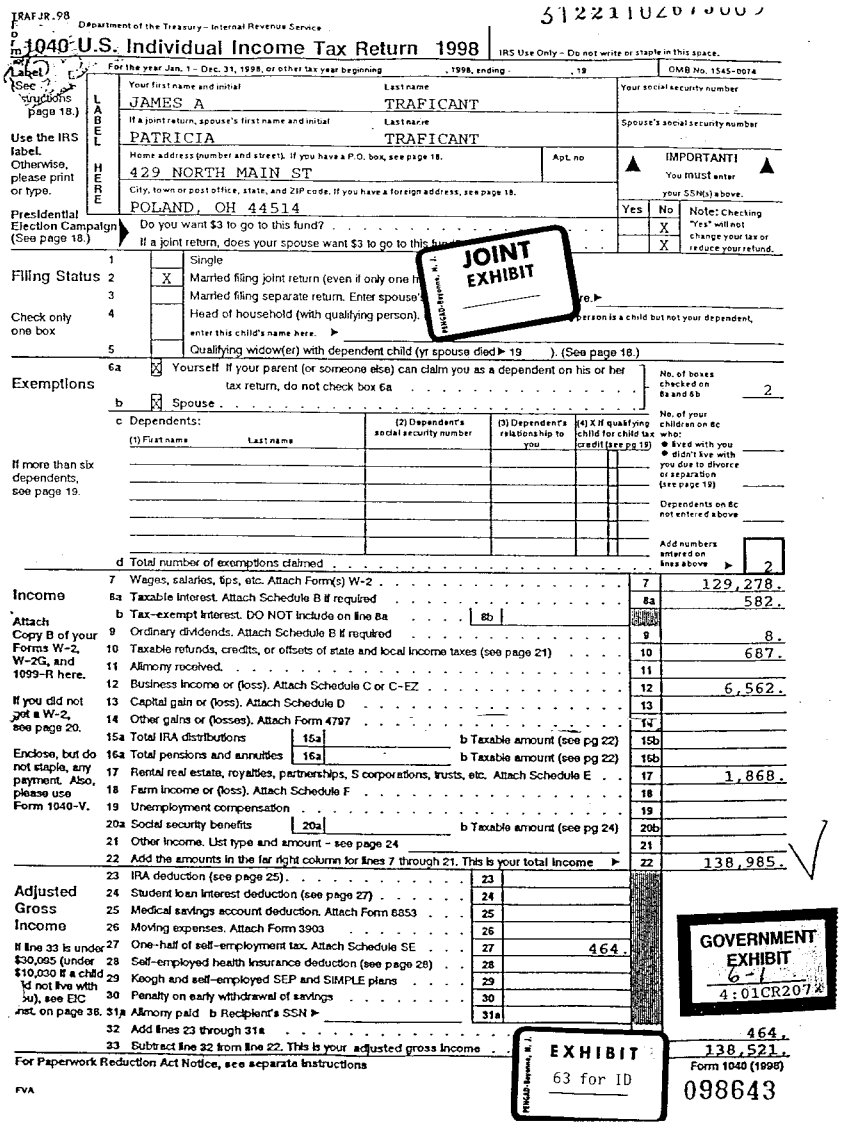
Sincerely,

Jackie



P.S. I trust you won't share this letter with anyone.





TRAFJR.98

Department of the Treasury – Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 1998

IRS Use Only – Do not write or staple in this space.

OMB No. 1545-0074

For the year Jan. 1 – Dec. 31, 1998, or other tax year beginning , 1998, ending , 19

Label (See instructions page 18.) LABEL HERE

Your first name and initial: JAMES A — Last name: TRAFICANT — Your social security number:

If a joint return, spouse's first name and initial: PATRICIA — Last name: TRAFICANT — Spouse's social security number:

Home address (number and street). If you have a P.O. box, see page 18. 429 NORTH MAIN ST — Apt. no

City, town or post office, state, and ZIP code. If you have a foreign address, see page 18. POLAND, OH 44514

IMPORTANT! You must enter your SSN(s) above.

Use the IRS label. Otherwise, please print or type.

Presidential Election Campaign (See page 18.)

	Yes	No	Note: Checking "Yes" will not change your tax or reduce your refund.
Do you want $3 to go to this fund?		X	
If a joint return, does your spouse want $3 to go to this fund?		X	

JOINT EXHIBIT — PTX438 Reporter, R. J.

Filing Status (Check only one box)

1 Single
2 [X] Married filing joint return (even if only one had income)
3 Married filing separate return. Enter spouse's SSN above and full name here.
4 Head of household (with qualifying person). (See page 19.) If the qualifying person is a child but not your dependent, enter this child's name here.
5 Qualifying widow(er) with dependent child (yr spouse died ▶ 19). (See page 18.)

Exemptions

6a [X] Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a
b [X] Spouse
c Dependents: (1) First name, Last name | (2) Dependent's social security number | (3) Dependent's relationship to you | (4) X if qualifying child for child tax credit (see pg 19)
If more than six dependents, see page 19.
d Total number of exemptions claimed

No. of boxes checked on 6a and 6b: 2
No. of your children on 6c who: • lived with you • didn't live with you due to divorce or separation (see page 19)
Dependents on 6c not entered above
Add numbers entered on lines above ▶: 2

Income (Attach Copy B of your Forms W-2, W-2G, and 1099-R here. If you did not get a W-2, see page 20. Enclose, but do not staple, any payment. Also, please use Form 1040-V.)

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	129,278.
8a	Taxable interest. Attach Schedule B if required	8a	582.
b	Tax-exempt interest. DO NOT include on line 8a (8b)		
9	Ordinary dividends. Attach Schedule B if required	9	8.
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 21)	10	687.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	6,562.
13	Capital gain or (loss). Attach Schedule D	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	Total IRA distributions (15a) b Taxable amount (see pg 22)	15b	
16a	Total pensions and annuities (16a) b Taxable amount (see pg 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	1,868.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits (20a) b Taxable amount (see pg 24)	20b	
21	Other income. List type and amount – see page 24	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	138,985.

Adjusted Gross Income

If line 33 is under $30,095 (under $10,030 if a child did not live with you), see EIC inst. on page 36.

23	IRA deduction (see page 25)	23		
24	Student loan interest deduction (see page 27)	24		
25	Medical savings account deduction. Attach Form 8853	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27	464.	
28	Self-employed health insurance deduction (see page 28)	28		
29	Keogh and self-employed SEP and SIMPLE plans	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	Add lines 23 through 31a			464.
33	Subtract line 32 from line 22. This is your adjusted gross income			138,521.

GOVERNMENT EXHIBIT 6-1 4:01CR207

EXHIBIT 63 for ID — PTX438 Reporter, R. J.

For Paperwork Reduction Act Notice, see separate instructions

FVA

Form 1040 (1998)

098643

TRAFJR.98

Form 1040 (1998) JAMES A & PATRICIA TRAFICANT — Page 2

	34	Amount from line 33 (adjusted gross income)		34	138,521.
Tax and Credits	35a	Check if: [ ] You were 65 or older, [ ] Blind; [ ] Spouse was 65 or older, [ ] Blind. Add the number of boxes checked above and enter the total here ▶ 35a	0		
	b	If you are married filing separately and your spouse itemizes deductions or you were a dual-status alien, see page 29 and check here ▶ 35b [ ]			
Standard Deduction for Most People Single: $4,250 Head of household: $6,250 Married filing jointly or Qualifying widow(er): $7,100 Married filing separately: $3,550	36	Enter the larger of your itemized deductions from Schedule A, line 28, OR standard deduction shown on the left. But see page 30 to find your standard deduction if you checked any box on line 35a or 35b, or if someone can claim you as a dependent		36	20,312.
	37	Subtract line 36 from line 34		37	118,209.
	38	If line 34 is $93,400 or less, multiply $2,700 by the total number of exemptions claimed on line 6d. If line 34 is over $93,400, see the worksheet on page 30 for the amount to enter.		38	5,400.
	39	Taxable income. Subtract line 38 from line 37. If line 38 is more than line 37, enter -0-		39	112,809.
	40	Tax. See page 30. Check if any tax from a [ ] Form(s) 8814 b [ ] Form 4972 ▶		40	26,396.
	41	Credit for child and dependent care expenses. Attach Form 2441	41		
	42	Credit for the elderly or the disabled. Attach Schedule R	42		
	43	Child tax credit (see page 31)	43		
	44	Education credits. Attach Form 8863	44		
	45	Adoption credit. Attach Form 8839	45		
	46	Foreign tax credit. Attach Form 1116 if required	46		
	47	Other. Check if from a [ ] Form 3800 b [ ] Form 8396 c [ ] Form 8801 d [ ] Form (specify)	47		
	48	Add lines 41 through 47. These are your total credits		48	0.
	49	Subtract line 48 from line 40. If line 48 is more than line 40, enter -0- ▶		49	26,396.
Other Taxes	50	Self-employment tax. Attach Schedule SE		50	927.
	51	Alternative minimum tax. Attach Form 6251		51	
	52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		52	
	53	Tax on IRAs, other retirement plans, and MSAs. Attach Form 5329 if required		53	
	54	Advanced earned income credit payments from Form(s) W-2		54	
	55	Household employment taxes. Attach Schedule H		55	
	56	Add lines 49 through 55. This is your total tax ▶		56	27,323.
Payments	57	Federal income tax withheld from Forms W-2 and 1099	57	30,139.	
	58	1998 estimated tax payments and amount applied from 1997 return	58		
Attach Forms W-2 and W-2G on the front. Also attach Form 1099-R if tax was withheld.	59a	Earned income credit. Attach Sch. EIC if you have a qualifying child b Nontaxable earned income: amount ▶ and type ▶	59a		
	60	Additional child tax credit. Attach Form 8812	60		
	61	Amount paid with Form 4868 (request for extension)	61		
	62	Excess social security and RRTA tax withheld (see page 43)	62		
	63	Other payments. Check if from a [ ] Form 2439 b [ ] Form 4136	63		
	64	Add lines 57, 58, 59a, and 60 through 63. These are your total payments ▶		64	30,139.
Refund	65	If line 64 is more than line 56, subtract line 56 from line 64. This is the amount you OVERPAID		65	2,816.
Have it directly deposited! See page 44 and fill in 66b, 66c, and 66d.	66a	Amount of line 65 you want REFUNDED TO YOU ▶		66a	2,816.
	b	Routing number ▶ c Type: [ ] Checking [ ] Savings			
	d	Account number ▶			
	67	Amount of line 65 you want APPLIED TO YOUR 1999 ESTIMATED TAX ▶	67		
Amount You Owe	68	If line 56 is more than line 64, subtract line 64 from line 56. This is the AMOUNT YOU OWE. For details on how to pay, see page 44 ▶		68	
	69	Estimated tax penalty. Also include on line 68	69		

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See page 18. Keep a copy for your records.

Your signature	Date 4-10-99	Your occupation U. S. REPRESENTATIVE	Daytime telephone number (optional)	
Spouse's signature. If a joint return, BOTH must sign.	Date 4-10-99	Spouse's occupation S. E. HAIRDRESSER		

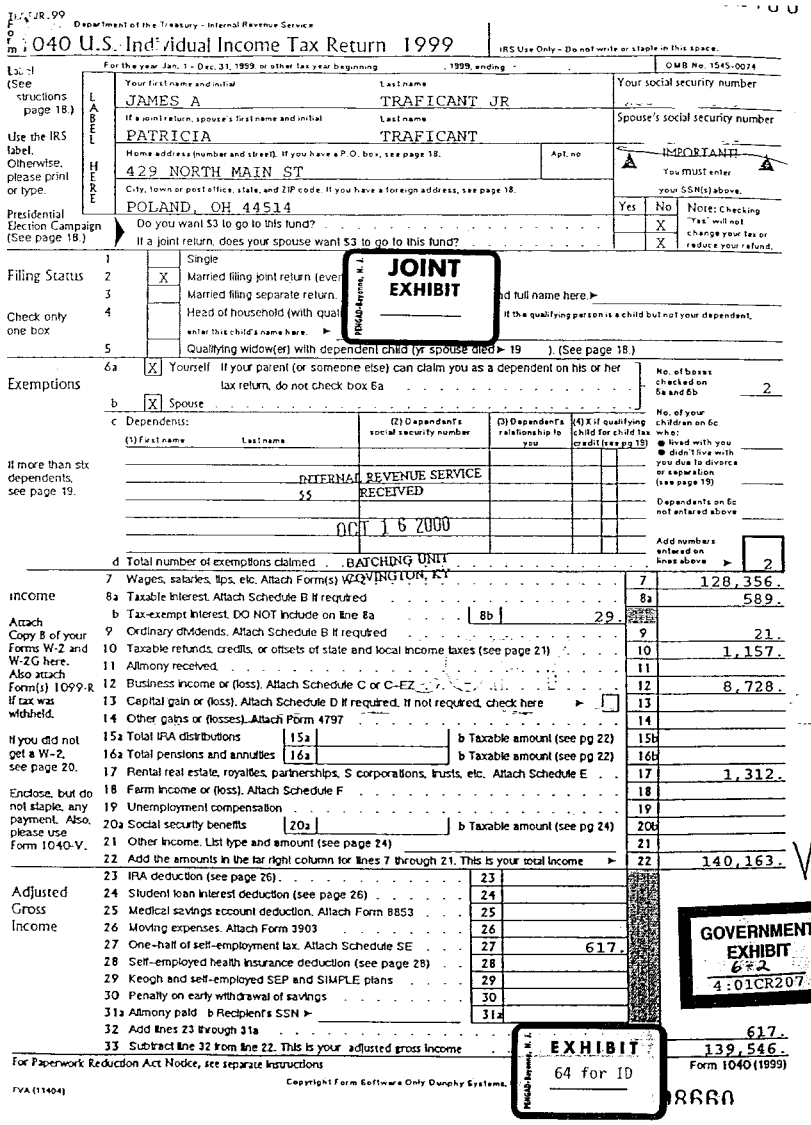
Paid Preparer's Use Only

Preparer's signature Joan Kubik, EA	Date 04/10/99	Check if self-employed [X]	Preparer's social security no.
Firm's name (or yours if self-employed) and address: JOAN KUBIK TAX SERVICE 4 BOB-WHITE COURT YOUNGSTOWN, OH		EIN 34-1416207 Zip code 44511	

FVA

098644

IRS JR.99



Form 1040 U.S. Individual Income Tax Return 1999

Department of the Treasury – Internal Revenue Service

IRS Use Only – Do not write or staple in this space.

For the year Jan. 1 – Dec. 31, 1999, or other tax year beginning , 1999, ending

OMB No. 1545-0074

Label (See instructions page 18.)

Use the IRS label. Otherwise, please print or type.

LABEL HERE

Your first name and initial: JAMES A	Last name: TRAFICANT JR	Your social security number
If a joint return, spouse's first name and initial: PATRICIA	Last name: TRAFICANT	Spouse's social security number
Home address (number and street). If you have a P.O. box, see page 18.: 429 NORTH MAIN ST	Apt. no	IMPORTANT! You must enter your SSN(s) above.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 18.: POLAND, OH 44514		

Presidential Election Campaign (See page 18.)

	Yes	No
Do you want $3 to go to this fund?		X
If a joint return, does your spouse want $3 to go to this fund?		X

Note: Checking "Yes" will not change your tax or reduce your refund.

Filing Status

Check only one box

1 [ ] Single

2 [X] Married filing joint return (even

3 [ ] Married filing separate return. ... nd full name here. ►

4 [ ] Head of household (with qual... If the qualifying person is a child but not your dependent, enter this child's name here. ►

5 [ ] Qualifying widow(er) with dependent child (yr spouse died ► 19). (See page 18.)

JOINT EXHIBIT

PENGAD-Bayonne, N.J.

Exemptions

6a [X] Yourself If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a

b [X] Spouse

No. of boxes checked on 6a and 6b: 2

c Dependents:

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) X if qualifying child for child tax credit (see pg 19)

INTERNAL REVENUE SERVICE
55 RECEIVED
OCT 1 6 2000
BATCHING UNIT
COVINGTON, KY

If more than six dependents, see page 19.

No. of your children on 6c who: ● lived with you ● didn't live with you due to divorce or separation (see page 19)

Dependents on 6c not entered above

d Total number of exemptions claimed

Add numbers entered on lines above ► 2

Income

Attach Copy B of your Forms W-2 and W-2G here. Also attach Form(s) 1099-R if tax was withheld.

If you did not get a W-2, see page 20.

Enclose, but do not staple, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	128,356.
8a	Taxable interest. Attach Schedule B if required	8a	589.
b	Tax-exempt interest. DO NOT include on line 8a — 8b: 29.		
9	Ordinary dividends. Attach Schedule B if required	9	21.
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 21)	10	1,157.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	8,728.
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ► [ ]	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	Total IRA distributions — 15a — b Taxable amount (see pg 22)	15b	
16a	Total pensions and annuities — 16a — b Taxable amount (see pg 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	1,312.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits — 20a — b Taxable amount (see pg 24)	20b	
21	Other income. List type and amount (see page 24)	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your total income ►	22	140,163.

Adjusted Gross Income

23	IRA deduction (see page 26)	23	
24	Student loan interest deduction (see page 26)	24	
25	Medical savings account deduction. Attach Form 8853	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	617.
28	Self-employed health insurance deduction (see page 28)	28	
29	Keogh and self-employed SEP and SIMPLE plans	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ►	31a	
32	Add lines 23 through 31a		617.
33	Subtract line 32 from line 22. This is your adjusted gross income		139,546.

GOVERNMENT EXHIBIT 6-2 4:01CR207

EXHIBIT 64 for ID

PENGAD-Bayonne, N.J.

For Paperwork Reduction Act Notice, see separate instructions

Form 1040 (1999)

FVA (11404)

Copyright Form Software Only Dunphy Systems.

8660

TRATJR.99

Form 1040 (1999) JAMES A & PATRICIA TRAFICANT JR — Page 2

Tax and Credits	34	Amount from line 33 (adjusted gross income)		34	139,546.
	35a	Check if: ☐ You were 65 or older, ☐ Blind; ☐ Spouse was 65 or older, ☐ Blind. Add the number of boxes checked above and enter the total here ► 35a	0		
	b	If you are married filing separately and your spouse itemizes deductions or you were a dual-status alien, see page 30 and check here ► 35b ☐			
Standard Deduction for Most People Single: $4,300 Head of household: $6,350 Married filing jointly or Qualifying widow(er): $7,200 Married filing separately: $3,600	36	Enter your itemized deductions from Schedule A, line 28, OR standard deduction shown on the left. But see page 30 to find your standard deduction if you checked any box on line 35a or 35b, or if someone can claim you as a dependent		36	18,467.
	37	Subtract line 36 from line 34		37	121,079.
	38	If line 34 is $94,975 or less, multiply $2,750 by the total number of exemptions claimed on line 6d. If line 34 is over $94,975, see the worksheet on page 31 for the amount to enter.		38	5,500.
	39	Taxable income. Subtract line 38 from line 37. If line 38 is more than line 37, enter -0-		39	115,579.
	40	Tax. (see page 31). Check if any tax from a ☐ Form(s) 8814 b ☐ Form 4972 ►		40	27,111.
	41	Credit for child and dependent care expenses. Attach Form 2441	41		
	42	Credit for the elderly or the disabled. Attach Schedule R	42		
	43	Child tax credit (see page 33)	43		
	44	Education credits. Attach Form 8863	44		
	45	Adoption credit. Attach Form 8839	45		
	46	Foreign tax credit. Attach Form 1116 if required	46		
	47	Other. Check if from a ☐ Form 3800 b ☐ Form 8396 c ☐ Form 8801 d ☐ Form (specify)	47		
	48	Add lines 41 through 47. These are your total credits		48	0.
	49	Subtract line 48 from line 40. If line 48 is more than line 40, enter -0- ►		49	27,111.
Other Taxes	50	Self-employment tax. Attach Schedule SE		50	1,233.
	51	Alternative minimum tax. Attach Form 6251		51	
	52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		52	
	53	Tax on IRAs, other retirement plans, and MSAs. Attach Form 5329 if required		53	
	54	Advanced earned income credit payments from Form(s) W-2		54	
	55	Household employment taxes. Attach Schedule H		55	
	56	Add lines 49 through 55. This is your total tax ►		56	28,344.
Payments	57	Federal income tax withheld from Forms W-2 and 1099	57	29,694.	
	58	1999 estimated tax payments and amount applied from 1998 return	58		
	59a	Earned income credit. Attach Sch. EIC if you have a qualifying child	59a		
	b	Nontaxable earned income: amount ► and type ►			
	60	Additional child tax credit. Attach Form 8812	60		
	61	Amount paid with request for extension to file (see page 48)	61		
	62	Excess social security and RRTA tax withheld (see page 48)	62		
	63	Other payments. Check if from a ☐ Form 2439 b ☐ Form 4136	63		
	64	Add lines 57, 58, 59a, and 60 through 63. These are your total payments ►		64	29,694.
Refund	65	If line 64 is more than line 56, subtract line 56 from line 64. This is the amount you OVERPAID		65	1,350.
Have it directly deposited! See page 48 and fill in 66b, 66c, and 66d.	66a	Amount of line 65 you want REFUNDED TO YOU ►		66a	1,350.
	b	Routing number ► c Type: ☐ Checking ☐ Savings			
	d	Account number			
	67	Amount of line 65 you want APPLIED TO YOUR 2000 ESTIMATED TAX ►	67		
Amount You Owe	68	If line 56 is more than line 64, subtract line 64 from line 56. This is the AMOUNT YOU OWE. For details on how to pay, see page 49 ►		68	
	69	Estimated tax penalty. Also include on line 68	69		

Sign Here — Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See page 18. Keep a copy for your records.

Your signature — Date 10-9-00 — Your occupation U. S. REPRESENTATI — Daytime telephone number (optional)

Spouse's signature. If a joint return, BOTH must sign — Date 10-9-00 — Spouse's occupation S. E. HAIRDRESSER

Paid Preparer's Use Only

Preparer's signature Joan Kubik EA — Date 10/09/2000 — Check if self-employed [X] — Preparer's SSN or PTIN

Firm's name (or yours if self-employed) and address: KUBIK & ASSOCIATES LLC, 4 BOB-WHITE COURT, YOUNGSTOWN, OH — EIN 34-1911080 — Zip code 44511

FVA (11/99)

Copyright Form Software Only Dunphy Systems, Inc.

098661

James A. Traficant
Summary Of Additional Income
1998 & 1999

	1998	1999	Exhibit
Additional Income Not Reported:			
11/13/98 Funds From John J. Cafaro	13,000.00		8-31/8-32 & Testimony
Funds From Allen Sinclair	2,500.00	30,000.00	1-9 & Testimony
Boat Expenses Paid For Taxpayer	15,223.34	9,578.45	8-67(1)
Purchase Of Welder by U.S.A.G.			
Invoice 4/8/99		2,415.39	8-43/Testimony
Invoice 4/8/99		491.74	8-43/Testimony
Purchase Of Generator By Cafaro Management Co.		2,714.91	8-46/8-47 & Testimony
Funds From James Sabatine	2,400.00		Testimony
Total Additional Income	33,123.34	45,200.49	
Total Income Reported - Line 22 of Return	138,985.00	140,163.00	
Total Income Corrected - Line 22 of Return	172,108.34	185,363.49	





SENT BY:Xerox Telecopier 7020 ; 3-19-90 ; 15:43 ; 2107009243→ 2022253718;# 5

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

2312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

301 MAHONING AVENUE
WARREN, OH 44483
(216) 399-3513

March 19, 1990

James A. Baker III
Secretary of State
2201 C Street NW
Washington DC 20520

Dear Secretary Baker:

Subject: Bucheit International vs Saudi Arabia

Bucheit International of my district has had an ongoing problem with H.R.H. Company of Saudi Arabia.

Our construction workers were held in Saudi Arabia for three months, H.R.H. owes Bucheit millions of dollars, and now Bucheit received a notice of delinquent income tax owed to the Saudi government on money Bucheit never received.

Why do we need a State Department, Commerce Department or an Embassy if our citizens can't get help.

Shame on you. Mr. Bucheit cannot even attend the hearing because he is scared.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JATJ/jb





JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 226-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

391 MAHONING AVENUE
WARREN, OH 44483
(216) 399-3513

Congress of the United States
House of Representatives
Washington, DC 20515

June 8, 1990



H.R.H. Prince Bandar bin Sultan bin Abdul Aziz
Ambassador of the Kingdom of Saudi Arabia
601 New Hampshire Avenue, N.W.
Washington, D.C. 20037

Dear Mr. Ambassador:

The Bucheit Company was founded in 1908 and is engaged in the construction business in Youngstown, Ohio, the area I represent in Congress. The firm began doing work in Saudi Arabia in 1976 when it built the Jubail International hotel for H.R.H. Prince Sultan and Mr. Mubarek Al Hassawi. The firm also constructed an office building in Al Khobar and was part of the group that built the New Meridian Hotel. These projects were all completed to the satisfaction of the Saudi clients.

In February 1981, Bucheit signed a contract with H.R.H. Prince Mishaal Bin Abdul Aziz to construct the Shola Shopping Center in Riyadh. Unfortunately, this venture has resulted in a dispute between the parties. Delays in obtaining the site, the addition of work not called for in the contract, detention of workers in the Kingdom, financing charges and the failure to release the construction equipment have resulted in claims against Prince Mishaal of $11.5 million by the Bucheit Company.

The Saudi Arabian government has informed the Bucheit Company that income taxes are owed from the project. This tax claim cannot be resolved until the dispute between the Bucheit Company and Prince Mishaal has been settled and the actual profit or loss from the project has been determined.

I am requesting your assistance in bringing the parties together to work out a fair settlement of the claims. The Bucheit Company is willing to resolve these issues through negotiation. It would be in the best interest of our mutual relations if H.R.H. Prince Mishaal could be persuaded to settle this longstanding dispute.

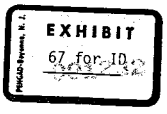
Certain aspects of this matter, such as the detention of American workers and the failure to release the firm's equipment at the conclusion of the contract, concern me. Such actions do nothing to foster closer American-Saudi business relationships.

I have enclosed documentation that supports the Bucheit Company's claim. After reviewing it, I believe you will conclude that this matter must be resolved.



Respectfully,

J. A. Traficant, Jr.
Member of Congress





JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

L020

H

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

391 MAHONING AVENUE
WARREN, OH 44483
(216) 395-3813

Congress of the United States
House of Representatives
Washington, DC 20515

June 18, 1990

L/CID
JUN 20 1990
Department of State

Ms. Mary Helen Carlson
Legal Claims
The Department of State
2201 C Street, NW
Washington, DC 20520

Dear Ms. Carlson:

It has come to my attention that Bucheit International, a construction firm located in my district, has repeatedly requested the assistance of the Department of State in resolving an ongoing dispute with H.R.H. Prince Mishaal Bin Abdul Aziz of Saudi Arabia. Yet, the company has not received a reply, nor has it received any assistance.

In 1981, Bucheit International signed a contract with Prince Mishaal to build a shopping mall in Riyadh for $26 million. Despite the fact that the mall was completed a few years later, Prince Mishaal still owes Bucheit approximately $11.6 million. Yet, the Prince refuses to negotiate any sort of fair settlement with Bucheit on the subject of compensation.

Although Bucheit has pursued all remedies within Saudi Arabia in an attempt to settle this problem at the local level, its efforts have been futile. The company has not received fair treatment from the local Saudi judicial system and has been unable to get its confiscated equipment returned. Bucheit's only recourse is to attain the assistance of the United States in resolving this dispute. Under international law, the United States government may take action against Saudi Arabia for denial of justice and expropriation.

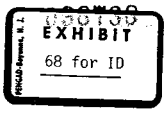
It is your responsibility to see that Bucheit be justly compensated by Prince Mishaal under international law since all local avenues have been exhausted. I request that you do everything in your power to negotiate a settlement for the company through diplomatic channels. I look forward to your expedient action in this matter.

Respectfully,

J[illegible]. Traficant, Jr.
Member of Congress

JAT/li





JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44440
(216) 652-5649

September 10, 1990

Ms. Mary Helen Carlson
The State Department
Office of the Legal Advisor
2201 C Street, NW
Washington, DC 20520

JOINT EXHIBIT

Dear Ms. Carlson:

I was pleased to learn that Prince Mishaal of Saudi Arabia has agreed to meet with U.S. officials tomorrow to discuss the situation between him and Bucheit International of my district. Despite this positive step, however, I do not believe the prince will feel inclined to sit down and negotiate with Bucheit unless he feels overwhelming pressure to do so.

Pete Bucheit has told me that you have informed him that his claim of denial of justice would hold more water than that of expropriation if the United States were to sue Prince Mishaal under international law. He also told me that you are hesitant about escalating his claim to a formal level.

I truly believe that the only way to get the prince to sit down and negotiate is to put as much pressure on him as possible. A letter from the State Department to the prince stating that the department has been informed of the situation and is in the process of reviewing international legal options to ensure that the situation is rectified may be the perfect catalyst to get the prince to the negotiating table.

I ask that you seriously consider this suggestion. Thank you for your time and cooperation.

Respectfully,

J. A. Traficant, Jr.
Member of Congress

JAT/li

GOVERNMENT EXHIBIT
7-10
4-01CR207

EXHIBIT
69 for ID

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JOINT EXHIBIT

R10a H

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SPACE, SCIENCE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-8414

5555 YOUNGSTOWN-WARREN RD.

EXHIBIT
70 for ID

GOVERNMENT EXHIBIT
7-11
4:01CR207

September 26, 1990

H.R.H. Prince Bandar bin Sultan bin Abdul Aziz
Ambassador of the Kingdom of Saudi Arabia
601 New Hampshire Avenue, N.W.
Washington, D.C. 20037

Dear Mr. Ambassador:

I am writing once again regarding the dispute between the Bucheit Company of my district and H.R.H. Prince Mishaal bin Adbul Aziz of Saudi Arabia.

The Bucheit Company claims that Prince Mishaal owes him $11.5 million for the construction of the Shola Shopping Center in Riyadh and would like to negotiate a final settlement. Yet, United States Commerce Department officials that met with the prince's business manager on September 11, 1990, have reported that he has refused to negotiate with Bucheit or submit the matter to arbitration as required by contract. As a result of this refusal, I can only conclude that the prince is unable to refute Bucheit's claims and has set himself above the principle of contract sanctity.

I want you to know that this case is important to me; it is not just a favor I am doing for a constituent. The documentation I have been furnished supports the claim that Prince Mishaal has avoided his contract obligations and has blocked the removal of the firm's equipment and records from Saudi Arabia. Unless the prince can counter this claim, I must assume that he is a dishonest man who enters into business arrangements as a private citizen and then uses his connections with the royal family to cheat small firms out of millions of dollars. I can have little respect for a man with such a lack of integrity.

The United States is taking the lead in protecting Saudi Arabia from a possible Iraqi invasion. We have sent our men and women to your country to defend it. Yet, I have documentation in my possession that clearly demonstrates that a member of your royal family has no qualms about practically bankrupting a small American firm and preventing the settlement of a tax claim with your government.

Prince Mishaal's total lack of business ethics has instilled in me a strong desire to warn the American business community about the problem of doing business with certain Saudi Arabians.

I deeply regret that we have come to this point because I believed that, with your cooperation, we could have resolved this issue to the satisfaction of both parties.

Respectfully,

J. A. Traficant, Jr.
Member of Congress

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44440
(216) 652-5649

October 18, 1990

JOINT EXHIBIT
PRICE-Paterson, N.J.

GOVERNMENT EXHIBIT
7-12
4:01CR207

Mr. David Mack
Deputy Assistant Secretary for Near
Eastern and South Asian Affairs
2201 C Street, N.W.
Washington, D.C. 20520

Dear Mr. Mack:

Persuant to our phone conversation today, I would like to spell out my concerns about the case involving Bucheit International of my district and Prince Mishaal bin Abdul Aziz of Saudi Arabia.

The Commerce Department sent a cable (USDOC 10088) to our embassy in Saudi Arabia on September 24, 1990. The cable stated that Bucheit's equipment is still in Saudi Arabia and its purpose was to verify a statement made by Prince Mishall's business manager that the prince is unwilling to sign documents to release that equipment. As of yet, we have not received a reply. I would appreciate a status report as soon as possible. I would also request that Ambassador Freeman raise this issue with King Faud.

The Commerce Department, Senator Glenn and I have been busting our backs to get Prince Mishaal to sit down and negotiate a compromise with Bucheit or submit the matter to arbitration as required by contract. Yet, the prince rebuffs our efforts at every turn and obviously considers himself above the principles of contract sanctity. The man is an international tyrant and thief. I know of at least nine other companies he has ripped off.

While the United States is spending approximately $20 million a day to preserve Saudi Arabia's independence and integrity, a member of the Saudi royal family has no qualms about nearly bankrupting small American companies.

Enough is enough! It is time for you, the State Department, to put some pressure on the Saudi royal family. We cannot fight this battle alone. We have learned from experience that any pressure or overtures directed at Prince Mishaal are useless. Unless we bring this matter directly to the attention of King Faud or another influential member of the Saudi royal family, Bucheit is never going to get a fair deal.

If you have any questions about this case, please call me. We need your help.

Respectfully,

J. A. Traficant, Jr.
Member of Congress

EXHIBIT
71 for ID
PRICE-Paterson, N.J.

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
ECONOMIC DEVELOPMENT
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
ENERGY
SPACE
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-3517

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3517
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2685
NILES, OH 44446
(216) 652-5849

January 8, 1991

The Honorable Charles Freeman, Jr.
Ambassador to Saudi Arabia
U.S. Embassy
P.O. Box 94309
Riyadh, Saudi Arabia 11693



Dear Mr. Ambassador:

I recently held a meeting with Mr. Adel A. Al-Jubeir, Special Assistant to the Ambassador Bandar, regarding the Bucheit International contract dispute with H.R.H. Prince Mishaal bin Abdulaziz.

As you may know, I have been working to settle this matter for the past two years. I want to thank you and U.S. embassy officials for your past assistance on this case. I am writing to request your assistance once again.

We have brought this case to the attention of the Saudi Ambassador to the United States and the Saudi Minister of Justice. I understand that you brought the case to the attention of other Saudi officials. Yet, we are unsure whether resolution of the matter is considered a priority by King Faud's inner circle.

Mr. Al-Jubeir recently cabled the King's private offices urging a resolution to this case. He suggested that your embassy contact Mohammed Suleiman, employed in the King's private offices, and do the same. This combined assault should serve to elevate the importance of the matter. As a result, I respectfully request that you contact Mohammed Suleiman to urge a resolution to the case.

It is my understanding, past and recent cables sent to Saudi Arabia by the Saudi embassy recommend a $3.9 million settlement for Bucheit International - $1.6 million to be payed directly to Bucheit and $2.3 million to be deducted from the settlement amount for the purpose of resolving all tax liability incurred by Bucheit.

With your continued assistance, I hope that the Saudi government will agree to implement this settlement as soon as possible. I want to wish you and your family a very Happy New Year.

Respectfully,

J. [illegible] Traficant, Jr.
Member of Congress



JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44440
(216) 652-5649

January 18, 1991

Mr. Alan Weiner
Office of International Claims
U.S. Department of State
Washington, DC 20520

JOINT EXHIBIT

GOVERNMENT EXHIBIT
7-15
4:01CR207

Dear Mr. Weiner:

I have been informed that you have taken over the case involving Bucheit International's contract dispute with Prince Mishaal Bin Abdulaziz, a senior prince of the Saudi Arabian royal family.

As you know, the Commerce Department and members of Congress have been exerting pressure on Saudi government officials to force Prince Mishaal to the negotiating table or to have the matter settled by arbitration as required by contract. The State Department has reported that U.S. Ambassador Freeman has also raised the issue with senior Saudi officials on several occasions.

At the same time, the law firm retained by Bucheit in Riyadh, at the suggestion of the State Department, has been seeking legal remedies in Saudi Arabia for the past few months. Recently, the firm reported that it is impossible for Bucheit to receive truly effective relief in Saudi Arabia.

The report outlined the reluctance of the law firm to represent Bucheit in legal proceedings against Prince Mishaal based on the prince's record of retribution and reprisals against those who seek to cross him. The firm was actually threatened by the prince's lawyer against pressing a claim. The firm concluded that it would be impossible for Bucheit to achieve any fair remedy in Saudi Arabia against Prince Mishaal.

As a result, I request that the United States sue Saudi Arabia under international law for Denial of Justice. Prince Mishaal has used his position as a senior member of the Saudi royal family to cheat Bucheit out of millions of dollars. In addition, it seems obvious that all legal remedies have been exhausted.

Prince Mishaal considers himself above the law and it is time for him to pay for his deceit. Thank you for your time and cooperation. I look forward to your expeditious espousal of Bucheit's claim.

Respectfully,

J. A. Traficant, Jr.
Member of Congress

cc: David Mack, Deputy Assistant
Secretary for Near Eastern
and South Asian Affairs

EXHIBIT
73 for ID

XEROX TELECOPIER 295 ; 3-22-91;11:17 AM; 2167830347 → 2026325283 ; # 1
MAR-22-91 FRI 11:20 ROCO SUPPLY FAX NO. 2167830347 P.01

(L0134)

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44446
(216) 652-5849

H

March 20, 1991

JOINT EXHIBIT

The Honorable Salah Rajhy
First Secretary
Embassy of Saudi Arabia
601 New Hampshire Ave., N.W.
Washington, D.C. 20037

Post-it™ brand fax transmittal memo 7671 | # of pages ▸ one

To Alan Weiner	From R. J. Bucheit, Jr.
Co. State Dept.	Co. Bucheit Int'l.
Dept. Off. of Legal Adv	Phone # 1-216-788-9653
Fax # 1-202-632-5283	Fax # 1-216-783-0347

Dear Mr. Rajhy:

I am pleased to hear that you have begun negotiations with Bucheit International on behalf of H.R.H. Prince Mishaal bin Abdulaziz regarding the contract dispute between the two parties. I have always believed that the Saudi Arabian people are a people of integrity and honesty and that Prince Mishaal is not representative of the Saudi royal family.

Mr. Bucheit briefed me on the issues discussed at your March 6, 1991, meeting. I understand that he has provided you with a list of claims against Prince Mishaal and that, after a review of the material, you agreed to contact him during the week of March 10, 1991, to continue your negotiations.

I understand that you are busy and may not have been able to review the material in the span of one week. I also understand that you are not operating under a rigid timetable. However, I must confess that I am not sure if your delay in contacting Bucheit to set up a subsequent meeting is because you are genuinely pursuing the matter and simply need more time or attempting to avoid further negotiation.

Please contact me or Mr. Bucheit as soon as possible about the reason for your delay in setting up another meeting. Your initiative in arranging your first meeting with Bucheit has put a hold on hearings that would have been held in the Subcommittee on Europe and the Middle East on the matter. Yet, until this matter is settled, the possibility that hearings will be held is very real. If Mr. Bucheit gives me the impression that negotiations have stalled, I will renew pressure on the subcommittee to hold those hearings.

I respect the warmer and stronger relationship between our nations as a result of the Persian Gulf war. However, I cannot let that relationship blind me to an injustice that must be corrected.

GOVERNMENT EXHIBIT

Respectfully,

17-04

J. A. Traficant, Jr.
Member of Congress

AW

JAT/li

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

EXHIBIT
74 for ID

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44446
(216) 652-5649

April 22, 1991

Mr. Saleh M. Al-Rajayi
First Secretary and Counselor
Royal Embassy of Saudi Arabia
601 New Hampshire Ave., N.W.
Washington, D.C. 20037

JOINT EXHIBIT

GOVERNMENT EXHIBIT 7-20 4:01CR207

Dear Mr. Al-Rajayi:

I trust you and your colleagues at the Embassy, including His Excellency the Ambassador Prince Bandar, had a joyful holiday in celebration of the end of Romadan. I look forward to receiving your communication tomorrow in response to the points and procedures we all agreed upon in our meeting of Friday, April 11, 1991.

To summarize my understanding of the matter, by tomorrow, you will have attempted to communication directly with Prince Mishaal to determine whether he will commit himself to a fast-track, formal arbitration process for prompt resolution of the Bucheit claims. In the event Prince Mishaal does not respond or continues to reject such a proposition, we certainly hope the Embassy will be able to commit to one of the two optional procedures we discussed, namely:

(1) Direct amicable settlement with the Embassy on a dollar figure within a reasonable range of the Bucheit claim, including a mutual "convenience/settlement discount, the release of Bucheit's equipment and the cancellation, offset or otherwise acceptable mutual resolution of the Saudi tax claim;"

(2) A referral of all claims issues to (a) yourself and a U.S. government official such as Karl Reiner or (b) Mr. Sediki and Bucheit's attorneys, with instructions and the understanding that they review all matters and prepare a good faith recommendation for conclusive settlement of this matter to all interested parties and persons with the understanding of their good faith commitment to abide by such an outcome.

Everyone appreciates your involvement and the personal interest of His Excellency Prince Bandar in bringing this matter to a successful and timely closure. However, as I also indicated to you in the meeting, absent a clear definitive time frame and method of resolution, I intend to proceed to protect the interest of my constituents and other small American contractors in their commercial dealings with members of the Royal Family of the Kingdom of Saudi Arabia.

EXHIBIT 75 for ID

001148

I look forward to your response by the close of business tomorrow.

Respectfully,

17-OH

J. A. Traficant, Jr.
Member of Congress

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

X50B

Congress of the United States
House of Representatives
Washington, DC 20515

H

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44446
(216) 652-6849

July 16, 1991

JOINT EXHIBIT

GOVERNMENT EXHIBIT
7-21
4:01CR207

The Honorable James Baker
Secretary of State
The State Department
Washington, DC 20520

Dear Secretary Baker:

For the past year, I have been working on having the contract dispute of Bucheit International, a company in my district, vs. Prince Mishaal bin Abdulaziz of Saudi Arabia, a brother of the king, resolved through negotiation or the submission of the matter to arbitration as required by contract.

In the early 1980's, Prince Mishaal cheated Bucheit out of millions of dollars while Bucheit constructed a mall for him in Riyadh. Prince Mishaal took Bucheit hostage, took his workers hostage, used his connections with the Saudi royal family to change laws, confiscated Bucheit's equipment, looted Bucheit's bank account by calling on a letter of credit without probable cause. The list of this prince's treachery is endless.

I have been working with Senator Glenn, the Commerce Department, the State Department legal claims department and Congressman Hamilton to convince the Saudi embassy that this matter must be addressed. Saudi embassy officials have greeted our efforts with stalling tactics and minimal attention. However, our problem with the specifics of the claim is not the purpose of this letter.

I have enclosed an affidavit Mr. Bucheit presented to me in which he swears that during a meeting at the Saudi embassy, he was informed that he would not get any work in the Gulf countries because of the commotion he was causing with his claim. In addition, the affidavit goes onto relate that one of his representatives was told that harm would come to Mr. Bucheit if he attempted to obtain work in the Gulf.

Prince Mishaal may be a royal prince, but he should not be able to get away with threatening the work and life of an American businessman who has the courage to take a stand against his international thievery.

I have enclosed the affadavit for you to review. I would hope that you would bring this sort of treachery to the attention of King Faud the next time you meet with him.

READ THIS CASE - OUR GOVT SHOULD BE ASHAMED!

Respectfully,

J. A. Traficant, Jr.
Member of Congress

JAT/li
enclosure

EXHIBIT
76 for ID

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

JUL-16-1991 10:11 FROM GULF RECON CENTER TO 96470283 P.02

FY 1

X49A

H

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
PUBLIC BUILDINGS
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

9815 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44446
(216) 652-5848

July 16, 1991

JOINT EXHIBIT

GOVERNMENT EXHIBIT
7-22
4:01CR207

Mr. Saleh M. Al-Rajayi
First Secretary and Counselor
Royal Embassy of Saudi Arabia
601 New Hamphire Ave., N.W.
Washington, D.C. 20037

Dr. Mr. Al-Rajayi:

Since I could not reach you by phone, I find it necessary to inform you in writing that if I do not hear of "significant" progress being made on the Bucheit vs. Prince Mishaal bin Abdulazis case by your embassy by this Wednesday, July 17, 1991, I will speak with Congressman Lee Hamilton, Chairman of the Subcommittee on Europe and the Middle East, about setting a hearing date regarding the Bucheit claim against Prince Mishaal and related claims during early September of this year.

In addition, should any legislation relating to U.S. arms sales to Saudi Arabia be considered on the floor of the House of Representatives this fall, I will offer an amendment to the legislation to restrict arms sales to Saudi Arabia unless progress is made or satisfactory settlements are reached on the Bucheit case and related cases.

I hope that you take this letter into serious consideration. A hearing on this matter prior to a possible U.S. arms sale to Saudi Arabia would not be in your favor. I have been contacted by a number of companies that are clamoring for an opportunity to vent their grievances about corrupt Saudi business practices at a Congressional hearing.

Mr. Bucheit has responded to your claims of "gross exaggeration" by bringing his claim down considerably. We have waited long enough for your directive from Riyadh. If you would like to meet with me on Wednesday, July 17, 1991, to discuss this matter, I am available to you. However, today, I am beginning work on organizing and getting a hearing date set for early September and nothing short of a settlement will stop me from achieving my purpose.

Respectfully,

17-0.

J. A. Traficant, Jr.
Member of Congress

EXHIBIT
77 for ID

Lt # 94/D191 Box # 10457 #14

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD
SUITE 2700
NILES, OH 44446
(216) 652-5649

Congress of the United States
House of Representatives
Washington, DC 20515

JOINT EXHIBIT

July 23, 1991

H.R.H. Prince Bandar bin Sultan
Ambassador
Royal Embassy of Saudi Arabia
601 New Hampshire Ave., N.W.
Washington, D.C. 20037

His Royal Highness:

I will be visiting the Persian Gulf countries from August 12, 1991, to August 17, 1991. I request an audience with King Faud to discuss matters related to international commerce.

Please contact me to arrange a date and time when King Faud would be available to meet with me. I can be reached at (202) 225-5261 during Tuesday, Wednesday and Thursday of each week and (216) 788-2414 on Monday and Friday.

I want to thank you in advance for your assistance on this matter.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/li

GOVERNMENT EXHIBIT

EXHIBIT 78 for ID

001113

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515

312 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

11 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 2700
NILES, OH 44446
(216) 652-6849

September 27, 1991





The Honorable James Baker
Secretary of State
The State Department
Washington, D.C. 20520

Dear Secretary Baker:

I have previously written you regarding the contract dispute between Bucheit International, a company in my district, and Prince Mishaal bin Abdulaziz of Saudi Arabia, a brother of King Fahd. I want to thank you for your response to my previous letter.

You will recall that Bucheit International constructed a mall for Prince Mishaal in Riyadh in the early 1980's and was never fully compensated for the project. During that time, Prince Mishaal took Mr. Bucheit hostage, took his workers hostage, used his connections with the Saudi royal family to change laws, confiscated Bucheit's equipment, looted Bucheit's bank account by calling on a letter of credit without probable cause. The list of Prince Mishaal's treachery is endless.

As you know, Mr. Bucheit has been trying to have this matter settled for the past decade. At one point, Mr. Bucheit had requested that that the United States through the State Department sue Saudi Arabia under international law for denial of justice. Yet, the State Department contended that such an avenue could not be pursued because, although Prince Mishaal is a member of the royal family, he could not be linked to the Saudi government.

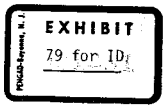
Recently Prince Mishaal spent about one month in the United States. I have learned from certain sources that he was traveling with a diplomatic passport. If the State Department maintains that the Saudi government cannot be sued under international law regarding this matter because Prince Mishaal cannot be linked to the Saudi government, how is it that Prince Mishaal can travel with a diplomatic passport? I assume that only a member of the Saudi government can travel with such a passport.

I would like to know whether Prince Mishaal was, in fact, traveling with a diplomatic passport during his stay in the United States. In addition, considering that this information brings new light to the entire situation, I would like for the State Department to reexamine the position it has taken not to pursue international legal proceedings on the matter.

Respectfully,

9-04

J. A. Traficant, Jr.
Member of Congress



NOV-01-1991 18:23 FROM GULF RECON CENTER TO 96470283 P.02

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SCIENCE, SPACE AND APPLICATIONS
ENERGY RESEARCH AND DEVELOPMENT

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

313 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

17 OVERHILL ROAD
YOUNGSTOWN, OH 44512
(216) 788-2414

5555 YOUNGSTOWN-WARREN RD.
SUITE 3700
NILES, OH 44446
(216) 652-5845

X055

H

Congress of the United States
House of Representatives
Washington, DC 20515

October 30, 1991

JOINT EXHIBIT

Bucheit

Custodian of the Two Holy Mosques
His Royal Majesty
King Faud Bin Abdul Aziz Al-Asud
Kingdom of Saudi Arabia
Riyadh, Royal Court

Your Royal Majesty:

I should like to request the honor of petitioning His Majesty in His Sovereign tradition of the Majlis and submit this communication for acceptance in lieu of a personal appeal.

I understand that at the September 29, 1991, meeting between Dr. Hany El-Emary and your Minister of Justice H.E. Sheikh Mohammed Bin Jubair, the Bucheit International case was brought to the attention of your Minister.

For the past year and a half, I have been working with your embassy here in Washington, D.C. and the U.S. embassy in Riyadh to get this dispute resolved through negotiation or submission of the matter to arbitration as required by contract. Yet, I have met with nothing but delays by Saudi embassy officials.

I will continue to withhold any action on the convening of the hearing upon receipt of confirmation from Dr. El-Emary or Mr. Taher Garfaoui during the first week of November that this letter was presented to Sheik Jubair.

I respectfully request that I receive word from one of your ministers by December 15, 1991, that the Bucheit case has been resolved or that progress is being made to bring the case to settlement.

THIS STATIONERY PRINTED ON PAPER MADE OF

EXHIBIT
80 for ID

GOVERNMENT EXHIBIT
7925
4:01CR207

Ltr 4 Nov 1991 Sec Bl 10497 Bl

King Fahd Bin Abdul Aziz Al-Saud
October 30, 1991
page 2

In my opinion, a satisfactory settlement to the Bucheit and Harbert cases would render a Congressional hearing unnecessary.

I would be pleased to work with Sheikh Jubair on the establishment of a committee to discuss any future commercial disputes in an amicable and calm environment and, therefore, eliminate the need for the U.S. Congress to take an adversarial or embarrassing position in relation to Saudi Arabia.

The committee I have in mind would meet with your Minister of Justice on a quarterly basis to discuss minor commercial disputes that arise between Americans and Saudis so that such differences can be worked out through negotiation allowing each side to better understand the concerns of others. The committee would include key private sector leaders and as such would be a catalyst for improving U.S. private sector commercial relations with Saudi Arabia.

I have enclosed a description of the Bucheit case for your consideration

I look forward to your response on this matter.

Respectfully,

17-0H

J. A. Traficant, Jr.
Member of Congress

enclosures

NEWS

FROM CONGRESSMAN

JAMES TRAFICANT

17th CONGRESSIONAL DISTRICT, OHIO





PRESS CONTACT: H. WEST RICHARDS
TELEPHONE (202) 225-5261

DECEMBER 30, 1992
IMMEDIATE RELEASE

TRAFICANT ANNOUNCES SETTLEMENT IN CASE BETWEEN BUCHEIT INT'L CORPORATION AND SAUDI ARABIAN PRINCE

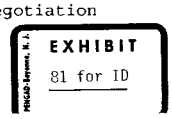
U.S. Rep. James A. Traficant, Jr. (D-OH Warren/Youngstown) announced today that the long standing legal dispute between Bucheit International Corporation and Prince Mishaal bin Abdul Aziz of Saudi Arabia has come to a successful conclusion.

Traficant, Democrat from Ohio, was asked to mediate the case by the Bucheit Corporation. Traficant negotiated the case last week with officials at the Saudi Embassy. Detailed terms of the settlement are prohibited from being released pursuant to the agreement reached.

According to Traficant, a tentative agreement was reached last week between himself and Saudi Counselor, Saleh M. Al-Rajhy. Today, (12-30-92) both parties through their attorneys' have confirmed a signed agreement finally resolving the matter.

Traficant concluded, "I am glad that it is over and I would like to thank both the Saudi Arabian government and the Bucheit Corporation for their intense cooperation with me which has led to this satisfactory agreement. I especially would like to commend the Bucheit Corporation for standing up for their rights as well as commending Prince Bandar and his assistant, Saleh M. Al-Rajhy, for working with me through this difficult negotiation process."

-30-





Ltr to Gore
cc: Gilman
Hamilton

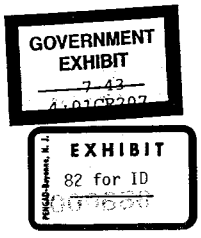
TO PAUL MARCONE MAY 19-97

DEAR PAUL. 202-225 3718

AS WE DISCUSSED LAST THURS. IN JIM'S OFFICE HERE IS BASIC DETAILS OF THE GAZA/ PALESTINIAN INVESTMENT THEY ARE TRYING TO CHEAT US ON.

I WILL FOLLOW UP WITH THE AFFIDAVIT IN A DAY OR SO.

REGARDS
PETE BUCHEIT
BUCHEIT CO.



JOINT EXHIBIT

JAMES A. TRAFICANT, JR.
COMMITTEE
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES
RANKING DEMOCRAT, PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE
SCIENCE
SUBCOMMITTEE
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515-3517

2365 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
YOUNGSTOWN, OH 44503
(216) 746-7958

5555 YOUNGSTOWN WARREN ROAD
SUITE 501
NILES, OH 44446
(216) 652-5649

109 WEST 2ND STREET
EAST LIVERPOOL, OH 43920
(216) 385-5921

May 22, 1997

GOVERNMENT EXHIBIT 7-44 4:01CR207

The Honorable Albert Gore, Jr.
Vice President of the United States
The White House
Washington, D.C. 20500

Dear Vice President Gore: AL:

I am writing on behalf of Bucheit International Limited, a family-owned company in my congressional district that has been in business since 1908. In 1994, Bucheit agreed to be the model company for U.S. investment in Gaza. After investing $4.4 million in the area, however, Bucheit has experienced transportation and standards barriers, a mismanaged system of regulations, and unethical, if not illegal, activity, which has resulted in Bucheit's default on a U.S. government loan.

In 1994, Bucheit International, with the support of the Office of the Vice President, the U.S. Department of Commerce, and Builders For Peace, was granted political risk insurance from the Overseas Private Investment Corporation (OPIC). In 1995, Bucheit received a $1.1 million loan from OPIC for the purchase of additional equipment and working capital. As the first American company to invest in Gaza, Bucheit's investment was applauded by the Palestinian Authority (P.A.) and the Israeli Ministry of Industry.

Bucheit International's investment project involved building a greenfield plant, and training and employing Palestinian workers to manufacture and erect precast concrete elements for the construction industry. The project would benefit both Palestinians and Israelis: production materials were imported from Israel and transient Palestinian workers, often the cause labor disputes in Israel, were employed in Gaza.

The main components for the Bucheit plant cleared customs in Haifa, and Bucheit arranged for ground transportation to Gaza. The shipment of approximately 13 trailer loads was first transported to a point 12 kilometers south of Gaza City, and then escorted by the Palestinian police and Israeli Army through Gaza checkpoints to the plant location.

The second shipment, which included $50,000 in heavy equipment, trucks, and a container of parts, was rife with problems. When the shipment first arrived in Israel, both the Israeli and Palestinian Customs refused to accept the commercial invoice valuation from the U.S. Once that was resolved, Customs then began an exhaustive inspection, which involved unloading and scrutinizing each part and piece of equipment individually. Customs denied the release of U.S.-manufactured equipment, citing differences in Israeli standards. The equipment that Customs did approve was transported to the Gaza border, where it had to be off-loaded from Israeli trucks and re-loaded onto Palestinian trucks.

As established in the Paris Protocol of April 29, 1994, the Palestinian Authority is permitted to levy Value-Added-Taxes (VAT) up to 16 percent. On the other hand, any VAT collected by Israel for products destined for the West Bank or Gaza were to be rebated. The rebate regulations require the parties to meet once a month to complete the transaction. To complicate matters further, Bucheit's original U.S. certification documents were demanded by the Palestinian Authority at the Gaza Border, and either lost or misplaced. To date, Bucheit has

EXHIBIT 83 for ID

065859

never been reimbursed. In addition, Bucheit has had difficulty obtaining proper invoices from Gaza suppliers, so simple day-to-day accounting has become an impossible task. Bucheit currently has a $75,000 payment pending.

Israel-Palestinian regulations provide for the free movement of industrial goods between Israel and Gaza, unencumbered by restrictions such as customs, import taxes, etc. The P.A., however, retains the right to determine customs rates and purchase taxes on goods for the Palestinian Economic Development Program. According to Bucheit International, Israeli Customs levied duties and taxes on all Bucheit manufacturing equipment by overlooking U.S. certifications and applying its own valuations. Moreover, Bucheit had been promised a five-year tax moratorium by the Palestinian Authority which was never granted. Rather, Bucheit income taxes are automatically deducted on all final payments by the Palestinian Ministry of Finance.

The Palestinian Authority agreed to establish and supervise a monetary authority in Gaza, in accordance with international banking law. However, Bucheit has found the banking system to be well below international standards. For example, Bucheit has discovered that: corporate accounts were opened without proper corporate documentation, corporate checks denominated in dollars were endorsed and cashed by individuals, without first being deposited into the corporate account, canceled checks were not returned, corporate funds in excess of $100,000 were used to guarantee an overdraft facility of a private individual, without knowledge or approval by the corporation, and a letter of guarantee was written by a bank without notifying Bucheit, in violation of Bucheit Management's strict instructions.

Bucheit International, in good faith, agreed to be the U.S. pioneer for investment in Gaza, to train and hire Palestinians, and in the end, consign the project to Gaza. Bucheit International has faced unnecessary scrutiny, unfair regulation and taxes, and a myriad of unethical practices. In many ways, the establishment of a lasting peace in the Middle East hinges on the ability of the Palestinians to develop the economies of the West Bank and Gaza Strip. That development, to a large degree, will depend on U.S. investment in the region. Bucheit took a considerable risk in investing in Gaza. Through no fault of its own, Bucheit has endured significant losses. Unless our government takes strong action to redress this wrong, it will be extremely difficult to convince other U.S. companies to invest in Gaza and the West Bank. As such, I respectfully request that the Administration consider withholding $4.4 million in foreign assistance to the Palestinian Authority on behalf of Bucheit International.

Thank you for your attention of consideration of this matter. Should you or your staff have any questions or concerns, please do not hesitate to contact me or Kimberly Harris Bliton of my Washington office.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/khb

065860

JOINT EXHIBIT

JAMES A. TRAFICANT, JR.
COMMITTEE
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE
RANKING DEMOCRAT PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE
SCIENCE
SUBCOMMITTEE
SPACE

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
YOUNGSTOWN, OH 44503
(216) 744-0454

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(216) 652-5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(216) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

June 17, 1997

The Honorable Albert Gore, Jr.
Vice President of the United States
The White House
Washington, D.C. 20500

Dear Vice President Gore:

This letter is to follow up my May 22, 1997 correspondence on behalf of Bucheit International Limited, a family-owned company in my congressional district.

As you know, Bucheit International has experienced numerous unethical and questionable activities in its dealings with Cairo Amman Bank of Gaza. For example, Bucheit has discovered that: corporate accounts were opened without proper corporate documentation, corporate checks denominated in dollars were endorsed and cashed by individuals, without first being deposited into the corporate account, canceled checks were not returned, corporate funds in excess of $100,000 were used to guarantee an overdraft facility of a private individual, without knowledge or approval by the corporation, and a letter of guarantee was written by a bank without notifying Bucheit, in violation of Bucheit Management's strict instructions.

Please find enclosed a copy of Bucheit International's affidavit documenting the company's ordeal with Cairo Amman Bank, for your file.

Thank you again for your time and attention to this matter. Should you or your staff have any questions or concerns, please do not hesitate to contact me or Kimberly Harris Bliton of my Washington office.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/khb

GOVERNMENT EXHIBIT
CR 01CR205
EXHIBIT
84 for ID

02/06/98 10:00 ☎202 456 9500 OVP/NSA 002

L53D

980211

JAMES A. TRAFICANT, JR.
17th DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515–3517

3448 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

6665 YOUNGSTOWN-WARREN ROAD
SUITE 500
NILES, OH 44446
(330) 652-6848

105 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385-6921

January 20, 1998

The Honorable Albert Gore, Jr.
Vice President of the United States
The White House
Washington, DC 20500

JOINT EXHIBIT
PENGAD-Bayonne, N. J.

Dear Vice President Gore:

Please find enclosed a letter addressed to you from Pete Bucheit of Bucheit International, Inc., a constituent in my 17th District of Ohio. The letter explains the recent developments in the Bucheit case with respect to OPIC, the Gaza/Jericho Agreement, and the Middle East Peace Facilitation Act.

Thank you for your time and assistance. Should you have any questions or concerns, please feel free to contact me or Kimberly Harris Bliton of my Washington office.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/khb

GOVERNMENT EXHIBIT
7-52
4:01CR207

EXHIBIT
85 for ID
PENGAD-Bayonne, N. J.



LeHER to
AMBASSADOR to KUWAIT

REF: BURGAN BANK

I AM WRITING to you IN REFERENCE TO A CONSTITUENT OF MINE IN YOUNGSTOWN OHIO (Buckeye Int'l Inc) who HAS A PROBLEM with THE BURGAN BANK S.A.E. THAT REQUIRES YOUR URGENT ATTENTION.

Buckeye is a shareholder of Gulf Global Petroleum Establishment who maintained a #3 H FIXED Deposit ACCOUNT since Aug 17, 1980

When the Gulf WAR STARTED IN 1990 Gulf Petroleum MAINTAINED their FIXED Deposit ACCOUNT, including ACCRUED INTEREST, AS IT'S on-going Deposit to CONDUCT IT OIL TRADING BUSSINESS.

Following the Gulf WAR the BURGAN BANK WAS TAKEN OVER By the KUWAITI GOVERNMENT AND the DEPOSIT ACCOUNT #126055 HAS JUST DISAPPEARED AND the BANK IS DENYING THAT the Gulf Global Accoun EVER EXISTED (See Ex 3)

MR AMBASSADOR, THIS IS JUST NOT THE CASE AS THE COPIES OF THE DEPOSIT RECORD AND BURGANS CERTIFICATION OF THE BANK ACCOUNT WILL CONFIRM.

IT SHOULD ALSO BE NOTED THAT ALL THE LEGAL AND STATUTORY RIGHTS PERTAINING TO THE COMPANY HAVE BEEN HELD BY MR SAID AL SABAWI A CANADIAN CITIZEN, WHO WILL CERTIFY THAT THE ACCOUNT EXISTED AN 1990 AND HE HAS NEVER AUTHORIZED THE REMOVAL OF THE FUNDS FROM THE ACCOUNT, AND BURGAN MUST HAVE HIS SIGNITURE FOR ANY WITHDRAWAL FROM THE ACCOUNT.

THE BURGAN BANK, A GOVERNMENT CONTROLLED ENTITY, MUST ACT TO RESPE INTERNATIONAL BANKING RULES AND IMMEDIATE RETURN ALL THE EXPROPRIATED FUNDS BACK INTO GULF GLOBAL'S ACCOUNT.

OUR MUTUAL RESPECT FOR THE UNIQUE RELATIONSHIP BETWEEN THE U.S.A AND KUWAIT COULD BE HARMED BY THE DENIAL OF THE EXISTENCE OF A DEPOSIT ACCOUNT WHICH HAS DISAPPEA UNDER YOUR WATCH 000648 N.A.T.

JOINT EXHIBIT

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

Congress of the United States
House of Representatives
Washington, DC 20515–3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
YOUNGSTOWN, OH 44503
(216) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(216) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(216) 385-5921

August 1, 1997

The Honorable Ryan C. Crocker
U.S. Ambassador
American Embassy
Unit 69000
APO AE 09880-9000

Dear Ambassador Crocker:

I am writing on behalf of Bucheit International Limited, a family-owned company in my 17th Congressional District of Ohio. Bucheit International has experienced difficulties in its business dealings with Burgan Bank, S.A.K.

Bucheit is a shareholder of the Gulf Global Petroleum Establishment, which has maintained a $3 million fixed deposit account with Burgan Bank since August 17, 1980. Following Saddam Hussein's invasion of Kuwait in 1990, Gulf Petroleum continued to maintain the fixed deposit account, plus accrued interest, in order to continue its oil trading business.

Following the Gulf War, Burgan Bank was taken over by the Kuwaiti government. At that time, Gulf Global Petroleum discovered that its deposit account, #1260550, had suddenly disappeared. Burgan Bank denies that the Gulf Global account ever existed (example 3). Please find copies of the deposit record and Burgan Bank's certification of the bank account enclosed for your review.

It should also be noted that all legal and statutory rights of the company have been held by Mr. Said Al Sabawi, a Canadian citizen. Mr. Sabawi can certify that the account did indeed exist in 1990 and that he has never authorized the removal of the funds from the account, as Burgan Bank must have his signature for any withdrawal from the account.

Due to the exceptional relationship the United States maintains with Kuwait, I respectfully request your assistance in investigating and resolving this matter between Bucheit International, Gulf Global Petroleum Establishment and Burgan Bank. It is imperative that the $3 million is returned so that the company can continue its business in oil trade.

Thank you for your time and assistance. I look forward to your prompt response to my request. Should you have any questions or concerns, please feel free to contact me or Kimberly Harris Bliton of my Washington office.

Respectfully,

James A. Traficant, Jr.
Member of Congress

JAT/khb
encl.

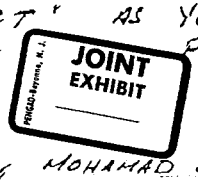
GOVERNMENT EXHIBIT
7-28
4 OTCR207

EXHIBIT
87 for ID

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

P01

TO KIM HARRIS BLITON -
"DRAFT" AS YOU LIKE
KUWAIT EMBASSY PETE BUCHEIT
WASHINGTON D.C.
ATTN:
HIS EXCELLENCY MOHAMAD SABAH AL-SABAH



JOINT EXHIBIT

DEAR AMBASSADOR AL-SABAH

I would like to make you aware of the problems a company in my District (Bucheit Intl) is having with the Burgan Bank in Kuwait.

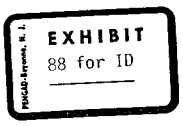
As you are aware the Burgan Bank was taken over by the Kuwait Government following the Gulf War.

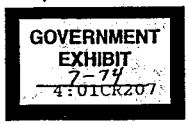
Bucheit, as a shareholder of Gulf Global Petroleum Est., has frankly been lied to by the management of Burgan Bank who refuses to recognize their 3^{H} fixed deposit account # 1260550. and return these funds into the account.

The facts of the case is that Gulf Globals account was opened in Aug of 1980. The Bank recognized this with a letter of Aug 17-80.

EXHIBIT 88 for ID

GOVERNMENT EXHIBIT 7-74 4:01CR207





000810

P02

THERE WAS THEN, AND IS NOW, ONLY ONE SIGNITURE to CONTROL THIS ACCOUNT AND THAT WAS MR. SAID AL SABAWI (LIVING IN KUWAIT AT THE TIME) who HAS NEVER AGREED TO THE RELEASE OF THIS FIXED DEPOSIT ACCOUNT.

THE BANK HAS ~~AT STATED~~ STATEMENT STATED THAT THEIR WAS AN ACCOUNT OPENED Aug 17-80 FOR "BH", ~~[redacted]~~ IN THE NAME OF GULF GLOBAL PETROLEUM, ~~[redacted]~~ AND IT WAS MADE FROM A PERSONAL LOAN FROM THE BANK to SHAIKH DUAIJ AL-SABAH. THEY SAY THAT SHAIKH AL-SABAH WAS PAID ~~OUT~~ THE FUNDS ON Aug 18, 80 (NEXT DAY) BUT REFUSES to GIVE DOCUMENTS to BACK THIS UP.

PLEASE UNDERSTAND THAT ONCE the ACCOUNT WAS OPENED IN the COMPANY'S NAME, only the AUTHORIZED PERSONS could REMOVE these FUNDS. MR. SABAWI WAS THAT PERSON, ~~WAS~~ LIVING IN KUWAIT UNTIL the WAR, who could DO this, NOT SHEIKH AL SABAH

MR BUCHEIT HAS BANK STATEMENTS AND BANK LETTERS AGREEING to the FACT A FIXED DEPOSIT ACCOUNT OF "BH" EXISTED IN THE MID EIGHTIES.

000611

P03

- 3 -

WHAT HAS HAPPEND HERE IS PLAIN. FOR A REASONABLE PERSON TO UNDERSTAND. THE BURGAN BANK, WAS PRESSURED BY A MEMBER OF THE ROYAL FAMILY TO PAY OUT GULF GLOBALS MONEY TO HIM. THINKING THAT ~~THE~~ HIS POWER WOULD PROTECT HIM AND THAT THE LOCAL SHARE HOLDERS WERE AFRAID TO GO AGAINST THE AL SABAH FAMILY.

MR AMBASSADOR WE HAVE AN AMERICAN FAMILY THAT INVESTED IN GULF GLOBAL PETROLEUM BASED ON DOCUMENTS FURNISHED BY BURGAN BANK AND ONLY NOW WHEN ~~WE~~ THEY ARE DEMANDING THE MONEY BE RETURNED TO THE COMPANIES ACCOUNT THE GOVERNMENT OWNED BANK IS ATTEMPTING A COVERUP OF THIS WITHDRAWAL.

KUWAIT AND THE U.S.A. HAVE WORKED SIDE BY SIDE THRU SOME VERY DIFFICULT TIMES AND ~~I~~ NOW IS NOT THE TIME TO PERMIT SOMETHING LIKE THIS TO BE SWEPT UNDER THE RUG.

P04

- 4 -

I will welcome a meeting with you wherein MR Buchir AND MR. SABAWI CAN LAY OUT their DOCUMENTS IN A Full AND complete WAY FOR All to SEE.

I DON'T WANT to INSIST that OUR GOVERNMENTS HAVE to go TO INTERNATIONAL FORUMS to solve A ~~DIF~~ MISUNDERSTANDING BETWEEN AN AMERICAN CITIZEN AND THE KUWAIT GOVERNMENT AS OWNER OF THE BANK.

MR Buchir, who I SUPPORT, REQUEST that these FUNDS BE RETURNED IMMEDIATELY to the ~~[illegible]~~ COMPANY ACCOUNT IN BURGAN BANK, AND IN TURN DEAL with whoever WAS RESPONSIBLE FOR the money DISAPPEARING UNDER YOUR Rules.

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO
COMMITTEE:
TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEES:
RANKING DEMOCRAT: PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT
AVIATION
COMMITTEE:
SCIENCE
SUBCOMMITTEE:
SPACE

JOINT EXHIBIT

Congress of the United States
House of Representatives
Washington, DC 20515–3517

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225–5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743–1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652–5649

109 WEST 3rd STREET
EAST LIVERPOOL, OH 43920
(330) 385–5921

November 17, 1997

His Excellency Mohammed Sabah Al-Salim Al-Sabah
Ambassador
Embassy of the State of Kuwait
2940 Tilden Street, N.W.
Washington, D.C. 20008

EXHIBIT 89 for ID

GOVERNMENT EXHIBIT 7-75 4:01CR207

Dear Ambassador Al-Sabah:

I am writing regarding Bucheit International Limited, a family-owned company of my 17th Congressional District of Ohio, with respect to its financial transactions with Burgan Bank, S.A.K. of Kuwait.

Bucheit is a shareholder of the Gulf Global Petroleum Establishment, which has maintained a $3 million fixed deposit account with Burgan Bank since August 1980. Burgan Bank formally recognized this transaction in a letter dated August 17, 1980. Over the following decade, the $3 million account was used as a guarantee on Gulf Global's oil trade agreements.

Prior to Saddam Hussein's invasion of Kuwait in 1990, Gulf Global continued to maintain this fixed deposit account, plus accrued interest, in order to continue its oil trading business. During the Iraqi occupation of Kuwait in 1990 and the Gulf War in 1991, Gulf Global's account at Burgan Bank was frozen.

As you know, following the Gulf War, Burgan Bank was taken over by the Kuwaiti government. When Gulf Global tried to resume its operations following the war, Burgan Bank first denied that Gulf Global's account ever existed, even though company has bank receipts to prove it. Then Burgan officials said that they had found Gulf Global's account, but there was no money in it.

It should also be noted that all legal and statutory rights of the company have been held by Mr. Said Al Sabawi, a Canadian citizen. Mr. Sabawi can certify that the account did indeed exist in 1990 and that he has never authorized the removal of the funds from the account, as Burgan Bank must have his, and only his, signature for any withdrawal from the account.

Burgan Bank's official story is that the $3 million on deposit was withdrawn in 1980. Burgan claims the account was opened on August 17, 1980 in the name of Gulf Global Petroleum, and it was made from a personal loan from the bank to Shaikh Duaij Al-Sabah. Further, Burgan alleges that Shaikh Al-Sabah was paid the funds on August 18, 1980, but refuses to submit documents to back up this story.

Again, Said Al Sabawi, who was living in Kuwait in 1980, has the legal documentation to prove that he is the only person authorized withdraw any funds from the fixed deposit account. If the money was withdrawn in 1980, which was admittedly in the name of Gulf Global Petroleum Establishment, how could it have been released to anyone

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

without the signature of the authorized company representative legally on record? Further, why did Burgan issue bank statements after the unauthorized withdrawal date, showing the $3 million was in the account?

Mr. Ambassador, Kuwait is a friend and ally of the United States. Bucheit is asking only that the $3 million, a rightful asset of Gulf Global Petroleum, be returned to its account. It is my preference, as well as Bucheit's, that this misunderstanding be rectified by the parties involved, not by an international forum.

I respectfully request that you direct the prompt return of Gulf Global Petroleum's $3 million in full, to its corporate account at Burgan Bank. I would welcome a meeting with you wherein Mr. Bucheit can present legal documentation of the aforementioned facts.

Thank you for your time and consideration. I look forward to your response.

Respectfully,

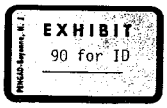
James A. Traficant, Jr.
Member of Congress

JAT/khb

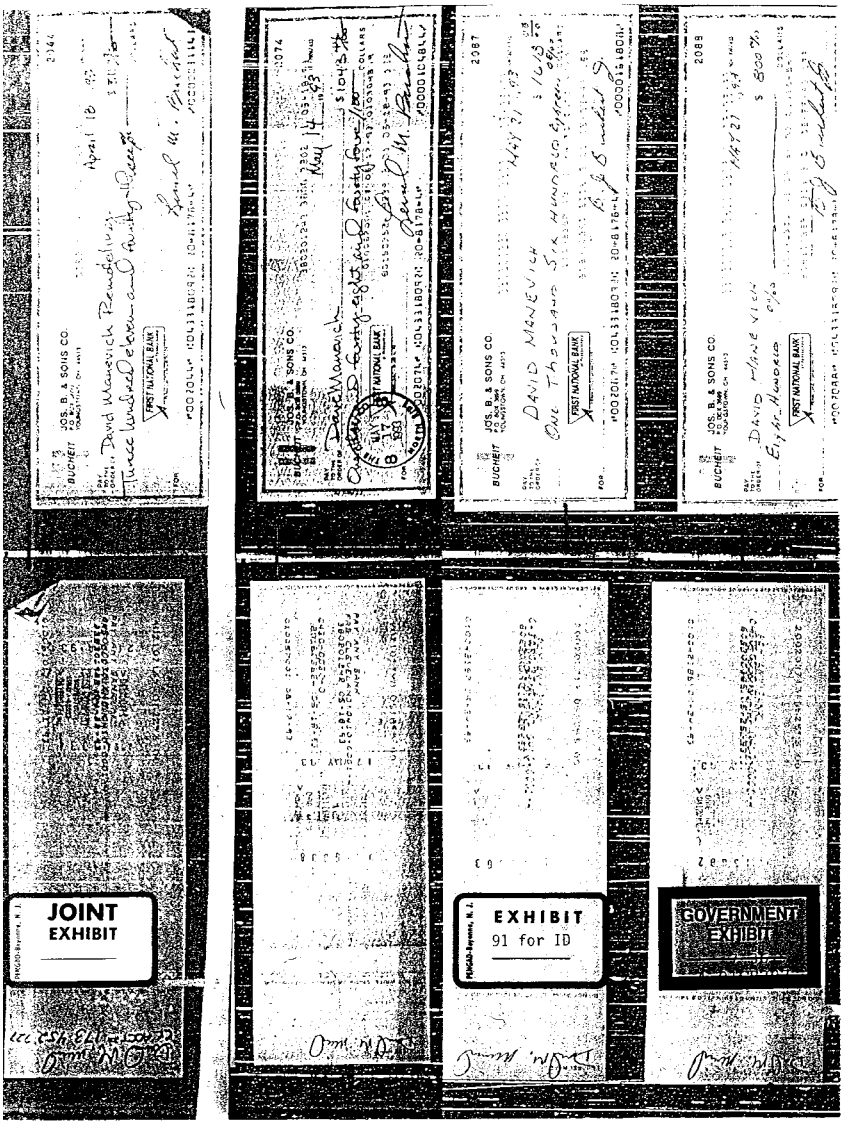


PAYMENTS TO DAVE MANEVICH - 1993

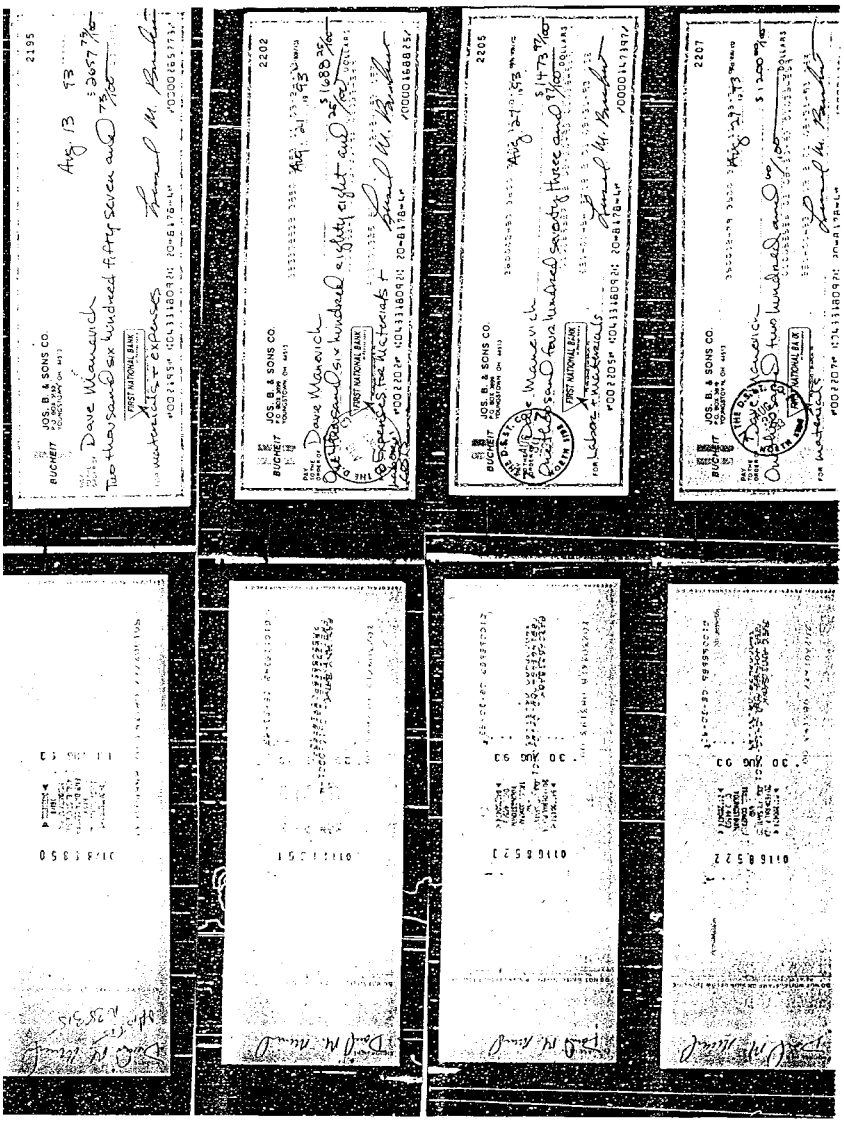
CHECK NUMBER	DATE OF CHECK	PAYEE	MEMO	AMOUNT
2044	04/18/93	DAVE MANEVICH REMODELING	-	$311.43
2074	05/14/93	DAVE MANEVICH	-	$1,048.44
2087	05/21/93	DAVID MANEVICH	-	$1,618.08
2088	05/21/93	DAVID MANEVICH	-	$800.00
2099	05/28/93	DAVID MANEVICH	450 H ST. N. W.	$1,083.77
2116	06/11/93	DAVID MANEVICH	-	$240.00
2163	07/19/93	DAVE MANEVICH	MATERIALS	$3,500.00
2190	08/06/93	DAVE MANEVICH	MATERIALS & EXPENSES	$4,706.01
2195	08/13/93	DAVE MANEVICH	MATERIALS & EXPENSES	$2,657.73
2202	08/21/93	DAVE MANEVICH	EXPENSES-MATERIALS & LABOR	$1,688.25
2205	08/27/93	DAVE MANEVICH	LABOR & MATERIALS	$1,473.97
2207	08/27/93	DAVE MANEVICH	MATERIALS	$1,200.00
2237	09/13/93	DAVE MANEVICH	MATERIALS & LABOR	$1,650.00
2243	09/17/93	DAVE MANEVICH	LABOR	$1,080.00
2251	09/24/93	DAVE MANEVICH	MATERIALS & LABOR	$916.79
2281	10/08/93	DAVE MANEVICH	LABOR & MATERIALS	$921.18
2282	10/16/93	DAVE MANEVICH	LABOR & MATERIALS	$1,492.93
2294	10/21/93	DAVE MANEVICH	LABOR & MATERIALS	$606.20
		TOTAL PAYMENTS TO MANEVICH IN 1993		$26,994.78

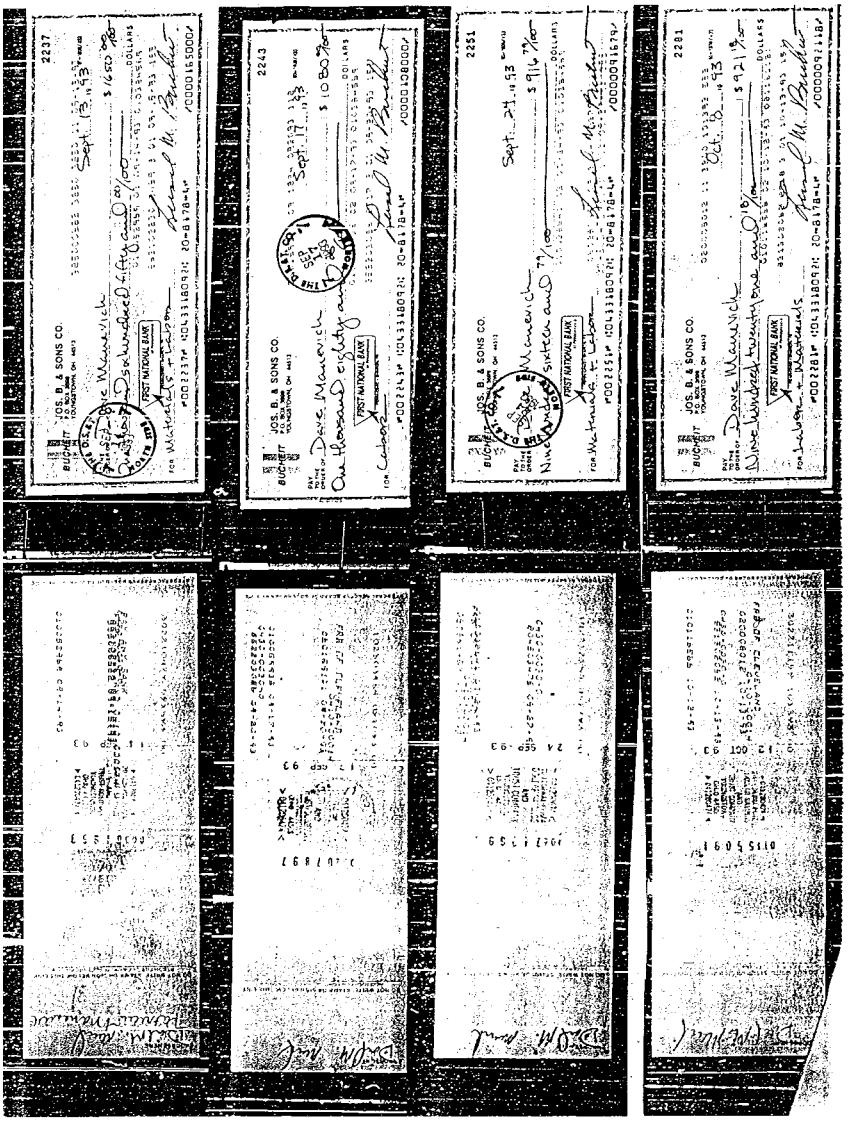


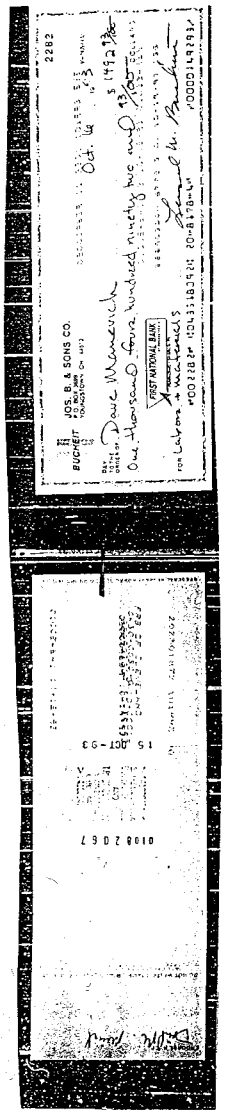


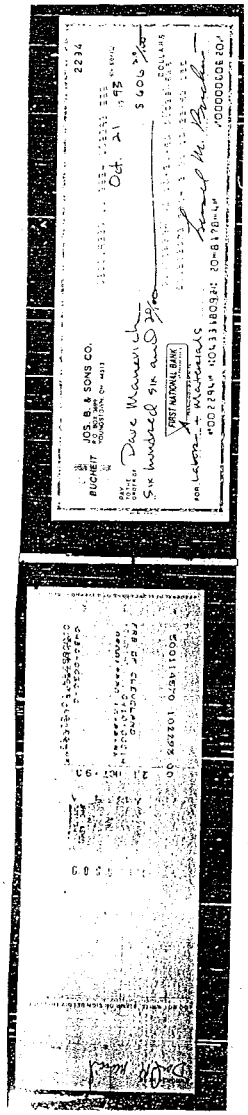

JOINT
EXHIBIT
EXHIBIT
91 for ID
GOVERNMENT
EXHIBIT

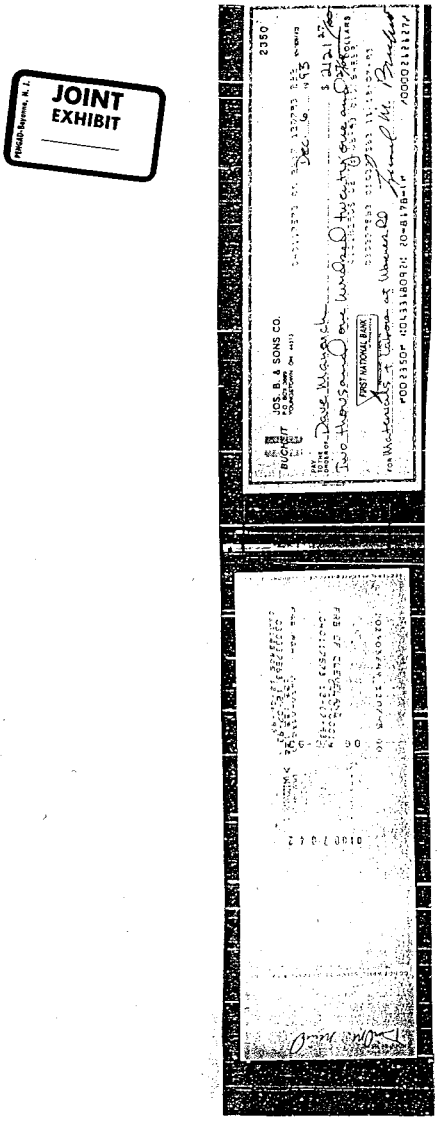











JOINT
EXHIBIT
2350
JOS. B. A SONS CO.
BUDGET
FIRST NATIONAL BANK
GOVERNMENT
EXHIBIT

PHONE 792-5745

AEY ELECTRIC, INC.

2217 MAHONING

YOUNGSTOWN, OHIO 44509

November 23, 1993

Bucheit International Construction
5111 Market St.
Youngstown, Ohio

Job: 6908 W. South Range Rd.

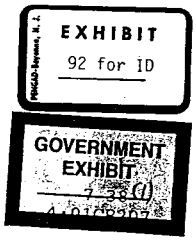
9-20-93...One electrician 6 hrs.
10-27-93..One electrician 8 hrs.
10-28-93..One electrician 6 hrs.

Wire for outlets on 1st. & 2nd. floor. Remove wiring from doorway. Pull wire to cellar, set junction boxes . Isntall outlets on both sides of partition walls. Install boxes for 1st. Floor fan and switch.

Rough in additional outlet on 1st. floor addition under windows. Install wiring under deck to feed plugs.

Install additional outlets on 2nd. floor addition. Unable to fish feed from basement to 2nd, floor. Run wiremold from existing bedroom. Install switches, outlets and covers.

Labor	$740.00
Material	151.10
	$891.10



PHONE 792-5745

AEY ELECTRIC, INC.

2217 MAHONING

YOUNGSTOWN, OHIO 44509

November 23, 1993

Bucheit International
5111 Market St.
Youngstown, Ohio

Job: 6908 South Range Rd.

10-28-93...One electrician 2 hrs.
10-29-93... " " 8 hrs.
11-1-93.... " " 8 hrs.
11-2-93.... " " 8 hrs.
11-3-93... " " 8 hrs.
11-4-93... " " 9 hrs.
11-5-93... " " 9 hrs.
11-8-93... " " 9 hrs.
11-9-93... " " 9 hrs.
11-10-93.. " " 9 hrs.
11-11-93.. " " 9 hrs.
88 hrs.

10-28-93 to 11-11-93

Wire to owners instructions.

Labor.....$3256.00
Material..... 875.40
$4131.40

11-6-93...One electrician 4 hrs.

Repair underground wiring hit by Backhoe on Saturday 11-6-93.
Call out electrician from home, make necessary repair.

Labor.....$148.00
Material..... 16.60
$164.60

$4131.40
164.60
$4295.40 Total Due



JOINT EXHIBIT

2380

UCHEIT JOS. B. & SONS CO.
P.O. BOX 3699
YOUNGSTOWN, OH 44513

60-1809/433

Jan. 24 19 94

THE ORDER OF AEY ELECTRIC, INC. $ 891.10

Eight hundred ninety one and ten/100 DOLLARS

FIRST NATIONAL BANK of Pennsylvania
PENN-OHIO · SHARON, PA

B. J. Burkhart Jr.

⑈002380⑈ ⑆043318092⑆ 20⑈8178⑈4⑈

EXHIBIT 93 for ID

GOVERNMENT EXHIBIT

JOINT EXHIBIT

BUCHEIT JOS. B. & SONS CO.
P.O. BOX 3699
YOUNGSTOWN, OH 44513

2522

60-1809/433

PAY TO THE ORDER OF Aey Electric, Inc.

May 13 1994

$ 1120.30

One thousand one hundred twenty and thirty/100 DOLLARS

FIRST NATIONAL BANK of Pennsylvania
PENN-OHIO - SHARON, PA

FOR

B. Bucheit Jr.

⑈002522⑈ ⑆043318092⑆ 20⑈8178⑈

GOVERNMENT EXHIBIT
1-39(3)



BUCHEIT

JOS. B. & SONS CO.
P.O. BOX 3699
YOUNGSTOWN, OH 44513

2566

60-1809/433

JUNE 15 19 94

PAY TO THE ORDER OF AEY ELECTRIC, INC. $ 978.30/100

NINE HUNDRED SEVENTY EIGHT AND 30/100---------- DOLLARS

FIRST NATIONAL BANK
of Pennsylvania
PENN-OHIO · SHARON, PA

FOR

P J Buchit Jr

⑈002566⑈ ⑆043318092⑆ 20⑈8178⑈





BUCHEIT

JOS. B. & SONS CO.
P.O. BOX 3699
YOUNGSTOWN, OH 44513

2583

60-1809/433

JULY 18 19 94

PAY TO THE ORDER OF AEY ELECTRIC, INC. $876.20

EIGHT HUNDRED SEVENTY SIX AND 20/100 DOLLARS

FIRST NATIONAL BANK of Pennsylvania
PENN-OHIO · SHARON, PA

FOR

B.J. Buchheit Jr.

⑈002583⑈ ⑆043318092⑆ 20⑈8178⑈4⑈



JOINT EXHIBIT

BUCHEIT

JOS. B. & SONS CO.
P.O. BOX 3699
YOUNGSTOWN, OH 44513

2652

60-1809/433

Sept. 19 19 94

PAY TO THE ORDER OF AEY ELECTRIC, INC. $ 125.20/100

One hundred twenty five and 20/100---------- DOLLARS

FIRST NATIONAL BANK of Pennsylvania
PENN-OHIO-SHARON, PA

FOR Final payment

B. J. Buchit Jr

⑈002652⑈ ⑆043318092⑆ 20⑈8178⑈4⑈

GOVERNMENT EXHIBIT
7-21-99
4:01CR207

GOVERNMENT EXHIBIT
7-34
4:01CR207

JOINT EXHIBIT

EXHIBIT
94





GOVERNMENT
EXHIBIT
1-34
4:01CR207



UNITED STATES HOUSE OF REPRESENTATIVES

FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1993

FORM A
For use by Members, officers, and employees

JOINT EXHIBIT

RECEIVED

MAY 10 AM

MAY 1 1 ...

mc (Office Use Only)

James A. Traficant, Jr.
(Full Name)

429 N. Main Street
(Mailing Address)

Poland, OH 44514

Daytime Telephone: (216) 743-1914

Filer Status	[X] Member of the U.S. House of Representatives	State: Ohio District: 17th	[ ] Officer or Employee	Employing Office
Report Type	[X] Annual (May 15)	[ ] Amendment	[ ] Termination	Termination Date

A *$200 penalty* shall be assessed against anyone who files more than 30 days late.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

Did you or your spouse have "earned" income (e.g., salaries or fees) of $200 or more from any source in the reporting period? **If yes, complete and attach Schedule I.**	Yes [X]	No [ ]	Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than $250 and not otherwise exempt)? **If yes, complete and attach Schedule VI.**	Yes [ ]	No [X]
Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period? **If yes, complete and attach Schedule II.**	Yes [ ]	No [X]	Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than $250 from one source)? **If yes, complete and attach Schedule VII.**	Yes [X]	No [ ]
Did you, your spouse, or a dependent child receive "unearned" income of more than $200 in the reporting period or hold any reportable asset worth more than $1,000 at the end of the period? **If yes, complete and attach Schedule III.**	Yes [ ]	No [X]	Did you hold any reportable positions on or before the date of filing in the current calendar year? **If yes, complete and attach Schedule VIII.**	Yes [X]	No [ ]
Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than $1,000 in the reporting period? **If yes, complete and attach Schedule IV.**	Yes [ ]	No [X]	Did you have any reportable agreement or arrangement with an outside entity? **If yes, complete and attach Schedule IX.**	Yes [ ]	No [X]
Did you, your spouse, or a dependent child have any reportable liability (more than $10,000) during the reporting period? **If yes, complete and attach Schedule V.**	Yes [ ]	No [X]	Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.		

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10–11.)	Yes [ ]	No [X]
EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.)	Yes [ ]	No [X]

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (See 5 U.S.C. app. 6, §104 and 18 U.S.C. §1001)

SIGNATURE OF REPORTING INDIVIDUAL

DATE (Month/Day/Year): May 10, 1994

GOVERNMENT EXHIBIT 6-24 4:01CR207

EXHIBIT 95 for ID

Name James A. Traficant, Jr. | Page 6 of 8

SCHEDULE V — LIABILITIES

Report liabilities of over $10,000 owed to any one creditor *at any time* during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. **Exclude:** Any mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report *revolving charge accounts* only if the balance at the end of the reporting period exceeded $10,000. For further information, see Instructions, pages 21–22.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability B $10,001–$15,000	C $15,001–$50,000	D $50,001–$100,000	E $100,001–$250,000	F $250,001–$500,000	G $500,001–$1,000,000	H over $1,000,000
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.				X			
	Internal Revenue Service	Tax payment				X			
	Congressional Federal Credit Union	Personal Loan	X						

SCHEDULE VI — GIFTS

Report the source, a brief description, and the value of all gifts totalling more than $250 received by you, your spouse, or a dependent child from any source during the year.

Exclude: Gifts from relatives, gifts of personal hospitality of an individual, local meals, and gifts to a spouse or dependent child that are totally independent of his or her relationship to you. Gifts with a value of $100 or less need not be added towards the $250 disclosure threshold.

Note: House Rule 43, clause 4, prohibits most gifts exceeding $250. For further information, see Instructions, pages 22–23.

Source	Description	Value
Example, Mr. Joseph H. Smith, Anytown, Anystate	Silver Platter (waiver received from Committee on Standards)	$270
NONE		

Use additional sheets if more space is required.

1075

GOVERNMENT EXHIBIT 423 4:01CR207

EXHIBIT

UNITED STATES HOUSE OF REPRESENTATIVES

FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1994

FORM A
For use by Members, officers, and employees

RECEIVED
OFFICE OF RECORDS & REGISTRATION
95 MAY 15 AM 7:55
OFFICE OF THE CLERK
U.S. HOUSE OF REPRESENTATIVES

POSTMARK ILLEGIBLE

(Office Use Only)

James A. Traficant, Jr.
(Full Name)

429 N. Main St.
(Mailing Address)

Poland, OH 44514

Daytime Telephone: (216) 743-1914

Filer Status: [X] Member of the U.S. House of Representatives — State: Ohio — District: 17th; [ ] Officer or Employee — Employing Office:

Report Type: [X] Annual (May 15); [ ] Amendment; [ ] Termination — Termination Date:

A *$200 penalty* shall be assessed against anyone who files more than 30 days late.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of $200 or more from any source in the reporting period? **If yes, complete and attach Schedule I.**	Yes [X] No [ ]	VI. Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than $250 and not otherwise exempt)? **If yes, complete and attach Schedule VI.**	Yes [ ] No [X]
II. Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period? **If yes, complete and attach Schedule II.**	Yes [ ] No [X]	VII. Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than $250 from one source)? **If yes, complete and attach Schedule VII.**	Yes [X] No [ ]
III. Did you, your spouse, or a dependent child receive "unearned" income of more than $200 in the reporting period or hold any reportable asset worth more than $1,000 at the end of the period? **If yes, complete and attach Schedule III.**	Yes [X] No [ ]	VIII. Did you hold any reportable positions on or before the date of filing in the current calendar year? If yes, complete and attach Schedule VIII.	Yes [X] No [ ]
IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than $1,000 in the reporting period? **If yes, complete and attach Schedule IV.**	Yes [ ] No [X]	IX. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule IX.	Yes [ ] No [X]
V. Did you, your spouse, or a dependent child have any reportable liability (more than $10,000) during the reporting period? **If yes, complete and attach Schedule V.**	Yes [X] No [ ]	Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.	

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10–11.)	Yes [ ] No [X]
EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.)	Yes [ ] No [X]

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (*See* 5 U.S.C. app. 6, §104 and 18 U.S.C. §1001).

SIGNATURE OF REPORTING INDIVIDUAL: JAMES A. TRAFICANT, JR. — DATE (Month/Day/Year): May 6, 1995

EXHIBIT
96 for ID

Name James A. Traficant, Jr. | Page 5 of 7

SCHEDULE V — LIABILITIES

Report liabilities of over $10,000 owed to any one creditor *at any time* during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. **Exclude:** Any mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report *revolving charge accounts* only if the balance at the end of the reporting period exceeded $10,000. For further information, see Instructions, pages 21–22.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability B ($10,001–$15,000)	C ($15,001–$50,000)	D ($50,001–$100,000)	E ($100,001–$250,000)	F ($250,001–$500,000)	G ($500,001–$1,000,000)	H (over $1,000,000)
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.				X			
	Internal Revenue Service	Tax payment				X			

SCHEDULE VI — GIFTS

Report the source, a brief description, and the value of all gifts totalling more than $250 received by you, your spouse, or a dependent child from any source during the year.

Exclude: Gifts from relatives, gifts of personal hospitality of an individual, local meals, and gifts to a spouse or dependent child that are totally independent of his or her relationship to you. Gifts with a value of $100 or less need not be added towards the $250 disclosure threshold.

Note: House Rule 43, clause 4, prohibits most gifts exceeding $250. For further information, see Instructions, pages 22–23.

Source	Description	Value
Example: Mr. Joseph H. Smith, Anytown, Anystate	Silver Platter (waiver received from Committee on Standards)	$270
None		

Use additional sheets if more space is required.

APPENDIX 3



FROM: Mike Robertson

TO: Congressman Traficant

SUBJECT: Sinclair

Here is a condensation from four pages of typed notes.

I. Cash Withdrawal vs. Deposits

1. Mike Robertson presented an hypothesis regarding methodology in tracing bank funds. In that hypothesis he showed a series of deposits occurring in Mr. Sinclair's IOLTA account shortly after the cash withdrawals from his joint account.

2. As you recall, an hypothesis is an unproven theory, yet to be tested using physical evidence. We could have chosen not to use the deposit exhibit because the day prior to his testimony, he learned that three of those deposits were checks, not cash. But the important part of the testimony was not the results, but the methodology.

3. The government aggressively pursued that hypothesis by having copies of all the deposits and all of them were checks. The government even had Mr. Robertson read off some of the check data from the overhead exhibits and then the prosecutor scratched out each deposit on his exhibit.

4. The point to be made is not that the deposits were checks or cash. The point to be made was that you must apply the same aggressive standards to the cash withdrawal exhibit (government exhibit 1-9). The government was so happy to see the canceled checks in order to discredit the deposit exhibit.

5. But the government was not able to apply the same standard to their own exhibit. Mr. Robertson's exhibit demonstrates that putting numbers on a chart do not make them substantive without further evidence. The government putting numbers on a cash withdrawal chart does not make it proof.

6. This is evidenced in two ways: (a) the government did not offer any physical evidence regarding the cash withdrawals – although they were considered

important in the deposit hypothesis and (2) the government asked Mr. Robertson a very telling question on cross-examination: "Is it possible that the cash withdrawals were kickbacks?" To which he answered, "Yes". The government asked him that question knowing he would answer truthfully, but not allow him to answer completely. Why would they ask him that question at all? Since he did not participate in the investigation, the court would not let him testify about the investigation. It appears to me the prosecutor was just seeking his opinion. We never heard any FBI investigator's testify about the proof of that exhibit.

II. Attorney Sinclair and the Law

1. Mr. Sinclair is an attorney and an officer of the Court. It goes without saying he knows the law and probably knows the difference between right and wrong. Mr. Sinclair testified that he realized the alleged $2500.00 monthly payments were not loans, but kickbacks.

2. Not reporting a federal crime as alleged against me in this case is a felony. Every time he participated in this alleged scheme, he committed a felony. And just think how the government could have benefited had Mr. Sinclair come forward on his own. If the alleged kickbacks were still ongoing, the FBI could have given him marked money, covered the meeting with surveillance, had Mr. Sinclair wear a recording device and then they would have obtained physical evidence – fingerprints, observation by FBI Agents and an incriminating tape. And if it did not work out one month, they could try it again the next month.

3. But that brings us to Mr. Sinclair's statement that he would be afraid to wear a "wire" because I am a "touchy feely" guy. (JT- take out a ballpoint pen for the jury). There is a wireless transmitter available on the open market that is totally concealed in a functional ball point pen. All you carry is a pen in your pocket. There is also a working pager, cell phone and pocket calculator that are virtually undetectable. Even a "touchy-feely" guy is not suspicious of an attorney carrying a ball point pen, pager or cell phone.

4. When you wear a "wire", the FBI covers you with surveillance. There is a distress code word that if uttered by the person wearing the wire, the Agents come charging in to protect him from any harm if the wire is discovered.

5. I also refer the jury to the FBI 302 dated January 24, 2000 wherein Mr. Sinclair stated he would not be part of "getting Traficant".

07/10/02 WED 02:13 FAX

DEPOSITS TO IOLTA ACCOUNT
OF R. ALLEN SINCLAIR

DATE	AMOUNT OF DEPOSIT
2/12/99	$2,500
	1,400
3/17/99	$2,500
	2,500
5/5/99	$1500
	2,500
8/2/99	$2,500
9/7/99	$2,500
	513
	7,000
10/13/99	$ 800
	1,000
	700
12/7/99	$9,000
	2,500
	3,500
	5,000
12/22/99	
	$11,500
	2,500

DEFENDANT'S EXHIBIT D

PAGE 2

DATE	AMOUNT OF DEPOSIT
12/29/99	$10,900
	2,500
	4,500
	8,000
	2,500
	22,000

Mead

DEPOSITS INTO ALLEN SINCLAIR'S ATTORNEY TRUST ACCOUNT (IOLTA) Home Savings Account # 20462446

Date	Amount	Days AFTER Cash Withdrawal from Government check
12 Feb 99	$2500.00	10
17 Mar 99	$2500.00	8
5 May 99	$2500.00	2
2 Aug 99	$2500.00	Same day
7 Sep 99	$2500.00	4
13 Oct 99	$2500.00	6
7 Dec 99	$2500.00	5
29 Dec 99	$2500.00	Same day
Also 22 Dec 99	$2500.00	?
↑ TOTAL 1999...	..... $22,500.00	These $2500.00 deposits were made on average of 4 days after receiving $2500.00 in cash from other account.
← Government TOTAL	..... 30,100.00	

Def Ex S-27

FD-302 (Rev. 10-6-95)

DEFENDANT'S EXHIBIT B

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/27/2000

RAYMOND ALLEN SINCLAIR, white male, Date of Birth August 12, 1963, Social Security Account Number 291-62-2154, office address 11 Overhill, Youngstown, Ohio, was interviewed at the Youngstown Resident Agency of the Federal Bureau of Investigation (FBI). SINCLAIR had been previously advised of the official identity of the interviewing agents. SINCLAIR provided the following information:

SINCLAIR had been previously interviewed and stated he had been making rent payments to HENRY DIBLASIO for offices at 11 Overhill, Youngstown, Ohio. He stated he had documentation he could provide. SINCLAIR now voluntarily appeared at the FBI, Youngstown Resident Agency. SINCLAIR provided one envelope which was found to contain a letter from SINCLAIR to interviewing agent, a "cognovit note" from November 19, 1998 showing a $20,000 debt from SINCLAIR to DIBLASIO, one check, dated February 5, 1992 from SINCLAIR to DIBLASIO for $361 for "rent and long Dist Phone Calls." Also included was a document titled: "Statement from R. ALLEN SINCLAIR, DIBLASIO, FLASK, & ASSOCIATES, 11 Overhill Road, Youngstown, Ohio 44512, Law Offices." SINCLAIR had previously advised he paid rent to DIBLASIO for office space at 11 Overhill for the first few years he worked with DIBLASIO, and after that they used simply recorded rent on the books of the firm. The documents SINCLAIR provided showed notations regarding rent payments to DIBLASIO for 1994. SINCLAIR did not provide documentation for later years. A copy of this documentation is attached to this report. Note, the documents provided by SINCLAIR listed hours he had worked for clients, and it was noted that he had done work for "BUCHEIT." SINCLAIR advised he had represented BUCHEIT in a dispute BUCHEIT had with a Saudi Arabian prince regarding a letter of credit. SINCLAIR was not aware of Congressman JAMES A. TRAFICANT, JR. assisting BUCHEIT.

SINCLAIR was asked why DIBLASIO did not have the building at 11 Overhill in his own name, and why SINCLAIR, as the current owner of that building, (and staff member of Congressman JAMES A. TRAFICANT, JR.) also did not have this building in his own name. SINCLAIR advised it would have been a "conflict" for DIBLASIO to have the building in his name when he worked for TRAFICANT. This same issue came up when SINCLAIR was going to

Investigation on 01/24/2000 at Boardman, Ohio

File # 58C-CV-60877 Date dictated 01/26/2000

by SAs JOSEPH BUSHNER, RICHARD MARK DENHOLM II/RMD:bjb 58C-CV-60877-207

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency;

58C-CV-60877

Continuation of FD-302 of RAYMOND ALLAN SINCLAIR, On 01/24/2000, Page 2

buy the building from DIBLASIO and he (SINCLAIR) was also working as a Congressional staff member. SINCLAIR advised this was cleared through the United States House of Representatives Ethics Committee, and it was acceptable for DIBLASIO and SINCLAIR to own the building as long as they charged the government a reasonable rent. SINCLAIR was asked why, then, the building had to be in the names of other people. SINCLAIR did not answer this question.

SINCLAIR advised he made between $50,000 and $60,000 per year as a private attorney in 1999, and at the same time made about $60,000 as "Administrative Counsel" to TRAFICANT. SINCLAIR's job for TRAFICANT was to research legislation. He was not TRAFICANT's private attorney. SINCLAIR advised he had researched the rules and it was legal for him to receive outside income while working for Congress because he was not "senior staff." SINCLAIR advised he did not kickback any part of his salary to TRAFICANT. SINCLAIR stated he did not want to be part of "getting TRAFICANT" and ended the interview. SINCLAIR was advised that he may have to testify before the Federal Grand Jury in Cleveland.

On January 26, 2000, SINCLAIR telephonically advised interviewing agent he had received a Federal Grand Jury Subpoena at his office. He had been advised of this by his secretary, but he had not been to his office yet.

The Supreme Court of Ohio

BOARD OF COMMISSIONERS ON GRIEVANCES AND DISCIPLINE
11 SOUTH HIGH STREET SUITE 3370, COLUMBUS, OHIO 43215-3103
(614) 644-5800 FAX: (614) 644-5904

JONATHAN W. MARSHALL, ESQUIRE
SECRETARY

RUTH BOPE DANGEL
STAFF ATTORNEY

December 22, 1999

R. Allen Sinclair
11 Overhill Road
Youngstown, Ohio 44512

Re: Case No. 99-30
Mahoning County Bar Association, Relator v.
R. Allen Sinclair, Respondent

Dear Mr. Sinclair:

The Findings of Fact, Conclusion of Law and Recommendation of the Board of Commissioners on Grievances and Discipline, in Case No. 99-30, was certified to the Supreme Court today, December 22, 1999. A copy of the Board's report is enclosed.

You will now be served with an order to show cause and may, if you so desire, file objections with the Court. Any brief filed with the Court should include a copy to be served on me at this address in conformity with Gov. Bar Rule V(8)(B).

Sincerely,

Jonathan W. Marshall
Secretary

/amb

Enclosure

DEFENDANT'S EXHIBIT

BEFORE THE BOARD OF COMMISSIONERS
ON
GRIEVANCES AND DISCIPLINE
OF
THE SUPREME COURT OF OHIO

IN RE:	:	CASE NO. 99-30
COMPLAINT AGAINST:	:	
R. Allen Sinclair Attorney Reg. No. 0055915	:	
	:	FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDATION OF THE BOARD OF COMMISSIONERS ON GRIEVANCES AND DISCIPLINE OF THE SUPREME COURT OF OHIO
RESPONDENT;	:	
MAHONING COUNTY BAR ASSOCIATION,	:	
RELATOR.	:	

This matter was heard on September 17, 1999, in Canton, Ohio, before a panel consisting of Christine J. Schulman from Canton, Louis A. Boettler from Canton, and Nancy D. Moore, Chair, from Columbus. None of the panel members is from the district from which the complaint originated or a member of the probable cause panel that certified this matter to the Board.

Relator, Mahoning County Bar Association, was represented by Richard B. Blair. Respondent, R. Allen Sinclair, was pro se.

FINDINGS OF FACT

On May 10, 1999, Relator filed a formal Complaint and Certificate alleging professional misconduct against Respondent, R. Allen Sinclair, with the Board of Commissioners on Grievances and Discipline [herein referred to as "the Board"]. On May 26, 1999, the Board forwarded to Respondent a copy of the Complaint and Notice to Respondent of

the Filing of the Complaint, requesting that he file a response within twenty (20) days of May 26, 1999. The Respondent filed an Answer on June 7, 1999.

Respondent's law practice, in Youngstown, Ohio, consists of ninety to ninety-five percent personal injury law. In November 1997, Respondent began to send solicitation letters to victims of auto accidents in Mahoning, Trumbull, and Columbiana Counties.

Respondent sent a solicitation letter (Ex. A), dated June 1, 1998, to Mr. and Mrs.Shures as a result of an accident in which their child was involved. The letter was received by the Shures, who filed a complaint with the Mahoning County Bar Association.

In part, Respondent's letter to the Shures states:

> Our fee is only 25% of your settlement. Please compare this with other law firms who will charge you between 33% - 50%. Our 25% fee arrangement gives you a bigger piece of the pie -- and this is where it belongs, because you are the injured victim.

DR 2-101(E)(1)(c) requires that contingent fee statements within such a letter advise:

> ... in the event of an adverse verdict or decision, the contingent fee litigant could be liable for payment of court costs, expenses of investigation, expenses of medical examinations, and costs incurred in obtaining and presenting evidence."

Respondent failed to include within the letter to the Shures the foregoing language as required by DR 2-101(E)(1)(c). The parties stipulated that the letter violated DR 2-101(E).

The language in DR 2-101(E)(1)(c) was recently addressed by the Court in Disciplinary Counsel v. Shane (1998), 81 Ohio St. 3d 494, which was decided April 22,

1998. Respondent admitted that shortly after Shane had been decided he read it and was aware that his solicitation letters were not in compliance. In Shane, lawyers were put on notice that " ... within a reasonable time, all advertising in violation of the Disciplinary Rules shall cease". Respondent testified that he "just never got around to" changing the solicitation letter when the letter to the Shures was prepared and mailed. Respondent admitted that other letters had also been sent without the required language after he had become aware that they were in violation of the Disciplinary Rules. The Panel finds that Respondent's correction of his solicitation letter was not timely in that correction of the letter was not difficult or costly, and could easily and immediately have been corrected prior to June 1, 1998. Additionally, Respondent did not take action to change the solicitation letter until after a complaint regarding the Shure letter had been filed with Relator.

Respondent testified that he had, however, in late 1997, and prior to the Shane decision, corrected his Yellow Pages advertisement to include the necessary language required by DR 2-101(E)(1)(c). While the panel was impressed to see that such a change had been made in the Yellow Pages advertisement, the very small type of the required language made it difficult to read and easy to overlook. The Yellow Pages change also indicates that Respondent was aware of the potential problem with his solicitation letters even prior to Shane.

CONCLUSIONS OF LAW

The panel finds that Respondent's conduct, by clear and convincing evidence, violated:

DR 2-101(E)(1)(c): Communications to the public which contain contingent fee rates must disclose whether percentages are computed before or after deduction of costs and expenses and must advise the public that, in the event of an adverse verdict or decision, the contingent fee litigant could be liable for payment of court costs, expenses of investigation, expenses of medical examinations, and costs incurred in obtaining and presenting evidence.

MITIGATION

Respondent has changed his solicitation letter in an effort to comply with the Disciplinary Rules, and did present a copy of his current solicitation letter to the Panel (Ex B). Respondent indicated that he planned to make his future yellow pages advertisements more clear to avoid further disciplinary actions. Respondent also indicated that he would give immediate attention to his web site, which is referenced on his solicitation letterhead, and would make any changes necessary to avoid violation of the Disciplinary Rules.

PANEL RECOMMENDATION

Relator and Respondent both chose not to make a recommendation regarding possible sanctions. It is the recommendation of the Panel that respondent be suspended from the practice of law for a period of six months with all of that suspension stayed for a period of one year's probation. The conditions of probation shall include:

(a) Complete compliance with the Disciplinary Rules regarding solicitation; and

(b) full cooperation with a mentor selected by the Mahoning County Bar Association who shall inspect and insure that all solicitation letters, advertisements and web pages of the Respondent are in compliance with the Disciplinary Rules.

BOARD RECOMMENDATION

Pursuant to Gov. Bar Rule V(6)(L), the Board of Commissioners on Grievances and Discipline of the Supreme Court of Ohio considered this matter on December 2, 1999. The Board adopted the Findings of Fact, Conclusions of Law and Recommendation of the Panel and recommends that the Respondent, R. Allen Sinclair, be suspended from the practice of law in the State of Ohio for a period of six months with the suspension stayed for a period of a one year probation including conditions recommended by the panel. The Board further recommends that the cost of these proceedings be taxed to the Respondent in any disciplinary order entered, so that execution may issue.

Pursuant to the order of the Board of Commissioners on Grievances and Discipline of The Supreme Court of Ohio, I hereby certify the foregoing Findings of Fact, Conclusions of Law, and Recommendations as those of the Board.



JONATHAN W. MARSHALL, Secretary
Board of Commissioners on
Grievances and Discipline of
The Supreme Court of Ohio

THE BOARD OF COMMISSIONERS
ON
GRIEVANCES AND DISCIPLINE
OF
THE SUPREME COURT OF OHIO

SUPPLEMENTAL STATEMENT OF NECESSARY EXPENSES

Case No. 99-30, Mahoning County Bar Association, Relator v.
R. Allen Sinclair, Respondent

Certified Mail	12.34
Federal Express	4.79
Louis A. Boettler Necessary Expenses	125.00
Nancy D. Moore Necessary Expenses	213.73
Christine J. Schulman Necessary Expenses	130.00
Hill Court Reporters Hearing - Attendance of Reporter Transcript and delivery	138.00
	$ 623.86

R. ALLEN SINCLAIR

A S S O C I A T E S

ATTORNEYS AT LAW

REC'D-MCBA
JUN 12 1998

June 1, 1998

Mr. & Mrs. Shures
107 Cover Lane
Youngstown, OH 44514

Dear Mr. & Mrs. Shures:

Please find enclosed a courtesy copy of the Ohio Traffic Crash Report concerning your child's recent auto accident.

At a time like this, you may be forced to deal with many things with which you are unfamiliar. For example, acquiring proper medical care, communicating with insurance companies, protecting your legal rights, etc. At R. Allen Sinclair and Associates, we are accustom to helping accident victims deal with all aspects of their injury claims. We can provide this same service to you.

By law, your child is entitled to fair and reasonable compensation for the damages caused by someone else's negligence. Don't let the insurance company tell you what is fair! Please remember that every insurance company (even your own) is in the business to make money -- insurance companies are not in the business to pay out on claims. The insurance company will attempt to settle your claim for as little as possible to save themselves money regardless of the extent of your injuries.

Our office will provide you and your child with professional and personal service so that we maximize the recovery according to the law. There is no charge for a phone or office consultation. And, if we decide to accept your case, you only pay us if we are successful in settling your claim.

At R. Allen Sinclair & Associates we primarily accept only personal injury cases and our fees reflect our confidence in maximizing the money you will receive as a settlement. ***Our fee is only 25% of your settlement.*** Please compare this with other law firms who will charge you between 33% - 50%. Our 25% fee arrangement gives you a bigger piece of the pie -- and this is where it belongs, because you are the injured victim.

Please call now so that we may discuss your case. If you call after 5:00 p.m., our answering service will page Allen or Henry, and your call will be returned immediately. If you have already retained a lawyer on this claim, please disregard our letter.

Sincerely,

R. Allen Sinclair

R. Allen Sinclair

COPY
ADVERTISEMENT ONLY

EXHIBIT A

R. Allen Sinclair Henry A. DiBlasio

11 Overhill Road • Youngstown • Ohio • 44512 • 330-788-9900 • 800-379-1111 • fax 330-788-9255 • e-mail: info@rallensinclair.com • www.rallensinclair.

R. ALLEN SINCLAIR

RAS

ATTORNEY AT LAW

September 16, 1999

FIELD(2)
FIELD(3)

Dear FIELD(4) FIELD(5):

I have learned that you have been involved in a recent auto accident. I obtained your name from the public records of the police department that investigated your accident. Please find enclosed a courtesy copy of your accident report.

At a time like this, you may be forced to deal with many things with which you are unfamiliar. For example, acquiring proper medical care, communicating with insurance companies, protecting your legal rights, etc. My staff and I are accustom to helping accident victims deal with all aspects of their injury claims. We can provide this same service to you.

By law, you are entitled to fair and reasonable compensation for the damages caused by someone else's negligence. Don't let the insurance company tell you what is fair! Please remember that every insurance company (even your own) is in the business to make money -- insurance companies are not in the business to pay out on claims. The insurance company will attempt to settle your claim for as little as possible to save themselves money regardless of the extent of your injuries. Our office will provide you with professional and personal service so that you maximize your recovery according to the law.

Our office primarily accepts personal injury claims and our fees reflect our confidence in maximizing the money you will receive as a settlement. We don't get paid unless your claim is successfully resolved. We work on a 25% contingency fee if your claim is settled prior to a lawsuit. If it is necessary to file a lawsuit, our fee increases to 33⅓%.

All attorneys are required by ethical rules to advise you that the above percentage is computed before the deduction of costs and expenses and that the client can be responsible for the costs and expenses of litigation in the event of an adverse result. Our office will advance all costs and expenses for you so you don't have to worry about any up-front money to start your claim.

For more information concerning our service, please call our free legal help line (see attached). Furthermore, you may find our listing in the Youngstown-Warren, Salem-Lisbon and East Liverpool Ameritech Pages Plus Directory. Or, you may visit our web site at **www.rallensinclair.com**.

Please call now so that we may discuss your claim. There is no charge for a phone or office consultation. If you call after our office is closed, our answering service will page me or the firm's investigator, and your call will be returned immediately. If you have already retained a lawyer on your claim, please disregard this letter.

Sincerely,
R. Allen Sinclair

Respondent
EXHIBIT NO. 1
9-17-99 SL

80 813 1100

JT 1007AA

FBI LABORATORY

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

Report of Examination

Examiner Name:	Mark A. Stendts MAS	Date:	October 10, 2000
Unit:	Latent Print	Phone No.:	(202) 324-2706
Case ID No.:	58C-CV-60877	Lab No.:	000209009 JS EZ 000214004 JS EZ 000223029 JS EZ 000225020 JS EZ 000302038 JS EZ 000309007 JS EZ 000317031 JS EZ

Results of Examinations:

The specimens, Q1 through Q415 and Q436 through Q503, envelopes, envelope fragments, plastic bags, U. S. currency, money bands, business cards, drivers license, letters, invoices and other miscellaneous documents were examined and 108 latent fingerprints and 16 latent palm prints of value were developed on two attached sheets of paper and accompanying note, Q1, Q1.1 and Q2; plastic bag, Q15; cash envelope, Q298; sheet of paper, Q371; business card, Q375.1; two sheets of paper, Q377 and Q387; copy of letter, Q389.2; sheet of paper, Q398; invoice, Q408; copy of invoice, Q410; seven forms, Q439, Q444, Q445.2, Q445.3, Q449.4, 450.2 and Q450.4; copy of license, Q451; two page letter, Q454; copy of letter, Q455; sheet of paper, Q457; facsimile cover sheet and letter, Q458.1 and Q458.2; three sheets of paper, Q459.3, Q460 and Q462; two letters, Q465 and Q467; five invoices, Q468.2, Q468.4, Q468.5, Q469 and Q470.3; two letters, Q472.1 and Q472.2; five documents, Q493, Q494, Q496, Q497.2 and Q498 and two sheets of paper, Q500 and Q501.

Sixty-nine latent fingerprints are not fingerprints of JAMES A. TRAFICANT, JR., FBI #133497AA1, HENRY A. DIBLASIO or CHARLES O'NESTI. The remaining thirty-nine latent fingerprints were compared, insofar as possible, with the available fingerprints of these individuals, but no identifications were effected. No palm prints are available here for these individuals. Major case prints are needed for conclusive comparisons.

DEFENDANT'S EXHIBIT E

This Report is Furnished for Official Use Only

07/10/02 WED 02:14 FAX

The Home Savings & Loan Company
Youngstown, Ohio

OWNERSHIP OF ACCOUNT - CONSUMER PURPOSE

☐ INDIVIDUAL ☐
☐ JOINT - WITH SURVIVORSHIP (and not as tenants in common)
☐ JOINT - NO SURVIVORSHIP (as tenants in common)
☐ TRUST - SEPARATE AGREEMENT:

☐ REVOCABLE TRUST OR ☐ PAY-ON-DEATH DESIGNATION AS DEFINED IN THIS AGREEMENT
Name and Address of Beneficiaries:

34170980

OWNERSHIP OF ACCOUNT - BUSINESS PURPOSE

☐ SOLE PROPRIETORSHIP
☒ CORPORATION: ☒ FOR PROFIT ☐ NOT FOR PROFIT
☐ PARTNERSHIP ☐ LIMITED LIABILITY COMPANY
☐
BUSINESS:
COUNTY & STATE OF ORGANIZATION:
AUTHORIZATION DATED:

DATE OPENED 12/11/98 BY 940
INITIAL DEPOSIT $
☐ CASH ☐ CHECK ☐
HOME TELEPHONE # 330-788-9900
BUSINESS PHONE #
DRIVER'S LICENSE #
EMPLOYER
MOTHER'S MAIDEN NAME
Name and address of someone who will always know your location:

BACKUP WITHHOLDING CERTIFICATIONS

TIN: 341879365

☒ TAXPAYER I.D. NUMBER - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number.

☒ BACKUP WITHHOLDING - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

☐ EXEMPT RECIPIENTS - I am an exempt recipient under the Internal Revenue Service Regulations.

☐ NONRESIDENT ALIENS - I am not a United States person, or if I am an individual, I am neither a citizen nor a resident of the United States.

SIGNATURE: I certify under penalties of perjury the statements checked in this section.

X 12/11/98 (Date)

ACCOUNT AGREEMENT - COMBINATION

© 1985, 1992 Bankers Systems, Inc., St. Cloud, MN (1-800-397-2341) Form AA-COMB-OH 7/1/

ACCOUNT NUMBER 030021308

ACCOUNT OWNER(S) NAME & ADDRESS

KAS ENTERPRISES
11 OVERHILL RD
YOUNGSTOWN OH 44512

DGF EX
HSL-ID

☐ NEW ☐ EXISTING

TYPE OF ACCOUNT
☒ CHECKING ☐ SAVINGS
☐ MONEY MARKET ☐ CERTIFICATE OF DEPOSIT
☐ NOW ☐

ACCOUNT NAME:
☐ This is a Temporary account agreement.

Number of signatures required for withdrawal
FACSIMILE SIGNATURE(S) ALLOWED? ☐ YES ☒ NO

SIGNATURE(S) - THE UNDERSIGNED AGREE(S) TO THE TERMS STATED ON PAGES 1 AND 2 OF THIS AGREEMENT, AND ACKNOWLEDGE(S) RECEIPT OF A COMPLETED COPY ON TODAY'S DATE. THE UNDERSIGNED ALSO ACKNOWLEDGE(S) RECEIPT OF A COPY OF AND AGREE(S) TO THE TERMS OF THE FOLLOWING DISCLOSURE(S):

☒ Electronic Funds Transfer Disclosure ☒ Funds Availability Disclosure
☒ Truth in Savings Disclosure ☐

(1) I.D. # Other

(2): Kimberly A. Sinclair
I.D. # Other

(3):
I.D. # Other

(4):
I.D. # Other

☐ Authorized Signer
(Individual Accounts Only)

The Home Savings & Loan Co.
PO Box 1111
Youngstown, OH 44501

Other

DEFENDANT'S EXHIBIT

07/10/02 WED 02:14 FAX 4991116 ROBERTSON 199 P02 JUL 09 '02 22:34

050021808

CORPORATE RESOLUTIONS DESIGNATING DEPOSITORY AND OFFICERS AUTHORIZED TO SIGN FOR CORPORATION Defer HSL-LOA

the Board of Directors of KAS ENTERPRISES, a corporation:

SOLVED, that The Home Savings and Loan Company of Youngstown, Ohio (hereafter called Home ings) is hereby designated as a depository in which the funds of this Corporation may, from time to time, ject to the rules and regulations of Home Savings, be deposited by any of its officers, agents or employees; that any officer, agent or employee of this Corporation is hereby authorized on behalf of the Corporation in its name to endorse for deposit with said depository, whether in demand or time accounts, or for otiation or collection, any and all checks, drafts, notes, certificates of deposit or other instruments or orders the payment of money payable to said Corporation, which endorsement may be in writing, by stamp, or erwise, with or without designation or signature of the person so endorsing, it being understood that on all h items all prior endorsements are guaranteed by this Corporation, irrespective of the lack of an express rantee in the endorsement of s Corporation.

RTHER RESOLVED, that said Home Savings be and is hereby authorized and directed to honor, pay and rge to any of the accounts of this corporation, without inquiry to or responsibility for the application of the ceeds thereof, all checks, drafts, notes or other orders for the payment, withdrawal or transfer of funds or ney deposited in the account or to the credit of this Corporation, and any instructions regarding same, and authorizations for the trans r of funds between different accounts of the Corporation, whether oral, by ne or electronic means without inquiry as to the circumstances related thereto and for whatever purpose or to omever payable, including requests for conversion of same into cash as well as for deduction from and ment of cash out of any depo , and whether or not payable to, endorsed or negotiated by or for the credit of person signing same or any other officer, agent or employee of this corporation, when signed, accepted, lorsed or approved as evidenced by original or facsimile signature by any 1 of the officers, agents, or ployees of this Corporation from time to time holding the following offices of this Corporation:

R. ALLEN SINCLAIR	Vice President
KIMBERLY A SINCLAIR	Assistant Secretary
	Assistant Treasurer

RTHER RESOLVED that said Home Savings be and is hereby authorized to comply with any process, summons, ler, injunction, execution, distraint, levy, lien, or notice of any kind (hereafter called "Process") received by or served on Home Savings, which in Home Saving's opinion affects these deposit accounts and Home Savings may, at its tion and without liability, thereupon refuse to honor orders to pay or withdraw sums from this account and may either ld the balance therein until Process is disposed of to Home Saving's satisfaction, or to pay the balance over to the irce of the Process.

The Home Savings & Loan Co.
PO Box 1111
Youngstown, OH 44501

07/10/02 WED 02:10 FAX 4991116 ROBERTSON 199 P03 JUL 09 '02 22:35 027

... persons holding the offices of this corporation designated above ... authorized (1) to receive for and on behalf of this Corporation, securities, currency or any other property of whatsoever nature held by, sent to, consigned to or delivered to said Home Savings for the account of or for delivery to this Corporation, and to give receipts therefore, and said Home Savings is hereby authorized to make delivery of such property in accordance herewith and (2) to sell, transfer, endorse for sale or otherwise authorize the sale or transfer of securities or any other property of whatsoever nature hold by, sent to, consigned to or delivered to said Home Savings for the account of or delivery to this Corporation, and to receive and/or supply the proceeds of any such sale to the credit of this Corporation or on any indebtedness of this Corporation to said Home Savings in any such manner as he/they deem(s) proper, and said Home Savings is hereby authorized to make sale or transfer of the aforementioned property in accordance herewith

FURTHER RESOLVED, that this Corporation assumes full responsibility and holds harmless Home Savings for any and all payments made or any other actions taken by Home Savings in reliance upon the signatures, including facsimiles thereof, of any person or persons holding the offices of this Corporation designated above regardless of whether or not the use of the facsimile signature was unlawful or unauthorized and regardless of by whom or by what means the purported signature or facsimile may have been affixed to any instrument if such signatures reasonably resemble the specimen or facsimile signatures as provided to Home Savings, or for refusing to honor any signatures not provided to Home Savings, and that this corporation agrees to indemnify Home Savings against any and all claims, demands, losses, costs, damages or expenses suffered or incurred by Home Savings resulting from or arising out of any such payment or other action.

FURTHER RESOLVED, that the Secretary of this Corporation be and hereby is authorized and directed to certify to Home Savings the foregoing resolution or resolutions and that the provisions thereof are in conformity with the Articles and Bylaws of this Corporation and to certify the names and specimen or facsimile signatures on signature cards if requested of the person(s) authorized therein and that the foregoing resolutions and signature cards and the authority hereby conferred shall remain in full force and effect until this Corporation officially notifies said Home Savings to the contrary in writing and said Home Savings may conclusively presume that such resolves and signature cards are in effect and that the persons identified therein from time to time as officers of the Corporation have been duly elected or appointed to and continue to hold such offices as employees of the Corporation continue to be employees of the corporation.

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Secretary and the custodian of the records and corporate seal (if any) of the above named Corporation; that the foregoing is a true and correct copy of certain resolutions duly adopted in accordance with the law and the Articles and Bylaws of said Corporation by unanimous consent, or at a meeting of a quorum of its Board of Directors on _____ 19___ , and that such resolutions, not being in conflict with those Articles or Bylaws, are now in full force and effect.

Signed and Sealed this 15 day of December 19 98

AFFIX CORPORATE SEAL OR IF CORPORATION HAS NO SEAL

(Signed) _____
Secretary

961 (Savings)

The Home Savings & Loan Co
PO Box 1111
Youngstown, OH 44501

07/10/02 WED 02:19 FAX

DEP BY ASL- LDB

CORPORATE RESOLUTIONS DESIGNATING DEPOSITORY AND OFFICERS AUTHORIZED TO SIGN FOR CORPORATION

By the Board of Directors of KAS ENTERPRISES, INC, a corporation:

RESOLVED, that The Home Savings and Loan Company of Youngstown, Ohio (hereafter called Home Savings) is hereby designated as a depository in which the funds of this Corporation may, from time to time, subject to the rules and regulations of Home Savings, be deposited by any of its officers, agents or employees; and that any officer, agent or employee of this Corporation is hereby authorized on behalf of the Corporation and in its name to endorse for deposit with said depository, whether in demand or time accounts, or for negotiation or collection, any and all checks, drafts, notes, certificates of deposit or other instruments or orders for the payment of money payable to said Corporation, which endorsement may be in writing, by stamp, or otherwise, with or without designation or signature of the person so endorsing, it being understood that on all such items all prior endorsements are guaranteed by this Corporation, irrespective of the lack of an express guarantee in the endorsement of this Corporation.

FURTHER RESOLVED, that said Home Savings be and is hereby authorized and directed to honor, pay and charge to any of the accounts of this corporation, without inquiry to or responsibility for the application of the proceeds thereof, all checks, drafts, notes or other orders for the payment, withdrawal or transfer of funds or money deposited in the account or to the credit of this Corporation, and any instructions regarding same, and any authorizations for the transfer of funds between different accounts of the Corporation, whether oral, by phone or electronic means without inquiry as to the circumstances related thereto and for whatever purpose or to whomever payable, including requests for conversion of same into cash as well as for deduction from and payment of cash out of any deposit, and whether or not payable to, endorsed or negotiated by or for the credit of any person signing same or any other officer, agent or employee of this corporation, when signed, accepted, endorsed or approved as evidenced by original or facsimile signature by any 1 of the officers, agents, or employees of this Corporation from time to time holding the following offices of this Corporation:

President Raymond A. Sinclair	Vice President
Secretary	Assistant Secretary
Treasurer	Assistant Treasurer

FURTHER RESOLVED that said Home Savings be and is hereby authorized to comply with any process, summons, order, injunction, execution, distraint, levy, lien, or notice of any kind (hereafter called "Process") received by or served upon Home Savings, which in Home Saving's opinion affects these deposit accounts and Home Savings may, at its option and without liability, thereupon refuse to honor orders to pay or withdraw sums from this account and may either hold the balance therein until Process is disposed of to Home Saving's satisfaction, or to pay the balance over to the source of the Process.

The Home Savings & Loan Co.
PO Box 1111
roungstown, OH 44501

199 P04 JUL 09 '02 22:36 4991116 ROBERTSON

FURTHER RESOLVED, that any one or more of the persons holding the offices of this corporation designated above is/are hereby authorized (1) to receive for and on behalf of this Corporation, securities, currency or any other property of whatsoever nature held by, sent to, consigned to or delivered to said Home Savings for the account of or for delivery to this Corporation, and to give receipts therefore, and said Home Savings is hereby authorized to make delivery of such property in accordance herewith and (2) to sell, transfer, endorse for sale or otherwise authorize the sale or transfer of securities or any other property of whatsoever nature held by, sent to, consigned to or delivered to said Home Savings for the account of or delivery to this Corporation, and to receive and/or supply the proceeds of any such sale to the credit of this Corporation or on any indebtedness of this Corporation to said Home Savings in any such manner as he/they deem(s) proper, and said Home Savings is hereby authorized to make sale or transfer of the aforementioned property in accordance herewith

FURTHER RESOLVED, that this Corporation assumes full responsibility and holds harmless Home Savings for any and all payments made or any other actions taken by Home Savings in reliance upon the signatures, including facsimiles thereof, of any person or persons holding the offices of this Corporation designated above regardless of whether or not the use of the facsimile signature was unlawful or unauthorized and regardless of by whom or by what means the purported signature or facsimile may have been affixed to any instrument if such signatures reasonably resemble the specimen or facsimile signatures as provided to Home Savings, or for refusing to honor any signatures not provided to Home Savings, and that this corporation agrees to indemnify Home Savings against any and all claims, demands, losses, costs, damages or expenses suffered or incurred by Home Savings resulting from or arising out of any such payment or other action.

FURTHER RESOLVED, that the Secretary of this Corporation be and hereby is authorized and directed to certify to Home Savings the foregoing resolution or resolutions and that the provisions thereof are in conformity with the Articles and Bylaws of this Corporation and to certify the names and specimen or facsimile signatures on signature cards if requested of the person(s) authorized therein and that the foregoing resolutions and signature cards and the authority thereby conferred shall remain in full force and effect until this Corporation officially notifies said Home Savings to the contrary in writing and said Home Savings may conclusively presume that such resolves and signature cards are in effect and that the persons identified therein from time to time as officers of the Corporation have been duly elected or appointed to and continue to hold such offices as employees of the Corporation continue to be employees of the Corporation.

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Secretary and the custodian of the records and corporate seal (if any) of the above named Corporation; that the foregoing is a true and correct copy of certain resolutions duly adopted in accordance with the law and the Articles and Bylaws of said Corporation by unanimous consent, or at a meeting of a quorum of its Board of Directors on 11-30 19 98, and that such resolutions, not being in conflict with those Articles or Bylaws, are now in full force and effect.

Signed and Sealed this 30 day of

AFFIX CORPORATE SEAL

OR

THE CORPORATION HAS NO SEAL

19 98

(Signed)

Secretary

Raymond A. Sinclair

SAVINGS/DEPACTWD.DLR

The Home Savings & Loan Co.
PO Box 1111
Youngstown, OH 44501

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES

RICHARD —
TELL J.J.
$10,000 IS OK!
I'LL GET MONEY
FROM C.U. WHEN
HE GETS ME TITLES.
GET TITLES —
AND - HE PROMISED
PARTS FOR 2 AUTHORS!
THEY DON'T RUN!!
I ACCEPT - "AS IS" ON
AM 3 - [illegible]
GET TITLES!

DEFENDANT'S EXHIBIT
N

PHOENIX TOWERS A23B 2800 N. OCEAN DRIVE
SINGER ISLAND, FLORIDA 44304
561 881 3041
FAX: 561 881 3041

Henry A. DiBlasio
Phoenix Towers A23B 2800 N. Ocean Drive
Singer Island, Florida 44304



June 7, 1999

Congressman James A. Traficant, Jr.
C/o R. Allen Sinclair
11 Overhill Rd.
Youngstown, Ohio 44512

Dear Jim,

I really miss you and the excitement of the Congressional office! I cannot say I miss the stress and everything involved in the practice of law. I have really kept busy-I find it difficult to believe I had time to work just a few months ago.

You are probably just as busy as ever! We are still hoping that you will take a few days off to visit us and to stay with us here in Florida. Why don't you try to take a few days off on your summer break-that is-after you have stored the hay for winter!

Allen has settled a few cases in which I still have an interest but he has paid me very little. In addition he he owes me over $100,000.00 for past firm obligations and another $20,000.00 for the purchase of the building. At the appropriate time, I would appreciate it if you could talk to him. I feel he should make a better effort to pay me and keep me informed. He might listen to you somewhat! I know that he can't pay me everything he owes all at once but he could do better. Let me know his response if you talk to him.

In the meantime, I am trying to lead a tranquil life. It is great to be so close to the ocean and inland waterway. I call it paradise. I haven't sold our home in canfield yet. When it is sold I will have to come back to Youngtown for a while. I will certainly look you up at that time. I hope it sells soon-it is tough to pay two mortgages on retirement income!

Please give my regards to Tisch. Norma sends her best.

Affectionately,

Henry

DEFENDANT'S EXHIBIT H



e of Representatives
hington, D.C. 20515

9/26/98
Sat

MEMORANDUM

Jim,

I am willing to sell you all of the furniture in my office which cost more than $12,000. what I can sell is:

(1) handmade Desk
(1) handmade credenza
(1) Leather Desk Chair
(2) 2 arm chairs
(1) Leather Couch
(1) etegeire (glass shelves)
(1) Microwave in Kitchen
(1) toaster in Kitchen
1 white Table
2 white chairs

Please let me know for sure if you want them and are you willing to pay $5500.00? thanks

Harry

(P.S) If you don't want these things just let me know as I must sell to sell them and arrangements for $5500?

MEMO

To: James A. Traficant, Jr.
From: HENRY A. DIBLASIO
Subject: Purchase of office furniture
Date: October 24, 1998

Jim, This written memo is to confirm that I am selling and you are purchasing various items of office furniture and other objects for the purchase price of $5500.00. There will be no interest charged if the full amount is paid within 6 months of purchase. The purchase date shall be January 1, 1999-the full amount shall be due on or before July 1, 1999.

The purchase price of $5500.00 shall include the following:

1) custom made desk and credenza.
2) Leather desk chair
3) Two custom made, upholstered side chairs
4)Leather sofa
5)VideoViewer combination TV and VCR unit
6)Custom made table
7)White table and 2 chairs
8)Refrigerator (Kenmore)
9)Microwave (Litton)
10) Toaster-oven (Black and Decker)
11) Miscelaneous cups, flatware and other kitchen items
12) Wood storage cabinet



Please understand that I shall be vacating my space as of December 31, 1998 so it will be necessary that these items be removed unless you make other arrangements with R. Allen Sinclair.

I consider this a binding agreement between us. If payment is not made by July 1, 1999 interest will be charged at the rate of 8% per annum. This is necessary because IRS will impute interest if it is not paid and I would automatically have to pay taxes on the interest whether I received it or not.

Please sign the extra copy and return it to me if you are in agreement wwith the contents herein.

Henry A. DiBlasio 10/24/98

James A. Traficant, Jr.
Date Signed: 11-5-98

07/10/02 WED 07:45 FAX



July 13, 2000.

James A. Traficant, Jr.
Washington, D.C.

Dear Jim,

I have really missed you and missed communicating with you in any way. As you know, I was requested not to contact you directly by Counsel. I am presently being represented by James M. Kersey in Cleveland.

Needless to say, I have had a bad time for the last 6 or 7 months. That Morford is really trying to nail me so that I will be compelled to say nasty things about you! I have refused and taken the accurate position that I know nothing that can help them-and I mean it!

In the meantime, I am trying to help Jim Kersey as much as I can. I am informed that he contacted Bob Barlow but Bob said he had to clear it with you first before he can talk to him. I suggested he talk to Barlow to confirm that I handled many items for you and the Congressional Office while I was on your staff. It seems that Jackie and Grace did a good job of convincing the FBI that I didn't do much! I explained to my Lawyer that those two never cared much for me and had an "ax to grind" because I had flexible hours and they didn't. I believe Marcone already talked to Kersey and told him I certainly put in a lot of time etc. Hopefully, you will also take that position. I am not sure what the other staff members might say so I hope Bob Barlow will side in with me! IF WE CAN TRUST ANYONE ELSE, PLEASE TELL ME OR KERSEY. HE IS A GOOD CRIMINAL LAWYER. If you want to talk to me-please call me on my cell phone when you are not in the office. The number is 561 351 8259. I also suggest you talk to Kersey as it may help me and help you because he is aware of most of the items you are being charged with. I suggest you call him from a pay phone and if he isn't in leave a message as to when he can call at a neutral number. I am confident he would also meet you in Cleveland or Youngstown, or someplace in between. I really believe it could be useful for both of us.

Here is the address, tel. No. and fax: James M Kersey Suite 300 C.A.C. Building, 1147 Euclid Avenue, Cleveland, Ohio 44115. Tel. At office 216 241 3470. His home no. is 440 543 8556. By the way, he is married to an Italian and does belong to the Justinian Club that, I understand, is attempting to help you!

Morford has ruined my life! He informed my former lawyer, Matavich, that Sinclair is a Government witness and if I attempt to collect what he owes me he will charge him with intimidating a Government witness. Consequently, Matavich refused to represent me and my lawyer now says not to take any action against

Henry A. DiBlasio
2800 N. Ocean Dr. #A23B
Singer Island, FL 33404
CELL 561 351 8259
Phone 561-881-3093
Fax 561-881-3093
HADIBLASIO@AOL.COM.

61

Sinclair at this time. In the meantime, Sinclair owes me about ½ Million Dollars and is probably dissipating the funds and his assets! How could all of this happen to me I don't know!

Please do not let Morford or anyone on his side know that I contacted you. Please get rid of this letter after you have read it. My best to Tisch.

Sincerely,

Henry

Henry

I miss you and everything affectionately!

Henry

Henry A. DiBlasio

2800 N. Ocean Dr. #A23B
Singer Island, FL 33404

Phone 561-881-3093
Fax 561-881-3093
HADIBLASIO@AOL.COM.

07/10/02 WED 03:12 FAX

2800 N. OCEAN DR.
APT 33B
SINGER ISLAND, FLA 33404

JAMES A. TRAFICANT, JR.
CONGRESSMAN
2446 RAYBURN BLDG.
WASHINGTON, D.C. 20515

DEFENDANT'S EXHIBIT 8-14

- PERSONAL -

DEFENDANT'S EXHIBIT D-17

U.S. House of Representatives

Washington, D.C. 20515

DISTRICT OFFICE LEASE AGREEMENT

DEFENDANT'S EXHIBIT J

1. Pursuant to 2 U.S.C. 122 (as modified from time to time by Committee Order) and the Regulations of the Committee on House Administration relating to office space in home districts, it is hereby agreed between Trumbull Land Co. (NAME), of 11 Overhill Road (ADDRESS) Youngstown, Ohio 44512 hereafter referred to as the LESSOR, and the Honorable James A. Traficant, Jr., Member of Congress, hereafter referred to as the LESSEE, that the LESSOR shall furnish the LESSEE office space located at 11 Overhill Road with a total number of square feet* as follows: 1312
(Capital improvements by the LESSEE to the leased property are prohibited.)

2. The LESSEE shall have and hold the leased premises for a term of 24 months, commencing on January 1, 1999. The term of this lease agreement may not exceed two years, and shall in no case extend beyond the constitutional term of the Congress to which the Member is elected. The LESSOR and LESSEE agree that the amount due at the end of each month of occupancy shall be $ 656.00 per calendar month. Rent payable under this lease agreement shall be prorated on a daily basis for any fraction of a month.

3. This lease agreement may be terminated by either party by giving 30 days notice in writing to the other party. The date on which such 30 days shall commence shall be the date such termination notice is hand-delivered or mailed. This agreement and a copy of any termination notice given, shall be filed with the Committee on House Administration, U.S. Capitol, Washington, D.C. 20515.

4. When directed by LESSEE, the Clerk of the House of Representatives will remit to the LESSOR at the end of each month during the effective term of this lease agreement, the rent due computed in accordance with paragraph 2. Any payment made to the LESSOR by the Clerk of the House of Representatives for any period after this lease agreement has ended or has been terminated shall be refunded by the LESSOR to the Clerk of the House of Representatives without formal demand.

5. Neither the House of Representatives nor its Officers assumes any liability for the performance of this lease agreement. Payments made by the Clerk of the House of Representatives of amounts due the LESSOR by the LESSEE under the terms of this lease agreement are made solely on behalf of the Member of Congress in his official and representational capacity. Such Member assumes all liability for performance of the lease agreement and the LESSOR agrees to look solely to the LESSEE in his official and representational capacity for performance of the rental agreement.

6. In the event of the death, resignation, or removal from office of the LESSEE, this lease agreement may be terminated by the Clerk of the House of Representatives by giving thirty (30) days notice in writing to the LESSOR. The date on which such thirty (30) days shall commence shall be the date such termination notice is hand-delivered or mailed to the LESSOR.

7. Any amendments, additions or modifications to this basic lease agreement inconsistent with paragraphs 1 through 6 above shall have no force and effect to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the 5th *day of* November, 19 98

N. Chuzzi Pres. (LESSOR) Trumbull Land Company

(LESSEE) Congressman James A. Traficant, Jr.

*The total number of square feet of occupiable space is computed as follows:

In those instances where the space involved consists of a room accessible from a public corridor, the occupiable area is computed by measuring from the inside finish of the exterior wall for fifty of the connector of the connector occupied at least 50 percent of the length of the exterior wall to the inside side of the corridor wall and to the inside side of the partitions separating the [illegible]

07/10/02 WED 03:13 FAX US REP JAMES A TRAFICANT 202 225 3719 P.03

DEFENDANT'S EXHIBIT D-18

This attachment must be incorporated into and made a part of any lease agreement submitted to the Committee on House Administration.

DISTRICT OFFICE LEASE ATTACHMENT

1. Lessor and lessee agree that this DISTRICT OFFICE LEASE ATTACHMENT ("attachment") is incorporated into and made a part of the lease agreement for Congressional district office space to which it is attached.

2. Lessor acknowledges that the House of Representatives is not responsible for the performance of the lease agreement except as provided in paragraph 8 of this attachment, and lessor agrees to look solely to lessee for performance of the lease agreement.

3. Lessor acknowledges that the House does not disburse funds for advance payments or security deposits, and that payments made by the Clerk of the House on behalf of lessee will be sent to lessor at the end of each month in satisfaction of each month's occupancy. Lessor agrees that any payment by the Clerk for any period after this lease agreement has been terminated shall be refunded forthwith by lessor to the Clerk without formal demand.

4. The term of the lease agreement shall not exceed the shorter of two years or the constitutional term of the Congress to which the Member is elected.

5. The total dollar amount specified in the lease agreement shall not be varied by any factor, cost of living clause, elevator clause, escalator clause, any other adjustment or measure during the term of the lease agreement.

6. Lessor agrees at its expense to maintain in good order the public and common areas of the building, and agrees to maintain, repair, or replace as needed, all structural and other components of the premises, including roofs, ceilings, walls, floors, windows, doors, fixtures and mechanical, plumbing and electrical systems and equipment serving the premises.

7. Lessor agrees to ensure the availability of premises wiring suitable for telecommunications and data transmission (22 to 26 AWG twisted pair of low capacitance).

8. In the event of the death, resignation, or removal from office of lessee, lessor hereby expressly grants the Clerk of the House the right to continue to occupy the premises under the lease agreement for a period of up to 60 days following the special election of lessee's successor, unless the Clerk elects to terminate the lease agreement by giving 30 days written notice to lessor.

9. Two copies of the lease agreement and this attachment, and two copies of any termination notice given under the terms of the lease agreement, shall be sent to the Committee on House Administration, U.S. Capitol, Washington, D.C. 20515.

Any portion of the lease agreement to which this attachment is attached and any subsequent or additional agreements which are inconsistent with paragraphs one (1) through nine (9) of this attachment shall be of no force and effect to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their seals.

N. Chevrage, President
TRUMBULL LAND CO. (lessor)

11/5/98
(date)

CONGRESSMAN (Member/lessee) JAMES A. TRAFICANT, 17TH DISTRICT, OHIO

11/5/98
(date)

Reviewed and approved as to form by the Committee on House Administration

Signed _____ Date _____

January 24, 2000



Congressman James A. Traficant, Jr.
11 Overhill Rd.
Youngstown, Ohio 44512

Dear Jim,

On November 1, 1999 I reached my 70th birthday. As you know, I retired for good on January 2, 1999, after practicing law for almost 47 years. Also, after having been one of your staff members for 14 years.

My relationship with you was a most rewarding experience in my life! I found the work I did interesting and profoundly exciting because I was able to do something good for people and our community of Youngstown-Mahoning Valley, Ohio!

It took me the most part of last year to try to relax and try to enjoy life without the workaholic tendencies I had for most of my adult life. The arrival of our gorgeous granddaughter, Lara, certainly helped me to be able to sit back and start "smelling the roses!"

A most disconcerting event took place on Thursday, January 13, 2000! I thought that I should call it to your attention because you appear to be the "main target" and I was obviously contacted in their attempt to coerce me to agree to certain allegations that are absolutely not true! The following is what happened:

On Thursday morning at about 8:30 AM someone called me on the downstairs phone-I live in a high-rise condominium here on Singer Island, Florida.I was informed that I should let him in because they had to talk to me about you. He would not tell me what it was all about! At this point, I felt coerced and compelled to let them come up to our apartment and I did!

Three gentlemen came in and showed me their credentials and then gave me their cards. Two of them were real bruisers, or maybe I should say "big". The two FBI persons were: Michael S. Pikunas of Youngtown, Ohio and John E. Stoll, also of Youngstown, Ohio. The other fellow was Charles L. Perkins, Special Agent for the Internal Revenue Service, Criminal Investigations. At this point I really felt intiminated! They made it clear that they were out to find information that could or would be used against you! In fact, they made it clear that if I admitted what they brought up they would protect me!

Henry A. DiBlasio

2800 N. Ocean Dr. #A23B
Singer Island, FL. 33404

Phone 561-881-3041
Fax 561-881-3093
HADIBLASIO@AOL.COM.

At my age, and in my poor health condition, I am surprised I did not collapse! They said that others in your office and elsewhere had said certain things about me that violated Federal Laws! I was absolutely astonished! By the way, they never read me my rights but they just kept on pressing me to admit to things that I not only did not do but I could never have thought of doing!

They said they had evidence of my not working enough to justify being paid! They said that I should have filed a disclosure statement each year as required! They said I gave you back some rental that had been paid for your space at 11 Overhill Rd. They said that I gave you part of what I received for my pay! They also said I earned more money than I should have while on your staff. In general, they said that I was in violation of many laws and that if I admitted to these violations so they could "get you!" they would really "protect me!"

Jim, as you know, I am not a criminal lawyer. I was absolutely puzzled and certainly felt intimidated! I have never been accused of violating the law or even violating ethics as a lawyer! I really pondered over whether I should contact you because I know how busy you are and how many things are on your mind at all times! But, the other day, I really received a shock!

A local FBI agent, Jeff Danik, called me and informed me that the Youngstown fellows had asked him to serve a subpoena on me. We finally got together on January 20, 2000. To my continued amazement, the subpoena requested that I appear in Cleveland, Ohio on February 1, 2000 to testify regarding John Doe. Of course, I know they are referring to you as "John Doe".

First of all, they did not give me much notice. Also, I live in Florida and am retired! Why should I pay my own expenses to travel to Cleveland? In winter to boot! I have had to hire legal counsel to protect myself! How can the Government do this and get away with it?

Jim, I certainly did deny and am denying that I have violated any laws anywhere! The office building, as you know, was transferred out of my name when I discovered during your orientation as a new Congressman that I could not keep the building in my name. I was informed by the appropriate Congressional Committee that I did not have to be the one who was designated to report my assets etc.

I also was informed that I did not surpass the earnings where I could not still practice law. I also don't see how I could have shared my pay with you or anyone when I knew I was losing income by being with you. Also, I know I don't have to tell you what I did and how many hours I worked while on your staff. All of this is nonsense!

Henry A. DiBlasio

2800 N. Ocean Dr. #A23B
Singer Island, FL. 33404

Phone 561-881-3041
Fax 561-881-3093
HADIBLASIO@AOL.COM.

I wish that all of this would go away but as a lawyer of many years I guess I should know better. Since I have known you, I have learned that your intellect and judgment would surpass anyone I have ever met-and I mean that! It just doesn't seem fair that I can be intimidated, coerced and whatever else during my retirement and at this time of my life!

I hope it is not some desperate political maneuver on someone's part! If it is, I shall really lose my faith in our system!

I am very sorry that I must discombobulate your mind with all of this! I am trying to ease my discomfort a bit but I also feel compelled to let you know what is happening.

Please let me know if you have some words of comfort and maybe some advice.I really am confused and agitated at this point.

Sincerely,

Henry

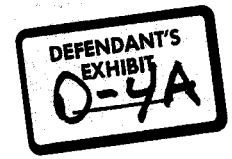
Henry A. DiBlasio

Henry A. DiBlasio

2800 N. Ocean Dr. #A23B
Singer Island, FL. 33404

Phone 561-881-3041
Fax 561-881-3093
HADIBLASIO@AOL.COM.

H.A. DiBLASIO
2800 N. OCEAN DR. **A23B**
SINGER ISLAND, FLA. **33404**







1113

Congressman James A. Traficant, Jr.
11 Overhill Rd.
Youngstown, Ohio 44512

PERSONAL

44512X1670 12

07/10/02 WED 03:15 FAX ☑009

FD-302 (Rev. 10-6-95)

DEFENDANT'S EXHIBIT



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/21/2001

JAMES JOHN HARNEY, aka JAY HARNEY, born 05/27/1946 at Jersey City, New Jersey, Social Security Account Number 229-66-4500, was interviewed at his place of employment. HARNEY is an Attorney at Law, working at Hale, Hassan, Carlson & Penn, PLC, 10511 Judicial Drive, Fairfax, Virginia, Telephone (703) 591-4900. After being advised of the identity of the interviewing agent and the nature of the interview, HARNEY voluntarily provided the following information:

HARNEY provides legal advice and litigation services to business clients. HARNEY is the Registered Agent for U.S. Aerospace Group (USAG) of Manassas, Virginia. HARNEY learned of USAG through a client, Richard Detore. HARNEY met Detore in December 1997. At the time, HARNEY's law firm was defending Detore in the case of Avionics Technology Corporation v Richard Detore and Laserline. When the associate attorney working on Detore's case left the law firm, HARNEY was assigned to litigate the matter in the Prince William County General District Court. Avionics was suing Laserline for collection $7,000. HARNEY successfully argued before the Court that Detore was wrongly named to the suit because the $7,000 debt was a corporate, not individual, liability.

Following the lawsuit, Detore periodically contacted HARNEY with updates on his professional developments. Eventually, Detore left his employment at Laserline in New Jersey and relocated to Northern Virginia in order to serve as Chief Operating Officer for USAG. Shortly thereafter, Detore asked HARNEY to handle USAG's legal matters. HARNEY described USAG as an "advice client." He started under a retainer agreement but, once the retainer was expended, he continued under a billable hours arrangement.

Early on, HARNEY learned that USAG had not incorporated its operations. HARNEY filed the proper papers to render USAG a legal entity in the State of Virginia. HARNEY also represented Detore in the settlement of Detore's $800,000 home purchase. HARNEY described Detore as both a client and a friend, describing Detore as intelligent, technically-competent, and good with people. HARNEY believed that Detore had always been honest and above-board in their professional relationship.

Investigation on 03/21/2001 at Fairfax, Virginia

File # 58C-CV-60877 -1462 Date dictated 03/21/2001

by SA Michael A. Carroll mac

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.

(Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 2

Cafaro Corporation, headed by J.J. Cafaro, funded USAG operations. USAG rented its office space from Jackarosa, a company operated by Zeke Jackson. Jackson operated NAVCOM, an aviation research firm that occupied the same building with USAG. NAVCOM and USAG collaborated on several projects because Jackson's connections to the Federal Aviation Administration (FAA) made NAVCOM an attractive partner. When NAVCOM experienced cashflow problems, J.J. Cafaro wanted to help NAVCOM stay afloat until it could realize profits on pending contracts.

HARNEY helped both USAG and NAVCOM to handle litigation by creditors. HARNEY told J.J. Cafaro that bankruptcy was a real possibility for NAVCOM. Cafaro offered to purchase Jackarosa's building in order to provide the cash to support NAVCOM. After HARNEY arranged for a formal proposal to Jackarosa, Cafaro withdrew his offer. HARNEY described J.J. Cafaro as big on plans, but short on action. Since USAG owed $110,000 in back rent, Jackarosa sued USAG in the General District Court of Prince William County, Virginia. When the court ruled in USAG's favor, Jackarosa appealed to the Prince William County Circuit Court. Eventually, USAG and Jackarosa arrived at an out-of-court settlement and renegotiated a new lease agreement.

Cafaro promised to provide money for USAG and NAVCOM debts, but rarely did so. Richard Detore kept in touch with creditors in order to demonstrate that USAG wanted to make good on its financial obligations. At one point, Detore used his personal finances to pay employee wages. HARNEY advised that Detore used his credit card to pay for business expenses because Cafaro failed to provide funds in a timely fashion. HARNEY could not recall any such incident that involved the rental of a Corvette.

Albert Lange, USAG's managing engineer, had enjoyed a ten-year working relationship with Richard Detore. Although Lange was influential in bringing Detore into USAG operations, their relationship appeared to become strained as they worked together. For example, at one point, Lange wanted to buy Congressman James Traficant's boat, which was being offered to him at a significant discount. Lange enrolled in a class to become a Skipper, arranged for a slip to store the boat, and spent time away from the office to work on the boat, sometimes leaving work as early as 2 p.m. and not returning until the next day. Detore confronted Lange about his letting the boat affect his work at USAG. Detore felt that the boat was affecting Lange's productivity.

(Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY, On 03/21/2001, Page 3

Lange regularly discounted advice offered to him. During a lunch with Detore and HARNEY, Lange mentioned that J.J. Cafaro wanted him to sign a note concerning the purchase of Traficant's boat. Detore warned against Lange entering into any legal obligations with J.J. Cafaro and HARNEY counseled Lange to make sure that he knew what he was doing. Lange did not appear to be phased by these warnings.

When Detore's employment was terminated, Detore told HARNEY that he had been fired by USAG President, Capri Cafaro. Detore later forwarded to HARNEY an electronic mail message sent by Albert Lange to Detore's daughter, Katelyn. The e-mail was a letter of apology wherein Lange explained to Detore that J.J. Cafaro would have fired him if he (Lange) hadn't fired Detore. HARNEY printed this e-mail message and retained it in his files. HARNEY furnished this document and it is being maintained in the section of this file.

Upon Detore's departure, Lange assumed the role of Chief Operating Officer. Lange wanted to sell USAG to a large company that had the financial capital necessary to develop USAG's technology. J.J. Cafaro gave the impression that he supported Lange's ideas; however, Cafaro eventually proved to be leading on Lange, just as he did with Detore, with no real intent to advance USAG interests.

HARNEY characterized Lange as a big talker with a big ego who became increasingly critical of Detore as they continued to work together. Lange also complained openly about J.J. Cafaro owing him money, but HARNEY never saw Lange confront J.J. Cafaro about these concerns. Lange was readily subordinate when speaking with J.J. Cafaro by telephone or in J.J. Cafaro's presence. HARNEY opined that Lange appeared to be controlled by J.J. Cafaro.

HARNEY believes that J.J. Cafaro viewed Detore as disloyal because Detore did not succumb to his every demand. For instance, Cafaro wanted Detore to facilitate the sale of an Avanti automobile. HARNEY once saw the Avanti parked behind USAG's office building. Detore told HARNEY that the car belonged to Cafaro, that Cafaro wanted to sell it, and that Traficant wanted to buy it. Detore had met with Traficant on at least one occasion to discuss the Avanti. Cafaro wanted Detore to give Traficant the Avanti and to accept payment from Traficant, but Detore refused to cooperate. HARNEY was present in Detore's office when Detore engaged in a telephone conversation with Cafaro about the Avanti. Detore told

(Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 4

Cafaro that he wanted no involvement in the Avanti. HARNEY paraphrased Detore's memorable comments: "If you don't have title to the car, then how are you going to sell it to him?" "You've told me things that weren't true." "I don't want to get involved in your deal with the Congressman regarding this Avanti."

Another example of Cafaro's perception of Detore surrounds Cafaro's daughter, Capri. HARNEY described Capri Cafaro as a figurehead; she was young, inexperienced, maintained a busy social life, and devoted little time and energy to managing USAG. HARNEY was told by Detore that Capri Cafaro was an embarrassment to the company because she failed to present a professional image and was unable to intelligently discuss USAG's technology in meetings with interested government officials. J.J. Cafaro tasked Capri to develop USAG's business plan; however, the document was so lacking in substantive content that Detore rewrote it in order to ensure proper presentation of USAG before Congress, government officials, and lending institutions. Detore attached his name to the document to identify himself as the author. J.J. Cafaro was upset that Detore had authored the business plan and thus viewed Detore as disloyal.

HARNEY recalled that Cafaro Laser owned the technology that USAG was trying to further develop. Detore and Lange own the patents on the improvements they engineered at USAG. Detore has spoken of advancing these improvements, but HARNEY is not aware of any current efforts by Detore or other parties.

HARNEY currently represents Accounting and Business Services, L.L.C., an accounting firm started in November 2000 by Albert Lange, Ruth Nilsson, and Tracey Sloan, former employees of USAG. On 11/15/2000, HARNEY had a lunch meeting with all three to discuss the business. During their conversation, Nilsson mentioned that Detore had stolen money from USAG, specifically that he had pocketed money from a cashed check. Lange did not contribute to the discussion except to nod his head in agreement. HARNEY was surprised to hear such charges and later called Detore to discuss the matter. HARNEY asked Detore directly, "Did you ever take any money from USAG?" He further clarified the context of pocketing money from a cashed check. Detore labored to remember when he would have handled company cash, then recalled one incident where HARNEY himself had been a witness to Detore trying to cash a check.

(Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 5

HARNEY related his memory of the incident. One afternoon, HARNEY was at the USAG office to join Detore and Lange for lunch. As they were preparing to leave the office, Detore indicated that he needed to go to the bank first. Detore said, "Capri wants money from this check but they wouldn't cash it. She needs it like yesterday." HARNEY understood Detore to mean that USAG's bank wouldn't cash the check because Cafaro Corporation had bounced previous checks issued to USAG. HARNEY also understood Detore to indicate that Capri Cafaro was very anxious about her inability to acquire the cash.

At approximately 1:00 p.m., HARNEY, Detore, and Lange drove in Lange's Chevrolet Suburban to a First Union Bank branch located on Route 28 in Centreville, Virginia. Detore mentioned "Sarah" as his contact person at the bank. HARNEY and Lange waited while Detore and Sarah discussed the check. After forty minutes, the bank still had not cashed the check for Detore. HARNEY was due to appear before Fairfax County District Court at 2:00 p.m. that day, so he told Detore that he had to leave. Detore stayed at the bank while Lange drove HARNEY to the courthouse.

After his court appearance, HARNEY exited the courthouse to find Detore and Lange waiting in the courthouse parking lot. HARNEY boarded the Suburban and all three proceeded toward the USAG office where HARNEY had left his vehicle. During the ride back to USAG, Detore said that the bank finally cashed the check and that he had to practically personally guarantee the funds. Detore indicated that his relationship with Sarah was instrumental, saying "only because of Sarah's help was I able to cash the check." Detore showed HARNEY the cash which he was holding in an envelope. Upon returning to USAG, Detore gave Capri Cafaro the cash and Capri immediately left the office with the cash. Capri appeared anxious and departed in a rush. HARNEY had no information concerning USAG bank accounts or banking activity.

Reflecting back on his lunch conversation on 11/15/2000, HARNEY was surprised by Nilsson's accusations that Detore had stolen money and he was confused as to why Lange did not speak up to clarify what actually happened. HARNEY does not recall Detore indicating why the cash was needed, nor does he know what Capri Cafaro did with the cash. HARNEY had no knowledge of the rental of a Chevrolet Corvette.

(Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY, On 03/21/2001, Page 6

HARNEY advised that, following Detore's firing, J.J. Cafaro threatened Albert Lange, Ruth Nilsson, and Tracey Sloan with termination of their employment. Cafaro forbade them to discuss Detore's firing and prohibited them from talking to Detore. Both Lange and Detore told HARNEY of these threats; Detore learned of the threats from Lange. HARNEY knew of no threats or prohibitions against USAG employees discussing Congressman James Traficant.

USAG has ceased to operate; however, HARNEY continues to represent the firm in pending litigation. Currently, USAG is party to one lawsuit, Amanda Symonds v USAerospace Group. Symonds is suing USAG for $17,500 in lost wages due to USAG's breach of her employment contract. The case is pending before the Prince William County Circuit Court, Case Number 52289. Symonds is represented by McCandlish, Kaine & Grant, 1111 East Main Street, Suite 1500, P.O. Box 796, Richmond, Virginia, 23218, Telephone (804) 775-3100. The attorneys handling Symonds' case are Thomas M. Wolfe and David J. Sensenig.

Richard Detore is presently suing J.J. Cafaro for $1.5 million in a suit alleging breach of Detore's employment contract. Detore alleges that Cafaro promised to pay Detore's second home mortgage, plus Detore's tax liability.

07/10/02 WED 03:17 FAX 001/015
Jan-25-2002 09:40am From-REP.J.A.TRAFICANT.JR,125 MARKET STREET 3307434920 T-125 P.002 F-184

Virginia Marine Institute
Marine Surveys - Training

Route 1, Box 264
Kinsale, Virginia 22488

580 Bellerive Dr., Suite 68
Annapolis, Maryland 21401

1-800-862-4301
CAPT. BRUCE SANNINO - Director

DEF EX AL 101
ADMITTED

SURVEY PERFORMED ON BEHALF OF

Capt Al Lange

9043 Coriander Circle

Manassas, Virginia 20110

703 365 8000

LOCATION OF VESSEL FOR SURVEY

Eastern Powerboat Club

Water Street SE

Washington, DC

DATE OF SURVEY

August 26, 1998

JJ 00281

DEFENDANT'S EXHIBIT M

NAME OF VESSEL	*"SUZIE'S"*
TYPE	Double Cabin Flybridge Cruiser
BUILDER	Egg Harbor Boat Company Inc. Egg Harbor City, NJ 08215
YEAR BUILT	1970
HULL NUMBER	1765
USCG DOCUMENTATION NUMBER	Not documented
REGISTRATION NUMBER	MD 8924 M
HAILING PORT	Washington, DC
LOA	37'
BEAM	13' 2"
DRAFT	3' 3"
DISPLACEMENT	19,000 lbs.
ENGINE(S) MAKE AND MODEL	Twin Palmer 265 HP gasoline

CONCLUSIONS

This classic wooden yacht is in over all excellent mechanical condition. A very careful examination of the hull from the shear line down showed all mechanical systems operative and in good condition, no soft planks were found and soft members noted are being replaced. Soft wood on the top sides and fly bridge are is being replaced, the hull is being refastened and new equipment is being added. All hull work is being performed by a master shipwright under the supervision of this surveyor.

On the basis of this survey, BUC Research material, my own experience, and other offerings by area brokers, I believe the fair market value of this vessel to be between $30,000.00 and $35,000.00 as is and between $38,000.00 and $42,000.00 with repairs and corrections completed.

This surveyor recommends that port risk only insurance be granted until repairs and corrections are completed.

At such point that repairs and corrections "**REQUIRED**" are completed, this vessel will represent a good insurance risk operated on bays, lakes, rivers, sounds, and near coastal waters.

REPAIRS AND CORRECTIONS

This section contains repairs and corrections **REQUIRED** to maintain and or **RESTORE THE STRUCTURAL INTEGRITY** and seaworthiness of the vessel, as seen by the surveyor. Also included are repairs and corrections necessary to restore and or maintain full operation of the vessel and her gear and to conform with USCG rules.

REQUIRED

The hull is in very good condition but requires service. No cracked or broken ribs were noted however planks are pulling away from ribs and butt blocks in many places and incipient fungus growth was noted in a number of places. From the sheer line to the keel the hull should be reduced to bare wood, refastened and coated with a marine bottom paint system and yacht finish topside paint system. No soft planks were noted however the port shaft log and the port transom frame below the water line were soft and should be replaced while the yacht is out. The hull interior planking should be coated with a fungicide in areas that fungus growth is noted.

The rub rail on both sides forward of amidships has been damaged. New wood must be scarfed in.

This surveyor seldom recommends GRP over wood and never over the hull. In this case the only reasonable way to preserve the fore deck and wing decks is to reduce to bare wood, cover with GRP and paint. Anti-skid material should be incorporated into the finish paint. As an aesthetic the mahogany toe rail should be reduced and varnished. Only marine spar varnish should be used, polyurethane coating are not UV resistant. Considerable discolored and some soft wood is noted in the cabin sides and flybridge. It is recommended that new wood be scarfed in, all surfaces faired and coated.

Stainless steel hand rails and grab rails. The starboard side lifeline is bent and port and starboard side grab rails are loose. All should be pulled, bent rails straightened or replaced and all rails reinstalled with proper bedding.

The hatch on the fore deck is a total loss and must be replaced. Recommend that it be replaced with a LEXAN clamshell hatch.

The engine room vent on the starboard side has come adrift and appears to be lost. A forward facing scoop must be provided and installed.

All the yachts ports require service. The salon sliding port weep holes are clogged, the master state room and salon wind screen ports are sealed with an amateurish application of caulk. All ports should be removed, cleaned and rebedded. Recommend that the salon sliding port and wind screen be covered with an automotive type dark gray or black glass film.

The water heater is badly rusted, appears to leak and is wired with electrical tape. The heater must be replaced, the new heater must be properly secured, a pressure relief valve and secure grounding provided.

Both toilets are direct discharge and illegal. At least a holding tank must be installed for each working toilet. The tank(s) can be provided with "Y" valves and self discharging pumps for use when the yacht is off shore. I recommend that this expense be avoided and that the toilets be plumbed to a common flexible tank with a deck pump out fitting. Inappropriate hose used in the heads must be replaced.

The batteries are not secured or covered. At least covered plastic boxes must be provided and secured. The batteries are in a ventilated walk in locker accessible to passengers some distance from the engines. Consideration should be given to moving the batteries to the engine room.

The service wire to the refrigerator and an extension cord are led through the bulkhead between the engine room and the galley. The extension cord must be removed and if the refrigerator is not hard wired in chafe protection must be provided where the wire passes through the bulkhead.

Several electrical system "dead ends" were noted. All must be traced and the wire eliminated or secured.

The engine room bilge pump is wired in with electrical tape. This tape must be replaced with marine connectors.

All bulbs in the 12 VDC running lights must be replaced.

The AC dock cable connectors on the yacht are pulled out from the cabin side. The connectors will be secured with the cabin work. One connector is a 50 amp and one a 30 amp. The service panel is wired to handle 30 amps only and two very possible and very dangerous conditions present them selves. If a 50 amp two leg connector is plugged in both legs will energize the single leg 30 amp service panel. When a dock cable is plugged into either connector the other connector is energized and presents a considerable shock hazard. I recommend that the 50 amp receptacle be replaced with another 30 amp receptacle, that one 30 amp leg be wired to service the air conditioners and the other leg wired to service the rest of the yacht. A two 30 to single 50 amp "Y" adapter can be carried to service the yacht in any marina with 50 amp service only.

No polarity indicator is provided in the AC system. A warning light and or alarm must be installed.

Both engines require a tune up to include an oil change and replacement of ignition parts and pump impellers.

All four stuffing boxes, both engines and both rudders require repacking.

Both couplings must be safety wired.

The steering system should be bled and the system re-pressurized.

A TYPE IV throwable PFD must be carried on board.

A clean good condition PFD must be provided for each passenger.

A current distress signal kit must be provided.

Both on board fire extinguishers and the engine room automatic system must be serviced.

End of Repairs and Corrections Required

This section contains the repairs and corrections DESIRABLE for, UP GRADING THE STANDARDS, maintenance and operation of the vessel, as seen by the surveyor.

DESIRABLE

Generally the interior jointer work is excellent and no structural repairs are required. However several small areas of soft wood are noted as well as larger areas of stained and discolored wood as well as incipient mildew. The cause of the interior damage will be corrected when the cabin and deck is repaired. The mildew will be killed and proper ventilation from now on will prevent future mildew growth. The interior wood should be aggressively cleaned, damaged wood repaired and stained areas varnished.

All cleats and chocks are well secured but all should be pulled and rebedded.

Most of the water lines are copper tubing with flare connections. The exception is the water pump. Clear plastic and dishwasher drain hose is used. This hose should be replaced with reinforced plastic potable water hose.

Several 12 VDC light fixtures in the yacht's interior should be replaced.

An off/on switch servicing the water pump should be installed.

The aft air handler appears to be weak. It should be cleaned and oiled and if operation does not improve the blower motor replaced. Insulation around the cooling gas pipes should be replaced.

Both engines were equipped with manual chokes that have been replaced with hot water automatic chokes. The manual choke cables should be removed.

Engines should be cleaned and painted.

Water pump pressure gauge should be replaced.

07/10/02 WED 05:19 FAX
Jan-28-2002 08:41am From-REP,J.A,TRAFICANT.JR,126 MARKET STREET 3307434020 T-125 P.007/018 F-184

CONDITION OF ACCEPTANCE

This survey was done in accordance with the standards, guidelines and requirements as formulated by the American Boat and Yacht Council, National Fire Protection Association, United States Coast Guard and Underwriters Laboratories, Inc.

This report is submitted in good faith and constitutes a description of the condition of the named vessel as found at the time of the survey. It is understood that the surveyor assumes no responsibility for any defects and is to be held harmless for any conditions subsequently arising. This report does not warrant, (expressly or implicitly) or guarantee the condition of the vessel. The use of this report implies an acceptance of the fore mentioned conditions.

This surveyor warrants that he has had no interest in this vessel prior to this survey and further, that he disqualifies himself from any further interest in this vessel apart from his responsibility as a surveyor.

Respectfully submitted,

Captain Bruce Sannino
Marine Surveyor

5878

HULL EXTERIOR

ITEM INSPECTION NUMBERS DELETED DO NOT PERTAIN TO THIS VESSEL

The word "appears" is used where close or complete inspection was not possible. Unless otherwise indicated inspection of the surfaces was performed by sounding, visual observations, ultra sonic testing and other non-destructive methods.

H1 HULL MATERIAL AND CONSTRUCTION
Hull is quarter sawn steam bent and sawn white oak ribs, longitudinal box stringers and frames with 1" mahogany planking and butt blocks. Fastening is silicon bronze screws.

H2 CONDITION AND FINISH
The hull is in very good condition but requires service. No cracked or broken ribs were noted however planks are pulling away from ribs and butt blocks in many places and incipient fungus growth was noted in a number of places. From the sheer line to the keel the hull should be reduced to bare wood, refastened and coated with a marine bottom paint system and yacht finish topside paint system. No soft planks were noted however the port shaft log and the port transom frame below the water line were soft and should be replaced while the yacht is out.

H3 SYMMETRY OF HULL AND KEEL
Excellent, no evidence of damage or major repairs. Even the worm shoe is in good condition.

H4 TYPE OF UNDERWATER BODY
Semi-vee.

H5 PROTECTION (in the event of grounding)
Dead wood in the stem.

H6 EXTERNAL CONDITION OF THUR-HULLS (below the waterline)
Good.

H7 TOTAL NUMBER OF THUR-HULLS
Eight.

H8 GALVANIC PROTECTION
Zinc's on the shafts and rudders, all will be replaced during the restoration.

H9 SOUNDING OF BOTTOM
Except as noted above no problems noted.

H10 RUDDER CONDITION
Good, both straight.

H11 RUDDER BLADE MOTION
No lost motion noted.

H12 PROPELLER CONDITION
Good, no service required.

H13 JAM NUTS
In place and well secured.

H14 STRUT BEARINGS
Both in good condition.

H17 SOUNDING OF TOP-SIDES
All problems as noted above.

H18 CONDITION OF SPRAY AND RUB RAILS
The rub rail on both sides forward of amidships has been damaged. New wood must be scarfed in.

DECK AND SUPERSTRUCTURE

D1 TYPE OF CONSTRUCTION
Sawn white oak frames and carlins, marine plywood subdeck, teak decking, mahogany toe rail/clamp skinned over on the aft deck with GRP. This surveyor seldom recommends GRP over wood and never over the hull. In this case the only reasonable way to preserve the fore deck and wing decks is to reduce to bare wood, cover with GRP and paint. Anti-skid material should be incorporated into the finish paint.

D2 SOUNDING OF DECK, COCKPIT AND SUPERSTRUCTURE
Sawn white oak frames and carlins, marine plywood subdeck, teak decking, mahogany toe rail/clamp skinned over on the aft deck with GRP. This surveyor seldom recommends GRP over wood and never over the hull. In this case the only reasonable way to preserve the fore deck and wing decks is to reduce to bare wood, cover with GRP and paint. Anti-skid material should be incorporated into the finish paint. Considerable discolored and some soft wood is noted in the cabin sides and flybridge. It is recommended that new wood be scarfed in, all surfaces faired and coated.

D6 LIFELINES
Stainless steel hand rails and grab rails. The starboard side lifeline is bent and port and starboard side grab rails are loose. All should be pulled, bent rails straightened or replaced and all rails reinstalled with proper bedding.

D7 CLEATS AND CHOCKS
All cleats and chocks are well secured but all should be pulled and rebedded.

D8 HATCHES
The hatch on the fore deck is a total loss and must be replaced. Recommend that it be replaced with a LEXAN clamshell hatch.

D10 HANDHOLDS
As noted.

D11 COMPANIONWAY
No problems noted.

D12 DECK VENTS
The engine room vent on the starboard side has come adrift and appears to be lost. A forward facing scoop must be installed.

D13 DECK/COCKPIT DRAINS
Freeing ports in the toe rail.

D14 DECK PLATES
Screw closure deck plates, all well secured.

INTERIOR

I1 LAYOUT (fore to aft)
Ground tackle locker, bulkhead, single bunks above and below to starboard, locker under the lower berth, head to port, bulkhead, galley to port, six person dinning table to starboard, ladder up to salon amid-ships, pilot station to starboard, navogation station to port, machinery room under the salon deck, ladder up to aft deck starboard, ladder down to master state room amid-ships, walk in locker with sliding lockers and hanging locker spaces to starboard, master head to port, double berths port and starboard, vanity amid-ships, fly bridge above the salon.

I2 CONDITION OF JOINTER WORK
Generally the interior jointer work is excellent and no structural repairs are required. However several small areas of soft wood are noted as well as larger areas of stained and discolored wood as well as incipient mildew. The cause of the interior damage will be corrected when the cabin and deck is repaired. The mildew will be killed and proper ventilation from now on will prevent future mildew growth. The interior wood should be aggressively cleaned, damaged wood repaired and stained areas varnished.

I3 ACCESS TO INNER HULL SURFACE
Good.

I4 MEANS OF HULL SUPPORT
Bulkheads and frames.

I5 HULL TO DECK BOND
Appears to be good, leaks as noted and under repair.

I11 CABIN SOLE
Firm under foot, no sponginess noted.

I12 PORTS
All the yachts ports require service. The salon sliding port weep holes are clogged, the master state room and salon wind screen ports are sealed with an amateurish application of caulk. All ports should be removed, cleaned and rebedded. Recommend that the salon sliding port and wind screen be covered with an automotive type dark gray or black gloss film.

I15 COMPANIONWAY STEPS
Three sets of steps are built in. All are well secured.

I16 PROTECTION OF MACHINERY SPACES
Good.

I17 VENTILATION
Good.

I18 UPHOLSTERY CONDITION
Good.

I19 BILGE
Clean and remarkably dry.

I20 KEEL BOLTS
All that could be examined are in good condition.

PLUMBING

P1 WATER TANK(S) LOCATION
Under the galley sole.

P2 MATERIAL
Welded stainless steel.

P3 INSTALLATION
Good, well secured.

P4 CLEAN OUT PROVISION
Drain only.

P5 FRESH WATER PUMP
Galley Maid 12 VDC pressure pump, works.

P6 WATER LINES
Most of the water lines are copper tubing with flare connections. The exception is the water pump. Clear plastic and dishwasher drain hose is used. This hose should be replaced with reinforced plastic potable water hose.

P7 WATER HEATER TYPE
110 VAC residential type. The water heater is badly rusted appears to leak and is wired with electrical tape. The heater must be replaced, the new heater must be properly secured, a pressure relief valve and secure grounding provided.

P9 HEAD TYPE
Both full function, shower, hand basin and toilet.

P10 INSTALLATION
As original.

P11 MARINE SANITATION DEVICE,(MSD) TYPE
None, both toilets are direct discharge and illegal. At least a holding tank must be installed for each working toilet. The tank(s) can be provided with "Y" valves and self discharging pumps for use when the yacht is off shore. I recommend that this expense be avoided and that the toilets be plumbed to a common flexible tank with a deck pump out fitting.

P13 MSD/TOILET THUR-FITTINGS
Sea cocks provided.

P14 HEAD DRAINS, (hand basin/shower/tub)
Hand basins at the water line, showers into sumps.

P15 GALLEY STOVE (fuel)
110 VAC.

P18 STOVE FLAME PROTECTION
None required.

P19 STOVE FUNCTION
Good, all burners and the oven work.

P20 GALLEY SINK DRAIN
At the water line.

P22 REFRIGERATION TYPE
110 VAC residential type.

P23 INSTALLATION AND FUNCTION
Built in the galley and works.

ELECTRICAL SYSTEMS

E1 SHIPS SYSTEM
12 VDC.

E2 NUMBER OF BATTERIES
Two.

E3 LOCATION
In the walk in locker starboard aft of the salon.

E4 PROTECTION/FIXATION
None provided.

E5 LOAD TEST
Both held 650 CCA.

E6 MASTER SWITCH
Provided.

E7 HOW CHARGED?
Engine driven alternators.

E8 CIRCUIT PROTECTION
Breakers.

E9 WIRING
All marine type, well secured. Several electrical system "dead ends" were noted. All must be traced and the wire eliminated or secured.

E10 BONDING
Appears to be complete.

E11 PANEL LOCATION
Below the lower pilot station.

E12 APPLIANCES

A. NAVIGATION LIGHTS
12 VDC reaches all fixtures, all bulbs should be replaced.
B. DECK LIGHTS
None.
C. COMPASS LIGHTS
Works.
D. ENGINE INSTRUMENT LIGHTS
Some instrument lights do not work. Bulbs should be replaced.
E. CABIN LIGHTS
12 VDC reaches all fixtures, all bulbs should be replaced. Several fixtures are damaged and should be replaced.
F. BLOWERS
Works.
G. SHIPS WHISTLE/HORN
Works.
H. ELET. BILGE PUMP
Both work.
I. PRESSURE PUMP
Works but no off/on switch is provided.

E13 SHORE SYSTEM
110 VAC 30 amp.

E14 WIRING
All marine type and well secured.

E15 CIRCUIT PROTECTION
Breakers.

E16 PANEL LOCATION
Below the lower pilot station.

07/10/02 WED 03:21 FAX
Jan-28-2002 09:43am From-REP,J.A.TRAFICANT.JR,125 MARKET STREET 3307434920 T-125 P.014/018

E17 SYSTEM HOOK-UP
Twist lock dock cables.

E18 AC/DC CONVERTER/CHARGER
Crown Marine 20 amp. Works.

E19 AIR CONDITIONING
Two Cruisair marine units are provided. Both work although the aft air handler appears to be weak. It should be cleaned and if operation does not improve the blower motor replaced. Insulation around the cooling gas pipes should be replaced.

E20 HEAT
Zero clearance 110 VAC cabin heaters are provided, all work.

E21 POLARITY INDICATOR
No polarity indicator is provided in the AC system. A warning light and or alarm must be installed.

PROPULSION MACHINERY AND GENERATOR

M1 ENGINE(S) MAKE AND TYPE
Palmer Model 392 265 HP gasoline V8's.

M2 SERIAL NUMBER(S)
Port 474729
Starboard 474699

M3 TRANSMISSION MAKE AND TYPE
Warner Velvet drive.

M4 GENERAL INSTALLATION
As original and in good condition.

M5 MAINTENANCE ACCESS
Good.

M6 EXTERIOR CONDITION
Fair. Engines should be cleaned and painted.

M7 COOLING SYSTEM TYPE
Fresh water.

M8 CONDITION

A. VALVES
All work freely.
B. HOSES
All marine type reinforced.

C. PUMPS
Both engine driven, impellers should be replaced.
D. STRAINER(S)
Provided.
E. CLAMPS
All marine type stainless steel and in good condition.
F. HEAT EXCHANGER PRESSURE TEST
Both held seven pounds for 30 minutes.

M9 EXHAUST SYSTEM TYPE
Wet.

M10 CONDITION

A. HOSES AND PIPES
All marine type and in good condition.
B. CONNECTIONS AND CLAMPS
All well secured, double clamped.
C. ROUTING
Good, well protected from fouling.
D. ALARMS
Low oil pressure.

M11 IGNITION SYSTEM TYPE AND CONDITION
Breaker point, both engines require a tune up to include an oil change and replacing ignition parts and pump impellers.

M12 BACKFIRE FLAME CONTROL
Provided.

M13 ENGINE MOUNTS
Well secured.

M14 DRIP PAN
Provided.

M15 STUFFING BOX
Both stuffing boxes require repacking.

M16 COUPLING
Both couplings must be safety wired.

M17 CONTROLS
Push pull cable.

M18 INSTRUMENTS
Oil pressure, temperature, charging voltage and tachometer.

M19 ENGINE(S) COMPRESSION
Several cylinders checked on both engines and all held between 90 and 110 psi. Once the engines are started and run the compression will be tested on all cylinders.

M20 FLUID LEVELS
OK

M21 ENGINE FUNCTION
Did not test.

M22 TRANSMISSION FUNCTION
Did not test.

M23 GENERATOR MAKE, TYPE AND SIZE
Onan 6.5 kw gasoline model 605 MCCK serial # 0769131804

M24 INSTALLATION
Good.

M25 PROTECTION
In the engine room.

M26 EXTERIOR CONDITION
Good.

M27 COOLING SYSTEM TYPE AND CONDITION
Fresh water, heat exchanger held seven pounds for 20 minuets

M28 EXHAUST SYSTEM TYPE AND CONDITION
Wet and in good condition.

M29 ALARMS
None.

M30 FLUID LEVELS
OK

M31 FUNCTION
Good.

M32 VENTILATION OF MACHINERY SPACES
Good.

FUEL SYSTEM

F1 FUEL TYPE
Gasoline.

F2 OVERALL IMPRESSION OF INSTALLATION
Very good.

F3 TANK(S)

A. LOCATION
In the master state room under the berths.
B. MATERIAL
Galvanized steel.
C. CONDITION (exterior)
Good to the extent that they could be examined.
D. LABEL
Provided.
E. BONDING
Provided.
F. VENTILATION OF TANK SPACE
Good.
G. FILL TYPE/CONDITION
Screw closure deck plate and in good condition.
H. FILL BONDING
Provided.
I. VENT LINE TYPE/CONDITION
Copper tubing with flare connections and in good condition.
J. SUPPLY LINE CONNECTIONS
All flare copper tubing and in good condition.

F4 SUPPLY LINE TYPE/CONDITION
Copper tubing, flare connections and in good condition.

F5 ACCESS TO CONNECTIONS
Good.

F6 FUEL SHUT-OFF VALVES, LOCATION/CONDITION
One each at the tanks and at the fuel manifold forward in the engine room.

F7 VIBRATION DAMPER
Provided.

F8 AUXILIARY FUEL FILTER(S)
Water separator type provided.

F9 GENERATOR
As engines.

STEERING SYSTEM

S1 TYPE OF STEERING
Hydraulic.

S2 NUMBER OF STATIONS
Two.

S3 ACCESS TO SYSTEM COMPONENTS
Good.

S4 LEAD OF CABLES OR LINES
Good, well protected from fouling.

S5 FASTENING OF QUADRANTS AND CYLINDER(S)
Good, well secured.

S6 STUFFING BOX
Both require repacking.

S7 RUDDER STOPS
Provided and well secured.

S8 RUDDER STOCK
Monel and in good condition.

S9 STOCK/STUFFING BOX TO TUBE
Stuffing box is through bolted to the hull.

S9 EMERGENCY STEERING SYSTEM
None.

S10 FUNCTION
The steering system should be bled and the system re-pressurized

SAFETY AND NAVIGATION EQUIPMENT

N1 HORN/WHISTLE/BELL
Both provided and horn works.

N2 PERSONAL FLOTATION DEVICES
None provided.

N3 FIRE EXTINGUISHERS
All require service.

N4 AUTOMATIC FIRE FIGHTING SYSTEMS
Halon 1301 system in the engine room.

N5 COMPASS (FUNCTION AND DEVIATION TABLE)
Compass works, no deviation table noted.

N6 NAVIGATION LIGHT PLACEMENT
Good.

N7 DISTRESS FLARES
Out of date.

N8 GROUND TACKLE
Provided.

N9 GAS VAPOR DETECTOR
None noted.

N10 HAND PUMPS
None noted.

N11 TOOLS
None noted.

N14 HORSESHOE/RING THROW ABLE
None noted.

N16 RADIO
Standard marine VHF radio, works.

N17 ELECTRONIC NAVIGATION EQUIPMENT
None

N18 DEPTH SOUNDER
Ranger Model 90 neon flasher type, works.

N19 AUTO PILOT
Benmar, works.

N24 FIRST AID KIT
None noted.



Friend your Address?

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

JAMES A. TRAFICANT, JR.
[redacted] Lord Drive
Poland, Ohio 44514

Case No. _____

Judge _____

Plaintiff,

v.

UNITED STATES OF AMERICA
United States Attorney General
Department of Justice
Washington, D.C. 20530

and

JOHN DOE, JANE DOE, ROBERT
ROE AND SUSAN ROE
Real names and addresses
presently unknown

Defendants.

COMPLAINT

Plaintiff James A. Traficant, Jr. complains of the Defendant United States of America and shows the Court the following:

1. The Plaintiff James A. Traficant, Jr. is an individual citizen of the State of Ohio, residing in the Village of Poland, Mahoning County, Ohio.

2. The Defendant is the United States of America, acting through its agent the United States Department of Justice.

3. Defendants John Doe, Jane Doe, Robert Roe and Susan Roe are other entities or individuals that may be named in this action. The real name and addresses of these individual Defendants are presently unknown to Plaintiff but shall be identified during the course of discovery proceedings.

4. This action arises under 42 U.S.C. § 1985. The amount in controversy, exclusive of interest and costs, exceeds $75,000, and jurisdiction of the Court is pursuant to 28 U.S.C. § 1346.

5. At all times mentioned herein, the Plaintiff is an United States Congressman for the 17th Congressional District, Ohio.

6. At all times mentioned herein, Plaintiff was, has been, and now is a good citizen, known to friends, neighbors and constituents to have behaved and conducted himself in a becoming manner all his life.

7. Defendants, maliciously intending to cause him unjustly to suffer punishment and to be deprived of his liberty, and to oppress and ruin him, in the 17th Congressional District of Ohio and the United States of America, maliciously conspired to falsely accuse Plaintiff of crimes under the laws of the United States of America.

8. That said conspiracy is to prevent by intimidation the Plaintiff from holding his office as a member of Congress in the 17th Congressional District of Ohio.

9. Because of the Defendants' wrongful acts, Plaintiff has suffered great mental anguish and injury to his reputation.

Wherefore, Plaintiff prays to this Court:

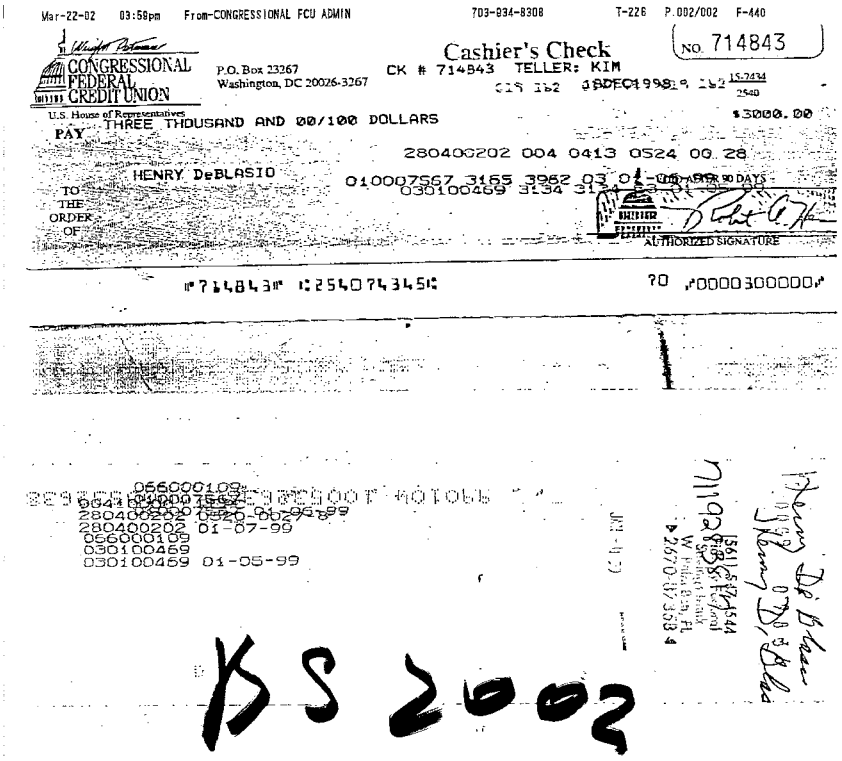
A. In committing the acts herein alleged, Plaintiff is entitled to recover compensatory damages from them, in the sum of $1,000,000,000.00

B. That Plaintiff recover from Defendants the costs of this action.

C. That Plaintiff have such other and further relief as may be proper.

RESPECTFULLY SUBMITTED,

James A. Traficant, Jr.
Pro Se
[redacted]
Poland, Ohio 44514



Mar-22-02 03:59pm From-CONGRESSIONAL FCU ADMIN 703-934-8308 T-226 P.002/002 F-440

CONGRESSIONAL FEDERAL CREDIT UNION
U.S. House of Representatives

P.O. Box 23267
Washington, DC 20026-3267

Cashier's Check

NO. 714843

CK # 714843 TELLER: KIM

15-7434
2540

PAY THREE THOUSAND AND 00/100 DOLLARS $3000.00

280400202 004 0413 0524 00 28

TO THE ORDER OF HENRY DeBLASIO

010007567 3165 3962 03 01-05-99 AFTER 90 DAYS
030100469 3134 3124 [illegible]

AUTHORIZED SIGNATURE

⑈714843⑈ ⑆254074345⑆ 70 ⑈0000300000⑈

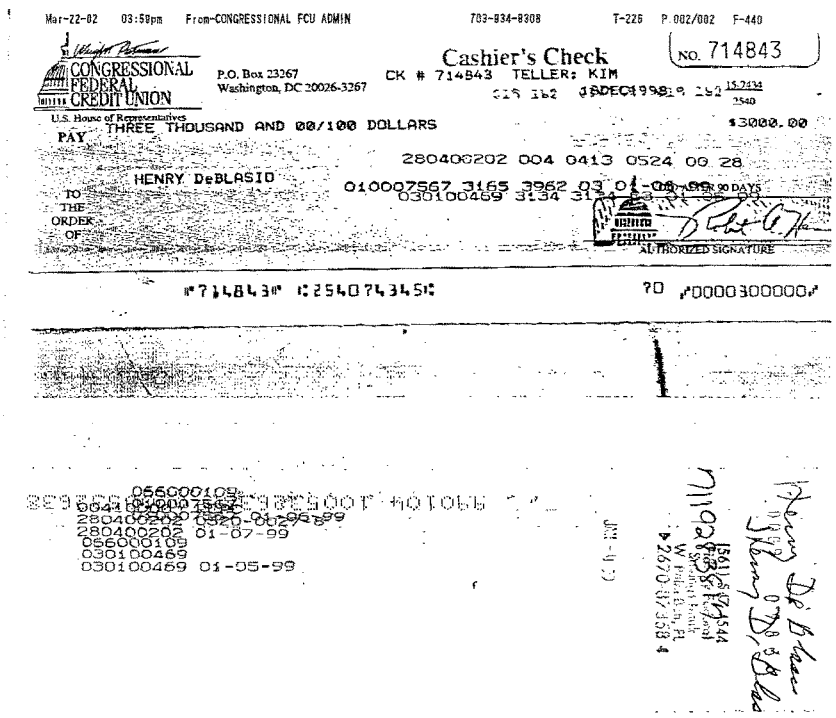
066000109
[illegible]
280400202 0320-002-8
280400202 01-07-99
066000109
030100469
030100469 01-05-99

JAN -4 '99

Henry DeBlasio
Henry DeBlasio

[illegible]
Sheridan Branch
W. Palm Beach, FL
2670-87358

BS 2002



Mar-22-02 03:59pm From-CONGRESSIONAL FCU ADMIN 703-934-8308 T-226 P.002/002 F-440

CONGRESSIONAL FEDERAL CREDIT UNION
U.S. House of Representatives

P.O. Box 23267
Washington, DC 20026-3267

Cashier's Check

NO. 714843

CK # 714843 TELLER: KIM

019 162 18DEC1998 19 162 15.2434 2540

PAY THREE THOUSAND AND 00/100 DOLLARS $3000.00

280400202 004 0413 0524 00 28

TO THE ORDER OF HENRY DeBLASIO

010007567 3165 3962 03 01-06-99
030100469 3134 3134 01-05-99

DO NOT ALTER 90 DAYS

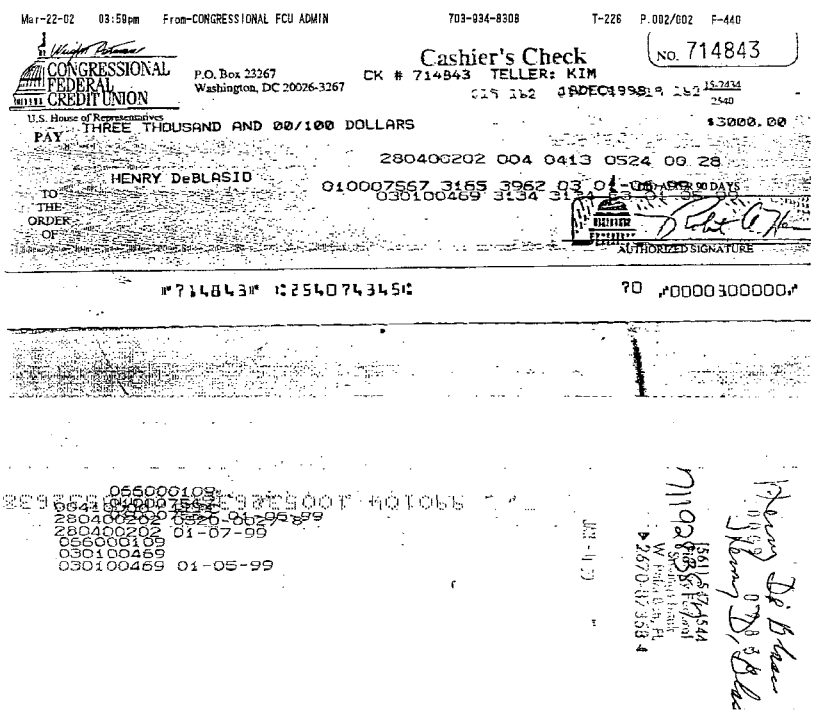
AUTHORIZED SIGNATURE

⑈714843⑈ ⑆254074345⑆ 70 ⑇0000300000⑇

056000109
004100007567
280400202 0320-002 28
280400202 01-07-99
056000109
030100469
030100469 01-05-99

JAN - 6 99

Henry DeBlasio
11992 07 03 Henry DeBlasio
15611 5 Fr 4544
Sec. Federal
Savings Bank
W. Palm Beach, FL
2670-873584



Mar-22-02 03:59pm From-CONGRESSIONAL FCU ADMIN 703-934-8308 T-226 P.002/002 F-440

CONGRESSIONAL FEDERAL CREDIT UNION
U.S. House of Representatives

P.O. Box 23267
Washington, DC 20026-3267

Cashier's Check

NO. 714843

CK # 714843 TELLER: KIM

15-7434
2540

PAY THREE THOUSAND AND 00/100 DOLLARS $3000.00

280400202 004 0413 0524 00 28

TO THE ORDER OF HENRY DeBLASIO

010007567 3165 3962 03 01-05-99 90 DAYS
030100469 3134 3124 [illegible]

AUTHORIZED SIGNATURE

⑈714843⑈ ⑆254074345⑆ 70 ⑈0000300000⑈

056000109
004100007567
280400202 0520-002-8
280400202 01-07-99
056000109
030100469
030100469 01-05-99

Henry DeBlasio
Henry DeBlasio

1144

CORPORATE TRUST STOCK TRANSFER
CHU
P.O.
NEW

U.S.POSTAGE

50-235
219

THE BANK OF NEW YORK

Company:	1036 1001	Account:	0000004275	Cusip:	004446100	Check Number	036460
Rate:	.1600000	Units:	25	Record Date:	12/19/01	Payable Date:	01/02/02

Pay The Sum Of: Four and 00/100 Dollars

DEFENDANT'S EXHIBIT 6-10

$ *********4.00

Payable As Agent For

ACETO CORPORATION
COMMON STOCK

To The Order Of:
JAMES TRAFICANT JR
429 N MAIN ST
POLAND OH 44514-1666

Authorized Signature

⑈00036460⑈ ⑆021902352⑆ 5600586 2⑈

01DEC98 31DEC98

DEPOSITION EXHIBIT 00127(A)

4

JAMES A TRAFICANT JR
429 N MAIN
POLAND OH 44514

Happy New Year!
Keep Us in Mind in 1999 for
Real Estate Loans, Car Loans,
VISA Credit Cards,
Insured Savings,
IRAs, Free Checking
and much more!

VINGS Your balance at the beginning of the period.....$ 16451.82
COUNT 16DEC WITHDRAWAL 3000.00 = 13451.82
ffix 0 <CU CK#714843 HENRY DeBLASIO>
16DEC WITHDRAWAL 2.00 = 13449.82
31DEC DIVIDEND through 31DEC1998 36.46 = 13486.28
ANNUAL PERCENTAGE YIELD EARNED: 3.04% FOR A 31 DAY PERIOD
Average Daily Balance: 15096.08

31DEC A-360 EPI...Amt: 1650 HOUSE OF REPS (FED SALARY)
01JAN* DEPOSIT
HOUSE OF REPS (FED SALARY) 1250.00 * 14736.28
Your new balance on 31DEC98.....$ 14736.28
Dividends Paid To You In 1998 On Suffix 0 * 549.59

Tired of writing several checks each month for credit card bills? Consolidate your balances on our low rate VISA/VISA GOLD Credit Card. We offer one rate for purchases, convenience checks, cash advances and balance transfers. Can your other cards say this?

RSONAL Your balance at the beginning of the period.....$ 0.00
an 2 9.3% ***ANNUAL PERCENTAGE RATE***
.025479% Daily Periodic Rate
Your new balance on 31DEC98.....$ 0.00
FINANCE CHARGES PAID IN 1998 ON LOAN 2 $ 0.00

ur Your total Savings balances.....* 14,736.28
nancial Your total Loan balances.....* 0.00
mmary

D Tax YEAR-TO-DATE INFORMATION FOR TAX PURPOSES:
mmary Total non-IRA dividends earned
(may be reported to IRS as interest for this calendar year)..* 549.59
Total finance charges paid on loans this calendar year.....$ 0.00

Jacquelyn Bobby
6695 Roberto Place #26 • Poland, OH 44514 • Telephone (330) 757-1344

March 18, 1998

JT 00711

Honorable James A. Traficant, Jr.
11 Overhill Road
Youngstown, OH 44512

Dear Chairman,

If I don't ask--I'll never know!!

I handle the majority of Chuck's responsibilities as "District Director".

My reputation and credibility are impeccable.

I have had total responsibility for your campaign with no complaints.

I donate many, many hours to the campaign.

I think you should give me the position of "District Director" and a salary increase because you can justify it and I deserve it.

I will fulfill any obligation Chuck had (let's talk about this one!)

You won't be sorry because I don't want to be a "big shot!"

If you don't fill Chuck's position, I am afraid it will truly look like he had a token job.

Thanks for listening and I await your response.

Sincerely,

Jackie

Jackie

P.S. I trust you won't share this letter with anyone.

OFFICE HON. JAMES A TRAFICANT JR OH 17

SSN	EMPLOYEE NAME POSITION NO. AND JOB TITLE	ANNUAL SALARY	GROSS PAY EARNED	PERIOD FROM	TO	REMARKS
	MEMBERS CLERK HIRE PERSONNEL (PERMANENT)					
279-56-3021	BLAIR,DANIEL ROSS LEGISLATIVE DIRECTOR	51,000.00	4,250.00	04-01-98	04-30-98	
299-80-6554	BLITON,KIMBERLY HARRIS SENIOR LEGISLATIVE ASSISTANT	34,550.00	2,879.17	04-01-98	04-30-98	
269-38-4252	BOBBY,JACQUELYN MARIE STAFF REPRESENTATIVE	41,165.00	3,430.42	04-01-98	04-30-98	
282-36-7966	BUCCELLA,GEORGE F STAFF REPRESENTATIVE	27,375.00	2,281.25	04-01-98	04-30-98	
069-68-7887	CLARK,BRIAN W LEGISLATIVE ASSISTANT	28,800.00	2,400.00	04-01-98	04-30-98	
406-44-1114	DAVIS,CARRIE J. STAFF REPRESENTATIVE	28,880.00	2,406.67	04-01-98	04-30-98	
283-24-4420	DIBLASIO,HENRY A ADMINISTRATIVE ASSISTANT	83,000.00	6,916.67	04-01-98	04-30-98	
278-34-6818	DRUMMOND,DAVID I STAFF REPRESENTATIVE	30,236.00	2,519.67	04-01-98	04-30-98	
280-20-8056	HULETT,JOSEPHINE STAFF ASSISTANT	15,930.00	1,327.50	04-01-98	04-30-98	
297-66-0776	MALAMISURA,HEATHER ANN OFFICE MANAGER	24,000.00	1,133.33	04-01-98	04-17-98	TERMINATED 04-17-98
269-38-2942	MANENTE,BETTY N STAFF REPRESENTATIVE	31,000.00	2,583.33	04-01-98	04-30-98	
051-56-8077	MARCONE,PAUL P CHIEF OF STAFF	95,500.00	7,958.33	04-01-98	04-30-98	
291-52-8407	MCCRUDDEN,CHARLES J,III LEGISLATIVE ASSISTANT	31,000.00	2,583.33	04-01-98	04-30-98	
301-20-0716	O'NESTI,CHARLES PATRICK DISTRICT DIRECTOR	75,200.00	6,266.67	04-01-98	04-30-98	
272-70-5292	RICHBURG,DEVONNE L LEGISLATIVE ASSISTANT	27,235.00	2,269.58	04-01-98	04-30-98	

U. S. HOUSE OF REPRESENTATIVES
PAYROLL CERTIFICATION

ACCOUNTING PERIOD
04/01/98 TO 04/30/98

OFFICE HON. JAMES A TRAFICANT JR OH 17

SSN	EMPLOYEE NAME POSITION NO. AND JOB TITLE	ANNUAL SALARY	GROSS PAY EARNED	PERIOD FROM	TO	REMARKS
297-68-5206	TRAFICANTI,ANTHONY STAFF ASSISTANT	35,965.00	2,997.08	04-01-98	04-30-98	
290-34-7353	YAVORSKY,GRACE MARIE STAFF REPRESENTATIVE	41,165.00	3,430.42	04-01-98	04-30-98	
	MEMBERS CLERK HIRE PERSONNEL (NON PERMANENT)					
293-38-6868	BARLOW,ROBERT W PART-TIME EMPLOYEE	11,775.00	981.25	04-01-98	04-30-98	
290-32-1436	ROSSI,GLORIAN M PART-TIME EMPLOYEE	10,875.00	906.25	04-01-98	04-30-98	
299-24-8010	SARRA,FAYE LULU PART-TIME EMPLOYEE	11,775.00	981.25	04-01-98	04-30-98	

	EXPENDITURES	PERSONNEL ACTIVE	PAID
MEMBERS CLERK HIRE PERSONNEL (PERMANENT)	57,633.42	16	17
MEMBERS CLERK HIRE PERSONNEL (NON PERMAN	2,868.75	3	3
TOTAL	60,502.17	19	20

COMMENTS: (EXCEPTIONS MUST BE LISTED WITHIN THIS BOX).....

SAVINGS FOR 1998

Heather leaving	= $17,000
Chuck leaving	= $43,862
Charlie leaving	= $14,200
Brian leaving	= $15,600
TOTAL SAVINGS	**= $90,662**

NEW COSTS FOR 1998

Claire on payroll 6/1/98 @ annual salary of $41,165	= $24,013
Charlie S. on payroll 6/1/98 @ annual salary of $22,000	= $12,833
C. Dulovich on payroll 6/15/98 @ annual salary of $10,000	= $ 5,416
Josephine adjustment from $15,930 to $21,000 as of 6/1/98	= $ 2,958
Jackie adjustment from $41,165 to $45,000 as of 6/1/98	= $ 2,237
Grace adjustment from $41,165 to $43,225 as of 6/1/98	= $ 1,201
Betty adjustment from $31,000 to $36,000 as of 7/1/98	= $ 2,500
George adjustment from $27,375 to $30,236 as of 7/1/98	= $ 1,431
Barlow adjustment from $11,775 to $14,175 as of 7/1/98	= $ 1,200
DeVonne adjustment from $27,235 to $31,000 as of 7/1/98	= $ 1,883
Dan adjustment from $51,000 to $51,500 as of 7/1/98	= $ 250
Kim adjustment from $34,550 to $35,050 as of 7/1/98	= $ 250
Henry adjustment from $83,000 to $89,000 as of 7/1/98	= $ 3,000
Paul adjustment from $95,500 to $105,000 as of 6/1/98	= $ 5,542
TOTAL NEW COSTS FOR 1998 (through 12/31/98)	**= $ 64,714**

NET SAVINGS IN 1998 = $25,948

Your total payroll for all of 1998 will be $709,980

By way of comparison, your payroll in 1997 was $726,608.

Projected payroll in 1999 (with 3 percent COLA): $715,842

NOTE: If Jackie resigned effective 6/15/98, there would be an additional savings for 1998 of $22,297. Your total payroll for all of 1998 under that scenario would be $687,683.

SAVINGS FOR 1998

Heather leaving	= $17,000
Chuck leaving	= $43,862
Charlie leaving	= $14,200
Brian leaving	= $15,600
Total	= $90,662

TOTAL SAVINGS FOR 1998 UNDER OPTION 1 = $90,662

Option 2: Jackie leaving effective 6/30/98 = $20,582

TOTAL SAVINGS FOR 1998 UNDER OPTION 2 = $111,244

NEW COSTS FOR 1998

Claire on payroll 6/1/98 @ annual salary of $41,165	= $24,013
Charlie S. on payroll 6/1/98 @ annual salary of $22,000	= $12,833
C. Dulovich on payroll 6/15/98 @ annual salary of $10,000	= $ 5,416
Josephine merit raise from $15,930 to $21,000 as of 6/1/98	= $ 2,958
Grace merit raise from $41,165 to $43,225 as of 7/1/98	= $ 1,029
Betty merit raise from $31,000 to $36,000 as of 7/1/98	= $ 2,500
George merit raise from $27,375 to $32,000 as of 7/1/98	= $ 2,312
Barlow merit raise from $11,775 to $14,175 as of 7/1/98	= $ 1,200
DeVonne merit raise from $27,235 to $31,000 as of 7/1/98	= $ 1,883
Dan merit raise from $51,000 to $51,500 as of 7/1/98	= $ 250
Kim merit raise from $34,550 to $35,050 as of 7/1/98	= $ 250
Paul merit raise from $95,500 to $105,000 as of 6/1/98	= $ 5,542
TOTAL NEW COSTS FOR 1998 (through 12/31/98)	**= $ 60,186**

NET SAVINGS UNDER OPTION 1 = $30,476
NET SAVINGS UNDER OPTION 2 = $51,058

Under option 1, your payroll for all of 1998 will be $705,452
Under option 2, your payroll for all of 1998 will be $684,870

By way of comparison, your payroll in 1997 was $726,608.

Projected payroll in 1999 (with 3 percent COLA) under option 1: $704,530
Projected payroll in 1999 (with 3 percent COLA) under option 2: $663,365

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 17, 2002

The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
U.S. House of Representatives
Washington, DC 20515

RE: *In the Matter of Representative James A. Traficant, Jr.*

Dear Chairman Hefley,

In accordance with the Committee's request to authenticate materials submitted as evidence, I transmit to the Committee the following:

Exhibit AA – Affidavit of Linda Kovachik, original document under seal of Notary
Exhibit BB – Affidavit of Brian Kidwell, original document under seal of Notary
Exhibit CC – Affidavit of Orlando Ferrante, original document under seal of Notary
Exhibit DD – Affidavit of Susan Bucci, original document under seal of Notary
Exhibit GG – Affidavit of Sandra Ferrante, original document under seal of Notary

Original, unaltered tapes of the following phone conversations:

Exhibit X – Conversation between Congressman Traficant and Mr. Pete Buchiet (8/6)
Exhibit Z – Conversation between Congressman Traficant and Mr. Pete Buchiet (1/31)

Respectfully submmitted,

James A. Traficant, Jr.
Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

Linda Kovachik
Thursday, May 09, 2002

I hearby swear that the following is a true and accurate statement.

On May 7, 2002, I came to find out that the transcripts in the matter of the *United States v. James A. Traficant, Jr.* are in error with regard to my testimony.

On March 27, 2002, while testifying as a witness for Congressman Traficant I was describing a conversation I had with the late Chuck O'Nesti where we were discussing the question of kickbacks.

At the point where I was recalling Mr. O'Nesti stating that he did not give Jim any kickbacks, the judge interrupted my testimony and there was confusion in the court.

On March 28, 2002, I was recalled outside of the presence of the jury to determine whether my statements from the previous day are hearsay exceptions. Upon taking the stand, I was read back the previous testimony and concluded by saying that Chuck O'Nesti told me that he never gave Jim kickbacks.

The transcripts indicate that I stated that Mr. O'Nesti never got kickbacks from Jim. This statement is inaccurate and would not have made sense because the discussion between Mr. O'Nesti and myself dealt with a question of kickbacks to Congressman Traficant, not to Mr. O'Nesti.

Because this testimony deals with a material fact of the case and both the prosecution and media have used this statement, I am requesting the audiotape of the trial in order to correct this misinformation.

The above is a true and accurate statement.

Linda Kovachik
Linda Kovachik

Witness

5/9/02
Date

MAY 0 9 2002
Date

State of Ohio
County of Mahoning
Sworn to and subscribed to in my presence this 9th day of May, 2002.

Notary Public

LINDA L. LOPUCHOVSKY, Notary Public
STATE OF OHIO
My Commission Expires June 23, 2005

Trumbull County Resident

Affidavit of Brian Kidwell
May 13, 2002

I hereby swear that the following are true and accurate statements regarding the events concerning a unused/new welder, which I picked up at Congressman Traficant's office at 11 Overhill Road office located in Youngstown, Ohio and took it to my residence at 1861 Youngstown-Kingsville Road, Vienna, Ohio, where I stored it in my shop/garage.

In the early part of the afternoon on Friday, March 22, 2002, Congressman Traficant and I examined the welder and upon Mr. Traficant's request, made arrangements for its delivery to the Federal Courthouse in Cleveland, Ohio.

At approximately 3:30 p.m., three unidentified white males in a blue ford ½ ton pickup truck with Ohio tags, arrived at my residence and backed up to the smaller door on the east side of my garage machine shop. Contrary to published reports, the welder did not weigh 600 pounds, but weighed less than 300 pounds and originally was removed from my truck by an associate and myself.

The three white males then proceeded to load the Miller electric welder with one gas cylinder tank attached onto the blue ½ ton pickup truck. I notified them that the acetylene tank was mine to which one of the men replied, "it's part of the welder and we're taking it." I again stated that the 'tank' was mine, but they completely disregarded it.

In addition, they took a heavy-duty nylon-binding strap that belonged to me to secure the welder to the back of the pick up truck.

At that time, I was not sure if this was an arrangement by the Congressman to secure the welder and was not overly concerned about the tank and vinyl strap. But things became further complicated when one man asked whether it was my "son who had just left in the blue Ford pick up truck."

It became clear to me that the men who confiscated the welder were not there on behalf of Congressman Traficant when I asked "if the welder was going to Cleveland for the Congressman" to which one man stated that "This welder is not going to Cleveland and you didn't see it leave if you're asked."

When they made this statement, I realized that the Congressman did not send the men, I was concerned and in fear for my family and myself and I believed that the men were either sent by the Cafaro/US Aerospace Group or the Government.

After hearing of news accounts that the Government was seeking perjury charges against those individuals that testified for the Congressman, I became more concerned about this incident.

PATRICIA A. KRUMPAK
Notary Public, State of Ohio
My Commission Expires May 29, 2002

Patricia A. Krumpak

I believed that Congressman Traficant and I established enough testimony and photos to satisfy the welder matter in court, so I decided because of concern for my family to keep the matter to myself and when asked on the stand I carefully chose my words so I would not lie and so my testimony would not endanger my family.

Since the trial, the news accounts regarding the Government's pursuit of perjured testimony from Traficant witnesses has had me very upset. I'm also disturbed by the ordeal that my family and I had to endure, especially with the knowledge that I have gained that federal agents followed Traficant's subpoena server and they had known that I was served with a subpoena and also that government agent's had visited with my neighbors concerning false allegations regarding myself and Jim Traficant.

Although I did not get the license plate number of the blue pick-up truck, I am asking that the defense, lead by Jim Traficant, obtain all photographs of federal agents, employees or contract individuals of or for the government, so that I will be able to affirm to the court that agents of the Government did or did not take the welder.

These men never threatened me, but I felt threatened when I asked if they were going to Cleveland and they stated that the welder was not going to Cleveland and "you didn't see it leave." Also I became even more troubled, because the men, who were not sent by the Congressman, were able to identify and inquired about my 18-year old son.

The above is a true and accurate statement.

Brian Kidwell

Witness Lorie A. Stephens

5-13-2002
Date

5-13-02
Date

Patricia A. Krumpak

PATRICIA A. KRUMPAK
Notary Public, State of Ohio
My Commission Expires May 30, 2002

Affidavit of Orlando Ferrante
Tuesday, April 30.2002

I hereby swear that the following is a true and accurate statement.

In middle to late August, 2000, three males arrived at my residence on Applegrove road in North Canton, Ohio. They identified themselves as agents of the F.B.I., Rich Denholm, Chuck Perkins and Mike Pecunis, and requested that my wife take them into my house so that they may talk with the both of us on a matter of great importance. My wife suggested that we go to a public location. We, me and my ex-wife and the three agents then went and met at a nearby Wendy's restaurant.

The agents proceeded to play a 40-minute tape for us, which indicated and led me to believe that Jim Traficant was a part of a plan to have my wife murdered. On the tape I heard three voices, Clarence Broad and two unknown individuals which we were told were an undercover F.B.I. agent and another man who brought the agent to meet with Broad.

My wife then asked if the meeting had something to do with "getting Jim Traficant." The agents stated that they were only concerned with her welfare and wanted to "protect her." They assured me that their concerns were only for her immediate protection and "she must leave her residence as soon as possible," her residence being located at the Traficant farm. They "never stated that Jim Traficant was responsible" but led both of us to believe, by their statements and actions that Jim Traficant was involved in some conspiracy to have my wife killed.

After the meeting with the agents, my wife received a phone call from the F.B.I. where they discussed whether it would be in her interest to go "public" with this matter. My wife told me that the F.B.I. did not instruct her to go public, but did suggest and lead her to believe that going public would be the best way to "ensure her safety."

We later learned, through an F.B.I. agent that Clarence Broad was moved to Elkton Prison, in Elkton, Ohio which is less than 10 miles away from the Traficant farm and caused us great concern. My wife told me that the F.B.I. said that it was "unusual that Broad was moved back to this area" and led us both to believe that someone had to "pull strings to have him brought back." At that point we came to the conclusion that it must have been Jim Traficant, even though the agent never stated that.

My wife testified before a grand jury on two occasions, in the matter regarding Jim Traficant. I testified once before the grand jury. During this time the F.B.I. paid $800 to house my wife's dogs in kennels and paid for her two trips to Louisville, Kentucky to testify.

I testified truthfully regarding my knowledge of the activities at the Traficant farm in Greenford, Ohio, where I witnessed no illegal acts. My wife assured me also that she testified truthfully on two occasions to all of the questions posed to her at the grand jury,

and that she had not witnessed any illegal acts that the government wanted her to testify to. When her testimony was made known to the government, and she was not making the statements they wanted her to make she told me she was "demeaned and mistreated." She was so demeaned and mistreated that she was virtually in tears. My wife further confided in me that she felt her rights were violated during the grand jury process by the way she was mistreated.

When the indictment came down, we discovered that there were no charges filed in association with the tape/conspiracy Traficant issue, it wasn't even mentioned, and that neither of us were going to be called as witnesses. At that time my wife and I became very suspect and upset because it became apparent that the government tried to use myself and my wife to illicit false statements against Jim Traficant. My wife then conferred with me about the government's actions and I agreed with her decision to apologize to Jim Traficant and his wife and to explain to Jim (Traficant) what had occurred.

Since the time of the first meeting with the F.B.I. agents, I have suffered a stroke and I require constant care. Before this meeting with the F.B.I., regarding the tape and murder issue, I was in good health but the matter bothered me, especially hearing that Broad was moved back, closer to our residence. I found myself under great stress on one hand, trying to protect my wife while in a state of failing health and on the other hand, not knowing what was going on with Traficant and this whole issue which made national news. In addition, my wife's blood pressure soared and her health deteriorated as well, causing me concern for her personal health and safety. Our lives have been uprooted by this whole event that is now evident was nothing more than a government scheme to get us to make false statements against Jim Traficant.

We have now read news articles that had information that we never heard on the tape. It is only fair and just that the government provide us with full tapes and transcripts of these tapes. We are requesting that you, as our Congressman, use whatever means necessary to provide us with this information since we are considering legal action against the government for having disrupted and ruining our lives.

Orlando Ferrante

Witness

April 30, 2002

Date

April 30, 2002

Date

4-30-02

BRENDA G. [illegible]
Notary Public - State of Ohio
My Commission Expires April 27, 2003

Brenda G. Innella

Friday February 1, 2008

Affidavit for Jim Draficant:

I Hereby swear that the following statement is the truth;

1.) Jim Draficant brush hogged 40 acres of land at our farm on Rt. 165 in Green township, Mahoning County, for seven years.

2.) Jim Draficant mowed, raked, and baled hay for us on 25 acres for four years; with his own equipment and provided his own fuel.

3.) Jim Draficant, at his expense, repaired our hay wagons regularly.

4.) My husband Dan (deceased) told me, that when we stopped farming, to "give Jim the hay wagons."

5.) Jim Draficant, would not take hay wagons without paying.

6.) Jim Draficant gave me a check for One thousand dollars.

7.) Jim Draficant said, "400 dollars for the wagons and 600 dollars for anything I may owe."

8.) Jim Draficant did not have to do that, but I believe he did

p. 2 cont.

that to help me, because I was having a difficult time, financially.

9.) The family had asked Jim Trafficant to help get Tony Bucci into a Halfway house.

10.) Jim Trafficant did that, and it was common knowledge that he would help anybody.

11.) Jim Trafficant would not accept anything, even though the brothers wanted to pay him.

12.) On occasion, they got Jim some sawdust, that my husband also used, my husband would take old hay + straw to bed our cows.

13.) There was a time when Jim asked for help to borrow Jack Hammers to break up concrete in big old Bank barn.

14.) The brothers sent out some workers, who caused a wall in the barn to collapse, which cost Jim a lot of money.

2g. 3 cont.

15.) The brothers were worried that Jim would sue them.
16) Jim could have sued us.

In closing, I believe that Jim Inspiant is owed money by the family.

Susan Bucci

2-1-02

SWORN AND SUBSCRIBED TO BEFORE ME BY SUSAN BUCCI THIS FEB. 1, 2002 BY BONNIE L. VRABEL

Bonnie L Vrabel

BONNIE L. VRABEL
NOTARY PUBLIC, STATE OF OHIO
My Commission Expires March 28, 2002

Affidavit of Sandra Ferrante
Tuesday, April 30.2002

I hereby swear that the following is a true and accurate statement.

In middle to late August, 2000, three males arrived at my ex-husband's residence on Applegrove road in North Canton, Ohio. They identified themselves as agents of the F.B.I., Rich Denholm, Chuck Perkins and Mike Pecunis, and requested that we go into the house so that they may talk to me on a matter of great importance. I suggested that we go to a public location. We, my ex-husband, myself and the three agents met at a nearby Wendy's restaurant.

The agents proceeded to play a 40-minute tape for me, which intimated that Jim Traficant wanted to have me murdered. On the tape I heard three voices, Clarence Broad and two unknown individuals which I was told were undercover F.B.I. agent and another male who dropped the agent off to meet with Broad.

I proceeded to ask if this was something they were using "to get me to say something against Jim Traficant." The agents stated that they were only there to protect me. They "never stated that Jim Traficant was responsible" but led me to believe that he was involved in this conspiracy to take my life.

After this meeting with the agents, I received a phone call from a F.B.I. agent who suggested that to "ensure my own safety" that I should go public with this information and announce the conspiracy.

At some point afterward, an F.B.I. agent notified me that Clarence Broad was moved to Elkton Prison, in Elkton, Ohio and it was "unusual that he was moved to this facility." Also, the agent insinuated that Broad's move could have been done at the request of Jim Traficant.

I testified before a grand jury on two occasions in the matter regarding Jim Traficant. During this time the F.B.I. paid $800 to house my dogs in kennels and also paid for my two round trips to Louisville, Kentucky to testify.

I testified truthfully regarding the deck and barn construction at the farm in Greenford, Ohio, and when the government didn't hear what they wanted to hear about Traficant the U.S. Attorney, Craig Morford proceeded to demean me in front of the grand jury.

When the indictment came down, I discovered that there were no charges filed in association with the murder issue. At this time I realized that the government was using me to illicit false statements regarding Jim Traficant, at which point, I apologized to both Jim (Traficant) and his wife for allowing the government to trick me into believing this conspiracy.

Since the time of the first meeting with the F.B.I. agents, my husband has suffered a debilitating stroke and requires constant care and my health continues to deteriorate due to the stress and the traumatic nature of the events in this case. My life has basically been ruined because of the actions of the government.

I read news articles that had information that were never on the tape. I am requesting that Congressman Traficant secure a copy of the tape and transcript so that I may verify and gather information in order to make a decision on whether to proceed with legal action against the government.

Sandra Ferrante
Sandra Ferrante

Witness

April 30, 2002
Date

April 30, 2002
Date

BRENDA G. INNELLA
Notary Public - State of Ohio
My Commission Expires April 27, 2003

4-30-02
Brenda G. Innella

1162

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 1 of
Telephone Conversation with Henry DiBlasio of June 19, 2001

Transcript Follows

RE: U.S. VS. JAMES A TRAFICANT, JR.
CASE NO. 4:01 CR 207

TRANSCRIPT OF TAPE-RECORDED CONVERSATION BETWEEN CONGRESSMAN JAMES A. TRAFICANT, JR., AND HENRY A. DIBLASIO, ON JUNE 19, 2001.

TRANSCRIPT PREPARED BY LISA C. NAGY-BAKER, A NOTARY PUBLIC WITHIN AND FOR THE STATE OF OHIO ON THIS DATE, SEPTEMBER 6, 2001, FROM A TAPE SUPPLIED BY CONGRESSMAN TRAFICANT.



062

07/10/02 WED 08:41 FAX

MR. DIBLASIO: They got my records. Christ, they know what I was earning.

MR. TRAFICANT: Yeah, they're really pushing and pressing, but I got a witness that Sinclair had told that he lent me money and I repaid him all the money he lent me; so I'm not as worried about it anymore.

MR. DIBLASIO: Another thing; I don't know if you know it, but he told -- you know, he owes me over a half a million dollars.

MR. TRAFICANT: That's what he's trying to do, Henry. He's trying to manipulate this, or they would have indicted him on the things he said. Christ, he's on probation as an attorney, isn't he? He could lose his license, can't he?

MR. DIBLASIO: Well, I think he could, too, yeah; but that's the last thing I want him to do. I want him to earn money; but Kenny Sheek (phonetic spelling) told me the sign was down. I hope the son of a bitch hasn't quit and flown the coop.

MR. TRAFICANT: He spent a lot of money on that building; and, Henry, any money he lent me, I repaid him.

MR. DIBLASIO: Are you going home for the 4th of July?

MR. TRAFICANT: Yeah.

063

07/10/02 WED 08:41 FAX

MR. DIBLASIO: See if you could find out what's --

MR. TRAFICANT: Yeah, I know what they're doing with this guy. There's no doubt about it. They said, look, we're going to take away your goddamn license unless you give us something, you know. So I think this is what the guy is saying. They're making a mountain out of a molehill with him.

MR. DIBLASIO: I already told Gollings in the building; you know the fellow downstairs?

MR. TRAFICANT: Yeah.

MR. DIBLASIO: Well, Gollings wants to move out of there because he says it's affecting his reputation, being in there with him; and I guess this is what he told Matavich. I guess Gollings told Matavich that Sinclair told him, "Hey, the FBI will take care of me. Don't worry about it. They are going to take care of me."

MR. TRAFICANT: Is that right?

MR. DIBLASIO: Yeah, words to that effect.

MR. TRAFICANT: Yeah, but Gollings knows the guy's a crook, too, huh?

MR. DIBLASIO: Yeah, he's moving out of there. Matavich told me that he's not staying there.

064

07/10/02 WED 08:42 FAX

You know, he just started his practice a couple of years ago. He's 40-some years old.

MR. TRAFICANT: I know. He seemed like a nice guy. He seemed like to me, you know. No one can figure this thing out. You know this guy was only with me for a year, and I basically hired the guy to do you a damn favor; you know what I mean? I helped the guy to pay the damn building off, you know, with the rent; and look at the shit he pulls.

MR. DIBLASIO: And look at me. He never even paid me the note that he owes me on the building. He owes me 20 grand on that.

MR. TRAFICANT: Yeah, well, they're probably telling him you don't have to pay nobody nothing; don't worry. Hell, I wouldn't be surprised if they don't try and indict you just to jackpot us. You know?

MR. DIBLASIO: Here's the only way they can indict me. Now, you know I've talked to Kersey. They gave me immunity; okay? And that's the only way I would testify before the Grand Jury, otherwise I was going to take the Fifth.

MR. TRAFICANT: Yeah.

MR. DIBLASIO: They gave me immunity, and I answered all their questions; and I told them it's absolutely nonsense about, you know, what they're trying

07/10/02 WED 08:42 FAX 回065

to claim.

MR. TRAFICANT: Yeah, but you truthfully testified before the Grand Jury?

MR. DIBLASIO: Yeah, but now after I testified all day long, they've tried to tell Kersey that oh, they're going to -- they could only charge me with two things. One is perjury while I was on the stand, and the other thing is because of the building there, that they were saying that I avoided taxes; but, you know, I filed a tax return every single year; and what little taxes there were, I paid them.

MR. TRAFICANT: Yeah, it's bullshit what they're doing. You see, they know this Sinclair, he's already on probation for those ads, and I think everybody knew he was deceptive; and I guess there was some people's complaints about him, so I think they went to him and said you're going to lose your law license, buddy, unless you've got something for us; you know what I mean?

MR. DIBLASIO: Well, he may anyway.

MR. TRAFICANT: Well, he should. Christ, he's admitted to doing something that's illegal that he didn't even do.

MR. DIBLASIO: Well, I think they gave him immunity.

MR. TRAFICANT: Yeah.

MR. DIBLASIO: Which they do to everybody. That's probably what they did to Cafaro, too.

MR. TRAFICANT: Yeah, well, he perjured himself in the Chance case. That's what that's all about. He didn't give me any money, and I'm not even worried about him, believe me. The only one is this Sinclair because they're going to bring him, prop him up as an attorney; and they're trying to destroy you. This guy can make a million dollars by what he's doing and save his goddamn law license since they probably had something else on him to take his law license away. That's what I figured.

MR. DIBLASIO: Well, let's face it. He wouldn't have a pot to piss in if I hadn't paid for advertising for him for five years.

MR. TRAFICANT: I know that, and this guy is, you know he's just lying through his damn teeth; but, anyway, he had told somebody that I have lined up as a witness that he did lend me some money, but I repaid him.

MR. DIBLASIO: That's great.

MR. TRAFICANT: So I just wanted to let you know that because that's the kind of shit they're pulling. They're just way out of hand. I wouldn't be

007
07/10/02 WED 08:43 FAX

surprised if they'll do anything at this point because I think they're getting desperate. They've got a hell of a case on their hands with me, Henry. And I did a national TV show that went over so goddamn big.

MR. DIBLASIO: I saw that first day. You did fantastic.

MR. TRAFICANT: Hey, Henry, the response was fantastic. Now, I'm telling you that.

MR. DIBLASIO: You even let that woman blow her -- the only one that criticized you -- you let her go. Boy, I don't know where you get that patience.

MR. TRAFICANT: Well, I got to let them go, Henry; and, hey, but I'm ready to fight them, you know.

MR. DIBLASIO: I got the biggest kick out of that. You let her go. You said, hey, let her speak her piece.

MR. TRAFICANT: In four days, I had five bad calls; and they were looking for them. They were looking for them, and they couldn't get them; and that was simulcast in the Cleveland area, too.

MR. DIBLASIO: No kidding.

MR. TRAFICANT: Yeah, all four shows went to Cleveland. Well, anyway, I just wanted to call

you and let you know.

MR. DIBLASIO: Well, I appreciate that; but you ought to know this about Sinclair. Before this situation with Morford even came up, he had sent me about $90,000; but then he stopped paying me, and he didn't answer my letters; and he had me blocked out of the computer. So I had Matavich go and meet with him. Matavich sent me a letter or fax -- I forget now; I don't even know if I still have it -- oh, that I took advantage of him; that he wasn't going to pay me anymore. That I took advantage of him as a young lawyer, and then that was the tack he was taking.

MR. TRAFICANT: Yeah.

MR. DIBLASIO: And then what, two weeks later, three weeks later, Morford tells Matavich and Juhasz that if they tried to collect against Sinclair, that they would charge them with intimidating a government witness.

MR. TRAFICANT: Yeah, but you see, I talked to Matavich; and Matavich says that Morford didn't tell him that. He told me to talk with Juhasz.

MR. DIBLASIO: He told it to Juhasz.

MR. TRAFICANT: Yeah, are you definitely sure he told it to Juhasz?

MR. DIBLASIO: Matavich sent me a

07/10/02 WED 08:43 FAX

fax and Kersey's got a copy of it.

MR. TRAFICANT: Yeah, I wish you'd have him send me a copy of it because technically, you know, here's the situation they're coming with. They're trying to make, evidently, Onesti's testimony valid by saying he was in some kind of a conspiracy like this Sinclair was. That's why they're linking them, so that they can bring whatever bullshit OnEsti said. But OnEsti told several people, and one of them is willing to testify before he died that he felt bad at what he had did. He said he told them some bullshit about Jim that they can't prove that wasn't true; and he says, you know, like kickbacks and stuff, and he said but they can't prove it and he didn't do it. He said but they were supposed to treat him nice and not, you know, not hurt his reputation as a bag man 'cause he had kids and all that; and then they screwed him, and he felt real bad. So I got witnesses there, too. The only problem is this goddamn guy Sinclair. I got to get -- listen, this guy had a lot of money, Henry. He put a lot of money into that building.

MR. DIBLASIO: He made a lot of money.

MR. TRAFICANT: I know, and every time I've talked to him about it, have you called Henry,

or have you made your deal with Henry as far as the building and stuff was concerned. You know, like you'd talk to me. He'd say, oh, yeah, Henry and I are fine. Everything is going real good. I'm having a little slow time, but everything is good.

MR. DIBLASIO: He was always slow.

MR. TRAFICANT: That kind of bullshit.

MR. DIBLASIO: The point is, if he could eliminate -- stop and think. If he doesn't have to pay a half million dollars, now is that incentive for him to say just whatever they want him to say?

MR. TRAFICANT: Well, that's what's happening.

MR. DIBLASIO: Yeah, I know that.

MR. TRAFICANT: That's why I'm telling you, I have a witness. He's making loans look like kickbacks, Henry; and that's the bottom line.

MR. DIBLASIO: Well, we're going to have to show that this guy is a real bastard.

MR. TRAFICANT: I know that. I wish your attorneys would do some investigative work on him. Credit reports, bank accounts, because I could subpoena some things; but it would be overt if I went out looking for them. You know what I mean?

MR. DIBLASIO: I need an investigator to check all that.

MR. TRAFICANT: Yeah, you need to get somebody. Have Kersey get somebody.

MR. DIBLASIO: Well, I asked Matavich to see what he could find out, so I haven't heard from him yet; but we'll do something.

MR. TRAFICANT: All right. Well, anyway, I just wanted to call you and give you an update.

MR. DIBLASIO: How are you holding up? Are you feeling okay physically?

MR. TRAFICANT: How did I look on the TV?

MR. DIBLASIO: You looked pretty good except your shitty haircut.

MR. TRAFICANT: Yeah, well, other than that?

MR. DIBLASIO: Well, you asked my opinion, and I gave it to you.

MR. TRAFICANT: You always do. Listen, we love you, and you know, you don't know this; you haven't seen my office; I'm out in Canfield there, and I got your portrait up in my office.

MR. DIBLASIO: You're kidding?

MR. TRAFICANT: No, I've had it.

072

07/10/02 WED 08:44 FAX

Everybody comes in and says, there's Henry. I say I got it right there. So Bob says when I talk to you, to say hello.

MR. DIBLASIO: What building are you in?

MR. TRAFICANT: It's up there on the corner of Raccoon Road and 224.

MR. DIBLASIO: Is that where that chiropractor used to be?

MR. TRAFICANT: Yeah, I'm in the way back northeast corner.

MR. DIBLASIO: Well, next time I'm home, I'll stop by.

MR. TRAFICANT: Yeah, I got to see you. We got to talk. But, anyway, I love you; and I wanted to let you know this, that I'm working on it, and if you could get your attorneys working on some investigation, we can get this shit going because he has that probation charge against him and another violation he could lose his license, and that's what they did with this guy.

MR. DIBLASIO: Well, he's just a bad guy to begin with.

MR. TRAFICANT: Yeah, but I don't have any record on this guy. I don't know nothing about

him. Evidently he's a real creep. You know, if we can get complaints from the Bar Association, if someone like if Matavich on the QT, have some friends that could get this stuff. I can't overtly go out after this shit.

MR. DIBLASIO: I know Kersey has got a copy of it. This was a fax that Matavich sent me, and that's when he dropped out of the case. It was shortly after that that I hired Kersey because he wouldn't handle it anymore.

MR. TRAFICANT: Why not?

MR. DIBLASIO: Because Morford told him he was going to charge him with intimidating a witness.

MR. TRAFICANT: Yeah, that was over, supposedly, Matavich told me that he told that not to him but to Juhasz.

MR. DIBLASIO: Well, they were co-counsel on my case.

MR. TRAFICANT: Yeah, but the point is --

MR. DIBLASIO: They wouldn't have made that up.

MR. TRAFICANT: No, but he's not admitting that that was done, and I didn't get a confirmation from Juhasz. I got to get some confirmation.

All of this sets a pattern. I'll tell you what; these prosecutors have some problems with this case, Henry, big problems; I'm telling you. There's prosecutorial misconduct every which way and now with some of the witnesses I have that deal with Cafaro and deal with Sinclair and OnEsti.

MR. DIBLASIO: By the way, did you hear the turn of events in the U.S. Attorney?

MR. TRAFICANT: No.

MR. DIBLASIO: It looks like Joyce is going to be the U.S. Attorney, and that's good because he and Kersey are pretty close.

MR. TRAFICANT: Is that right? Well, that might be good for you, but it may not be good for me.

MR. DIBLASIO: Well, it might be. No. That's why I'm telling you; you never know. I don't know if he's been confirmed by the Senate yet because everything is up in the air.

MR. TRAFICANT: Henry, you and I did nothing illegal all those years, and I'm tired of hearing it.

MR. DIBLASIO: I know. It's just the idea of having to go through it.

MR. TRAFICANT: I know that, but

what you told the Grand Jury, see, refutes what this Sinclair is saying with all he got to gain and his motives. I think I can handle Sinclair. I'm not worried now, especially now that I found that witness that he told that he lent me money, but I repaid every penny.

MR. DIBLASIO: Well, he probably told others, too.

MR. TRAFICANT: Well, we don't know that. We got to find out, but if you can get your people to do an investigation on him. We know he's under probation with the Ohio Bar Association for those ads; that all he needed was one infraction, and he's gone. He already had an ethics violation. Second of all, for him to say that he went right on a payroll and was giving away money like that, what's that speak to his character? You understand?

MR. DIBLASIO: It stinks.

MR. TRAFICANT: Jesus God almighty. Now who is he shitting? And he put all kind of money into the building.

MR. DIBLASIO: If I find a copy of that thing he sent me, I'll send it to you. I won't fax it; I'll send it with a letter to your attention personally in D.C.

MR. TRAFICANT: But basically the

07/10/02 WED 08:46 FAX

Grand Jury, your testimony to the Grand Jury, truthful testimony, refutes what he's saying; and they know they've got a problem with it. They've got to try and destroy you; that's what I'm worried about.

MR. DIBLASIO: He's telling the truth and I lied, is what they're trying to say.

MR. TRAFICANT: That's what they're trying to say.

MR. DIBLASIO: That's kind of a weak case.

MR. TRAFICANT: Yeah, but they don't have an ethics charge against you. They have against him, and I'll tell you right now, in front of that jury, here's a guy that says, hey, I started off with the job giving the guy X dollars of money. Come on now. That's bullshit and everybody knows it. And he said you told him how to do it and where to put the money and everything or something like that.

MR. DIBLASIO: Jim, I was a lawyer for 46 years, and I never had a charge in my life.

MR. TRAFICANT: Yeah, and you never did anything illegal with me, Henry; is that a fact or not?

MR. DIBLASIO: Absolutely.

MR. TRAFICANT: Well, then, just

07/10/02 WED 08:46 FAX

hang in there and try and get an investigation going on this guy for me, and I'll try and do it my own way, too; and I'll stay in touch with you. After all, I am my own attorney.

MR. DIBLASIO: Okay.

MR. TRAFICANT: All right, Henry. Give my best to Norma.

MR. DIBLASIO: Yeah.

MR. TRAFICANT: Love you guys. Bye.

That was, it's approximately 5:40 p.m. Just got done talking with Henry DiBlasio today here on Tuesday, June 19 in Washington.

07/10/02 WED 08:46 FAX

REPORTER'S CERTIFICATE

I HEREBY CERTIFY that the above and foregoing is a true and correct transcription of the tape-recorded conversation represented to be recorded on June 19, 2001. This record was prepared from a tape recording provided by Congressman James A. Traficant, Jr.

Lisa C. Nagy-Baker
Registered Diplomate Reporter
Notary Public, State of Ohio
My Commission Expires 12/03/03

07/10/02 WED 08:47 FAX

1181

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 2 of
Telephone Conversation with Henry DiBlasio of July 11, 2001

No Transcript Provided by Respondent

1182

RESPONDENT'S EXHIBIT

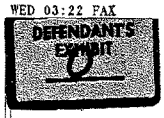
Respondent's Tape Recording No. 3 of
Telephone Conversation with Richard Detore of May 16, 2001

No Transcript Provided by Respondent

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 4 of
Telephone Conversation with Richard Detore of August 1, 2001

Transcript Follows:



RE: U.S. VS. JAMES A TRAFICANT, JR.

CASE NO. 4:01 CR 207

TRANSCRIPT OF TAPE-RECORDED CONVERSATION BETWEEN CONGRESSMAN JAMES A. TRAFICANT, JR., AND RICHARD DETOR, FORMER EMPLOYEE OF U.S. AEROSPACE, MANASSAS, VIRGINIA, ON AUGUST 1, 2001.

TAPE PREPARED BY LISA C. NAGY-BAKER, A NOTARY PUBLIC WITHIN AND FOR THE STATE OF OHIO ON THIS DATE, AUGUST 28, 2001, FROM A TAPE SUPPLIED BY CONGRESSMAN TRAFICANT.

MR. TRAFICANT: Hello.

MR. DETOR: Returning the page.

MR. TRAFICANT: Yeah. How you doing?

MR. DETOR: Well, having fun.

MR. TRAFICANT: I know. I got some information to give you. I got it straight from Chance's son that J.J. did perjure himself in the Chance trial, and that's what they did. He went ahead and lied on me to save his ass.

MR. DETOR: Yeah.

MR. TRAFICANT: So I don't know. What's happening with you? What did you hear?

MR. DETOR: I have been threatened, intimidated, essentially tried to mold into being forced to lie. If I speak to anybody, they'll come arrest me immediately. He told me that he had me on perjury, although I've never provided a statement to him. They said that I'm wearing Union pants (UNINTELLIGIBLE), and I either need to become wise and tell them what they want to hear, or they're going to name me August 15 as a co-conspirator.

MR. TRAFICANT: Okay. They want you in essence to lie, don't they?

MR. DETOR: Yes.

MR. TRAFICANT: All right. Let me ask you; the reason why is, this is the good news. I've got two people now that were both told the same thing, and I've got one of them who said it in front of a witness; and I'm going to make a motion for prosecutorial misconduct on their threatening and intimidation; and I'm going to do that, and they may call you as a witness.

MR. DETOR: I've been threatened with the IRS. They told me that the IRS was immediately going to investigate me and that they were holding the IRS off, and I've been threatened with going and being six weeks in a trial. They realize that I would lose my security licenses and I would lose my (UNINTELLIGIBLE) licenses if there were any kind of a Federal charge if found guilty, which would reasonably come, in all likelihood. And they have called and been on me and tried every threat, and they've gone all through my wife, what kind of salary, why I bought the house I bought, why I drive the kind of car I drive, you know, what my background is.

It has just been a nightmare of unbelievable proportions. I really feel that I'm living in Red China.

MR. TRAFICANT: Okay. Let me ask you this. They more or less said to you that they wanted you to lie, didn't they?

MR. DETOR: What they did is when they asked the question, they say, well, this is what you're saying; and they change what you're saying; and you stop and you go, no, that is not what I am saying.

MR. TRAFICANT: They want you to more or less admit to the way they're interpreting it, which would be a lie, wouldn't it?

MR. DETOR: Yes.

MR. TRAFICANT: But they give you the impression that if you more or less accept their version, you'll have no more problems.

MR. DETOR: Give immunity. They won't get the IRS. No questions. No ifs ands or buts. I'm dealing with an attorney named Plato Cacberis, right there in Washington; and I was dealing with one law firm. I said this is not acceptable. This is not the United States. They can't sit there and try to ask me to lie. They can't even suggest it. They told me they subpoenaed all my bank records in the blind and all my IRS stuff. You know. I mean I've listened to one story after another from the Assistant U.S. Attorney.

Q What was his name?

MR. DETOR: Morford.

MR TRAFICANT: Yeah. He's the one doing the threatening?

MR. DETOR: Yeah.

MR. TRAFICANT: And he basically wants you to lie, and he'll let you alone, won't he?

MR. DETOR: Yes.

MR. TRAFICANT: Let me ask you something. I'm having a hearing because I am going to call and give notice of the courts to call Morford as a witness; and I have to have a hearing on his behavior, and I will have three people that will be testifying to the same thing you will testify to; and if you were an attorney you'd lose your license, wouldn't you?

MR. DETOR: Oh, absolutely. This is not ethical. I've gone through hell. I have literally gone through hell.

MR. TRAFICANT: What I'm going to tell you is I am going to subpoena you in this process against Morford; and all I want you to do is tell the truth that if you would lie, they would lay off you; and that's the bottom message they gave you. Isn't that a fact?

MR. DETOR: Yes

MR. TRAFICANT: Are you going to show up if I subpoena you for such a hearing?

MR. DETOR: You have to handle it through the attorney's name is Plato Cacheris.

MR. TRAFICANT: Could you give me that so I can write it down. Hold a minute. Spell that.

MR. DETOR: It's C-A-C-B-E-R-I-S.

MR. TRAFICANT: Plato?

MR. DETOR: Yeah, Plato Cacberis. 202-775 -- hold on a second. I got to find his card here in my pocket. I forget the last four digits. They said if I talked to anybody, they'd come arrest me immediately. If I did this -- it's just been unbelievable. It's 775-8700.

MR. TRAFICANT: Yeah, but I'm my own attorney, and I have a right to talk to individuals that are being investigated.

MR. DETOR: That's correct.

MR. TRAFICANT: Did they say you couldn't talk to me?

MR. DETOR: Yeah, well, nobody. What they've done is violated my Constitutional rights. I've to gone to Plato and asked Plato to go up to the public ethics group to bring this to their attention.

MR. TRAFICANT: Did he?

MR. DETOR: He's doing it now. He's in the process of doing it.

MR. TRAFICANT: Let me ask you this; if you would do this, if you would file a lawsuit against

them -- I can't advise you -- I'm not an attorney; but here's what happened with another guy who come out, and I'm having lunch with the guy -- I think I told you this, Richard -- he come out and he was in a Rotary meeting. He sat down and said, Jim, I love you; I apologize for what's happening. I said, well, tell the truth. What did you tell the Grand Jury? He said, I told the Grand Jury the truth; that we really didn't do anything wrong.

MR. DETOR: All right. You need --

MR. TRAFICANT: But the bottom line was my attorney told me that if I didn't tell them what they wanted to hear in the words they wanted it said, they were going to indict me. My attorney said you don't need this shit. He was a businessman; you understand?

MR. DETOR: My attorney told me the same thing. Do you want to spend $200,000 defending yourself, or is this person susceptible? And I said I cannot lie. I cannot place myself in any situation that I heard anybody ask or request for papers or anything. And the attorney reviewed it; he looked at it and he said the meals, they're all below $6; there's not even ethics violations. There's nothing wrong with it.

MR. TRAFICANT: I paid for some of those meals.

MR. DETOR: That's what he said.

MR. TRAFICANT: It showed, didn't I? I paid for a lot of meals.

MR. DETOR: Yes, and even the purchase of the boat. The boat, there is no issue; there is no problem.

MR. TRAFICANT: I'll call the ethics committee about it. And you remember when J.J. was so happy he wanted to buy the boat, and I said J.J. you don't need this boat; but Al does want this boat, and I don't want your money; do you remember?

MR. DETOR: Yes.

MR. TRAFICANT: How about contract; did you ever get the contract on that boat? I never got it.

MR. DETOR: Yep, I got it.

MR. TRAFICANT: Could you send me a copy of it?

MR. DETOR: Yes, I'll do it through the attorney.

MR. TRAFICANT: Do that and do that fast. Here's what I'm telling you. You let your attorney know that I'm going to move for a hearing for Morford, on Morford, that he has done this now; and if you come up and testify to that, this son of a bitch may go to jail because what they're doing, this is Gestapo shit.

MR. DETOR: It is. And I never thought it could exist, and I would never have been able to be convinced. I would never have believed it in a million years. But it's exactly what they're doing. It's exactly what they've been doing to me. I mean, they have just ruined my life.

MR. TRAFICANT: How about Al Lang?

MR. DETOR: Haven't heard a peep from him.

MR. TRAFICANT: But you know that's what they did to him; and, shit, he don't have the balls; he'd have probably said anything, wouldn't he?

MR. DETOR: I have no idea, but the thing is I've talked to other people, and they've all looked at me and they've said you can only tell the facts. You can't stand before a judge and lie to him. You can't do it. We know the type of person you are. They said We also know the type of person you are; if you thought there was anything unethical or anything wrong, you would have had nothing to do with it. I said there was not even a question of anything wrong or any improper actions at any time in my mind in any way, shape or form, nor did I ever hear anybody ask for anything in any way, shape or form for anything.

MR. TRAFICANT: And you were there

at everything we did, weren't you?

MR. DETOR: Well, everything I know of.

MR. TRAFICANT: Yeah, I never met with Cafaro; and when I did, you know, this business about him giving money, he was such a damned liar; he lied to everybody; but to save his ass, he would lie and say anything, wouldn't he?

MR. DETOR: Well, when they asked me, I said I'm not even aware of him getting any money from the boat at all. I said I thought Al sunk the boat, ruined it and he's stuck with it with no value on it now.

MR. TRAFICANT: That's exactly what he did.

MR. DETOR: I said the boat was professionally appraised. It had a value. I said he was buying it for less than that value. I said he ruined it. He damaged it and just walked from the deal. I said, I'm not aware of dollar one that went to anybody other than the money that he spent on doing the repairs and then decided to go ahead and he was out of it. I said if there had been any kind of a fee for favors or anything else, somebody would have bought it; it would have been all the way; it would have been a done deal. They wouldn't have spent a year --

MR. TRAFICANT: I would have taken the $26,000 check from J.J., wouldn't I?

MR. DETOR: Yep.

MR. TRAFICANT: God damned right; he was so happy; but that's the bottom line, what they have on J.J. is he perjured himself with the Chance gate, and you've got that impression when he was going through that period of time, didn't you?

MR. DETOR: I was told that.

MR. TRAFICANT: Who told you?

MR. DETOR: Came through an attorney.

MR. TRAFICANT: Do you remember the name of the attorney?

MR. DETOR: It was one of the attorneys -- oh, you know who it was? The attorney's name was J. (UNINTELLIGIBLE), and he was advised of that by Al Lang.

MR. TRAFICANT: I see. And evidently Al Lang had known that J.J. had perjured himself?

MR. DETOR: Yeah.

MR. TRAFICANT: While the guy sits in jail, Chance had told his son and his son had told me that the attorneys had set him up to get J.J. to lie. He

didn't know until after he saw my national TV show and talk show that, in fact, that Leonardo (phonetic spelling), his attorney, was working with the Feds and they set Chance up. Chance said he never got the $13,000 from Strollo; but his attorney is the one that convinced him he had to find somebody that was a legitimate rich businessman and recommended Cafaro. Could you imagine that?

MR. DETOR: Unbelievable.

MR. TRAFICANT: Yeah, so anyway. I think you're on good grounds. If they indict you, you're not going to lie for these bastards, are you?

MR. DETOR: No.

MR. TRAFICANT: I think we're going to have a hell of a fight here, but anyway, I'm going to have a hearing, and I'm going to call you as a witness in that hearing.

MR. DETOR: Yep. That's fine. I'll grab the attorneys that were, you know, present with me.

MR. TRAFICANT: But having known this and having know now that there are others that I could call, you should sue them; believe me, Richard.

MR. DETOR: We're going up to talk to public ethics to talk to everybody we can because it's out of control.

MR. TRAFICANT: You should also

write a letter to the U.S. Attorney General.

MR. DETOR: (UNINTELLIGIBLE).

MR. TRAFICANT: You should also write a letter to the U.S. Attorney General about what they're doing because this speaks to what they've done with everybody in this case. You've got people lying. They either have something to gain or something to lose, and they've made mountains out of molehills. They've made half truths into felonies. They've made loans into kickbacks, and I've had it.

MR. DETOR: Yep.

MR. TRAFICANT: And you know I wouldn't accept any money. You personally know that?

MR. DETOR: No.

MR. TRAFICANT: I mean, J.J. wanted to give me money over that car deal; remember that 6,000? And I wouldn't take no money from J.J., and I told him I wouldn't; remember?

MR. DETOR: And I guess the stuff that Al Lang handled it in that corner of it, I don't really have any knowledge of. They jumped all over me trying to ask about the $12,000. I said this is ridiculous. I've got witnesses of where I returned it to (UNINTELLIGIBLE).

MR. TRAFICANT: Yeah, I know that;

but I mean, you do know that after that car we thought was only going to be 1,000 that I rented to go to Louisiana which turned out to be 6,000, that J.J. wanted to give me money and I would not accept it. You knew that?

MR. DETOR: Well, I knew you wouldn't accept anything.

MR. TRAFICANT: Yeah, I told you to tell them I don't want their money.

MR. DETOR: Yeah, you wouldn't accept anything on anything. All you wanted J.J. is to do what he agreed to do.

MR. TRAFICANT: And that was to do what?

MR. DETOR: To purchase the vehicle.

MR. TRAFICANT: He wanted to purchase the vehicle. You have those papers, don't you?

MR. DETOR: Yes.

MR. TRAFICANT: I want a copy sent to me of those; and second of all, the only thing I wanted from J.J. was he would move not only the company but the headquarters up to Youngstown.

MR. DETOR: Correct.

MR. TRAFICANT: That's about where it is. So anyway, I'm going to have this hearing and, Richard, I'm going to be calling you. Give me your

address. I don't have your address.

MR. DETOR: You know what, it's through Plato Cacberis because they said they would arrest me instantly if I talked to anybody. If you hear an attorney so I understand that you're representing yourself so I can --

MR. TRAFICANT: You can refer me to your attorney.

MR. DETOR: The best thing to do is to handle the rest of it right through Plato. He'll deal with it. We are going to public ethics. We're going to everybody. I've had threats on me. They called my little girl, the nine-year old, little Kaitlyn.

MR. TRAFICANT: Who called her?

MR. DETOR: I don't know, but they told her that I'm going to be dead. All kinds of things. I have literally --

MR. TRAFICANT: How do you know it was the Feds who did it?

MR. DETOR: I don't know who did it, but all I know is my life has gone to hell; and when I brought it to their attention when they interviewed me, they laughed about it and blow it off.

MR. TRAFICANT: Even the threats to your daughter?

MR. DETOR: Yes. That's my daughter. If I answer, nobody talks. If she answers, they talk to her, and they tell her that daddy's going to be dead. Daddy's bad; all kinds of things. It's devastating her. It's making her a nervous wreck.

MR. TRAFICANT: And you suspect it's the government?

MR. DETOR: I don't know who it is.

MR. TRAFICANT: You wouldn't suspect it to be Al Lang doing that, would you?

MR. DETOR: No, I can't figure out what beef he has.

MR. TRAFICANT: And what would Cafaro have from doing that?

MR. DETOR: The thing is when they tried to tell me Al Lang's saying things, who the hell is (UNINTELLIGIBLE) buying all those God damned boats for it. I never heard anything to the contrary in my entire life.

MR. TRAFICANT: Yeah.

MR. DETOR: Has he lost his mind?

MR. TRAFICANT: Yeah, and I think it's very important and I want you to talk to your attorney. If you could send me all those documents that I've asked for, and tell him what we've talked about and that he should go ahead and sue the bastards because I'm

going to have them into court; and that would be a hell of a thing with you suing them and me having them into court for their behavior with another guy. He can deny all he wants, this other guy. I have a witness that heard this other guy say those things.

MR. DETOR: Have you talked to any of the Congressional ethics groups or anything on any of this stuff?

MR. TRAFICANT: I can't because it's a criminal thing, and I'm just going to go through the courts; and they've got a couple people that are really lying through their teeth. I've been targeted, I told you that, for all these years. You know that. You could tell by the way they're treating you.

MR. DETOR: Right.

MR. TRAFICANT: But Morford was the one that did the threatening?

MR. DETOR: Yeah.

MR. TRAFICANT: And he wanted you, in essence, to lie?

MR. DETOR: That's what came out because it could not be understood any other way; and then when they didn't like what I was saying, they said, well, we didn't want to say this and we didn't want to shake you up, but the IRS has a lot of interest. We've subpoenaed

all your records in the blind, which I find is unconstitutional and illegal (UNINTELLIGIBLE); but they tell me they've subpoenaed all my records in the blind and that the IRS wants to launch an audit against me immediately and that there were significant issues there; and they told me that I was going to be arrested and taken out of my office; that I would be taken to Cleveland to be arraigned. I'd have to post a bond, and then I'd have to spend a significant amount of money defending myself.

I keep going over these issues and issues and issues, and none of these make any sense. I don't even know where there's anything even done wrong; and they said -- well, they go on and on and on.

MR. TRAFICANT: You basically told them that I did nothing illegal?

MR. DETOR: Pardon me?

MR. TRAFICANT: You basically told them I did nothing illegal?

MR. DETOR: I didn't either. There's nothing illegal.

MR. TRAFICANT: I know that. They would not accept it, would they, Richard?

MR. DETOR: Oh, no. Absolutely no.

MR. TRAFICANT: Well, I'm telling you, I can't advise you but I would get your attorney to

file a lawsuit immediately knowing know -- have your attorney call me -- and knowing now that I'm moving to have him called as a witness in this trial, Morford; and she's going to call a hearing on it to see whether or not I can call her; and I will call you as a witness to show his prosecutorial behavior. This is illegal.

MR. DETOR: This is illegal.

MR. TRAFICANT: They were extorting you.

MR. DETOR: Yes, they were.

MR. TRAFICANT: And if they've done this to you, what do you think they've done to others?

MR. DETOR: I mean, the thing that I told them, I said, I can't speak for the individual in any way other than when I was with him; and I find this unbelievable to think anything to the contrary. I said I find it unbelievable that any staff member could be doing anything to the contrary because they are so, they seem so sound and straight and narrow with things being done right and things being done properly I said, I don't see it any other way. I said I'm sorry; I just don't see anything.

MR. TRAFICANT: Yeah, but the bottom line is Morford let you know in no uncertain terms if you

lied, your problems would all go away; and if you didn't, boy, you were going to end up in jail?

MR. DETOR: Yes.

MR. TRAFICANT: That's the bottom line.

MR. DETOR: Yes.

MR. TRAFICANT: All right. Well, listen, you have your attorney get in touch with me; and I'm recommending to you that you consider filing a lawsuit against him because I'm going to have a hearing on Morford's behavior.

MR. DETOR: I think, to tell you the truth, that the whole thing needs to be thrown out.

MR. TRAFICANT: Well, this may lead to that, your participation.

MR. DETOR: It's out of control.

MR. TRAFICANT: They're either going to screw you, me, or they're going to get away with it or they're going to get their ass in a sling; and maybe it's their ass in a sling and everybody's afraid to go after them. And I'm one of the few in America, Richard.

MR. DETOR: Yeah, I know.

MR. TRAFICANT: And I'm afraid to death. I'm not talking big. I'm afraid to death, but I'm going after these bastards. This is not what America's

supposed to be. We shouldn't have to fear our God damned Gestapo government.

MR. DETOR: Well, they referred to me as collateral damage; and if I wasn't smart enough to get out of the way and decide whether I was wearing a Union shirt or Confederate pants -- that's what he said to me quote-unquote, you're wearing Union pants and Confederate shirt or something of that nature. They're shooting at you from both sides. You better make sure you know which side you're going to be on, but you better be on the winning side because you're in a lot of trouble. I said to them, I'm sorry; I don't see what I'm in trouble for. I didn't see anything happen. I wasn't aware of anything. I didn't see one transaction of anything that you're alleging. And then they said, well, he took $40,000 on his boat. I said that's nonsense. That is absolute, 100 percent nonsense. I said I'm not aware or ever heard anybody say anything about it. And they said J.J. Cafaro gave him money out in Youngstown personally and the finally the FBI steps in and (UNINTELLIGIBLE). I had no knowledge of that.

MR. TRAFICANT: Oh, but you know that Cafaro was such a liar. You know that J.J. wasn't giving me cash. If he was going to give me cash, he would have brought in 26,000 to buy a boat, wouldn't he?

MR. DETOR: If J.J. Cafaro wanted to go do something in a way, he would have just gone and done it. There's no doubt in my mind. J.J.'s proven to be a liar through and through. He induced my family to move down here. He fraudulently did it. Damn it, my family was able to hang on to the house by my wife's working, by me working. You know, I've got security plans. In my entire life I have never done one thing wrong in any way, shape or form. I respect the government; I respect the government offices. I respected the Congressional bodies, the executive bodies, everybody. I've worked for benefits for this government to a degree; and to hear this and --

MR. TRAFICANT: And to be threatened that if you don't lie, you're going to go to jail, that doesn't sound American, does it?

MR. DETOR: It's not. It absolutely is --

MR. TRAFICANT: And that's the bottom line, isn't it, Richard?

MR. DETOR: Yep.

MR. TRAFICANT: Okay. Well, listen If you file that suit, that suit should also be filed against Cafaro when you do it, or do you have one filed against him?

MR. DETOR: I've got one filed

against him now. And the other thing that I was requested to do was drop my charges against Cafaro or settle it because they did not want me in court with Cafaro before this case.

MR. TRAFICANT: You know why? They know that J.J. is a liar. J.J. called them a liar on the stand in the Chance trial, and this is what they're worried about it. This is why they got to have somebody. They know what they're doing and it's completely illegal. They're forcing you not to, in fact, make yourself whole over an illegal act by Cafaro. He broke the law in Virginia.

MR. DETOR: Yeah, what they have is -- well, I've got him (UNINTELLIGIBLE) he was writing all these bad checks, and I had even gone to the Commonwealth attorney to make sure that nobody had given their (UNINTELLIGIBLE).

MR. TRAFICANT: Yeah, and here they are trying to protect Cafaro because Cafaro to save his own ass from perjury is lying about me.

MR. DETOR: What kind of witness does Cafaro really make when the reality comes out that the guy's lying --

MR. TRAFICANT: Well, he's going to have Al Lang to make him look like he's telling the truth,

but they can't handle the fact that you are so upright and upstanding a man of integrity, and it's going to blow their case; do you understand?

MR. DETOR: Yeah, they tried to tear me apart, IRS. They tried then saying that I committed fraud in order to obtain my house, which is nonsense because the bank told them I qualified for the house before I even moved. I was all prequalified. They tried to tell me that I was trying to support my wife's lavish lifestyle. They had no idea that my wife has worked 20 years, worked her way through college and that her family is very financially well off; and we have never sought money from anybody. And when I moved from New Jersey, I was carefully, carefully debt free and had no obligations to anybody; and the thing about having to commit fraud with a bank in order to obtain a mortgage is pure nonsense. That's where they've gone. They've gone after me in every way, shape or form.

MR. TRAFICANT: And Cafaro lied to you from day one, didn't he?

MR. DETOR: Yes, he did.

MR. TRAFICANT: And everything he said was a lie?

MR. DETOR: And I have numerous other witnesses where he lied to them. He lied about

their employment.

MR. TRAFICANT: Who were some of those witnesses?

MR. DETOR: You got Lonnie Sikowski, 30 years at the FAA. You got Walt Allison, former CIA, top level clearances. You have Amanda Simon. You've got a guy named Jim Phillips who sold the airplane to Cafaros, and then they try to say they're not responsible when I was right there in a meeting where they said it was Cafaro Company's. See, they're using it against me saying that they're not Cafaro Company. (names are phonetic spellings)

MR. TRAFICANT: Have your attorney send me a list of those names, too. Listen, I'm going to let you go, but keep in mind I'm going to be calling you because I'm taking this son of a bitch to a hearing.

MR. DETOR: Like I said, I can only tell the truth. I fear of my children's lives. I'm scared to death.

MR. TRAFICANT: You're going to be suppoenaed by me

MR. DETOR: Do it through the attorney.

MR. TRAFICANT: I will.

MR. DETOR: The threats and intimidation; I'm willing to go to the media. I'm willing

to go anyplace, you know.

MR. TRAFICANT: File your lawsuit and go to the media and say in their zeal to get Traficant, they wanted me to lie. That's the bottom line; and they pressured me to lie and made it known very clearly from what you told me that if I lie, all my problems would go way.

MR. DETOR: I didn't lie. They wanted me to. I refused. I just said I keep calm. I've discussed it with my wife. I discussed it with other associates. They said that I was (UNINTELLIGIBLE) with the IRS. I basically couldn't even speak, and my family members sat there with me, and they said, Rick, we know you; you won't lie; you don't lie; don't lie. Don't be coerced into lying. I said they're telling me they're going to ruin my life if I don't.

I basically am at a breaking point. I'm mentally running, I mean to tell you the truth, I'm really to just go ahead and blow my head off. It is so bad, if it wasn't for my kids and the strain it would have on my kids, I'd be gone.

MR. TRAFICANT: Richard, why don't you go public. Talk to your attorney; go public, file the lawsuit when you do, and I'm calling for a hearing on his conduct, on Morford's conduct. Listen to me carefully and

you won't have any more problems becsuse the truth sets us free.

MR. DETOR: Yes, it does.

MR. TRAFICANT: I'll get back to you. Thanks, big guy. All right. Have your attorney call me. Is he involved with any law firm or is that his firm?

MR. DETOR: Plato Cacberis is in Monica Lewinsky's attorney.

MR. TRAFICANT: He was.

MR. DETOR: Yes.

MR. TRAFICANT: How do I reach him, his own number in the phone book?

MR. DETOR: Yes, that phone number I just gave you.

MR. TRAFICANT: Very good.

MR. DETOR: All right.

MR. TRAFICANT: Thanks, guy. Have him send me the documents. Bye now.

MR. DETOR: Bye.

MR. TRAFICANT: That was Richard Detor. This is Wednesday, August 1, 2001, and it's approximately 1:18 p.m. This conversation involved the behavior of the government, the FBI, the U.S. Attorneys and their extortion.

REPORTER'S CERTIFICATE

I HEREBY CERTIFY that the above and foregoing is a true and correct transcription of the tape-recorded conversation represented to be recorded on August 1, 2001. This record was prepared from a tape recording provided by Congressman James A. Traficant, Jr.

Lisa C. Nagy-Baker
Registered Diplomate Reporter
Notary Public, State of Ohio
My Commission Expires 12/03/03

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 5 of
Telephone Conversation with Robin Best of September 5, 2001

Transcript Follows:

B

RE: U.S. VS. JAMES A TRAFICANT, JR.
CASE NO. 4:01 CR 207

TRANSCRIPT OF TAPE-RECORDED CONVERSATION BETWEEN CONGRESSMAN JAMES A. TRAFICANT, JR., AND ROBIN BEST, ON SEPTEMBER 5, 2001.

TRANSCRIPT PREPARED BY LISA C. NAGY-BAKER, A NOTARY PUBLIC WITHIN AND FOR THE STATE OF OHIO ON THIS DATE, SEPTEMBER 6, 2001, FROM A TAPE SUPPLIED BY CONGRESSMAN TRAFICANT.



T00 07/10/02 WED 08:19 FAX

MS. BEST: Hello.

MR. TRAFICANT: What did you hear?

MS. BEST: If I talk to you, you can't be putting on a tape recorder.

MR. TRAFICANT: Oh, get out of here. When were you ever worried about something like that anyway? You've been known to tell it like it is. Who's kidding whom?

MS. BEST: I mean it.

MR. TRAFICANT: Don't worry about that. What's going on?

MS. BEST: Well, I'm supposed to see Ingram tomorrow. Maybe I can find out what --

MR. TRAFICANT: Ingram is lying through his teeth for Henry. I don't know if Henry authorized that, but Ingram doesn't know what the hell he was talking about. That's exactly what Henry said.

MS. BEST: I know Henry said that. I mean, maybe not in the exact words.

MR. TRAFICANT: He said it in those exact words, Robin; and this guy, Ingram, I don't know what the hell Henry's doing. He got another guy around him; I think he's a little bit -- I don't know what the hell he's thinking.

MS. BEST: Tom Onesti?

MR. TRAFICANT: Yeah.

MS. BEST: Well, Tom's caused you a whole lot more problems than you're aware of.

MR. TRAFICANT: I have heard that, but what really gets me mad is here's a guy who was always on the take looking for something. And I don't understand Henry. What the hell's going on with him?

MS. BEST: Well, because Tom is a liar, and Tom has convinced Henry that he's changed his ways and Henry's giving him a second chance in life.

MR. TRAFICANT: Well, Henry is like that, though.

MS. BEST: And believed in him; and Tom bends over backwards to the point that he even, he got two cats for Henry and even goes over and feeds them every day and puts them in bed at night for him.

MR. TRAFICANT: Yeah, well, he'll do anything.

MS. BEST: He's bringing coffee in the morning or taking him cold water out to the track when he's walking.

MR. TRAFICANT: He'll do anything. He's a --

MS. BEST: He's a cobra.

MR. TRAFICANT: He once offered, he

07/10/02 WED 08:18 FAX 003

said if I'd get him a job or hire him, he'd give me $5,000. That's the kind of guy he is.

MS. BEST: Listen, I know for a fact that he has told people he would do whatever it took to take you down.

MR. TRAFICANT: I know that because I wouldn't help him. I wouldn't participate in helping him in any way, and I told his brother that; same damn thing.

MS. BEST: And you know who was the closest person to Bill Fergus? Tom Onesti. And a lot of this stuff on you come from Fergus' office when Fergus was in.

MR. TRAFICANT: Well, what did I do to any these of these people? They'll say anything. People are saying anything now to avoid the heat, but you see, Henry by telling the truth can finally put this prosecutor right on the spot. He has been pressuring and twisting people, and pressuring them; and Henry wasn't bullshitting me. That's the exact words he used.

MS. BEST: He was not bullshitting you; but, Jim, he doesn't want to get indicted. And here's the truth; if he doesn't play it their way, they'll find a reason to indict him and probably indict me for something.

004 07/10/02 WED 08:20 FAX

MR. TRAFICANT: See, that's what they're doing; but let me tell you something. If he had the balls -- excuse my mouth -- to come out and say, look, that's exactly what happened at Bruno's; and they're threatening to indict me, they'd have to go so far underground, this prosecutor would probably be thrown off the case. But let me tell you what; Ingram is very close, I found out, to Morford.

MS. BEST: I could tell you that.

MR. TRAFICANT: Ingram is very close to Morford, and they've got something on Ingram; and I don't know what it is, but I was looking through some proffers that I have on this guy Garono when they were talking to him about Strollo, and they're all saying how he was on cocaine. They may have him on something like that, but Ingram is working for Morford.

MS. BEST: I would say you're accurate.

MR. TRAFICANT: Well, what the hell is Henry doing then? He's going to go ahead and lie so he don't get indicted. Now, what kind of sense is that? I mean, my life is at stake.

MS. BEST: I know. I know.

MR. TRAFICANT: And Henry knows that, too; and he's not that kind of guy, and that's why

07/10/02 WED 08:20 FAX 005

he came over because he's got the right heart; and he said, I feel real bad what's happening, and he laid it right out.

MS. BEST: And he does. He's sick about it. I've been sick about it.

MR. TRAFICANT: Let me tell you something; what I have done and with that tape from that fellow from Virginia, if Henry would come out and change his lawyer or say, look, my lawyer doesn't speak for me; he wasn't at Bruno's; that is what happened, and it's time for me to grow up and --

MS. BEST: How can he do that now that he accepted immunity and went government witness?

MR. TRAFICANT: Yeah, but the point is --

MS. BEST: He went government witness with the Grand Jury. The FBI saw that in the paper; they were furious.

MR. TRAFICANT: Well, sure, they were; but the truth of the matter is, they forced him to go Grand Jury. They suborned that perjury. Henry could get them all off his ass by just telling the truth: I told Traficant that at Bruno's. My attorney knows it. They are pressuring me, and they pressured me; and I feel like a damned yellow dog for what they've done to me.

007/10/02 WED 08:20 FAX

7

MS. BEST: I was with him almost every meeting, over and over again. I did what I did for Jim because I wanted him to be my friend. It's as simple as that.

MR. TRAFICANT: Yeah, well, I know that; but the truth of the matter is, he knew the original deal, and we talked about the original deal. That guy, he even said he got rid of that guy. That guy caused him more problems, cost overruns and shit, bad management, that whoever his name was.

MS. BEST: Dick Roth.

MR. TRAFICANT: Yeah, he said he even got rid of him. He told us that.

MS. BEST: He's the first who went to the Grand Jury. He never even notified Henry of what he said or what came down.

MR. TRAFICANT: Well, that's beside the point. The truth of the matter is, Henry and I knew what the deal was.

MS. BEST: You should see the paperwork they created. You should see the paperwork they created on you and me at the radio station.

MR. TRAFICANT: For what?

MS. BEST: They accused us of embezzling Frank Mangano (phonetic spelling).

07/10/02 WED 08:21 FAX

8

MR. TRAFICANT: On who?

MS. BEST: I'm telling you, they attempted to accuse you and I of collectively of embezzling Frank Mangano.

MR. TRAFICANT: You see what I'm talking about, Robin, now? You and Henry have talked evidently, and Henry told you that was exactly what happened at Bruno's. Let's tell it like it is. And you see, I'm over here sitting by myself fighting them. They have all this advantage, and they're doing this to people. Now they're trying to get you --

MS. BEST: They created a paper trail like nothing you ever laid eyes on, and you sit there, the paper trail they create on the radio station, if I were a jury, I would think we were both guilty.

MR. TRAFICANT: This is what I'm trying to tell you; this is what I'm up against. But you see --

MS. BEST: You can't talk to them. When you're with them, you can't talk to them.

MR. TRAFICANT: I know that. They don't want to hear it. And right in front of Ingram they did the pressuring. See, he's saying they don't pressure in front of the lawyers. That's bullshit --

MS. BEST: Do I need to be in a

007/010

07/10/02 WED 08:21 FAX

room -- did I do anything that justified five agents, two IRS and Morford?

MR. TRAFICANT: And what did they tell you? You were going to get charged with extorting or shaking down this Mangano?

MS. BEST: Evidently they had this paper trail of all the little notes I sent DiBlasio, all your meetings with Frank Couger (phonetic spelling); remember Frank's accountant?

MR. TRAFICANT: Yeah, to help you guys.. That was about it. They made something sinister out of it.

MS. BEST: Very much so.

MR. TRAFICANT: Yeah, but you told them that, didn't you?

MS. BEST: Yes, I said this is crazy. This is just bullshit. I mean, Ingram had to kick me out I couldn't count how many times for losing my temper. And then they did the love triangle thing and that I was your girlfriend and that they couldn't get to one without getting to the other.

MR. TRAFICANT: Yeah, they did that to try and get Henry mad; you know that. That's the games they pulled. Maybe Henry Nemenz would have said something. But I knew that when Henry come over and he

007/10/02 WED 08:21 FAX 008

told me, see, he felt bad. He said, Jim I feel bad.

MS. BEST: But, see, there was a good chance they wouldn't even have had Henry into trial with you.

MR. TRAFICANT: It must have been Ingram.

MS. BEST: Ingram what?

MR. TRAFICANT: It must have been Jerry Ingram.

MS. BEST: I don't think they were going to bring him into trial because it started to be more apparent that they were going only after what they could call Federal charges. Then did he tell you that they tried to say that that ridiculous remote at his grocery store hurts the union?

MR. TRAFICANT: Oh, get out of here.

MS. BEST: Testified that it did, Leo Jennings and some of his goon friends.

MR. TRAFICANT: Yeah, well, Leo Jennings tried to shake down Bucheit.

MS. BEST: He wasn't even a union member at the time.

MR. TRAFICANT: Well, see, that's what I'm up against. I knew when Henry came over and told me that he was speaking from his heart. He said, Jim, I

07/10/02 WED 08:22 FAX 010

feel bad. And you know that's the way it is.

MS. BEST: And if Henry got indicted, it would be the end of his businesses.

MR. TRAFICANT: Well, that's why he's doing it; and that's what he told me. He says, Jim, my attorney told me what do I need this for? If I don't tell them what they want to hear the way they want to hear it, they're going to indict me.

MS. BEST: They twist everything. They create stories, and I'm telling you with this paper trail, it's incredible what they create.

MR. TRAFICANT: But they made the paper trail look something other than what it really was, didn't they?

MS. BEST: I think so.

MR. TRAFICANT: Well, absolutely.

MS. BEST: I can say with you and I, that they pulled out all these letters that we were trying to get this price from Mangano. The truth is that they took out how much money he had already gotten paid. They took out the fact that he had cooked the books.

MR. TRAFICANT: Well, you know what they were doing. They were trying to get anything they could on somebody so they'd go ahead and say something; and then when people realized they don't have anything,

07/10/02 WED 08:22 FAX 011

then they pressure them into saying something with that old veiled thing that if you don't cooperate, you're going to get indicted.

MS. BEST: Like I said, they never said that directly to Henry; but they create an atmosphere when they start pulling stuff out that's unbelievable.

MR. TRAFICANT: Henry told me right out and another guy, yeah, he said his attorney told them if you don't tell them what they want to hear the way they want to hear it, they're going to indict them.

MS. BEST: I know Ingram kept saying just cooperate.

MR. TRAFICANT: No. He said if you don't tell them what they want to hear, they're going to indict me. That's what he told me and this other fellow. This other fellow had no reason to lie. He don't want to get involved. No one wants to get involved.

MS. BEST: Jim, a whole lot went on here. They started talking to us a year ago February. It took a terrible toll on my relationship with Henry. And I mean --

MR. TRAFICANT: I can imagine that, but Henry got to have a pair of -- look, Henry's got to have some courage.

MS. BEST: You know they subpoenaed

012 07/10/02 WED 08:22 FAX

me twice because when they found out that Henry had been seeing someone else and I found out about it, they were afraid that you were going to call me as your witness; and they needed me as a witness to confirm what went on with Henry.

MR. TRAFICANT: I know that. See the game they're pulling? That's what they're doing, but you see Henry knows --

MS. BEST: If I were to do anything with them to help you, then it hurts Henry. If I do anything to hurt Henry -- you know what I mean?

MR. TRAFICANT: Yeah, but the truth of the matter is -- the truth would scare them to death. If Henry came out and said that's true; I did tell that to Traficant, and they are pressuring me and I don't like it; I don't like the idea I'm going to be indicted for something I had no reason to be indicted for and I've had it --

MS. BEST: I don't think Henry's strong enough.

MR. TRAFICANT: You know what; if he did that, Robin, they'd back up so damn fast they'd run the other way, because what they've done with this guy in Virginia, he said, Jim, it's so bad if I didn't have kids, I'd take a gun and blow my head off.

07/10/02 WED 08:23 FAX 013

MS. BEST: It got real bad.

MR. TRAFICANT: Yeah, and now Morford's saying now how could he do these things because he doesn't do it in front of the attorneys. The guy on the tape says he'd bring his attorneys in. He told it in front of his attorneys. Then he got rid of those attorneys. Those attorneys were doing the same thing. They said to him what do you want to get indicted for? It's going to cost you 200-, $250,000. That's the same thing they're telling Henry and blow his business and wreck his life.

MS. BEST: If Henry dropped Ingram as an attorney right now, you mark my words, they'll indict Henry.

MR. TRAFICANT: Absolutely. Ingram's working with them; don't you understand?

MS. BEST: Yeah.

MR. TRAFICANT: But the point is, Ingram speaks for Henry at Bruno's when he don't know what happened at Bruno's; and Henry told you we talked at Bruno's.

MS. BEST: Morford's demanding a meeting with Henry in the next week or so over what you've said about it.

MR. TRAFICANT: And let me tell you

15

something. Not what I said. There was another guy there, but I was there, too; and Henry told you what happened. I know you two --

MS. BEST: And it was right after, I mean, within minutes after he left you.

MR. TRAFICANT: He said he told me what happened, didn't he?

MS. BEST: Huh?

MR. TRAFICANT: He said, he told you he told me what happened, didn't he?

MS. BEST: Yes.

MR. TRAFICANT: I know he did and he wasn't lying because he feels bad inside. I really feel for him because I like him. He's a good person, and what they've done to him is they ruined his life trying to get me. You know that.

MS. BEST: It's been awful.

MR. TRAFICANT: I know that.

MS. BEST: Awful. I mean, awful, a lot of lost sleep, a lot of -- just terrible.

MR. TRAFICANT: When it come out, Henry felt bad that he come out; but Henry knew that that was the damn truth, and you know it.

MS. BEST: I know it.

MR. TRAFICANT: He told you.

07/10/02 WED 08:23 FAX

MS. BEST: I don't think he's strong enough, Jim, to fight the battle himself.

MR. TRAFICANT: Yeah, but, Robin, just tell the truth. He told you because I know he'd tell you. He told me. He said, Jim, deep down I love you and I feel so bad and he went on. And then I did, I went ahead and egged him on to answer some questions in front of this guy. This guy knows Henry as a customer. He knows Henry. Henry don't know him. He knows his sister and he knows this guy. He knows Henry. But I know that Henry had to tell you, look, I talked with Jim and I told Jim what happened.

MS. BEST: I mean, I've been attending on everything. They've only met with him a couple times without me.

MR. TRAFICANT: Yeah, but the truth of the matter is, here's what I'm trying to tell you. With what I'm doing with them now, if Henry come out and said, look, I've had it. You're threatening to indict me for bullshit that didn't happen. I'm not going to take it anymore. This guy Morford will go to jail. That's illegal. You can't do that. Believe me. You cannot do that. What he's done is actually illegal, Robin.

MS. BEST: I believe it. I agree. I know just what they put me through (UNINTELLIGIBLE).

MR. TRAFICANT: Yeah, but, see, you won't even come forward as a witness and say Henry told me what happened. I know it's bullshit and he told Jim the truth, and Henry even admitted it to you.

MS. BEST: But you remember as soon as that hit the Cleveland paper, I was the first one to call you about it.

MR. TRAFICANT: Yes, you were. Yes, you were. Yes, you were, but the truth of the matter is, I need someone just to tell the truth and I had the metal. I had the poles. They were going to be there one week, five days with 25 guys and out of there. I'm telling you, Robin, and he was paid and it was reasonable.

MS. BEST: I told you from day one about Dick Roth. I told you about the house in Leetonia that had all the building violations. He had to move in it himself.

MR. TRAFICANT: I still have problems with that thing. It never was right. It always leaked.

MS. BEST: And that's the other thing. When I told that to the FBI, I said check out Dick's reputation. He's moved in a house that couldn't sell, for Christ's sake. Well, then they knew of a conversation I had with you and said that, you know, we

(WIRETAPS?)

07/10/02 WED 08:24 FAX

had coerced together what the story was going to be for Henry. They twist everything.

MR. TRAFICANT: Yeah, well, you know that's not true. We never talked about this. But you see what gets me mad is you know what Henry told me was the truth because Henry told you it was the truth. You told me that the last time he called.

MS. BEST: Yes, I know, but they cannot say -- why would you have to have eight, nine guys in a room to question one person?

MR. TRAFICANT: Yeah, but that's not the point.

MS. BEST: That was intimidating to Henry.

MR. TRAFICANT: Robin, everything on the affidavit is absolutely true, and I'm not the only one that was there. There was another witness there, and that guy has no reason to lie, and he's a regular guy and he loves Henry. He likes Henry. He always did. Henry don't remember him because Henry gets a lot of people coming in and out of his stores, but he knows Henry. He knows him very well; and he was shocked to a degree that Henry was even going to talk like that, but Henry couldn't look me in the eye. He felt bad, and I didn't even know he was there. He walked up to me --

MS. BEST: But think about it. I am telling you. It has been sickening. The day of the Grand Jury he was popping nerve pills the whole way there.

MR. TRAFICANT: Sure, because that's the kind of pressure they put on him. What did Henry tell you after, in fact, he met with me? He told you that he told me what happened, didn't he?

MS. BEST: I told him how the FBI twisted my words. I don't know; I don't remember his words. That's going back several months.

MR. TRAFICANT: No, but after I met with him at Bruno's, then it all come out.

MS. BEST: I --

MR. TRAFICANT: He told you that's what happened, but he didn't know what the hell he was going to do with the FBI, didn't he?

MS. BEST: What can he do? He's not strong like you, Jim. He's not.

MR. TRAFICANT: Look, all he has to do is tell the truth. If he'd come forward right now and say, "Look, I did meet with Jim; I did tell him those things, and I am ashamed of myself for letting them scare me," I have them right now. I have them in a lot of shit, Robin; and everybody's afraid to death. They've done this with a bunch of people, just like you guys. And I've had

07/10/02 WED 08:25 FAX 019

MR. TRAFICANT: You are?

MS. BEST: Yeah, we've been back together since last summer.

MR. TRAFICANT: You haven't been?

MS. BEST: We have been.

MR. TRAFICANT: Oh, you have. Well, then he confided in you and said, That was true, but I wish I wouldn't have talked with Jim. I know he had to tell you that. You told me that when you talked to me the last time.

MS. BEST: Uh-huh. Yep. Is there anything you can do about Tom Onesti?

MR. TRAFICANT: Nothing. You've got to talk with Henry to have some brains about that; but what you've got to talk to Henry about --

MS. BEST: Oh, he's not listening at all.

MR. TRAFICANT: Listen to what I tell you. If Henry would come forward and say, Look, I feel like I've been a coward through this, and they've threatened me with indictment and ruining my life; and I'm not going to have a government who's going to push me around like that. What kind of government is this? Like that guy in Virginia said; this is Red China.

MS. BEST: Uh-huh. It is. You're

07/10/02 WED 08:25 FAX

taping me. You better not use this anywhere.

MR. TRAFICANT: I'm not taping you. If I were, you're not afraid. You've never been afraid of anything in your life. Who are you kidding? You're the only one that has, and you don't have or I don't know if you do -- are you or don't you; do you have testicles or not? But I know when you talked to me the last time you said, yeah, Henry said it was the truth. It wasn't exactly the IRS. You said the only thing that wasn't true, you said was the IRS, it was just his construction businesses they were looking into.

MS. BEST: That's all.

MR. TRAFICANT: Well, what I remember and what the other guy remembers is he said his many businesses. Evidently he meant his construction businesses.

MS. BEST: The construction business, and they checked into the insurances on the cars. They went as far as to, you know, tried to create a scene that when Marie who works for Henry called Jackie Bobby to help get a permit, that that was all favors being paid back, which was ridiculous because we are allowed to call a Congressional office when we are having problems.

MR. TRAFICANT: Yes, well, see this is ridiculous now.

07/10/02 WED 08:25 FAX

MS. BEST: And you didn't even have anything to do with it --

MR. TRAFICANT: I didn't even know about it. That's the first I'm hearing about this.

MS. BEST: Trying to open up a (UNINTELLIGIBLE) in Steubenville, and it was when there was that flood down in Cincinnati.

MR. TRAFICANT: See, I didn't even know about that.

MS. BEST: The inspector couldn't get out, so Marie got all panicked and called Jackie Bobby; and she made a call. They tried to twist all kinds of crazy stuff.

MR. TRAFICANT: See, this is the first I've heard about that, Robin; that's a fact.

MS. BEST: I don't know if they'd ever bring that up or not.

MR. TRAFICANT: I don't care if they do, but the point is --

MS. BEST: It starts snowballing and they make this big, huge story out of --

MR. TRAFICANT: What did they tell you about Mangano; that you and I were trying to shake him down?

MS. BEST: Basically, yeah, yeah.

MR. TRAFICANT: And they were accusing you of that?

MS. BEST: Yes.

MR. TRAFICANT: They were trying to get you to believe they had something on you so maybe if you had something on me, you could give them something on me. That's what they were doing. That's just exactly what they've done. You should have enough courage to testify if I subpoena you.

MS. BEST: You can't subpoena me.

MR. TRAFICANT: I'm going to.

MS. BEST: You can't. I'm a government witness. You can't. All you can do is cross-examine me. I really don't think they want me in there.

MR. TRAFICANT: Well, I'll call you.

MS. BEST: You can't call me.

MR. TRAFICANT: I can call you. I will call you as a witness.

MS. BEST: You cannot call me.

MR. TRAFICANT: You listen to this. Listen to this. I'm not an attorney, but I'm ready to fight these bastards.

MS. BEST: Who I really believe you need help from is Jerry Spence.

023
07/10/02 WED 08:28 FAX

MR. TRAFICANT: Oh, shit. Don't even spend another second on it.

MS. BEST: Because --

MR. TRAFICANT: You see all these attorneys? All these attorneys are afraid to death of them.

MS. BEST: But he's not.

MR. TRAFICANT: Jerry Spence -- where the hell am I going to get the money to hire Jerry Spence? Get out of here. Get out of here. All I need is for people to tell the truth like you.

MS. BEST: I think --

MR. TRAFICANT: You're disgusting.

MS. BEST: You need help in that courtroom.

MR. TRAFICANT: You're disgusting. I don't need any help in that courtroom. All I need is the truth in that courtroom and you know it, and you're afraid -- you're afraid to do it. You just listen to what I'm telling you. If Henry would come forward, because what he said was the truth and you know it, and he told you that. You told me that the last time you called. If he would come forward and say, I'm not going to let them push me around anymore, Morford would have a damn trial on his ass.

That's serious trouble what happened in Waco and Ruby Ridge, and people are looking into it. And with that tape from that guy in Virginia, Henry will not only not get indicted, they'll be afraid to death of Henry. Henry could sue them for millions of dollars, if you want to know the truth.

MS. BEST: If he had the strength and character to do it. That's what you're overlooking.

MR. TRAFICANT: Yeah, but he told you the truth. Why would he not do that? Why would he let them push him around? That's what you got to talk to him about.

MS. BEST: We've talked a lot about it. I'm telling you; it's real intimidating for him with them.

MR. TRAFICANT: I know that, but I'm telling you if he came forward with what's going on with Morford -- that's why Morford wants to talk to him -- Morford would be in shit up to his -- believe me.

MS. BEST: Uh-huh.

MR. TRAFICANT: Henry could sue them. Jerry Ingram has allowed his client to be intimidated, and he's participated with Morford. Basically Morford has intimidated Henry through his own attorney, and you know it.

MS. BEST: Uh-huh.

MR. TRAFICANT: But you won't admit it, will you?

MS. BEST: I just got done telling you, look, look at the situation.

MR. TRAFICANT: You just listen to this. If Henry got another attorney and filed the lawsuit and said what I'm telling you to say -- you ready for this -- he not only won't get indicted. He'll never get indicted. He'll scare the shit out of them, and all he has to do is tell the truth, because there was nothing illegal there. You know it and I know it.

MS. BEST: I agree. There was nothing illegal. It was all about friendship.

MR. TRAFICANT: It wasn't only that; there was a settlement. Christ. He threatened me with lawsuits.

MS. BEST: That's right. Everything was agreed on.

MR. TRAFICANT: Look, Robin; he sent me the letters he was going to sue me. We went through the whole deal; then we settled it. It's not like as if, you know, he was doing something for me.

MS. BEST: And they have copies of that.

026 07/10/02 WED 08:27 FAX

MR. TRAFICANT: I know that. If we were doing something illegal, why would he have done that?

MS. BEST: Henry wrote in his own handwriting, paid in full.

MR. TRAFICANT: When it was the final settlement, yes.

MS. BEST: But they can't leave it at that. I'm telling you, they create more and more.

MR. TRAFICANT: All you have to do is get Henry to agree to come forward and sue them, and Henry will make millions of dollars.

MS. BEST: And what attorney do you suggest could take something like that on?

MR. TRAFICANT: I don't know. But I'll tell you what, there's a bunch around town that would be willing to do it. And he would make money. Whoever took it, would take it on a fee. I'll bet you Colucci or somebody like that would take it.

MS. BEST: No, not Colucci.

MR. TRAFICANT: Well, I'm just telling you; there's people that have the courage. Colucci went after Morford. They tried to intimidate Colucci.

MS. BEST: I know, but he doesn't come across well.

07/10/02 WED 08:27 FAX

MR. TRAFICANT: No, but the point I'm making is, Henry would not only not get indicted, he would straighten the record out and get bums like this the hell out of our government. Do we need a government like this, Robin?

MS. BEST: I agree with you completely. I mean, it's pretty much --

MR. TRAFICANT: Well, then when I subpoena you, are you going to testify truthfully to what Henry told you?

MS. BEST: You can't subpoena me.

MR. TRAFICANT: If she has a hearing on prosecutorial misconduct, I'm going to subpoena you.

MS. BEST: I don't think you can. You can cross-examine me.

MR. TRAFICANT: Listen. Let me tell you what; I am going to subpoena you. I don't give a damn what they say, or I'm going to appeal it. This is what's going on in this case, and I'll be damned if I'm going to sit back and let them beat the hell out of me. Now, I still have a pair of testicles, and I plan on keeping them.

MS. BEST: I just wish you would get some help.

MR. TRAFICANT: Oh, forget it. I

028
07/10/02 WED 08:28 FAX

don't need help. All I need is the truth.

MS. BEST: They are going to bring in this country's finest that know the law, and they're going to tear apart everything you say. What are you going to do about somebody like Sinclair?

MR. TRAFICANT: Listen to this. They can bring in anybody they want. In fact, you know what? They would like to have anybody else other than me. I'm going to be standing there. I'm going to subpoena you at this prosecutorial misconduct.

MS. BEST: And when is that scheduled?

MR. TRAFICANT: Well, if she calls a hearing on it, I'm going to tell you right now I'm going to call you as a witness because Henry told you that, yes, he did tell Jim that stuff, because Henry's not going to admit it. But I'll tell you this right now. Henry sues them, Henry will make millions of dollars now. They've committed some serious crimes, and they know they're in trouble. That's why they want to talk with Henry. That's why they want to get to Henry, and they want to get to Henry through his attorney. I know what's going on. I know the game.

MS. BEST: You're absolutely correct.

MR. TRAFICANT: And Ingram was being used. He was the hammer for Morford, for crying out loud; and Morford's saying in his motions, well, I can't be in conspiracy with all these attorneys. I never talk to these people without their attorneys. Well, he's using the attorney to go ahead and do the number on them. You know that. What did Ingram tell you? He told you to stay out of it with Henry, didn't he?

MS. BEST: No. I mean, he hardly ever meets with him without me because Henry gets so nervous, Jim. He gets so nervous around all of this.

MR. TRAFICANT: I know that, but all he has to do is tell the truth.

MS. BEST: He's confused. My God, they were pulling out paperwork from '91. How's he supposed to remember that?

MR. TRAFICANT: So what? Oh, forget that shit. The point is --

MS. BEST: And Henry gets confused and forgets things, and then they just started twisting what he was trying to tell them.

MR. TRAFICANT: I know. Whatever he told them, they changed it around to the way they thought it was. That's what they did with the other guy. Everybody's saying the same thing, but it's too much now,

07/10/02 WED 08:28 FAX 030

Robin.

MS. BEST: I know.

MR. TRAFICANT: It's gone too far. And Henry has a lawsuit on them. He could come out and say, look, I'm not going to be a victim of a big brother like this. This is wrong. I don't know what you got on Traficant, but I'm out of this thing. That's the truth, because he told you that was the truthful thing he told me at Bruno's.

MS. BEST: Don't tape me. Henry's been in business a long time. Sometimes things happen in business that you're ignorant of that they may call illegal.

MR. TRAFICANT: Well, maybe they have something else on Henry, but there was nothing with me and Henry.

MS. BEST: Nothing; that's right.

MR. TRAFICANT: Yeah, but there was nothing illegal with me and Henry, and he knows that.

MS. BEST: (UNINTELLIGIBLE).

MR. TRAFICANT: That's why he came over.

MS. BEST: He had a lot of stores, a lot of time in business --

MR. TRAFICANT: Sure, and he don't

07/10/02 WED 08:29 FAX 031

want to blow that.

MS. BEST: There's probably things he was innocent of --

MR. TRAFICANT: Here's what I'm telling you. When the final analysis comes down, final analysis comes down, he's going to feel bad.

MS. BEST: He does feel sick about it. There's been a lot of crying and heartache over all of this.

MR. TRAFICANT: I know that; I know that, and I know he wants to come forward and say what they're doing. I could sense it, not just sense it; I sense him wanting to go public. He felt so bad about what he did, he said.

MS. BEST: He did feel bad. It was awful. I feel bad. I said things in the Grand Jury you won't like. You'll just go into orbit when you read it.

MR. TRAFICANT: Well, why would you lie?

MS. BEST: I didn't lie, but they would say things like, You made a statement that Congressman Traficant was an embarrassment. Well, the truth is, before I got to know you, yeah. And then I told them, but when I got to know him, I gained great respect for him; and I think he's the best political leader we've

07/10/02 WED 08:29 FAX 002

ever had.

MR. TRAFICANT: What did they say to that?

MS. BEST: All kinds of stuff. I mean, the Grand Jury, they knew that there was some cash; and the jurors even asked me. They blamed me. They couldn't figure out why I allowed it to happen. (UNINTELLIGIBLE) I said --

MR. TRAFICANT: What cash? What the hell you talking about?

MS. BEST: I said no girlfriend is going to come between two men's friendship. They really drug me in the middle of it.

MR. TRAFICANT: Yeah, but they're trying to make it look like there was cash and shit. Jesus Christ, Henry was suing me. Henry had attorneys suing me; and then we settled it out of court, is what we did.

MS. BEST: Yes.

MR. TRAFICANT: And everything in that damned affidavit is absolutely true.

MS. BEST: If you could get a copy of the settlement that says paid in full, I don't think there's anything else that needs to be said.

MR. TRAFICANT: No, I know that, but

07/10/02 WED 08:29 FAX

you see they know that; but they're pressuring Henry and pressuring Henry and pressuring Henry with this indictment shit --

MS. BEST: They want him to take the position that he did what he did because he knew that down the road there would be favors.

MR. TRAFICANT: Yeah, but you see, that's -- you know that's a lie.

A That's what Henry kept saying. They said no one does this for another person to be friends. I told them, I says, you don't know Henry Nemenz then because he has done for all kinds of people more than he --

MR. TRAFICANT: Robin, the truth of the matter is, if we went to court, I would have won.

MS. BEST: Yes.

MR. TRAFICANT: Our original agreement was $17,000, because I had the --

MS. BEST: And Henry was fine with it.

MR. TRAFICANT: I know that and this guy Ross -- but the point I'm making is, what Henry told me at Bruno's was the truth, and you know it. He told you that.

MS. BEST: Yes.

SEE ANNOTATIONS!

MR. TRAFICANT: And I'm going to subpoena you at this prosecutorial misconduct.

MS. BEST: Our little conversation here, what is it, on a tape or what did you do with it?

MR. TRAFICANT: Let me tell you what, you little diva; I'm going to subpoena you into, if she has a hearing on prosecutorial misconduct.

MS. BEST: You can't tape me without telling me I'm being taped.

MR. TRAFICANT: I didn't hear you.

MS. BEST: I said you have to inform me if you're taping me to be able to use it, and you haven't.

MR. TRAFICANT: Listen, everybody is screwing me left and right with a number of deceitful moves; and you know the 14th amendment what it says, equal protection under the law.

MS. BEST: I can tell you this from the depths of my heart; it's true: Henry and I never wanted to put the screws to you.

MR. TRAFICANT: I know you didn't, but the government sure as hell forced you to, didn't they?

MS. BEST: I don't know that we have done that. I don't know that we have done that at all.

07/10/02 WED 08:30 FAX

MR. TRAFICANT: Then why did they threaten to indict Henry?

MS. BEST: See, I wasn't privy to that. All I know is they create an atmosphere.

MR. TRAFICANT: Look, a guy isn't concerned about being indicted if he's not under the gun. Why would they say they're going to indict him if he's not --

MS. BEST: I know.

MR. TRAFICANT: You know that, but the thing that bothers me is the way Henry come over. He's the only one. I didn't even know he was in the building. He come over unannounced, and he says, Jim, I feel so bad; and then we sat down, and he said the bottom line, my attorney told me if I don't tell them what they want to hear, they're going to indict me. And he said, What do you need that for Henry? And he says, Christ, he said all my businesses, they were looking in my businesses and --

MS. BEST: I'm going to tell you another thing, too, Jim; if it ever got back to Henry that I commented on Tom Onesti, he would turn his back on me. That's how close they are.

MR. TRAFICANT: Well, Henry's going to wise up some day.

07/10/02 WED 08:30 FAX 036

MS. BEST: He has to learn the hard way on that situation.

MR. TRAFICANT: Well, I'm not going to learn the hard way.

MS. BEST: (UNINTELLIGIBLE) that was for your ears only.

MR. TRAFICANT: Yeah, but the hard way for me is jail time for shit like this.

MS. BEST: The thing about Tom Onesti is irrelevant to the big picture here.

MR. TRAFICANT: I know it is, but he's been trying to hurt me and you're exactly right; the shit he --

(INAUDIBLE)

MS. BEST: He turned away from Vickie when she started screwing around with Leo and wanted to leave her husband and everything.

MR. TRAFICANT: She had children, too, didn't she?

MS. BEST: Uh-huh, uh-huh. Leo Jennings is an extremely vindictive person, and they want you out because he has ultimate goals to run Vickie for Congress.

MR. TRAFICANT: I wouldn't be surprised.

MS. BEST: And at that point he wanted Bobby Hagan, and he knew he had to bring you down; and he was up at the Plain Dealer because Jerry Ingram got a call from a newspaper reporter up there wanting to know if you and I had an affair.

MR. TRAFICANT: And who told him that?

MS. BEST: Leo told the reporter that; and Ingram, of course, said that that was ridiculous; absolutely not. I do know Leo started this whole thing clear in the beginning.

MR. TRAFICANT: Yes, he starts rumors politically to hurt people; and here she is, she has children out there.

MS. BEST: Bobby Hagan and look it; it didn't help him at all.

MR. TRAFICANT: No, but this isn't about a campaign, Robin.

MS. BEST: That's how it started.

MR. TRAFICANT: Yeah, but this is a court case.

MS. BEST: I know it is now.

MR. TRAFICANT: Now. Shit --

MS. BEST: But when it started, that's how it all started. That's what they told me; that

07/10/02 WED 08:31 FAX

there were several allegations made, and by law they had to follow through; and then the thing just got --

MR. TRAFICANT: Yeah, well, that's what they tell you. It had nothing to do with that, believe me.

MS. BEST: That would have never hit the paper about the barn if Leo Jennings had not gone to the Cleveland Plain Dealer.

MR. TRAFICANT: It would have gone -- even that, the point I'm making is they seen that Henry and I had done business; I had a barn built; that Henry built it. Christ, I could have had a lot of different people build the barn.

MS. BEST: I could have built it.

MR. TRAFICANT: The reason I built the barn is the old saying, hey, we got 20, 25 Amish guys; you see the way Amish guys build barns; they'll be in here one week; it will be up.

MS. BEST: Yeah, and you found out that's different with the Amish.

MR. TRAFICANT: I found out it's different with the Amish when this guy Ross was involved.

MS. BEST: Right.

MR. TRAFICANT: By the time he picked them up and had to leave and only so many come this

12/10/02 WED 08:31 FAX

day and so many come that day, it wasn't quite the way it was supposed to be.

MS. BEST: Exactly.

MR. TRAFICANT: And he probably did that on other jobs, too.

MS. BEST: I'm sure he did.

MR. TRAFICANT: But the point is, what's bothering me, that has nothing to do with it. I'm now talking about the prosecutorial misconduct here. Prosecutorial misconduct is a crime, Robin.

MS. BEST: I know it's a crime.

MR. TRAFICANT: If we let that go on, then what kind of country do we have?

MS. BEST: I understand.

MR. TRAFICANT: All right. I got another call. I'll try and call you back. You okay? Good-bye.

Hello. All right. Hold on. Call me back in about five minutes

That was Robin Best. It's Tuesday, January [sic] 5; I think it's the 5th, but anyway it's the Tuesday after Labor Day, and this is approximately 9:45 p.m.

REPORTER'S CERTIFICATE

I HEREBY CERTIFY that the above and foregoing is a true and correct transcription of the tape-recorded conversation represented to be recorded on September 5, 2001. This record was prepared from a tape recording provided by Congressman James A. Traficant, Jr.

Lisa C. Nagy-Baker
Registered Diplomate Reporter
Notary Public, State of Ohio
My Commission Expires 12/03/03

07/10/02 WED 08:32 FAX 041

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 6 of
Telephone Conversation with Pete Bucheit of May 7, 2001

Transcript Follows:

it Sunday and I immediately submitted it Monday. They wouldn't accept it at the Youngstown Court (laughter) the Judge said not to accept it, but it was facts, but I, I, over-nighted it to Morford. As soon as they got it, they grabbed Sugar the next morning, and in fact, I sent a motion because Harry Manganaro called me Monday and says they picked up Sugar and they took him up to Cleveland. They're very upset.

Well, they did the same thing with Nemenz, We ran into Nemenz and he said, you know, that he was forced to do those things. Well the bottom line is I put a Motion in Limine saying they have to stop threatening these witnesses, and she better order them to cease and desist, but now that's all incorporated into it, plus I got a tape now dealing with Sabatine, where Sabatine was in conspiracy with Fergus, was going to do 15 years and take all his millions. They let him wear a wrist bracelet, keep all his millions for something on me and he told the closed...of that that he did what he had to do, he didn't bribe me, he didn't give me any money, and he even felt bad about it. So I submitted that, along with a bunch of things that includes you and others, so that's where I am, and I'm surprised you are calling.

PB: Ha, ha, ha, ha. I saw it on the Internet, yeah. I get arraigned next Thursday.

JT: What are they charging you with?

PB: Conspiracy to three charges: conspiracy, bribery and perjury.

JT: You know that's bullshit.

PB: I know, and, uh, I got perjury after that, cause Leo said he introduced you and I.

JT: That's not true.

PB: That's why I'm getting the pay for it. I know it's not true.

JT: In fact you've got to make a statement, and you should send me a statement in writing that you, one of your counts is perjury, and Leo Jennings claims that he had, in fact, introduced us, and that was not true. And, Leo Jennings had, in fact, shaken you down. The reason why, is that I'll add that as an Amendment to the Lawsuit. And it gets the publicity, and it keeps the pressure on them. And that is the truth...

PB: I filed a police report against Leo.

JT: Yeah. I want you to send me a copy of that, uh, I am prepared to testify on your behalf.

PB: Okay. Good. Because, uh, I'm trying, see his daughter worked for you so Charlie is good. He gave me the times she worked there which was, you know, 91 or...

JT: I helped her get the job. I was the reason she got the job at the Justice Department. That's the only job from this area in that whole administration. I recommended her and at the time I was on good terms with Clinton. That's why they hired her.

PB: Hey, I've asked Claire, I'm trying to get a hold of Claire. I need from your Youngstown files the oldest letter you have from Saudia Arabia from me, when you first got, started working on it.

JT: You might have to get Charlie in Washington to do that. To call Claire and to have him look through Paul Marconie stuff and check with Marconie maybe to try and find that.

PB: The oldest one he had, and he sent it to me was '90, but you got elected I think in '84 right?

JT: Yes. And I started starting in '85.

PB: Hey, they're trying to put that bid, they're trying to...link to statute of limitations too, because they're trying to say that you, you did the deal in Saudi Arabia and made all these outrageous statements against the Saudi Embassy, and you know, because you were gonna get a big payday from me.

JT: Well, you know that's...

PB: And that's their game they're playing.

JT: Yeah, but you know that's not true, Pete.

PB: I said that's not true and that's that's why they're all pissed off. They called me back up. They wanted me...they would give me, if I would proffer and plead guilty that they would, you know. I said, "I'm not gonna do that. I'm seventy years old. I'm not gonna be a felon for Christ's sake, I..." and they got all pissed off and that's why they indicted me.

JT: They persecuted you because you were telling the truth.

07/10/02 WED 09:22 FAX

JT: Well, you gotta send me documentation of that. But the truth of the matter is, you're not getting nothing illegal, and they will not accept that. Isn't that a fact?

PB: That's right.

JT: Alright, now here's what I'm gonna do. You send me that stuff on Jennings, a statement that Jennings shook you down. I will testify at your trial and, you know, I, probably I don't even remember sending a letter to Gore. More than likely my staff says, "Hey Bucheit's whatever gonna go to this thing" and I might have sent a letter of reference, or I might have said send a letter of reference, but I would do that for Joe Blow, anybody.

PB: I know. But see, that's their, that was their big hot document. If, they invited me up there the last time...

JT: Who invited you.

PB: Morford, to come up and go through, they don't have to do this, they say they let us read their book.

JT: Yeah. Let me ask. Has Morford himself been doing the pressuring on you?

PB: Well, no. They contacted this attorney I had several years and,

JT: They're now doing it through the attorney, huh?

PB: Yeah.

JT: But basically what they're saying to the attorney is, "you know, if your client don't do this and this, we're going to hurt him in some way."

PB: Well, what they're saying is. There is several things that supposedly I perjured myself when I said that I did that for you as a favor for, if they Saudi Arabia, they're dead on the statute of limitations, so they're trying to say I didn't demand you pay me because you were helping me in Palestine.

JT: Yeah. Well you see, now you know that's bullshit.

PB: They're trying to run it...I know it is. I mean, uh..

JT: I had nothing to do with that. You came to me when you had a problem with the Palestinians.

PB: That's right. I'm laundering my government through my Congressman.

JT: Yeah. The first I heard about that, now you correct me if I'm wrong, was when you have a problem with the Palestinian situation over there and you came to me to try and help you like I did in the Saudi Arabian situation, is that a fact or not?

PB: That's 96. That's correct.

JT: Yeah. Well, you see this is what they're doing Pete. They're using a number of manipulative ploys with people.

PB: Trying to show that that letter, recommendation letter, that you sent down for and a copy to me, a standard letter, that that letter would, showed that I needed your help. Well, I had the deal off, I had the insurance bought and all, you know, and read the box as soon as I had their deal signed with the.

JT: Yeah.

PB: Everything was all set and that was the day we went up to the White House to have that for.

JT: Yeah. had nothing to do. I didn't even go to the damn thing. I didn't even know about it

P: No, you didn't know about it and you weren't involved in it.

JT: No.

PB: And we were doing our own thing, I mean it had nothing to do with you.

JT: You, you made a deal that if the vice president asked you, and you were the first company. When you came to me

PB: That's right.

JT: Naturally, I used that to say, "Hey, our government asked my constituent to get involved and he gets hurt and now you're not even interested in helping him."

PB: Yeah. They're, they're trying to say that this porch deal went on through '94. We finished the porch in the fall of '93. I never did another job for you that I ever knew about, that I could ever remember and I certain I would remember that, you know

JT: Yeah.

PB: There's nothing else and I don't know what, what was about the barn. I guess Nemenz did that.

JT: Yeah, but if you, if I would have asked you to build me a barn, you would have built me a barn, wouldn't you?

PB: Yeah. In fact I gave you a price on a barn if you recall.

JT: Yeah. Okay. But here's what I am saying. When did you now get this, like you're calling me today, this is Monday ~~the~~ 31st of January. When did you first get this, and why did you call me today.

PB: When did I get what?

JT: These checks and stuff where you find out what they're doing to you. You know what I'm saying. Well, how did all this Morford, through your attorney, has been doing this. You're calling me today. When did you get a hold of this stuff that you're concerned about, like the Jennings matter, the checks and the...

PB: The Jennings stuff is in the indictment. They're saying in the perjury part, indictment that I lied. And if he testified before the Grand Jury, they're saying I...

JT: The old man or, the old man, right?

PB: Yeah,

JT: The father.

PB: Leo.

JT: Well, he was the one that shook you down. Do you have that police report?

PB: I don't have it, but I can get it and I...

JT: Listen...

PB: Said that to the Grand Jury, but they're saying that he, he went, he introduced us because of his efforts and then he rode with me and did I know his daughter worked for you, and I said "yeah," but...

JT: That had nothing to do with it.

PB: Do you remember Luchia? I worked with her.

JT: Yes you did. Luchia Andrea, wasn't it.

PB: Yeah. I didn't remember the last name.

JT: Andrea, or something like that.

PB: You know, so,

JT: She's married now.

PB: I was just getting my stuff together but I...

JT: Here's what you could tell your attorney. I will testify for you. You get me that police report on Leo Jennings and, you know, basically I'm gonna add the stuff they're doing to you to my civil lawsuit, Pete. I'm gonna add what they're doing to you to my civil lawsuit, because they're hurting me by what they're doing to you. They're violating my rights ultimately. To get me, they are doing this to you so that you would accept some proffer to get out from under the heat, and that's about it, isn't that the fact?

PB: Yeah. They wanted me to proffer and I said I'm not gonna proffer because it's not true. I mean, I'm not gonna plead guilty to something I didn't do at this stage and I told them up there and I told them "sorry" and I walked out.

JT: But they're now pressuring that they are going to indict your son.

PB: I know they're going to indict me.

JT: Yeah, but now pressuring to indict your son, aren't' they.

PB: He's an unnamed, but non-conspirator, and they've had him called up there, and he's had to hire an attorney and, uh...

JT: But now let me ask you this. Did they say "If you don't accept our proffer basically that they are going to indict your son now, because that's what they're doing with these other people.

PB: No. They didn't say that, but you certainly got the message.

JT: You got the impression they were.

PB: They said your son lied to an agent.

JT: Well, they're setting you up to believe they're gonna do what?

PB: Well, I know what they're doing. They went out to see my ex-wife and wanted to know if I had an account in the Caiman Islands and, you know, figured a divorced woman would turn on me, which was not the case. I had no such thing anyway. They tried to influence her. They then said okay, they called my son and said he conspired with Traficant. You know. All he did was give me the name of the carpenter that went out there.

JT: I didn't have any dealings with your son. Never, never. And the, I think the only money you ever gave that involved me was some campaign contributions and they weren't even that much.

PB: That was my daughter.

JT: Your daughter. Well, whoever it was, but the point is, the only thing ever from the Bucheit was you guys either bought some tickets or made a campaign contribution cause I'm trying to look back and there's nothing there. So, they're pressuring, Pete.

P:B: Well, I know what they're doing. That's why they're putting me through all this just to, that's Morford's style, I guess.

JT: Well, but you see they're breaking the law now. They're going too far. With this tape I got dealing with Sugar. Yeah, they're going too far. With the tape I got with Sabatine. Sabatine did millions and millions of dollars of business with Fergus, Pete.

PB: Yeah and county, too...

JT: They had him on conspiracy. He goes down 20 years and takes all his millions. And they give him a wrist bracelet. All he got to do is say he did something with Traficant so he says he gave Traficant a couple thousand dollars in cash. And he walks and I got that on tape now from someone he confided in. And that's their problem. They got a $250 million dollar civil lawsuit and I'm gonna continue to amend it and pound them, and I'm going to trial Monday, but you tell your attorney I will testify at your trial.

PB: Good. I said I'm leaving. I'm driving up Saturday.

JT: Are you willing to testify at my trial?

PB: Yes.

JT: Okay. I'm gonna call you as a witness. Make sure I have your addresses, but find that police report. Pete, I gotta go. I got something just faxed over here. I got a deadline today with the Court's on all demonstrative exhibits and I gotta get that to 'em.

PV: When are you going up there? Do you have to go up today?

JT: I'm going up Sunday night and stay overnight because Monday starts the process.

PB: You're not going to Cleveland today?

JT: No, I'm not. I gotta get this stuff done. I'm working my buns off to get all demonstrative exhibits done, uh, by, uh, gotta be over-nighted tonight. They gotta be in Cleveland tomorrow. Demonstrative exhibits are due today.

PB: Did they give you their list of witnesses. They're calling my daughter as a witness.

JT: Well, that's good. I, I, you know, that's fine. Be truthful, whatever.

PB: Oh, yeah.

JT: Okay, well listen, get me that stuff on Leo Jennings, or at least send me a letter that he tried to shake you down and that you will try and get me that and send it to 4590 Boardman-Canfield Road. Do you have that address?

PB: No. What's that?

JT: That's my office. 4590 Boardman-Canfield Road, Suite C, 44406. But if you want to fax it Pete, and do it today.

PB: I don't have it today. I can't do it today.

JT: Okay, but what I want, even if you don't have a copy of it, say you will find in it, you will find the police report that you were shaken down by Leo Jennings because, see he's a lying sonofabitch and that's exactly what they're doing and his son is involved in campaigns against me all the damn time.

PB: Yeah, he was gonna, he was gonna break my wife's legs.

JR: Who, Leo Jennings?

PB: Yeah. That's what he threatened me with.

JT: Did you tell the FBI that.

PB: I told, yeah I told that in my Grand Jury.

JT: Did you tell that, and Morford heard that? And they did nothing about it?

PB: No.

JT: Alright, look, send me that letter Pete as soon as possible.

PB: Okay,

JT: I'll get back. Thanks Pete. Bye now.

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 7 of
Telephone Conversation with Pete Bucheit of August 6, 2001

Transcript Follows:



JAMES A. TRAFICANT, JR. AND PETE BUCHEIT
MONDAY, AUGUST 6, 2001
APPROXIMATELY 11:20 A.M.

PB: HELLO.

JT: PETE?

PB: YEA, HI JIM.

JT: YEA, I'VE BEEN TRYING TO REACH YOU, I GOT SOME GOOD NEWS AND AH, I WANTED YOU TO HEAR IT.

PB: OKAY LETS HEAR IT. I WAS TRAVELING...(CUT OFF)

JT: YOU KNOW I GOT THAT...(CUT OFF)

PB: I WAS DRIVING AND STUFF.

JT: YEA, IT DOESN'T DEAL WITH YOUR AH, YOUR, YOUR SITUATION WITH THE BILL, I THINK YOU ARE IN GOOD SHAPE THERE, WE'RE STILL PUSHING ON IT AND AH WORKING ON THAT, BUT THAT'S NOT WHAT I WAS CALLING YOU ABOUT.

PB: OH.

JT: YOU KNOW I TOLD YOU ABOUT THAT NEMENZ SITUATION.

PB: YEA.

JT: WHERE HE STOPPED AND I HAD A WITNESS.

PB: UN HNU.

JT: WELL I JUST TALKED TWO DAYS AGO WITH THE CEO FROM U.S. AEROSPACE.

PB: UN HNU.

JT: THAT WAS CAFARO'S COMPANY. THEY, HE WAS TOLD HE WAS GOING TO BE INDICTED ON THE FIFTEENTH OF AUGUST, HE WAS GOING TO LOSE ALL OF HIS FLYING PRIVILEDGES, THE IRS IS GOING TO TAKE HIM DOWN UNLESS HE LIES. LITERALLY. HE WAS TOLD IT BY MORFORD. AND HE HIRED MONICA LEWINSKY'S ATTORNEY. THIS GUY, HE SAID "JIM, I NEVER FELT SO INTIMIDATED IN MY LIFE." HE SAID "IF I DIDN'T HAVE TWO KIDS I'D KILL MYSELF." NOW THE REASON WHY I'M CALLING, I AM GOING TO

MOVE. TWO THINGS. NUMBER TO CALL, MAKE MORFORD A PROSECUTION WITNESS FORINTIMIDATION OF WITNESSES. BUT NUMBER TWO, TO MOVE TO HAVE THE CASE DISMISSED ON THEIR TACTICS. AND THEY BASCIALLY DID THE SAME THING TO YOU, IF YOU THINK ABOUT IT.

PB: OH SURE, I COULD, I, I,....(CUT OFF)

JT: COULD YOU TESTIFY TO THE FACT THAT YOU TRUTHFULL TOLD THEM WHAT HAPPENED, BUT THEY WOULD NOT ACCEPT IT AND WERE THREATENING TO TAKE YOU TO COURT, AND TO CAUSE YOU TO SPEND HUNDREDS OF THOUSANDS OF DOLLARS, THIS IS WHAT THEY TOLD HIM. DO YOU WANT TO SPEND HUNDREDS AND HUNDREDS OF THOUSANDS DEFENDING YOURSELF? WHAT THYEY NEED IS, THEY NEED HIM BECAUSE CAFARO AND THE WITNESSES AROUND CAFARO ARE NOT RELIABLE. HE'S A STANDUP GUY AND HE SAID THERE WAS NOTHING ILLEGAL. HE KNEW ALL THE DEALS ABOUT THE BOAT, EVERYTHING. AND HE SAYS HE WAS BASCIALLY TOLD BY MORFORD IF HE DIDN'T TELL THEM WHAT THEY WANTED, AND THE WAY THEY WANTED IT SAID, HE WAS GOING TO BE ARRESTED IN VIRGINIA, HULLED TO CLEVELAND, AND INDICTED. AND HE COULD EXPECT IT AROUND AUGUST FIFTEENTH. NOW THE REASON WHY I'M CALLING YOU IS, I'M GOING TO HAVE A MOTION TO DISMISS.

PB: UNINTELLIGIBLE.

JT: THEY ARE NOT GOING TO DISMISS. BUT THEY WILL HAVE A HEARING AND I WOULD LIKE TO LIST YOU AS A WITNESS.

PB: GO AHEAD.

JT: WOULD YOU COME UP AND SAY THAT THEY TECHNICALLY WANTED YOU TO LIE AND YOU'DE HAVE NO MORE PRESSURES? ISN'T THAT THE BOTTOM LINE, WHICH, WHAT THEY WANTED?

PB: WELL, WHAT THEY ACTUALLY SAID IS THAT THEY DON'T , THEY DON'T BELIEVE ME.

JT: YEA, BUT IF YOU DIDN'T TELL THEM WHAT THEY WANTED TO HEAR THEY WERE GOING TO INDICT YOU.

PB: NO THEY NEVER SAID THAT. I CAN'T SAY THAT. THEY JUST SAID WE DON'T BELIEVE YOU AND THEN THEY WENT BACK AND WERE, GOT ALL MY INCOME TAX RECORDS, YOU KNOW, SUBPOENAED THOSE FROM MY ACCOUNTANT. AND AH, BASICALLY AH, AND I NEVER, I NEVER SAW THEM AGAIN AFTER...(CUT OFF)

JT: YEA BUT BASICALLY WHAT, THE BOTTOM LINE IS WHEN I ONCE TALKED TO YOU SAID THE INTIMIDATED THE HELL OUT OF YOU, THEY DIDN'T BELIEVE YOU, THEY SAID YOU WERE LYING.

PB: THEY SAID YOU WERE LYING. AND THAT ID YOU DIDN'T COME CLEAN YOU WERE GOING TO HAVE TO GET AN ATTORNEY SPEND A LOT OF MONEY, IT WASN'T WORTH IT, DIDN'T THEY TELL YOU THAT?

PB: OH YEA THEY TOLD ME TO GET AN ATTORNEY. YOU KNOW.

JT: I, I , I'D NEED, I'D NEED YOU TO BE MORE AFFIRMATIVE. CAUSE WHEN I TALKED TO YOU BEFORE YOU TOLD ME THEY INTIMIDATED YOU, THEY TRIED TO INTIMIDATED YOU, AND THEY TRIED TO FORCE...(CUT OFF)

PB: I SAID, I SAID TO THEM THAT DAY, I SAID YOU'RE, I SAID YOU WANT ME TO SAY SOMETHING THAT'S NOT TRUE, I SAID I HAVE TO TELL YOU , YOU KNOW, AND THEMN YOU THREATEN ME WITH THIS DAVE SUGAR GUY, AND YOU TELL ME ABOUT HIM AND AH, AH, THIS WHAT AS THE PRE, NOT AT THE HEARING ITSELF THAT...(CUT OFF)

JT: YEA.

PB: I HAD WITH THEM.

JT: BUT YOU, YOU TESTIFIED...(CUT OFF)

PB: AND AGAIN AT THE AH, AH WHAT AH YA MA CALL HEARING TOO THAT...(CUT OFF)

JT: GRAND JURY.

PB: THE GRAND JURY HEARING THAT AH, YOU SAID YOU DIDN'T BELIEVE ME , YOU TOLD ME I WOULD GET AN ATTORNEY AND THAT AH, AND I SAID YOU KNOW ALL I CAN DO IS TELL YOU WHAT IT IS AND I MEAN I GOT THE MESSAGE, I MEAN , THEY DIDN'T COME OUT TO ME AND SAY...(CUT OFF)

JT: WHAT WAS THE MESSAGE PETE?

PB: THE MESSAGE IS THEY DIDN'T LIKE THE WAY I WAS TELLING THE STORY. MY STORY, THEY DIDN'T LIKE WHAT I WAS SAYING. AND THEY WANTED ME TO SAY THAT AH, PUT THE OWENESS ON YOU AND THAT I TOLD THEM UP THERE IN CLEVELAND, I SAID YOU KNOW, AH, AH, I DON'T WANT TO BEAR FALSE WITNESS AGAINST ANYONE, I , I'M NOT GOING TO DO THAT. AND AH...(CUT OFF)

JT: BUT YOU SEE YOU WOULD HAVE TO TESTIFY TO THE POINT THAT LOOK, THEY TECHNICALLY WANTED ME TO SAY THINGS THAT WEREN'T TRUE AND YOU GOR THE MESSAGE REAL CLEAR IF YOU DID THAT, YOU'D HAVE NO TROUBLE, AND IF YOU DIDN'T YOU WERE GOING TO HAVE A PAIN IN THE ASS WITH THIS.

PB: WELL I GOT THE IMPRESSION, THEY DIDN'T TELL ME THAT JIM, I MEAN, I'M NOT GOING TO SAY THEY TOLD ME THAT BUT I CERTAINLY I'M, I'M, I'M, I'VE BEEN AROUND ENOUGH TO KNOW THAT THE ONLY REASON THEY WENT BACK AND GOT MY ALL TAX RECORDS IS TO HARASS ME WITH THEM.

JT: YEA BUT THEY DID DO THAT RIGHT?

PB: THEY DID THAT.

JT: ALRIGHT WELL HERE'D WHY I'M TELLING YOU, WITH THE WITNESSES I GOT...(CUT OFF)

PB: MY ACCOUNTANT SAYS YOU BETTER GET A GOOD ATTORNEY BECAUSE I KNOW THESE GUYS. HE'S AN EX-IRS GUY, SEE.

JT: SEE, LOOK. WITH THE WITNESSES I'VE GOT PETE, I THINK I GOT HIM BY THE BALLS.

PB: UN HNU

JT: THEY'VE BEEN EXTORTING PEOPLE, WHAT THEY WERE ATTEMPTING TO DO.

PB: I WILL TELL EXACTLY WHAT THEY SAID TO ME AH, IN, IN, AH YOU KNOW, I GOT THE IMPRESSION, I DIDN'T SAY, IF YOU DON'T TELL THIS WE'RE GONNA MAKE IT TOUGH ON YOU, BUT THEY SAID, RIGHT AWAY THEY STOPPED ME AND DIDN'T , THEY WERE ASKING THE QUESTIONS YOU KNOW AND I , WE WERE TALKING , AND THEY SAID, AH, WE DON'T BELIEVE YOU IS WHAT THEY SAID. I SAID WELL AH...(CUT OFF)

JT: WELLTHEY, THEY'RE NATURALLY THEY COULD SAY THAT. BUT DID THEY NO GIVE YOU THE IMPRESSION, DID THEY NOT HAVE YOU IN AN INTIMIDATING SITUATION?

PB:WELL SURE, YOUR SCARED I MEAN AND AH...(CUT OFF)

JT: HOW MANY OF THEM WERE THERE?

PB: THREE OF 'EM , AND I SAID YOU KNOW...(CUT OFF)

JT: HOW WERE THEY LOOKING, HOW WERE THEY LOOKING AT YOU PETE?

PB: ONE GUY JUST STARED AT ME. THE OTHER GUY TOOK NOTES AND AH, MORFORD ASKED THE QUESTIONS. IT'S, IT'S LIKE A THREE RING CIRCUS YOU KNOW WHAT I MEAN?

JT: BUT THE IMPRESSION WAS, LET ME ASK YOU, WAS THE IMPRESSION, THIS IS VERY IMPORTANT CAUSE I'D ASK YOU THIS QUESTION ON THE STAND. DID THEY OVERTLY GIVE YOU THE IMPRESSION SO IT COULDN'T BE MISSED, THAT IF YOU TOLD THEM WHAT YOU WANTED TO HEAR YOU'D HAVE NO PROBLEMS, BUT IF YOU DIDN'T, YOU WERE GOING TO HAVE BIG PROBLEMS AND HAD TO GET AN ATTORNEY. IS THAT THE IMPRESSION THEY MADE SURE YOU GOT?

PB: I GOT THE IMPRESSION THEY WANTED ME TO GET AN ATTORNEY. I CERTAINLY GOT THAT, INFACT MORFORD CALLED ME IN FLORIDA AND TOLD ME I SHOULD GET AN ATTORNEY.

JT: WELL THAT'S INTIMIDATING ISN'T IT?

PB: YES IT WAS.

JT: ALRIGHT WELL LET ME ASK YOU THIS, HE PERSONALLY CALLED YOU?

PB: YES.

JT: AND THAT'S AFTER YOU TESTIFIED?

PB: YES.

JT: OKAY NOW, AND WHAT DID YOU TELL HIM THEN?

PB: I SAID I WAS CONSIDERING IT, I WAS GOING TO LOOK FOR ONE.

JT: DID HE SAY WHY?

PB: WELL, THE IMPRE...I GOT THE IMPRESSION WHY WAS THAT THEY WANTED TO THREATEN THE ATTORENY. THAT'S WHAT THEY COULD DO. THEY COULD GO TO HIM AND HRE, WE GOT ALL THIDS TAX SHIT ON BUCHEIT, AND THEY COULD HAVE DONE SOMETHING UP, AND NOW HERE'S WHAT WE WANT HIM TO SAY. ISN'T AHT THE GAME? AH, HE DIDN'T WANT TO THREATEN ME.

JT: BUT YOU KNEW WHAT HE WAS DOING?

PB: YEA, I KNEW DAMN WELL WHAT HE WAS DOING.

JT: WOULD YOU TESTIFY THAT YOU KNEW EXACTLY WHAT HE WAS DOING?

PB: EXACTLY, I MEAN I...(CUT OFF)

JT: AND THAT YOU WERE INTIMIDATED WITH THE CALL AND YOU WERE DIGUSTED.

JT: I'VE BEEN AROUND JIM, IT'S NOT THAT YOU KNOW, I HAVEN'T BEEN AROUND. I KNOW THE STO, I KNOW THE STO....(CUT OFF)

JT: I KNOW THAT BUT YOU COULD SAY THAT YOU WERE INTIMIDATED BY THE CALL, YOU KNEW WHAT HE WAS DOING, YOU KNEW THAT YOU GOT THE IMPRESSION WHAT THEY WERE GOING TO DO. AND AH, YOU KNOW, YOU JUST, YOU JUST FEEL LIKE YOU WERE, YOU WERE JUST TREATED LIKE A DOG.

PB: OH YEA, BECAUSE I WOULDN'T, THEY DIDN'T BELIEVE ME AND THEY WANTED ME TO SAY THAT, THEY WANTED ME TO TIE MY WORK OUT THERE, THAT IT WAS A FAVOR OR SOMETHING THAT WAS OF, IT WAS A BRIBE OR WHATEVER WORDS THEY WANT TO USE AND I SAID IT WAS VERY SIMPLY A JOB THAT I WENT OUT AND DIDN'T GET PAID FOR. IT HAPPENS ALL THE TIME. I SAID EVEN ATTORENYS MR. MORFORD DON'T COLLECT ON EVERY DEAL. AND HE SAID "WELL I DON'T HAVE TO WORRY ABOUT THAT, I WORK FOR THE GOVERNMENT. I ALWAYS GET PAID."

JT: IS THAT WHAT HE SAID? WELL, I WOULD NEED YOU TO BE, I'D NEED YOU TO BE A LITTLE BIT MORE ASSERTIVE IN SO FAR AS THAT YOU WERE INTIMIDATED, WHAT YOU FELT...(CUT OFF)

PB: OH I CAN...(CUT OFF)

JT: AND WHAT, WHAT THEY CONOTED TO YOU, THERE WAS NO DOUBT, THE ONE GUY SATRING AT YOU, WHAT HIS INTENTIONS WERE. WHAT THEY ERE TRYING TO DO WHEN THEY KEPT SAYING THEY DIDN'T BELIEVE YOU, THEY WANTED YOU TO SAY SOMETHING ELSE DIDN'T THEY?

PB: I SAID I SAID THAT TWICE. I SAID TO THEM I SAID I KNOW YOU, I SAID YOU SIT HERE, YOU, THE FIRST THING YOU DO IS TELL ME ABOUT DAVE SUGAR. HE LIED AND YOU, HE GOT INDICTED FOR IT. AND I SAID THE NEXT THING IS YOU HAVE ONE GUY SITTING OVER HERE ALL HE DOES IS STARE AT ME, YOUR ASKING QUESTIONS, AND THIS OTHER GUY IS TAKING NOTES AND FI... , SO I SAID IT'S , THEN YOUR SAYING I DON'T

BELIEVE YOU. I MEAN YOU'RE NOT EVEN HEARING MY ANSWERS BECAUSE YOU WANT, MY ANSWERS AREN'T WHAT YOU WANT THEM TO BE. I SAID I, AND THEN THEY SAID WELL YOU BETTER GET AN ATTORENY. AND I SAID I DON'T NEED AN ATTORNEY TO TELL THE TRUTH FOR ME. I TELL THE TRUTH MYSELF.

JT: WILL YOU TESTIFY AT A TRIAL AT, AT A MOTION HEARING IN CLEVELAND?

PB: I WILL.

JT: WILL YOU TESTIFY TO THE POINT THAT THEY ATTEMPETD TO INDIMIDATE YOU INTO SAYING SOMETHING THAT WAS NOT TRUE?

PB: OH, IF YOU ASK ME THAT AND YOU ASK ME WHAT MY FEELINGS ARE, MY FEELINGS ARE GOING TO BE THAT I WAS INTIMIDATED.

JT: YOU INTIMIDATED TO SAY SOMETHING THAT WAS NOT TRUE.

PB: THEY WANTD ME TO SAY, THAT'S RIGHT. THEY, IN OTHERWORDS, THEY...(CUT OFF)

JT: I WOULD SAY MR. BUCHEIT...(CUT OFF)

PB: BELIEVE ME SO...(CUT OFF)

JT: WERE YOUR FEELINGS WHEN YOU MET WITH THEM...(CUT OFF)

PB: ASKING THE QUESTION OVER AND OVER AND OVER.

JT: YEA, BUT HERE'S THE THING.

PB: I KNOW DAMN WELL WHAT THEY ARE SAYING THEY DON'T BELIEVE.

JT: BUT WHAT I AM SAYING IS, YOU R QUESTION WILL BE FROM ME, MR. BUCHEIT, YOU'VE BEEN AROUND A LONG TIME, IS THAT CORRECT? YES SIR, RIGHT? I'D ASK YOU THAT QUESTION.

PB: IN LITIGATION, CERTAINLY, I'VE BEEN.

JT: YEA, I'LL SAY WERE THEY INTIMIDATING YOU? YOU WOULD HAVE TO ANSWER YES.

PB: I, I WAS FRIGHTENED, YES.

JT: OKAY, WERE YOU FRIGHTENED? YES. AND DID YOU NOT IN FACT FEEL, THAT IF YOU WOULD TELL THEM WHAT YOU WANTED TO HEAR , YOU WOULD NOT BE FRIGHTENED ANYMORE?

PB: THAT'S TRUE.

JT: AND WHEN YOU TOLD THEM THAT YOU COULDN'T TELL THEM WHAT THEY WANTED TO HEAR CAUSE IT WOULD BE A LIE, DID THEY TELL YOU TO GET AN ATTORNEY?

PB: THEY TOLD ME TO GET AN ATTORNEY ON THREE OCCASIONS.

JT: YEA BUT I MEAN THAT'S THE TYPE OF QUESTIONING I'D HAVE BECAUSE THEY WILL BE ASKING YOU QUESTIONS TOO. AND THE BOTTOM LINE IS WHAT THEY HAVE DONE, THEY HAVE DONE THIS WITH EVERYBODY.

PB: AND HE SAID TO ME, "GET AN ATTORNEY AND SAID I DON'T NEED AN ATTORNEY TO TELL THE TRUTH FOR ME, I'M HERE TO TELL YOU THE TRUTH. AND THEY CALLED ME IN FLORIDA AND SAYS "GET AN ATTORNEY."

JT: NOW THE JUDGE SAYS TO YOU, MR. BUCHEIT, DID THE PROSECUTORS THREATEN YOU? SEE YOU, YOU WOULD HAVE TO TECHNICALLY SAY YES. I WAS THREATENED BECAUSE I WAS FRIGHTENED. A MAN WHO IS THRATENED.

PB: WELL I FELT THREATENED, BUT I, THEY DIDN'T THREATEN ME...(CUT OFF)

JT: THEY DIDN'T COME RIGHT OUT AND SAY WE'RE GOING TO DO THIS TO YOU, BUT THEY...(CUT OFF)

PB: I FELT THREATENED. WHEN YOU GET A CALL THAT AH, THE AGENTS AND THE IRS ARE UNDER YOUR ACCOUNTANT AND, AND GOT ALL YOUR RECORDS BACK TO 1982, AND, AND YOUR ACCOUNTANT WHO IS AN EX-IRS AGENT SAYS " YOU BETTER GET AN ATTORENY THEY ARE GOING TO TRY AND FIND SOMETHING AND USE IT AGAINST YOU."

JT: OKAY BUT THE POINT IS, IF YOU'RE ASKED THAT QUESTION BY ME OR THE JUDGE, WERE YOU THREATENED? I, YOU KNOW THE POINT I'M SAYING IS YOU WERE FRIGHTENED AND YOU COULD SAY BY THE WAY THEY WERE DOING THINGS...(CUT OFF)

PB: I FELT THREATENED.

JT: YES, I FELT THREATENED. AND I'M GOING TO SAY WHAT WERE YOU FELT THREATENED TO DO? YOU, YOU FELT THREATENED TO DO WHAT? TO LIE. SEE, THAT'S THE KEY OF WHAT THIS HEARING IS ABOUT. THEY LITERALLY COME OUT AND WANTED THIS GUY TO SAY THINGS THAT WEREN'T TRUE AND HE IS GOING TO TESTIFY TO IT. HE'S HIRED THE ATTORNEY FOR MONICA LEWINSKY. THEY AIN'T GONNA INDICT NOBODY IF I GET THIS GODDAMN THING UP THERE PETE. BUT WE GOT TO BE SOLID WITH IT. I MEAN IF, IF YOU WERE THREATENED YOU FELT THREATENED. AND THEY, AND THEY WERE OVERTLY, YOU'VE BEEN AROUND, THEY WANTED TO THREATEN YOU AND THEY WERE CAREFUL WITH THE CHOICE OF THEIR WORDS BUT THEY WERE THREATENING YOU.

PB: THEY, THEY DIDN'T BELIEVE ME THEY WANTED TO HEAR SOMETHING, THEY THINK THAT I DID, THAT YOU AND I SOME SCHEME GOING ON THIS THING.

JT: AND THEY WANTED YOU SAY WE DID EVEN THOUGH WE DIDN'T.

PB: IF WE DIDN'T DO ANYTHING IT WOULDN'T HAVE BEEN AFREAKING PORCH ANYWAY.

JT: NO, BUT HERE'S WHAT I'M SAYING. BUT THEY WANTED YOU TO SAY SOMETHING THAT REALLY WASN'T TRUE, DIDN'T THEY?

PB: I FELT THEY DID YES.

JT: AND YOU'LL TESTIFY TO THAT?

PB: MY OWN WORDS JIM, BUT THE MESSAGE IS THE SAME, I GOT THE MESSAGE. THAT WE DON'T BELIEVE YA, WE KNOW THERE'S SOMETHING THERE, AND WE WANT YOU TO BASICALLY TURN ON TRAFICANT AND AH, QUIT STICKING UP FOR HIM.

JT: AND IF YOU DON'T YOU BETTER GET YOURSELF AN ATTORNEY.

PB: YEA, GET AN ATTORENY BECAUSE WE WANT TO GET HIM TO BE, AH, AH DO LIKE THE SABATINE GUY NOW, HE'S PLEADING GUILTY TO A BUNCH OF SHIT. THAT'S WHAT THEY GET THESE ATTORNEYS AND THEY, THE FUCKERS PLEAD YOU GUILTY.

JT: YEA, WELL WHAT DID SABATINE PLEAD GUILTY TO?

PB: I DON'T KNOW, IT'S IN THE PAPER SOME DAMN THING.

JT: YEA. BUT THE POINT IS THEY'RE ALL LYING TO SAVE THEIR ASS, AND ALL THEY HAVE TO DO IS GIVE THEM SOMETHING ON ME. WELL WHAT

THE HELL, SOMEONE GETS THE MESSAGE PETE. HEY ALL YOU GOTTA DO IS GIVE 'EM SOMETHING ON TRAFICANT WHETHER IT'S TRUE OR NOT, AND I'M OUT OF THIS SHIT.

PB: THAT'S RIGHT. THAT SOUNDS EXACTLY WHAT THE DEAL IS.

JT: WAS THAT THE DEAL WITH YOU?

PB: WELL, PROBABLY WAS, BUT SEE I DON'T HAVE ANY WRONG JIM. I DIDN'T DO ANYTHING, I DON'T HAVE ANYTHING IN MY TAX RECORDS. I DID THE WORK FOR YOU. FOR YOUR DAD, I SENT THE BILL, I DIDN'T GET PAID. IT'S THAT SIMPLE. AND YOU TOLD ME YOU'D TAKE CARE OF IT WHEN YOU GOT STRAIGHTENED OUT, AND I BELIEVE YOU. I SAID THIS HAPPENS A LOT OF TIMES WITH CONTRACTORS. THAT'S WHY I TOLD THEM, IT HAPPENS TO ATTORENYS. YOU DON'T COLLECT ON EVERY DEAL.

JT: BUT THE POINT IS PETE IF WE...(CUT OFF)

PB: THE POINT IS YOU KNOW THAT, YOU KNOW, AND THEY CAN GO THROUGH ALL MY TAX RECORDS??????-THEY MIGHT FIND SOMETHING I GUESS ANYBODY COULD.BUT AH, I'M NOT, I DIDN'T DO ANYTHING WRONG. I DIDN'T CHEAT ON MY TAXES, I DIDN'T CHEAT WITH YOU, I DIDN'T CHEAT WITH ANYBODY.

JT: THE GOVERNMENT RIPPED YOU OFF.

PB: EXACTLY.

JT: BUT THE POINT IS WITH THIS HEARING, WHAT WOULD BE IMPORTANT IS THE THEME OF IT IS THE PROSECUTORIAL BEHAVIOR. AND THEIR BEHAVIOR WITH YOU WAS BECAUSE YOU WEREN'T TELLING THEM WHAT YOU WANTED TO HEAR, THEY IN VERY CAREFUL WORDS, BEACAUSE THEY KNOW YOU'VE BEEN AROUND, LET YOU BASICALLY KNOW, AND THIS WOULD BASICALLY HAVE TO BE YOUR TESTIMONY, THAT IF I DIDN'T BASICALLY SAY WHAT THEY WANTED TO HEAR, I WAS GOING TO HAVE TROUBLE. IS THAT ABOUT IT?

PB: **ALL THROUGH IT, THEY WENT AND GOT ALL MY TAX RECORDS.**

JT: OKAY AND THEY WENT AND GOT YOUR TAX RECORDS, RIGHT?

PB: THEN I GOT CALLED BACK BECAUSE I BROKE MY WRIST I COULDN'T GO UH, AH, IT DIDN'T GO THROUGH, BUT YOU KNOW...(CUT OFF)

JT: BUT PETE, IF, IF I WERE TO ASK YOU AFTER I SAID THAT, WELL IF YOU WOULD OF LIED WHAT YOU HAVE HAD ANY NORE PROBLEMS, MR. BUCHEIT?

PB: I ASSUME IT WOULD HAVE BEEN NO.

JT: YEA. WELL YOU KNEW THAT'S WHAT THEY WANTED THOUGH? IS THAT NOT WHAT THEY WANTED FOR YOU TO ADMIT TO SOMETHING THAT YOU HAD TOLD THEM WAS NOT TRUE? WHEN THEY SAID THEY DIDN'T BELIEVE YOU THEY WANTED YOU TO CHANGE YOUR STORY OR YOU WERE GOING TO HAVE PROBLEMS.

PB: I. I. GOT THAT IMPRESSION. CERTAINLT THEY WERE, THEY..(CUT OFF)

JT: PETE IF YOU'D OF LIED UP THERE WOULD THEY HAVE GONE AFTER YOUR TAX RECORDS?

PB: NO I'D OF BEEM THEY'D, I'D OF BEEN NUMBER ONE, I'D OF BEEN AHEAD OF CAFARO ON THE WITNESS LIST.

JT: YEA, OKAY WELL, ANYWAY, I'M, YOU'RE GOING TO BE HEARING ABOUT IT, I'M GOING TO HAVE YOU ON AS A WITENESS. ALL I WANT YOU TO DO IS VERY CAREFULLY LISTEN TO THE QUESTIONS THAT I ASK YOU AND I KNOW I'M NOT AN ATTORNEY, BUT I WILL LEAD YOU VERY CAREFULLY THROUGH YOUR FEELINGS,

PB: HONESTLY, IF YOU ASK MY IMPRESSIONS I'M GONNA GIVE YOU MY IMPRESSIONS.

JT: YES I'M GONNA ASK YOU FOR YOUR....(CUT OFF)

PB: IF YOU ASK ME SPECIFICALLY IF THE JUDGE SAYSS DID, DID THEY INTIMIDATE ME, ME ANSWER HAS GOT TO BE NO, THAT I WAS, DID I FEEL INTIMIDATED, YES.

JT: BUT IF I'D SAY MR. BUCHEIT, YOU'VE BEEN AROUND. IN YOUR OPINION, WHEN THEY DIDN'T BELIEVE YOU, DID THEY LEAD YOU TO BELIEVE THAT IF YOU TOLD THEM WHAT THEY WANTED TO HEAR YOU WOULD HAVE NO MORE PROBLEMS?

PB: THAT'S THE IMPRESSION I GOT FROM THAT TWO MEETINGS I HAD WITH THEM AND WITH THE AH FOLLOW UP CONVERSATION.

JT: AND THEN WHEN YOU HAD THE PHONE CALL IN FLORIDA, WOULD YOU FEEL INTIMIDATED?

PB: YES CAUSE I ALSO HAD A CALL FROM MY ACCOUNTANT THAT THERE IN.

JT: OKAY NOW. DID, DID, MORFORD WHEN HE SAID ON THE PHONE IF YOU WANT TO RECONSIDER YOUR TESTIMONY YOU DON'T HAVE TO GO THROUGH ALL THIS?

PB: NO, NO HE NEVER SAID THAT.

JT: YOU, YOU'D HAVE TO BE VERY STRONG ON YOUR IMPRESSIONS, THE FACT THAT YOU WERE FRIGHTENED, THAT THEY ATTEMPTED TO FRIGHTEN YOU AND THEY WANTED YOU TO BASICALLY SAY WHAT WAS NOT TRUE. THEY DIDN'T SAY I WANT YOU TO LIE MR. BUCHEIT, BUT I COULD READ VERY CAREFULLY THAT IF I, IF I TOLD A LIE I'D HAVE NO MORE PROBLEMS. IF DIDN'T TELL A LIE, I WAS GOING TO HAVE PROBLEMS. IF A ASK YOU THAT QUESTION HOW WOULD YOU ANSWER IT?

PB: WELL HE DIDN'T...(CUT OFF)

JT: BUT ID I WOULD SAY THIS AND YOUR IMPRESSION.

PB: THE QUESTION WAS IN MY CASE THERE WERE RECORDS THAT THEY GOT THAT WE DID WORK AT YOUR DAD'S FARM. NOW WAS THAT WORK AS A BRIBE OR YOU KNOW, SOMETHING DIRTY? AND MY, I TOLD 'EM THE FIRST TIME HE CALLED ME, THAT WE DID SOME WORK AT THE, AT THE FARM AND THAT UHM, WE SENT THE BILL AND DIDN'T GET PAID, THEY SAID, AH THEY WERE CHOMPING AT THE BIT THEN TO GET ME UP THERE, SO THEY PAYED MY WAY UP, REMEMBER?

JT: YEA.

PB: I GO UP AND I MET WITH THEM. WELL THAT WHEN THEY THOUGHT THAT, THEY ASKED ME ABOUT LEO, DID HE INTRODUCE ME TO YOU AND ALL THIS BULL, BUT A LOT OF THE CONVERSTAION WAS ABOUT THAT, HE TOLD ME ABOUT SUGAR RIGHT AWAY WHO LIED AND DIDN'T YOU KNOW, GOT INDICTED AND SO FORTH AND AH, I JUST TOLD THEM MY STORY. EXACTLY WHAT HAPPENED, AND AS IT HAPPENED. THEY ASKED ME ABOUT THIS SETTLEMENT, I SAID THAT'S CONFIDENTIAL, I SIGNED A CONFIDENTIALITY AGREEMENT, I CAN'T DISCUSS IT. THE FAMILIES ALL SIGNED IT IT'S JUST A THING, AND AH, THEN THEY WERE GETTING FRUSTRATED BECAUSE THEY THOUGHT THAT OUR WORK AT THE FARM WAS A BRIBE OR HAD SOMETHING TO DO WITH YOU HELPING ME WITH OPIC. THIS WAS THE IMPRESSION I GOT BECAUSE THESE LETTERS THEY WERE SHOWING THAT. I SAID WELL COONGESSMAN REALLY DIDN'T **KNOW ANYTHING ABOUT THE OPIC DEAL. THIS WAS AL ?????? DEAL.**

BUILDERS FOR PEACE AND TRAFICANT CAME OUT AT A LATER DAY, YOU DIDN'T EBEN KNOW I WAS WORKING ON IT AT THAT TIME.

JT: I KNOW.

PB: AND I SAID AH, THERE JUST APPLES AND ORANGES, THAY DON'T HAVE ANY RELATIONSHIP. THEY SAID "WELL YOU DON'T DO PORCHES." AND I SAID "WELL YOU KNOW, THE GUY CALLED ME, I'M NOT GOING TO TURN HIM DOWN AND I JUST DID THE WORK AND AH..(CUT OFF)

JT: YOU TOLD THEM THAT I CALLED YOU, RIGHT?

PB: I EXPECTED TO PAID AND WILL BE PAID THAT'S, I BELIEVE THE GUY. I, IT TOOK ME TEN YEARS TO COLLECT FROM THE AH...(CUT OFF)

JT: BUT DIDN'T I, DIDN'T I OFFER YOU WHEN WE FIRST TALKED ABOUT IT, SAID DO YOU WANT PART INTEREST IN A HORSE, AND YOU SAID NO I DON'T WANT THAT.

PB: THAT'S RIGHT.

JT: BUT I DID AT LEAST MAKE AN OFFER DIDN'T I?

PB: ABSOLUTELY.

JT: OKAY. WELL THE BOTTOM LINE IS THOUGH, YOU GOT TO GIVE YOUR IMPRESSIONS. YOUR IMPRESSION WAS..(CUT OFF)

PB: HONESTLY AND BELIEVE ME JIM, I, YOU KNOW, THEY WERE BEATING ON ME.

JT: PETE THEY ARE PROBABLY GOING TO INDICT EVERYBODY BECAUSE THAT'S THE PRESSURE GAME THEY ARE USING, BUT HERE'S WHAT I'M TELLING YOU. WHAT I AM SAYING IS, IS YOUR IMPRESSIONS WERE THAT IF YOU LIED YOU'D HAVE NO TROUBLE, AND THAT'S GOT TO COME OUT IN YOUR TESTIMONY.

PB: NO, IT'S NOT LIE, BUT THEY WANTED ME TO TELL THE STORY...(CUT OFF)

JT: THE WAY THEY WANTED IT.

PB: THE WAY THEY WANTED IT.

JT: THE WAY THEY COULD USE IT AGAINST ME.

PB: THAT'S AH, THAT...(CUT OFF)

JT: BUT THAT WOULD TECHNICALLY BE A WHAT?

PB: BUT I SAID TO THEM THAT'S NOT THE TRUTH. THE TRUTH IS WHAT I TOLD YOU. I'M NOT GOING TO HAVE...(CUT OFF)

JT: THAT THEY CONTINUED TO TRY AND GET YOU BUT DID YOU GET THE MESSAGE FROM YOUR EXPERIENCE, THAT IF YOU TOLD THEM THE WAY THEY WANTED TO HEAR IT, YOU'D HAVE NO MORE PROBLEMS.

PB: THAT'S RIGHT.

JT: AND IF YOU DIDN'T, THAT YOU WOULD END UP IN A LONG PROTRACTED LEGAL PROBLEM WITH THEM.

PB: WHICH IS STILL, WHICH IS STILL A POSSABILITY.

JT: BUT YOU WOULD SAY THAT THOUGH, RIGHT? YOU'D TESTIFT TO THAT?

PB: WELL I UNDERSTOOD, I'M BIG ENOUGH TO KNOW THAT...(CUT OFF)

JT: WELL THE JUDGE, SHE'S GONNA BE WITH THEM. SHE'S GONNA SAY WELL THEY NEVER THREATENED YOU DID THEY MR. BUCHEIT? THAT TYPE OF SHIT. AND WHAT I'M GONNA COME BACK WITH, SAY THERE'S TWO TYPES OF THREATS MR. BUCHEIT. I GUY SAYS LOOK, I GOT THIS GUN AND I'M GONNA SHOOT YOU. AND THERE IS ANOTHER GUY THAT PUTS IN YOUR MIND THAT IF YOU DON'T DO WHAT HE WANTS HE'S GONNA GET A GUN AND SHOOT YOU. ISN'T THAT A FACT?

PB: ASK DID YOU FEEL THREATENED, AND I'LL SAY I CERTAINLY DID.

JT: AND DID YOU FEEL THREATENED THAT...(CUT OFF)

PB: SHE ASKS ME WAS I THREATENED, I'M GOING TO SAY NO.

JT: BUT DID YOU FEEL THREATENED?

PB: THAT'S THE KEY TO IT.

JT: YEA, AND WHY DID YOU FEEL THREATENED? AND THEN, AND THEN THE POINT IS...(CUT OFF)

PB: YOU KNOW I DON'T WANT YOU TO PUT WORDS IN MY MOUTH.

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 8 of
Telephone Conversation with Harry Manganaro of January 27, 2002

Transcript Follows:

CONVERATION BETWEEN JAMES A. TRAFICANT, JR AND HERRY MANGANARO
SUNDAY, JANUARY 27, 2002
APPROXIMATLEY 8:55 A.M.

JT: THIS IS WHAT, THE TWENTY-SEVENTH? SUNDAY, JANUARY TWENTY SEVENTH? OKAY NOW, HARRY DO YOU WANT TO SPELL YOUR LAST NAME?

HM: MANGANARO.

JT: MANGANARO. YEA. WE'VE KNOWN EACH OTHER FOR A LOT OF YEARS, BUT YOU WORK FOR DAVE SUGAR RIGHT? YOU USED TO?

HM: I USED TO.

JT: AND ON OR ABOUT THE TIME THAT DAVE AH, HAS GONE THROUGH THIS ORDEAL WITH ME, YOU WERE HIS EMPLOYEE?

HM: YEA, WHEN I WAS THERE I WAS JUST A CONSULTANT ON DEMOLITIONS.

JT: YEA, YOU WANNA MOVE A LITTLE CLOSER? AND YOU REALIZE WE ARE TAPING THIS CONVERSATION?

HM: YES.

JT: OKAY. AH, IN FACT, YOU MENTIONED, THERE, YOU CAME TO ME YESTERDAY TO MY HOUSE AT ABOUT WHAT, 10:00? THIS IS THE FIRST YOU DIVULGED THAT INFORAMTION TO ME.

HM: RIGHT.

JT: OKAY. AND YOU REALIZE I REPRESENT MYSELF, I'M MY OWN ATTORNEY.

HM: I DO.

JT: NOW, I'VE ASKED YOU TO MEET ME HERE TODAY AND YOU TOLD ME THAT BASICALLY DAVE SUGAR HAD MADE STATEMENTS TO YOU RELATIVE TO THIS CASE. I WANT YOU TO JUST IN SHORT, BRIEF TERMS TELL ME WHAT DAVE SUGAR SAID.

HM: WELL FIRST OF ALL, HE HAD PEOPLE COMING IN, THEY CAME IN TWO TIMES.

JT: WHO WERE THE PEOPLE?

HM: THAT WAS THE FBI PEOPLE. I DON'T KNOW EXACT NAMES.

JT: THAT'S FINE.



07/10/02 WED 08:06 FAX 043

HM: THE FIRST TIME THEY CAME IN THEY WERE QUESTIONING WHAT HE DID FOR AH, YOU AND (SOUNDS LIKE TRANSPORT MACHINERY) AND AH, THEY DIDN'T CHARGE YOU FOR IT . AND DAVE IS BAD ON KEEPING SOME RECORDS AND THINGS LIKE THAT. THERE WAS STUFF ON MY DESK WHERE I DIDN'T EVEN BILL PEOPLE YET, BUT I GOT THE BILLS. AND HE PROBABLY HAD YOUR BILLL ON THERE TOO. AND THEY WERE AWARE OF THAT, BASICALLY THEY LEFT THAT TIME. THEN THEY CAME BACK WHEN DAVE WASN'T THERE AND THEY WENT THROUGH THE WHOLE OFFICE, AND AH (UNINTELLIGABLE)

JT: WELL, WHAT THEY DID TO HIM WAS THEY CHARGED HIM WITH SOME OFFENSE INVOLVING ME, QUITE FRANKLY I'M NOT EVEN UP TO DATE ON HIS OFFENSE, BUT THEN AT SOME POINT HE SAID TO YOU THAT HE HAD TO MAKE STATEMENTS.

HM: RIGHT, BASICALLY THEY TOLD HIM THAT IF HE DOESN'T COOPERATE WITH THEM, HE WAS GOING TO GET HIS WIFE INVOLVED AND AH, HIS SON INVOLVED WITH THE BUSINESS AND EVERYTHING LIKE THAT SO, HE DIDN'T WANT ANYBODY ELSE TO GET INVOLVED WITH BUSINESS OR HE PLEADED GUILTY, HE DOESN'T WANT TO GET HIS WIFE INVOLVED AND HAVE PROBLEMS. THEY GAVE HIM THE OPPORTUNITY.

JT: WHO IS THEY AGAIN?

HM: THEY IS THE FBI.

JT: NOW, DID AH, .

HM: I KNOW ONE THING, HE HAS BEEN NERVOIUS EVER SINCE THEN CAUSE THEY'VE GOT THE THREAT OF GOING TO JAIL OVER HIS HEAD AND AH.

JT: IF HE DON'T DO WHAT?

HM: IF HE DOESN'T COOPERATE.

JT: DID HE TELL YOU THAT, WELL WHAT DID HE TELL YOU, DID HE TELL YOU HE BROKE THE LAW WITH ME, WHAT WAS THE STAEMENTS TO YOU?

HM: BASICALLY HE DON'T FEEL THAT HE BROKE THE LAW BECAUSE AH, YOUR DAD AND HIS DAD WERE FRIENDS FOR YEARS AND YEARS. AND HE THOUGHT HE WAS HELPING A FRIEND BUT HE DID SAY THAT WHATEVER HE DID FOR YOU, HE WAS PAID BECAUSE HE HAD GOTTEN SOME MONEY ; I'M NOT SURE OF AN EXACT AMOUNT, I DON'T KNOW FOURTEEN, EIGHTEEN HUNDERED DOLLARS, SOMETHING LIKE THAT, PLUS A PIANO THAT'S WORTH MORE THAN WHAT THESE PEOPLE ARE SAYING.

JT: WELL, HE MENTIONED TO YOU THAT IT WAS AN EIGHTEEN FIFTY-SIX STEINWAY THAT WAS REGISTERED IN THE BOOK?

HM: RIGHT, I MOVED IT OUT OF YOUR HOUSE.

JT: YEA, AND IT WAS REGISTERED IN THE BOOK ONLY TWO MADE IN EIGHTEEN FIFTY-SIX, BUT THERE WAS OTHER ANTIQUES TOO. DID YOU HELP MOVE THOSE THINGS FROM THE BARN AND FROM THE HOUSE.

HM: YES I DID, YOU HAD THEM IN THE BARN, WE WENT TO THE BARN, WE GOT STUFF UP IN THE ATTIC.

JT: THERE WERE SEVERAL OTHER ANTIQUE PIECES THAT HE HAD TAKEN, BUT BASICALLY ALL HE DID THERE, WAS HE LAID, YOU GUYS SPREAD THE CONCRETE, HE DID NOT HAVE ANYTHING TO DO WITH PAYING FOR THE CONCRETE.

HM: NO, HE DIDN'T BUY THE CONCRETE. THE CONCRETE WAS BOUGHT BY A GUY IN STRUTHERS, I BELIEVE IT WAS.

JT: T.C. READY MIX DELIVERED IT. AND AH, I PAID T.C. READY MIX AND HE HAD NOTHING TO DO WITH PAYING THAT. BUT THE POINT I'M MAKING IS, DID HE SAY LOOK, I HAD TO LIE OR THEY WERE GOING TO PUT ME IN JAIL, BRING MY SON INVOLVED.

HM: YEP.

JT: TELL ME EXACTLY WHAT HE SAID.

HM: THAT'S WHAT HE SAID. WHAT YOUR SAYING IS THAT HE WAS DEATHLY AFRAID THAT THEY WERE GOING TO BRING HIS SON IN, HIS WIFE IN, AND AH, IF HE DIDN'T COOPERATE WITH THEM, HE WAS GOING TO GO TO JAIL.

JT: AND BY COOPERATING, WHAT DOES THAT MEAN?

HM: WELL BY COOPERATING, RIGHT NOW HE IS NOT IN JAIL.

JT: YEA, BY TELLING THEM...

HM: WHATEVER THEY WANT TO HEAR, HE HAD TO TELL THEM. AND AT THIS POINT, HE IS STILL WORRIED ABOUT GOING TO JAIL, BECAUSE IF HE DOESN'T COOPERATE IN THE COURTHOUSE HE HAS GOT THAT THREAT LINGERING OVER HIS HEAD ABOUT GOING TO JAIL.

JT: WHEN DID HE TELL YOU THIS, DO YOU RECALL?

HM: OH, IT HAD TO BE AFTER THE SECOND MEETING WITH THE FBI. I CAN'T GIVE YOU A SPECIFIC DATE, BUT IT WAS RIGHT AFTER THAT. IT WAS ACTUALLY BEFORE HE WENT TO JAIL ON AH, ANOTHER OFFENSE, I THINK THEY HAD SOMETHING WITH HIS OLD DUI.

JT: AGAINST THE FATHER? DAVE SENIOR?

HM: DAVE SENIOR, YEA HE HAD ONE.

JT: YEA HE HAD ONE TOO.

HM: AND THEY PUSHED THAT ISSUE.

JT: THEY WERE PUSHING THAT. BUT THEY INDICTED HIM ON, WAS SUPPOSEDLY HE BACKDATED A BILL TO ME AND HE SUPPOSEDLY SAID HE DIDN'T BACKDATE THE BILL, AND THEN THEY FOUND THAT HE DID BACKDATE A BILL OR WHATEVER THE HELL IT WAS AND THEY WERE GOING TO GET HIM FOR PERJURY, THAT WAS TECHNICALLY THE COUNT SO, IS THAT WHAT YOU RECALL?

HM: RIGHT, BUT THE BILL, AS I SAID BEFORE, DAVE WAS BAD, HE'LL DO WORK FOR OTHER, AN DHE EVEN EXPLAINED TO THE FBI PEOPLE THAT HE HAS DONE WORK FOR NEW MIDDLETOWN AND DIFFERENT THINGS LIKE THAT, AND HE'LL FORGET TO SEND A BILL, OR HE'LL HAVE IT OUT BUT HE WON'T PUT A DATE ON IT AND IT MIGHT BE A MONTH LATER THAT HE'LL DECIDE TO PUT A DATE ON IT TO SEND IT FOR WHEN HE DID THE WORK. AND IT'S BACKDATED, BUT ON THE SAME TOKEN, AH, A LOT OF TIMES ITS JUST FORGETFULNESS.

JT: BUT AH, EVIDENTALLY DAVE WAS CONCERNED CAUSE HE KNEW THEY WERE AFTER ME SO, HE SAID THAT HE DIDN'T BACKDATE THE BILL RIGHT?

HM: RIGHT. CORRECT.

JT: AND THAT WAS THE TECHNICALITY THAT GOT HIM INDICTED.

HM: RIGHT THAT WAS JUST...

JT: BULL SHIT?

HM: HIM PROTECTING AN OLD FRIEND, THAT'S WHAT IT AMOUNTS TO. MYSELF, FOR THE PETTY LITTLE THING THAT HE DID, I DON'T THINK THAT....

JT: BUT HE SAID TO YOU THAT HE FELT BAD THAT HE HAD TO DO THIS, BECAUSE IT WASN'T TRUTHFUL, AND HE AND I DID NOTHING ILLEGAL, IS THAT IN FACT WHAT HE SAID?

HM: THAT'S IT. BECAUSE THE POINT IS THAT YOU KNOW, HE CAN'T FIGURE OUT WHY HE CAN'T HELP PEOPLE AND STILL GET SOME MONEY FOR IT, WHICH HE DID, AND AH, GET IN TROUBLE FOR DOING SOMETHING HE DIDN'T DO.

JT: THERE WERE NO INTENTIONS TO DO SOMETHING FOR ME BECAUSE I WAS DOING SOMETHING OR HELPING HIM.

HM: RIGHT.

JT: THAT'S EXACTLY WHAT HE SAID?

07/10/02 WED 08:08 FAX 048

HM: THAT'S ABOUT THE EXTENT OF IT. AND EVER SINCE THEN HE HAS BEEN REALLY WORRIED.

JT: I KNOW HE FEELS BAD. EVERYBODY IS SAYING YOU CAN SEE HE DON'T WANT TO DO WHAT THEY ARE FORCING HIM TO DO. BUT HE IS FORCED TO THIS, IS THAT WHAT HE TOLD YOU?

HM: THAT'S IT.

JT: AND WERE HE NOT BEING FORCED WITH THESE TECHNICALITIES, HE WOULD TELL THE TRUTH IN CLEVELAND, WOULDN'T HE?

HM: YEA HE WOULD.

JT: AND HE'S STILL REAL WORRIED THAT HE MAY TELL THE TRUTH AND IF HE DOES, THEY ARE GOING TO SEND HIM TO JAIL, DON'T THEY?

HM: THAT'S THE PROBLEM RIGHT NOW THAT DAVE HAS. IF HE TELLS THE TRUTH, HE GOES TO JAIL, IF HE LIES ABOUT IT HE GOES TO JAIL. HE'S CAUGHT IN A NUTSHELL AND HE DON'T KNOW WHICH WAY TO GO.

JT: HE HAS TO GO THE WAY THEY WANT HIM THOUGH, DON'T HE?

HM: YOU GOT THAT RIGHT.

JT: BUT HE TOLD YOU THAT EXPLICITLY?

HM: YES HE DID.

JT: AND YOU ARE WILLING TO TESTIFY TO THAT?

HM: YES I WILL.

JT: THANK YOU HARRY, I THINK TODAY IS SUNDAY, JANUARY, WHAT'S THE DATE, THE TWENTYSEVENTH?

HM: THE TWENTY SEVENTH I THINK.

JT: IS THERE ANYTHING ELSE YOU WANT TO SAY HARRY?

HM: AH, NOT REALLY, UNLESS YOU WANT TO HEAR ABOUT THAT AH,..

JT: ABOUT THE CITY OF YOUNGSTOWN AND THEIR DEALS THEY HAD GOING, NO. THAT'S SOMETHING THAT, I GOT AN INVESTIGATION GOING ON AND I MAY GO OVER THAT WITH YOU AT SOME POINT, BUT RIGHT NOW, I'M MORE CONCERNED ABOUT HIS CASE HERE AND WHAT THEY HAVE DONE WITH WITNESSES.

HM: ONE MORE ABOUT DAVE, YOU KNOW THAT HE DOESN'T NEED ANY TROUBLE.

07/10/02 WED 08:08 FAX 047

JT: HE CERTAINLY DOESN'T NEED ANY TROUBLE, IS THAT WHAT YOU SAID?

HM: NO HE'S A VERY GOOD GUY, HARD WORKER AT TIMES, AND HE'S STILL A GOOD GUY.

JT: I KNOW THAT.

HM: I DON'T BELIEVE THAT BY HIM SUPPOSEDLY TALKING TO YOU ABOUT OUT OF TOWN PEOPLE AT ONE TIME FOR A JOB, COULD JUSTIFY ALL THE PROBLEMS THAT HE HAS COMING.

JT: YEA, AND HE IN FACT WAS RIGHT THE RIGHTFUL BIDDER. AND THERE WAS SOME HANKY PANKY IN THE CITY WASN'T THERE?

HM: THERE DEFINITELY WAS.

JT: AND HE TOLD IT TO ME DIDN'T HE?

HM: YES HE DID.

JT: AND I LOOKED INTO IT.

HM: YES YOU DID, AND THERE WAS NOTHING PROMISED, ANYWHERE ALONG THE LINE.

JT: AND AS SOON AS I LOOKED INTO IT, THEY CHANGED THE WHOLE BALL GAME DOWN THERE DIDN'T THEY?

HM: RIGHT. THEY GOT SOME OUT OF TOWN FIRM THAT WENT BANKRUPT.

JT: THE OUT OF TOWN FIRM DID GO BANKRUPT DIDN'T THEY?

HM: YEA THEY DID, I WENT TO THE AUCTION.

JT: WELL THANK YOU HARRY, I APPRECIATE YOU COMING TO ME BY YOUR OWN VOLITION.

HM: YES I DID.

JT: THANK YOU AND THIS IS SUNDAY, JANUARY TWENTY SEVENTH, APPROXIMATELY EIGHT FIFTY-FIVE A.M., IS THAT THE TIME YOU GOT? EIGHT FIFTY-FIVE A.M., ALRIGHT.

07/10/02 WED 08:09 FAX 048

1286

RESPONDENT'S EXHIBIT

Respondent's Tape Recording No. 9 of
Telephone Conversation with James Kerchum of April 26, 2001

No Transcript Provided by Respondent

JAMES A. TRAFICANT, JR.
17TH DISTRICT, OHIO

2446 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5261

125 MARKET STREET
ROOM 311
YOUNGSTOWN, OH 44503
(330) 743-1914

5555 YOUNGSTOWN-WARREN ROAD
SUITE 503
NILES, OH 44446
(330) 652-5649

109 WEST 3RD STREET
EAST LIVERPOOL, OH 43920
(330) 385-5921

Congress of the United States
House of Representatives
Washington, DC 20515–3517

July 17, 2002

The Honorable Joel Hefley, Chairman
Committee on Standards of Official Conduct
HT-2 Capitol
Washington, DC 20515

Dear Chairman Hefley:

In response to Congressman LaTourette's request, I am submitting for the record, the complete filing of Mr. Detore's motion to dismiss based on violation of his Fifth Amendment rights pursuant to an immunity agreement with the government.

To clarify for Congressman LaTourette and the other Subcommittee Members, an original immunity agreement letter was sent to Mr. Detore's attorney, Lawrence Huntsman. The text of the agreement was identical to the agreement of Capri Cafaro, which was subject of office discussion at U.S. Aerospace Group (USAG). Mr. Detore, through his attorney, requested a stronger immunity agreement before proffering information to the Government. The original document is not available to me at this time.

The amended and final immunity agreement, dated and signed by both parties on August 18, 2000, is the document you were delivered this morning. I have submitted the complete filing for the purpose of assisting the Subcommittee in examining the testimony of Richard Detore.

Finally, I would ask the Subcommittee to give its full consideration of this material as it speaks to the protection of one American citizen, Mr. Richard Detore.

Respectfully,

James A. Traficant, Jr.
Member of Congress

Enclosure

THIS STATIONERY PRINTED ON PAPER MADE OF RECYCLED FIBERS

Detore's motion to dismiss based on violation of his fifth amendment rights pursuant to immunity agreement with the government

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.
ATTORNEYS AT LAW
ROBERT S. STRAUSS BUILDING
1333 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036
(202) 887-4000
FAX (202) 887-4288
www.akingump.com

AUSTIN
BRUSSELS
DALLAS
DENVER
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NORTHERN VIRGINIA
PHILADELPHIA
SAN ANTONIO
WASHINGTON, D.C.

RIYADH (AFFILIATE)

DIRECT DIAL NUMBER 202-887-4209
E-MAIL ADDRESS epeterson@akingump.com

February 22, 2002

VIA OVERNIGHT COURIER

Ms. Lynn Campbell
338 United States Courthouse
201 Superior Avenue
Cleveland, Ohio 44114-1201

Re: *United States v. Richard E. Detore*
Case No. 4:01 CR 207

Dear Ms. Campbell:

Pursuant to our conversations today, I am enclosing a corrected original page 8 and original page 14 of the Memorandum of Points And Authorities In Support Of Richard E. Detore's Motion To Dismiss Count 3 Of The Superseding Indictment. In addition, as you requested, I am enclosing an original page 5 of Richard E. Detore's Reply To The Government's Response To His Motion For Production Of Certain Grand Jury Testimony And Interview Memoranda.

Thank you so very much for you assistance in this matter.

Sincerely,

Elizabeth C. L. Peterson

cc: Mr. Richard E. Detore
Craig S. Morford, Esq.
James A. Traficant, Jr.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Criminal No. 4:01CR207
	)	
Plaintiff,	)	Judge Lesley Brooks Wells
	)	
vs.	)	
	)	
RICHARD E. DETORE,	)	
	)	
Defendant.	)	
	)	

RICHARD E. DETORE'S MOTION TO DISMISS
COUNT 3 OF THE SUPERSEDING INDICTMENT

Defendant Richard E. Detore, by and through undersigned counsel, respectfully moves this Court to dismiss the charges against him alleged in Count 3 of the Superseding Indictment that was returned on October 26, 2001. As demonstrated in the attached Memorandum Of Points And Authorities In Support Of Richard E. Detore's Motion To Dismiss The Indictment Against Him, in clear violation of Mr. Detore's Fifth Amendment and Due Process rights, the Government used the information provided by Mr. Detore to the Government pursuant to an immunity agreement to construct the charges against Mr. Detore. As Count 3 is patently based upon the information Mr. Detore provide to the government, the government cannot demonstrate that its evidence against Mr. Detore was not directly or indirectly derived from the immunized information and testimony it obtained from Mr. Detore. Accordingly, the Government's

evidence must be suppressed and the charges against Mr. Detore dismissed. In the alternative, a hearing should be held at which the government must prove that its evidence against Mr. Detore is not indirectly or directly traceable to the immunized information provided the government by Mr. Detore.

Accordingly, Mr. Detore respectfully requests this Court to dismiss Count 3 of the Superseding Indictment.

Respectfully submitted,

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.

By: _____

John M. Dowd
Bar No. 003525
James C. Osborne, Jr.
Bar No. 384814
Elizabeth C. L. Peterson
Bar No. 460259

Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1333 New Hampshire Avenue, N.W.
Washington, DC 20036
(202) 887-4000

Dated: February 21, 2002

Counsel for Richard E. Detore

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Criminal No. 4:01CR207
	)	
Plaintiff,	)	Judge Lesley Brooks Wells
	)	
vs.	)	
	)	
RICHARD E. DETORE,	)	
	)	
Defendant.	)	
	)	

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF RICHARD E. DETORE'S MOTION TO DISMISS COUNT 3 OF THE SUPERSEDING INDICTMENT

INTRODUCTION

Defendant Richard E. Detore, by and through undersigned counsel, respectfully moves this Court to dismiss the charges against him alleged in Count 3 of the Superseding Indictment that was returned on October 26, 2001 (referred to generally herein as "Count 3"). Count 3 must be dismissed because, in clear violation of Mr. Detore's Fifth Amendment and Due Process rights, the United States ("the government") used the information provided by Mr. Detore to the government pursuant to an immunity agreement to construct the charges against Mr. Detore. The government cannot demonstrate that the evidence it intends to present at Mr. Detore's trial was not directly or indirectly derived from the immunized information and testimony it obtained

from Mr. Detore. Accordingly, the government's evidence must be suppressed and the charges against Mr. Detore dismissed.

STATEMENT OF FACTS

I. Background

A pilot and physicist by training and education, from September of 1995 through May 1997, Richard Detore was employed by LaserLine Corporation ("LaserLine"). See Declaration Of Richard E. Detore (Feb. 21, 2002) at ¶ 4, attached hereto as Ex. A ("Detore Declaration"). LaserLine had obtained the rights to market a commercial version of a laser system used by the United States military to guide aircraft landings in reduced visibility conditions. See id. The FAA identified Mr. Detore to LaserLine's management as someone who could guide LaserLine through the complicated process of obtaining the FAA certifications required before LaserLine could market the laser technology commercially. See id. at ¶ 5. Initially working as a consultant for LaserLine, in 1996 Mr. Detore assumed the position of LaserLine's Senior Vice President. See id. at ¶ 6.

In or about November 1996, the Cafaro Company and John J. ("J.J.") Cafaro became investors in LaserLine. See id. at ¶ 7. Subsequently, in or about 1997, J.J. Cafaro and the Cafaro Company formed U.S. Aerospace Group, L.L.C. ("USAG"), and acquired the rights to market the laser guidance system, locating its operations in the Manassas, Virginia area. See id. Recognizing that Mr. Detore, who holds several patents on laser navigation technology, was an invaluable asset in the further development and certification by the FAA of the laser technology, J.J. Cafaro asked Mr. Detore to enter into an employment agreement with the Cafaro Company whereby Mr. Detore would serve as the Chief Operating Officer of USAG. See id. at ¶ 8. While negotiating the potential agreement with the Cafaro Company, Mr. Detore relied upon the advice

of an attorney who had represented Mr. Detore in other matters, James J. Harney, Esquire. See id. at ¶ 9; Declaration of Richard E. Detore (Jan. 24, 2002) at ¶ 3, attached hereto as Ex. B and attached as Ex. C to Mot. For Production Of Grand Jury Testimony And Interview Mem. Mr. Detore ultimately reached an agreement with the Cafaro Company, relocated his family to Virginia, and thereafter served as USAG's Chief Operating Officer from in or about August 1997 through March 6, 2000. See Detore Declaration at ¶ 10.

Soon after beginning his position with USAG, Mr. Detore discovered that the Cafaro Company and, specifically, J.J. Cafaro, routinely failed to meet its financial obligations to its officers, employees, and vendors. See id. at ¶ 11. Indeed, the Cafaro Company failed on several occasions to make payments to Mr. Detore that were required by the terms of his employment agreement. See id. Perhaps not surprisingly, tensions gradually mounted between Mr. Detore and J.J. Cafaro and other principals of the Cafaro Company. Mr. Detore recognized that FAA certification would only be obtained if USAG maintained a reputation for honesty and fair dealing, and therefore insisted on operating the business with integrity. See id. at ¶ 12. As a consequence of their vast differences of opinion on how USAG's affairs should be managed, Mr. Detore' relationship with the principals of the Cafaro Company continued to deteriorate until March 6, 2000, when the Cafaro Company terminated Mr. Detore's employment. See id. at ¶ 13.

Shortly thereafter, Mr. Detore retained Attorney Larry Huntsman and on May 4, 2000, commenced a civil action against the Cafaro Company in Fairfax County Circuit Court, seeking damages for its breach of Mr. Detore's employment agreement. See id. at ¶ 14; Complaint (May 4, 2000), attached hereto as Ex. C. As Mr. Detore's civil suit progressed, the Cafaro Company principals, including J.J. Cafaro and Capri Cafaro, mounted a smear defense against Mr. Detore, falsely accusing him of stealing money and equipment from the Cafaro Company, and falsifying

the paperwork related to his home mortgage. See Detore Declaration at ¶ 15. The Cafaro Company principals went so far as to threaten all USAG employees with immediate termination if they did not perpetuate the false accusations against Mr. Detore. See Email from Albert Lange to Richard Detore (Mar. 11, 2000), attached hereto as Ex. D.

II. Mr. Detore Provides The Government With Information, Documents, And Testimony Pursuant To An Immunity Agreement

In or about August 2000, without any prior notice, FBI agents arrived at Mr. Detore's home. The FBI agents indicated that they were seeking information about the relationship between USAG, J.J. Cafaro, and Congressman Traficant. See Detore Declaration at ¶ 16. They advised Mr. Detore that he was not a target of the investigation. See id. Mr. Detore informed the FBI agents that he was represented by counsel, Larry Huntsman, and the FBI agents requested that Mr. Detore have Mr. Huntsman contact them. See id.

Mr. Huntsman contacted the FBI and subsequently spoke with Mr. Morford. Mr. Morford reiterated that he was seeking information from Mr. Detore as to the relationship and dealings between USAG, J.J. Cafaro, and Congressman Traficant. See Detore Declaration at ¶ 17. Through Mr. Huntsman, Mr. Detore agreed to cooperate with Mr. Morford in exchange for immunity from prosecution. See id. at ¶ 18. Specifically, Mr. Detore agreed to assist with the investigation by submitting a written proffer to Mr. Morford. See id. at ¶ 19. Mr. Morford identified certain topics about which he sought Mr. Detore's knowledge and asked that Mr. Detore cover these issues in his written proffer. See id. In particular, Mr. Morford sought information from Mr. Detore regarding: 1) the boat that Albert Lange, an engineer with USAG, sought to purchase from Congressman Traficant; 2) the aluminum welder and generator that J.J. Cafaro purchased in the summer of 1999; and 3) certain vehicles Congressman Traficant obtained through J.J. Cafaro. See id.

On August 18, 2000, Mr. Morford provided to Mr. Huntsman a letter granting Mr. Detore immunity for the information Mr. Detore was to provide ("the immunity agreement"). See Letter from C. Morford to L. Huntsman (Aug. 18, 2000), attached hereto as Ex. E. The immunity agreement expressly stated that Mr. Detore was "not a target" of the investigation, and provided Mr. Detore with immunity from the use of this information against him. See id. at 1.

Pursuant to this immunity agreement, by an August 29, 2000 letter from Mr. Huntsman to Mr. Morford, Mr. Detore provided information on the subjects previously enumerated by Mr. Morford. See Proffer Letter (Aug. 29, 2000) attached hereto as Ex. F. Mr. Morford received the written proffer without objection and never indicated that he doubted the veracity of any of the statements made by Mr. Detore in the written proffer. Nor did Mr. Morford indicate that Mr. Detore's status as a "not a target" of the investigation had changed as a result of the proffer. See Detore Declaration at ¶ 20.

Thereafter on March 1, 2001, again through Mr. Huntsman and pursuant to the immunity agreement, Mr. Detore provided Mr. Morford several documents that Mr. Detore had obtained through discovery in his civil suit against the Cafaro Company. See id. at ¶ 21. Included among these documents were Albert Lange's agreement with Mr. Traficant to purchase Mr. Traficant's boat and checks from J.J. Cafaro's account evidencing the advances on Mr. Lange's bonus compensation that were given to assist Mr. Lange in paying for expenses associated with the repair of the boat. See Documents Provided by Mr. Detore to Mr. Morford, attached hereto as Ex. G. Once again, neither Mr. Morford nor any other government officer suggested that there were any concerns about the information Mr. Detore had provided to the government or that Mr. Detore's status with respect to the investigation had changed.

Shortly after Mr. Huntsman provided the documents to Mr. Morford on behalf of Mr. Detore, Mr. Morford interviewed Mr. Detore on March 8, 2001. See F.B.I. 302 of Richard Detore (Mar. 8, 2001), attached hereto as Ex. H; Detore Declaration at ¶ 22. At that interview, Mr. Morford explicitly stated that the August 18, 2000 immunity agreement remained in force and would govern the information provided by Mr. Detore during the interview. See FBI 302 of Richard Detore (Mar. 8, 2001) at 1, Detore Declaration at ¶ 22. Mr. Morford and Assistant United States Attorney Matthew Kall proceeded to question Mr. Detore for several hours. Specifically, they asked Mr. Detore about the following subjects:

- Mr. Detore's employment agreement with the Cafaro Company and his related lawsuit against the Cafaro Company that was pending in Virginia state court;
- the contacts Mr. Detore had with Mr. Traficant while Mr. Detore was the COO of USAG;
- the sale of Traficant's boat to USAG engineer Albert Lange and USAG's compensation of Lange;
- USAG's purchase of an aluminum welder and generator and the circumstances leading to Traficant's custody of these machines; and
- Meals attended by Mr. Traficant and paid for by USAG.

See FBI 302 of Richard Detore (Mar. 8, 2001); Detore Declaration at ¶ 23. The government did not question or challenge the veracity of the facts provided by Mr. Detore. See FBI 302 of Richard Detore (Mar. 8, 2001); Detore Declaration at ¶ 24. As discussed infra,[1] to the contrary, the information provided by Mr. Detore to the government is expressly set out in Count 3 of the original Indictment of Congressman Traficant, and repeated in Count 3 of the Superseding Indictment returned against Mr. Traficant and Mr. Detore on October 26, 2001.

[1] See discussion infra at pages 14 – 15.

III. J.J. Cafaro Admits To The Allegations Set Forth In Count 3 And The Government Begins To Pursue Mr. Detore

On May 4, 2001, a ten-count indictment was returned against Mr. Traficant. On that same date, J.J. Cafaro entered a plea to a criminal information admitting his guilt to the facts alleged in Count 3 of the original Indictment against Mr. Traficant, and reiterated in the Superseding Indictment. See Criminal Information Against J.J. Cafaro (May 4, 2001). Mr. Cafaro entered his plea pursuant to an agreement to cooperate with the government. See, e.g., Transcript of Proceedings Of Feb. 13, 2002, United States v. Traficant, at 42. Shortly thereafter, on May 22, 2001, Jay Harney, counsel to Mr. Detore, appeared before the Federal Grand Jury in response to a subpoena, and was compelled to give testimony in violation of Mr. Detore's attorney-client privilege on subjects concerning the confidential affairs of Mr. Detore. See generally Detore's Mot. For Production Of Grand Jury Testimony And Interview Mem. (Jan. 25, 2002) and exhibits thereto; Detore's Reply To Government's Response To Detore's Mot. For Production Of Grand Jury Testimony and Interview Mem. (Feb. 5, 2002); Detore's Mot. To File Exs. *In Camera* And Under Seal (Feb. 5, 2002) and exhibits thereto.

Immediately following his grand jury appearance, Mr. Harney contacted Mr. Detore and warned him of what was made evident during Mr. Harney's appearance: having obtained a plea and the cooperation of J.J. Cafaro, the government was now pursuing Mr. Detore. See Detore Declaration at ¶ 25; Notes of Jay Harney's Grand Jury Appearance, attached as Ex. B19 to Detore's Mot. To File Exs. *In Camera* And Under Seal (Feb. 5, 2002). Mr. Harney advised Mr. Detore that Mr. Morford questioned Mr. Harney about Mr. Detore's employment agreement witl the Cafaro Company and echoed the accusations that the Cafaro Company principals were making in defense to Mr. Detore's civil suit — i.e., that Mr. Detore had obtained his employmer

agreement and the mortgage for his home through fraud. See Detore Declaration at ¶ 25. Accordingly, Mr. Harney advised Mr. Detore to seek new counsel, and recommended John Nassikas of the firm of Arent Fox. See id. On June 7, 2001, Mr. Detore retained Mr. Nassikas to represent him in this investigation. See id.

Mr. Detore became aware that throughout the month of June 2001, Mr. Nassikas had several conversations with Mr. Morford during which Mr. Morford expressed concern about the civil action Mr. Detore had commenced against his new witness. See id. at ¶ 26. Mr. Detore also learned that during these conversations, resolving the civil suit through a dismissal, nonsuit, or settlement was suggested. See id.

Mr. Morford interviewed Mr. Detore again on June 25, 2001, in the offices of Arent Fox. This interview lasted approximately eight (8) hours. See Detore Declaration at ¶ 27; FBI 302 of Richard Detore (July 6, 2001), attached hereto as Ex. J. The interview was conducted pursuant to the immunity agreement. See Detore Declaration at ¶ 27. During the afternoon session, Mr. Detore was questioned for several hours about his employment agreement with the Cafaro Company. As in Mr. Harney's grand jury appearance, it was evident that Mr. Morford was adopting the positions espoused by the Cafaro Company principals in their defense against Mr. Detore's civil action. See id. at ¶ 28. Mr. Morford also questioned Mr. Detore about the same subjects covered by the written proffer and during Mr. Detore's March 8, 2001 interview: i.e., the relationship between Mr. Cafaro and Mr. Detore; the boat transaction; the $26,000 paid for the boat; the $8,000 check Mr. Detore received, endorsed, and gave to Al Lange for the expenses associated with repairing the boat; and the $12,000 check Mr. Detore cashed and gave to Capri Cafaro for Walt Ellison. See id. at ¶ 29.

In no uncertain terms, Mr. Morford made clear that Mr. Detore needed to change his claim that he knew of no acts of corruption involving Mr. Traficant, J.J. Cafaro, and USAG, and began to exert pressure to convince Mr. Detore to do so. See id. at ¶ 30. For example, Mr. Morford advised Mr. Detore's attorneys, Mr. Nassikas and Ms. English, that the IRS had subpoenaed Mr. Detore's financial records and intended to conduct a full-fledged investigation of Mr. Detore. See id. at ¶ 31. Mr. Morford stated that he had told the IRS agents to hold off their investigation but could not continue to do so unless Mr. Detore started to remember the acts of corruption between Traficant, J.J. Cafaro, and USAG. See id. Mr. Morford also raised the issue of Mr. Detore's ongoing civil suit against the Cafaro Company, again suggesting that the case needed to be resolved. See id.

IV. Mr. Detore Nonsuits His Civil Action Against the Cafaro Company

It was no accident that following J.J. Cafaro's plea, Mr. Morford continued to raise the issue of Mr. Detore's civil suit against the Cafaro Company in discussions with Mr. Detore and Mr. Detore's attorneys. Nor was it an accident that Mr. Morford spent a substantial portion of the June 25, 2001 interview questioning Mr. Detore about his employment agreement with the Cafaro Company — an issue that had no relevance to the investigation of Mr. Traficant. Indeed, Mr. Detore's civil case presented a serious problem for the government. On the one hand, the government had J.J. Cafaro — a witness with a reputation for ties to organized crime and who had committed perjury during a previous federal trial — who would testify that the corruption and bribery alleged in Count 3 occurred. On the other hand, the government had the immunized testimony of Mr. Detore that no corruption occurred. The ability of the government to present a credible case on Count 3 was in serious doubt. And, to compound the government's difficulties,

the immunized witness against the government's case was engaged in a bitter lawsuit against the government's key witness.

Mr. Detore knew that his attorney, Mr. Nassikas, had engaged in conversations both with Mr. Morford and with J.J. Cafaro's attorney wherein nonsuiting Mr. Detore's civil case was suggested. See Detore Declaration at ¶ 26. Mr. Detore also knew that during his June 25, 2001, interview the government indicated that it wanted Mr. Detore to resolve his civil suit. See id. at ¶ 31. In addition, Mr. Detore knew that the government was undertaking several measures to convince Mr. Detore to align his position with J.J. Cafaro's testimony, including threats of an investigation by the Internal Revenue Service of Mr. Detore's finances, and the interview and subpoena of Mr. Detore's attorney, Mr. Jay Harney. See id. at ¶¶ 25, 31. In light of these pressures and the government's apparent concern over the conflict Mr. Detore's suit presented to the government's case, Mr. Detore concluded that his civil suit must be dismissed. Accordingly, Mr. Detore non-suited the Virginia action in August 2001, in order to assist the government and, he thought, to maintain his status as a witness in the Traficant investigation. See id. at ¶ 32.

V. Mr. Detore Is Indicted For The Acts Alleged In Count 3 — Acts And Conduct Based Upon Mr. Detore's Immunized Testimony

On October 26, 2001, an indictment was returned against Mr. Detore. Count 3 of the Superseding Indictment — the only Count alleged against Mr. Detore — remained the same in all significant respects to Count 3 of the original Indictment returned against Mr. Traficant, which was clearly based upon the immunized information Mr. Detore provided to the government.[2] In other words, Mr. Detore was charged with acts for which he, under a grant of immunity, provided the government evidence and information. The indictment came without providing Mr. Detore any documentation indicating that his status had changed from that of a

[2] See discussion infra at pages 14 – 15.

witness or that the immunity agreement was no longer in force, and without allowing Mr. Detore to present his case to the grand jury. Each of these failures represent significant departures from the accepted course of conduct for prosecutors and deviations from the procedures specified in the United States Attorneys' Manual. See United States Attorneys' Manual (June 2000) at 9-11.151 through 9-11.153 (describing procedures for notifying targets of an investigation and allowing for grand jury testimony).

ARGUMENT

I. Information Or Testimony Provided By A Witness Pursuant To A Grant Of Immunity May Not Be Used By The Government As Evidence Against That Witness

The Fifth Amendment to the Constitution of the United States provides that no person "shall be compelled in any criminal case to be a witness against himself." U.S. CONST. AMEND. V. In order to overcome a witness' Fifth Amendment privilege or to induce a witness to waive this privilege, however, the government may grant the witness immunity from prosecution that is based upon information or testimony provided by the witness. See, e.g., United States v. Kastigar, 406 U.S. 441, 453 (1972); United States v. Ford, 176 F.3d 376, 381 (6th Cir. 1999); United States v. Fitch, 964 F.2d 571, 574 (6th Cir. 1992); United States v. North, 910 F.2d 843, 853-54 (D.C. Cir. 1990), cert. denied, 500 U.S. 941 (1991). A witness' Due Process rights require "the government to adhere to the terms of any immunity agreement it makes." Fitch, 964 F.2d at 576 (citations omitted).

In the unusual case in which the government subsequently prosecutes an individual after the individual has been granted immunity, the court must ensure that the individual's Fifth Amendment privilege against self-incrimination and Due Process rights have been adequately protected. Accordingly, where, as here, a witness raises immunity as a defense, the defendant

"need only show that he testified under a grant of immunity in order to shift to the government the heavy burden of proving that all of the evidence it proposes to use was derived from legitimate independent sources."[3] United States v. Streck, 958 F.2d 141, 144 (6th Cir. 1992). Moreover, where a witness who has been provided immunity is subsequently prosecuted for acts relating to the immunized testimony, the government must demonstrate that "its evidence against the witness is neither directly nor indirectly traceable to the immunized testimony." Id. (citing United States v. Pennell, 737 F.2d 521, 528 (6th Cir. 1984), cert. denied, 469 U.S. 1158 (1985)). The government must make this proof at a hearing at which "the prosecution bears the burden of affirmatively proving" the legitimate, non-immunized sources of the proposed evidence. See, e.g., United States v. Ford, 176 F.3d 376, 381 (6th Cir. 1999) (describing a Kastigar hearing).

II. Mr. Detore Testified Under a Grant of Immunity

Here, Mr. Detore clearly meets the minimal showing required by a defendant claiming immunity as a defense. As demonstrated above, Mr. Detore was provided immunity by the government pursuant to the August 18, 2000 immunity agreement. This immunity agreement governed the written proffer and documents provided by Mr. Detore through his attorney, Mr. Huntsman, and was reaffirmed and applied to the information Mr. Detore provided to the government during the March 8, 2001 interview and reiterated during the June 25, 2001 interview. As statements obtained pursuant to a grant of immunity, the government is prohibited from using them against Mr. Detore. Accordingly, the government now bears the "heavy" burden of affirmatively proving that the evidence it will use at trial against Mr. Detore is neither

[3] Kastigar involved a grant of statutory immunity pursuant to 18 U.S.C. §6002, rather than immunity granted directly by a prosecutor. See Kastigar, 406 U.S. at 442. Prosecution after an informal grant of immunity will still trigger a Kastigar hearing, notwithstanding the different bases of the immunity power. See United States v. Dudden, 65 F.3d 1461, 1469 (9th Cir. 1995).

"directly nor indirectly traceable" to the immunized information, documents, and testimony provided by Mr. Detore. Streck, 958 F.2d at 144.

Mr. Detore fully complied with the terms of his immunity agreement. Indeed, Mr. Detore went above and beyond the obligations that can reasonably be imposed by the government upon a cooperating witness. At the prosecutor's urging, Mr. Detore non-suited his civil suit against the Cafaro Company. Taking this step resulted in great harm to Mr. Detore because it denied him the opportunity to pursue his claims and potentially recover in excess of $3 million in damages — funds which he could have used to pay the legal fees associated with defending against this criminal charge. Mr. Morford, however, clearly benefited from Mr. Detore's non-suit of the civil action in that Mr. Morford no longer had an immunized witness at bitter odds with the key witness for his case.

Mr. Detore relied on the government's assurances that he was "not a target" of the investigation when he provided the government with the evidence that is now being used against him. Furthermore, he certainly would not have non-suited his civil case but for the fact that he believed such action was a prerequisite to maintaining his status as a witness. Stated differently, Mr. Detore's acts of providing the government with extensive information and then non-suiting his civil suit evidence Mr. Detore's reasonable belief that he was not a target of the investigation. Yet, with no written notice to him, the government simply abrogated the immunity agreement, and failed to follow the established Department of Justice procedures to notify Mr. Detore that he had become a target of the grand jury investigation. This course of conduct by the government manifests a profound disregard for Mr. Detore's Fifth Amendment and Due Process rights.

III. The Allegations Set Forth In Count 3 Are Patently Traceable To The Information Provided To The Government By Mr. Detore

Even a cursory review of Count 3 of the original Indictment returned against Mr. Traficant and reiterated in the Superseding Indictment reveals that the allegations that make up Count 3 are based upon or derived from the immunized testimony, documents, and information provided by Mr. Detore. In fact, the information provided by Mr. Detore appears directly in the indictment itself:

A. The Purchase of Meals by USAG

During the March 8, 2001 interview, Mr. Detore discussed meals attended by Traficant and paid for by USAG. See Detore Declaration at ¶ 23. This information appears in Count 3. See Superseding Indictment (Oct. 26, 2001) at 18-19.

B. The Boat Transaction

In his written proffer and in the March 8, 2001 and June 25, 2001 interviews, Mr. Detore provided the government with extensive testimony about Albert Lange's intended purchase of Traficant's boat, including a detailed account of Lange's request for an advance on his bonus to pay for repairs that were being performed on the boat. See Detore Declaration at ¶¶ 19, 23, 28; FBI 302 of Richard Detore (Mar. 8, 2001), attached hereto as Ex. H; Proffer Letter (Aug. 29, 2000) attached hereto as Ex. F. In addition, in March 2001, Mr. Detore provided documents to the government that were related to the boat transaction, including: 1) a copy of the $8,000 check made payable to Mr. Detore that Mr. Detore endorsed and gave to Mr. Lange for the boat repairs; 2) the cashiers check for $26,948.18 for the boat loan pay-off; and 3) copies of the checks or receipts thereof of monies given to Albert Lange to reimburse him for expenses associated with the boat. See Documents Provided by Mr. Detore to Mr. Morford, attached hereto as Ex. G. Substantial portions of the allegations set forth in Count 3, including but not limited to "Overt

Acts" 4-7, 9-12, 16, and 24, were clearly based directly upon the immunized information and documents provided by Mr. Detore. See Superseding Indictment (Oct. 26, 2001) at 20-26.

C. The Aluminum Welder and Generator

Similarly, both in his August 2000 written proffer and in his March 8, 2001 interview, Mr. Detore provided the government with information concerning the alleged purchase of an aluminum welder and generator by USAG for Traficant. See Detore Declaration at ¶¶ 19, 23; FBI 302 of Richard Detore (Mar. 8, 2001), attached hereto as Ex. H; Proffer Letter (Aug. 29, 2000) attached hereto as Ex. F. Again, the allegations included in Count 3 with respect to the welder and generator are directly traceable to the information provided by Mr. Detore to the government. See Superseding Indictment (Oct. 26, 2001) at 22, 25-26.

CONCLUSION

As stated above, Mr. Detore has met his burden of demonstrating that he provided substantial information to the government pursuant to an immunity agreement. The information Mr. Detore provided is found in Count 3 of the original and Superseding Indictments. Accordingly, the government now faces the burden of affirmatively proving that the evidence it intends to use against Mr. Detore was not directly or indirectly derived from or traceable to the immunized information, documents, and testimony Mr. Detore provided the government. See, e.g., Streck, 958 F.2d at 144. The government cannot meet its burden. As the foregoing demonstrates, the allegations set forth in Count 3 are clearly based upon the documents and information Mr. Detore provided to the government. Accordingly, Mr. Detore's Motion To Dismiss Count 3 Of The Superseding Indictment should be granted or, in the alternative, a hearing should be held at which the government must prove that its evidence against Mr. Detore

is not indirectly or directly traceable to the immunized information provided the government by Mr. Detore.

Respectfully submitted,

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.

By: _____

John M. Dowd
Bar No. 003525
James C. Osborne, Jr.
Bar No. 384814
Elizabeth C. L. Peterson
Bar No. 460259

Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1333 New Hampshire Avenue, N.W.
Washington, DC 20036
(202) 887-4000

Dated: February 21, 2002

Counsel for Richard E. Detore

APR. 22. 2002 10:15AM

FILED

02 APR 19 PM 2:53

NORTHERN DISTRICT OF OHIO
CLEVELAND

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Case No. 4:01CR207
	)	
Plaintiff	)	JUDGE LESLEY WELLS
	)	
vs.	)	
	)	
RICHARD B. DETORE	)	
	)	
Defendant	)	

GOVERNMENT'S RESPONSE TO DEFENDANT'S MOTION TO DISMISS COUNT 3 OF THE SUPERSEDING INDICTMENT

The United States of America, through its undersigned counsel, hereby responds to Defendant's Motion to Dismiss Count 3 of the Superseding Indictment. Defendant's motion misrepresents the scope of his agreement with the United States, which clearly provided that the government could make derivative use of any statements he made. As a result, he is not entitled to dismissal of Count 3.

I. FACTS

Defendant Richard B. Detore never received immunity. What he received, at his attorneys' request, was a standard proffer letter, attached as Exhibit F to his motion, that would have been unnecessary if he was actually immunized.

Defendant Detore was first contacted by the FBI in August, 2000. At that time, he was provided with an advice of rights form stating:

1. The Grand Jury is conducting an investigation of possible violations of federal criminal laws.
2. You may refuse to answer any question if a truthful answer to the question would tend to incriminate you.
3. Anything that you do say may be used against you by the Grand Jury or in a subsequent legal proceeding.
4. If you have retained counsel, the Grand Jury will permit you a reasonable opportunity to step outside the Grand Jury room to consult with counsel if you so desire.

Detore informed the FBI agents that he was represented by Attorney Lawrence Huntsman.

Shortly thereafter, counsel from the U.S. Attorney's Office contacted Attorney Huntsman and advised him that the government was investigating the extent and nature of the relationship between Congressman Traficant and Detore's former employer, U.S. Aerospace Group ("USAG"). Attorney Huntsman was further advised that Mr. Detore was not considered a target of the investigation. Because the government did not consider Mr. Detore a putative defendant a that time, Attorney Huntsman was advised that the government was seeking to obtain any information Mr. Detore might have regrading the investigation, and Attorney Huntsman stated that Mr. Detore wished to provide information to the government through a written proffer. The government then sent Attorney Huntsman a proffer letter, specifically setting forth the following terms and conditions:

> Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information.

(emphasis added). Attorney Huntsman and Mr. Detore signed this proffer letter, which included an acknowledgment that they agreed to the terms of the proffer agreement and that Attorney Huntsman had advised his client of his rights under the Fifth and Sixth Amendments to the United States Constitution. The government provided a number of documents to Attorney Huntsman in order to inform him of what the government already knew and the topics about which Detore would be asked.

Subsequently, on or about August 29, 2000, Attorney Huntsman sent a written proffer statement to the U.S. Attorney's Office, describing his client's supposed recollection of certain areas of inquiry. The government met with Attorney Huntsman on February 21, 2001, to outline several areas of concern in which the government suspected that Mr. Detore was being untruthful. On March 1, 2001, Attorney Huntsman provided some documents to the government that Attorney Huntsman had obtained from the Cafaro Company through civil discovery. The government had already served Cafaro Company with a subpoena for production of such documents.

The U.S. Attorney's Office interviewed Detore on March 8, 2001, in the presence of Attorney Huntsman, pursuant to the terms of the August 18, 2000 proffer agreement. After that meeting, the U.S. Attorney's Office advised Detore, through Attorney Huntsman, that, based on the information obtained from other sources, documentary evidence, and Detore's inability to provide credible explanations for his conduct, he was now a target of the grand jury's investigation. Detore's attorney was informed that the government intended to ask the grand jury to indict him for charges associated with his relationship with Congressman Traficant.

On or about June 6, 2001, the government was informed that Detore retained new

counsel, John Nassikas, Esq., of Arent Fox Kintner Plotkin & Kahn, PLLC, in Washington, D.C. The government also advised Attorney Nassikas that the government would seek to indict Detore. Attorney Nassikas requested an opportunity to review the documents, speak to his client and possibly set up another proffer session. The government agreed, sent copies of several relevant documents to Attorney Nassikas, and set up a proffer session for June 25, 2001. Mr. Detore was represented by Attorney Nassikas and his associate, Attorney Caroline English, at that proffer session. This second oral proffer session was also conducted under the terms and conditions of the original August 18, 2000 proffer letter, providing that the government could not use Mr. Detore's statements directly against him, but could make derivative use of such statements and pursue any investigative leads.

Following that meeting, the government again advised Attorney Nassikas that it was not willing to immunize Detore and intended to ask the grand jury to return an indictment. The attorneys discussed various options under Rule 11, but were unable to resolve the matter. Plea negotiations ceased in late July, 2001, and Attorney Nassikas requested that if the government did indict Detore, that he be permitted to surrender without arrest. The government agreed to that request.

On or about August 6, 2001, the government was informed that Detore had once again retained new counsel. This time, the government received a call from Preston Burton, Esq., of the law offices of Plato Cacheris, in Washington, D.C., stating that he and Attorney Cacheris had been retained to represent Detore. The government had several conversations with Attorney Burton, sent him copies of many relevant documents, and, once again, advised him that the government would seek to indict Detore. Attorney Burton agreed that, based on the government

and his client's inability to reach any agreement in the prior instances, that it would not be in hi client's best interests to meet with the government again until an indictment was returned. Mr. Burton also requested that, upon indictment, Mr. Detore be permitted to surrender without arres The government agreed to allow Mr. Detore to do so.

Despite Defendant Detore's current argument that he was immunized, all three of his previous attorneys were advised that the government intended to seek his indictment. Moreover Defendant Detore himself was aware that he would be indicted and had not received immunity. In a tape recording of an August 1, 2001 conversation that Congressman Traficant submitted in support of his Motion to Remove AUSA Craig S. Morford, Detore stated that he had been advised he would be indicted:

> Mr. Detor[e]: He told me that he had me on perjury, although I've never provided a statement to him. They said that I'm wearing Union pants (UNINTELLIGIBLE), and I either need to become wise and tell them what they want to hear, or they're going to name me August 15 as a co-conspirator.
> ****
> I've been threatened with the IRS. They told me that the IRS was immediately going to investigate me and that they were holding the IRS off, and I've been threatened with going and being six weeks in trial. They realize that I would lose my security licenses and I would lose my (UNINTELLIGIBLE) license if their were any kind of a Federal charge if found guilty, which would reasonably come, in all likelihood.

See Congressman Traficant's August 28, 2001 Motion (emphasis added).

II. ARGUMENT

Defendant Detore misrepresents the scope of his proffer letter agreement with the U.S. Attorney's Office. Despite clear language in the letter stating that "the government may make derivative use of any statement or other information provided by you and your client under the

terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information," he argues that the government may not make derivative use of his statements or pursue leads.

Statutory immunity may only be conferred by a United States District Judge under the terms of 18 U.S.C. §§ 6002-6003. Defendant Detore does not claim that he received statutory immunity in this case.

The "immunity" Detore claims is based solely on the terms of the August 18, 2000 proffer letter. Numerous courts have examined similar agreements and rejected the argument that such proffer letters confer immunity on a defendant. For example, in United States v. Chiu, 109 F.3d 624 (9th Cir. 1997), the defendant agreed to provide information to the government under a proffer agreement. The government agreed not to use any information from the proffer against the defendant in the case-in-chief, but reserved the right to make derivative use of the defendant's statements. The defendant argued that the charges against him should have been dismissed because the government used his statements to prepare government witnesses for cross-examination. The Ninth Circuit disagreed. "The terms of the proffer agreement make clear that the government could use the information gained during the proffer session in almost any way except by offering [defendant's] statements as evidence in the government's case-in-chief." 109 F.3d at 626. The language of the proffer agreement in Chiu and the present case are virtually identical. While the Ninth Circuit holds that informal immunity agreements such as proffer agreements "presumptively" include derivative use immunity, see United States v. Plummer, 941 F.2d 799, 805 (9th Cir. 1991), the Chiu court held that the plain language of the proffer agreement in that case made clear that the government did not promise derivative use

immunity. Similar language is used in Defendant Detore's proffer agreement.

The Eleventh Circuit reached a similar result in United States v. Pielago, 135 F.3d 70 (11th Cir. 1998). In that case, defendant Verona claimed the government breached the terms proffer agreement it had with her. Verona claimed that through her proffer, the government acquired information regarding another witness, Hechavarria. Verona argued that because Hechavarria testified against her, the government breached the proffer agreement. However in the present case, the proffer agreement contained a provision allowing the government to derivative use of the defendant's statements from the proffer. The Eleventh Circuit held tha using Verona's statements to get another person to cooperate was not improper, and the pro agreement only limited the government from introducing the defendant's own statements a her in the case-in-chief at trial. 135 F.3d at 709-711.

Likewise, the Seventh Circuit has held that a proffer conducted under terms simila one in the present case does not confer the immunity Defendant Detore is seeking. In Uni States v. Lyons, 670 F.2d 77 (7th Cir. 1982), the AUSA handling the case conducted a pr session and, rather than using a written agreement, orally promised the defendant that his would not be used against him directly, but the government would be free to follow any l provided against the defendant or anyone else. The defendant argued that evidence shou been suppressed that was derived as a result of this proffer, but the Seventh Circuit disa held that, given the promises made by the government, derivative use immunity had not conferred on the defendant. 670 F.2d at 80.

Similarly, in United States v. Romano, 583 F.2d 1 (1st Cir. 1978), the defendan proffer under an agreement that permitted derivative use. Even though the defendant v

subsequently granted statutory immunity, the Court of Appeals held that the government could use the statements from the proffer against the defendant. Id., at 5-6.

These cases, as well as the cases cited by Defendant Detore, all state the same proposition of law regarding proffer agreements. The law is clear that proffer agreements are "contractual in nature, and subject to contract law standards." See, e.g., United States v. Fitch, 964 F.2d 574 (6th Cir. 1992); Pielago, 135 F.3d at 709. The contractual agreement between Defendant Detore and the government clearly and explicitly provides that his statements may not be used against him, but the government may make derivative use of such statements and may pursue leads suggested by such statements. Defendant Detore's current argument, that the government must prove that its evidence is neither "directly nor indirectly traceable" to the proffered statements, (Motion at 13), ignores the plain language of the agreement between the parties.

As long as the government does not attempt to use Defendant Detore's statements (for example, as statements of a party opponent) or documents he produced against him, he has no claim that the terms of the proffer agreement were breached. However, the government is permitted to obtain the documents or information from other sources without violating the terms of the proffer agreement.

The cases cited by Defendant Detore have little, if any, relevance to the present issue of the terms of the August 18, 2000 proffer. Instead, Defendant Detore is attempting to bolster his argument by citing a number of cases discussing statutory use immunity[1] (which includes

---

[1]United States v. North, 910 F.2d 843 (D.C. Cir. 1990), vacated in part, 920 F.2d 940, 951 (D.C. Cir. 1990), involved statutory immunity pursuant to 18 U.S.C. § 6002. So did United States v. Sirock, 958 F.2d 141 (6th Cir. 1992).

protections against derivative use). Statutory immunity includes derivative use immunity. See 18 U.S.C. § 6002. Since the August 18, 200 proffer agreement at issue in the present case clearly spells out that the government may make derivative use of any information obtained from Defendant Detore, these cases have little, if any, relevance.

III. CONCLUSION

The terms of the proffer agreement between Defendant Detore and the government are clear: the government may not introduce Defendant Detore's statements against him at trial, but the government is entitled to make derivative use of the statements and pursue investigative leads. Since the government has not introduced Defendant Detore's statements against him, the government has not violated the terms of the proffer agreement. Accordingly, his motion to dismiss should be denied.

Respectfully submitted,

EMILY M. SWEENEY
UNITED STATES ATTORNEY

Craig S. Morford (# 0010303-98)(Ind.)
E-Mail: Craig.Morford@usdoj.gov

Matthew B. Kall (# 0067299)
Assistant U.S. Attorneys
1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600
(216) 622-3600
E-Mail: Matthew.B.Kall@usdoj.gov

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Criminal No. 4:01CR207
	)	
Plaintiff,	)	Judge Lesley Wells
	)	
vs.	)	
	)	
RICHARD E. DETORE,	)	
	)	
Defendant.	)	
	)	

RICHARD E. DETORE'S REPLY TO THE UNITED STATES' RESPONSE TO HIS MOTION TO DISMISS COUNT 3 OF THE SUPERSEDING INDICTMENT

INTRODUCTION

Defendant Richard E. Detore has moved this Court to dismiss the charges against him alleged in Count 3 of the Superseding Indictment that was returned on October 26, 2001. As demonstrated in Mr. Detore's opening Memorandum of Points and Authorities, Count 3 must be dismissed because in violation of Mr. Detore's Fifth Amendment and Due Process rights, the United States ("the government") constructed the indictment against Mr. Detore from the testimony and information provided to the government by Mr. Detore pursuant to an immunity agreement.

In its Response, apparently conceding that it used information obtained from Mr. Detore to develop its case against him, the government now endeavors to revise the plain terms of Mr. Detore's August 2000 immunity agreement. First, the government makes the ludicrous assertion that Mr. Detore "never received immunity," Gov't Response at 1, because the immunity agreement permits the government to make "derivative use" of and "pursue any investigative leads suggested by" the information provided by Mr. Detore. See Detore's Motion To Dismiss Count 3 ("Detore's Mot.") at Ex. F. Yet what the government fails to address is the fact that in drafting the immunity agreement, it failed to state that such "derivative use" could be made against Mr. Detore. As established caselaw — indeed, the same caselaw upon which the government purports to rely — makes clear, if the government sought to make derivative use of the information obtained from Mr. Detore against Mr. Detore himself, it had to expressly carve this specified use of Mr. Detore's testimony out of the immunity agreement. This the government did not do.

Second, the government asserts that at certain times it advised Mr. Detore and/or his counsel that an indictment would be returned against him. Even assuming *arguendo* that the government's assertion is true, the fact remains that the government never rescinded the immunity agreement and in fact continued to obtain information and testimony from Mr. Detore subject to the terms of the immunity agreement. Accordingly, whether Mr. Detore or his counsel was threatened with indictment is irrelevant. Beginning in August 2000 and continuing through June 2001, the government obtained information and testimony from Mr. Detore that the government agreed it would not use directly or derivatively against Mr. Detore. But in violation of the plain terms of the immunity agreement, and of Mr. Detore's Fifth Amendment and Due Process rights, the government used the information Mr. Detore provided the government to

construct the charges against Mr. Detore. The charges alleged against Mr. Detore in Count 3 must therefore be dismissed.

DISCUSSION

A. The Plain Language Of The Agreement Makes Clear That Derivative Evidence Could Not Be Used Against Mr. Detore

Informal immunity agreements are presumed, as a matter of law, to confer upon a witness immunity from both direct and derivative use of the information and testimony provided by the witness to the government. See United States v. Plummer, 941 F.2d 799, 805 (9th Cir. 1991) (immunity agreement "presumptively includes derivative use immunity, unless the government can demonstrate in a given case that . . . it expressly clarified that only direct use immunity was offered"). Therefore, if the government intends to provide a witness with something less than direct and derivative use immunity, it must do so in explicit, express terms. See id. Here, the government did not carve out the right to make derivative use of Mr. Detore's testimony and information against Mr. Detore. Instead, consistent with the government's promise that Mr. Detore was "not a target" of the investigation, the immunity agreement provided as follows:

> First, your client must be completely truthful, candid and forthright at all times during the proffer process; failure to do so could subject him to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue investigative leads suggested by any such statements or information.

Detore's Mot. at Ex. F. No where did the government reserve the right to make derivative use of the information or testimony provided by Mr. Detore against Mr. Detore. The immunity agreement plainly states only that the government may make "derivative use" and "pursue investigative leads." Id. Moreover, the immunity agreement states that this "derivative use" may

be made of the information provided by Mr. Detore "pursuant to the terms of this proffer letter." Id. These "terms" included the government's confirmation that Mr. Detore was "not a target," and its agreement that so long as Mr. Detore did not change his testimony and was not prosecuted for false statements or perjury, the statements and information provided by Mr. Detore could not be introduced against him. Id.

In stark contrast, the immunity agreements involved in the case law upon which the government relies expressly reserved the right to use evidence against a witness in explicit terms. In United States v. Chiu, 109 F.3d 624 (9th Cir. 1997), defendant Chiu's immunity agreement explained in painstaking detail the circumstances in which the government would use defendant Chiu's statements and information against him and the manner in which such information could be used. See id. at 626 Far from being — as the government contends — "virtually identical" to Mr. Detore's immunity agreement, defendant Chiu's immunity agreement expressly reserved the right to make derivative use of the information provided by Mr. Chiu against Mr. Chiu:

> (2) Except as otherwise provided . . . the government will not offer in evidence in its case-in-chief or at the time of his sentencing, any statements made by your client at the meeting;
> (3) Notwithstanding paragraph two above, the government may use (a) information derived directly or indirectly from the meeting for the purpose of obtaining and pursuing leads to other evidence, which evidence may be used for any purpose, including any prosecution of your client by the government, and (b) statements made by you or your client and all evidence obtained directly or indirectly from those statements for the purpose of cross-examination should your client testify, or to rebut any evidence, argument or representation offered by or on behalf of your client in connection with the trial or at any sentencing proceeding, or in any other prosecution of your client . . . ."

Id. (emphasis added). The Chiu Court noted that unless the government expressly states otherwise, immunity agreements are presumed to include both immunity from direct and derivative use of a witnesses' testimony against that witness. See id. (quoting Plummer,

941 F.2d at 805). The Chiu court held, however, that by the above language the government expressly conferred upon defendant only direct use immunity. See id.; see also United States v. Pielago, 135 F.3d 703, 710 (11th Cir. 1998) (immunity agreement expressly stated was derivative information could be used against the witness as follows: "The government also expressly reserves the right to pursue any and all investigative leads derived from [the witness's] statements or information and use such derivative evidence in any criminal or civil proceeding against her and/or others") (emphasis added).

In United States v. Plummer, 941 F.2d 799, 803 (9th Cir. 1991), the Ninth Circuit considered an immunity agreement that provided that "statements made will not be used in any subsequent prosecution of [Plummer]. . . . . If the government elects to prosecute Mr. Plummer anything said during the interview on 10/29/85 will not be used against him or to incriminate him." Reversing the District Court, the 9th Circuit held that this agreement failed to expressly reserve for the government the right to make derivative use of Mr. Plummer's statements against him, and that to reserve derivative use against a witness, the agreement must have "expressly clarified" that only direct immunity was provided.[1] Id. at 805.

In arriving at its holding, the Plummer court distinguished Plummer's agreement from that of the agreement concerned in the Seventh Circuit's decision in United States v. Lyons, 670 F.2d 77 (7th Cir.), cert. denied, 457 U.S. 1136 (1982), another case relied upon here by the government. In Lyons, the Seventh Circuit was persuaded by the prosecutor's testimony that he told the defendant and defendant's counsel that "the government would be free to follow any

[1] The Plummer Court's conclusion is consistent with the teachings of the Supreme Court's decision in Kastigar. In Kastigar, the Supreme Court held that both use and derivative use immunity are required to compensate for the loss of the Fifth Amendment privilege against self-incrimination when testimony is compelled. See Kastigar v. United

leads provided by [Lyons] against [Lyons] or anyone else involved in the investigation." Id. at 80 (emphasis added). The Lyons Court thus determined that the government had expressly provided that derivative evidence could be used against defendant Lyons. See id.[2]

The immunity agreement provided by Mr. Detore does not even come close to the detailed, express terms used by the government in the agreements concerned in Chiu and Lyons. Indeed, not unlike the terms of the agreement at issue in Plummer, the government here plainly failed to clarify its now professed intent to confer only direct use immunity upon Mr. Detore. The plain language of the immunity agreement demonstrates that the immunity agreement conferred both direct and derivative use immunity upon Mr. Detore.

B. The Government Is Bound By The Terms Of The Agreement It Made

As the government concedes, an immunity agreement is likened to a "contract" between a witness and the government, and is generally interpreted according to basic principles of contract law. See United States v. Fitch, 964 F.2d 571, 574 (6th Cir. 1992). The entry into an immunity agreement has significant implications for a witness because, as consideration for the immunity agreement, the witness relinquishes his Fifth Amendment rights. See Kastigar, 406 U.S. at 453. Not surprisingly, then, the Constitution requires that the government be held to the bargain it makes when it negotiates for the surrender of a witness' Fifth Amendment rights. See Fitch, 964 F.2d at 576 ("Due Process requires the government to adhere to the terms of any immunity

---

States, 406 U.S. 441, 453 (1972). Accordingly, the federal immunity statute, 18 U.S.C. §6002, provides immunity from both direct use and derivative uses of compelled information. See 18 U.S.C. §6002 (West 2002).

[2] Another case cited by the government, United States v. Romano, 583 F.2d 1 (1st Cir. 1978), is plainly inapposite. Contrary to the government's characterization, there is in fact no mention by the Romano Court of any agreement governing Romano's proffered testimony, let alone an "agreement that permitted derivative use." Gov't Response at 7. Instead, the Romano Court held that the immunity conferred upon Romano with respect to his Senate testimony did not retroactively immunize his previous proffer to the government. See Romano, 583 F.2d at 5.

agreement it makes"); see also Lyons, 670 F.2d at 80 ("any agreement made by the government must be scrupulously performed and kept").

The terms of Mr. Detore's agreement are plain. The government agreed that, so long as Mr. Detore was "truthful candid, and forthright" it would not make either direct or derivative use of the information provided by Mr. Detore against him. Certainly, if the agreement provided, as the government now apparently asserts, that any information provided by Mr. Detore could be used against him so long as the government could corroborate the information with another source, the protection afforded Mr. Detore would be largely illusory. If that was the bargain the government was giving Mr. Detore in exchange for his agreement to give up his Fifth Amendment rights, the government was required to make such terms clear. In fact, even assuming *arguendo* that the terms of Mr. Detore's immunity agreement were ambiguous, that ambiguity must be resolved against the government. See United States v. Dudden, 65 F.3d 1461, 1467 (9th Cir. 1995) ("If there is any ambiguity in the language of the immunity agreement, the ambiguity will be resolved against the government"). But by the plain language of Mr. Detore's immunity agreement, the government was prohibited from making derivative use against Mr. Detore of the information and testimony he provided.

Further, the government is held to the remedies for breach of the agreement that it specified in Mr. Detore's immunity agreement. See Fitch, 964 F.2d at 576. Notably, the immunity agreement did not provide that the terms of the immunity agreement would be null and void if the government believed that Mr. Detore was providing false information to it. Further, despite its claim that it advised Mr. Detore and his counsel on different occasions that Mr. Detore would be indicted, the government concedes that the terms of the immunity agreement applied to all information and testimony provided by Mr. Detore to the government. See Gov't Response at

2-5. In fact, the government has never suggested that it would pursue false statements or perjury charges against Mr. Detore. **CITE. [Insert Further Discussion—not provided target letter, etc.]**

C. The Government Has Not Disputed That Information Provided By Mr. Detore Is To Be Used Against Him

As the Sixth Circuit has held, a defendant "need only show that he testified under a grant of immunity in order to shift to the government the heavy burden of proving that all of the evidence it proposes to use was derived from legitimate independent sources." United States v. Streck, 958 F.2d 141, 144 (6th Cir. 1992). The government fails to address—indeed, apparently conceded—that they used information derived from Mr. Detore's immunized testimony to indict him. Mr. Detore has met his burden, and the government has not even alleged that it has used or intends to use evidence obtained independently of the immunized testimony. Accordingly, the appropriate remedy in this instance is to dismiss the indictment. See Chiu, 109 F.3d at 626.

Respectfully submitted,

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Criminal No. 4:01CR207
	)	
Plaintiff,	)	Judge Lesley Brooks Wells
	)	
vs.	)	
	)	
RICHARD E. DETORE,	)	
	)	
Defendant.	)	
	)	

DECLARATION OF RICHARD E. DETORE

1. I, Richard E. Detore, am over 21 years of age and have personal knowledge of all the matters contained herein.

2. I have been a licensed pilot since 1981, having served as both a commercial airline pilot and a research test pilot.

3. I earned a degree in Geophysics in 1983.

4. From approximately September of 1995 until May of 1997, I worked as a consultant to LaserLine Corporation. LaserLine Corporation owned the rights to market a commercial version of a military laser system used to assist aircraft in landing during reduced visibility conditions and poor weather.

5. The Federal Aviation Administration identified me to LaserLine's management as someone who could assist the company in obtaining FAA certification of a new technology.

6. I assumed the position of Senior Vice President of LaserLine in 1996.

7. In or about November 1996, the Cafaro Company and John J. ("J.J.") Cafaro became investors in LaserLine. Mr. Cafaro subsequently formed U.S. Aerospace Group, L.L.C. ("USAG"), acquired the rights to market the laser guidance system, and located its operations in Manassas, Virginia.

8. After forming USAG, Mr. Cafaro requested that I enter into an employment agreement with the Cafaro Company whereby I would serve as Chief Operating Officer of USAG.

9. James J. Harney, a Virginia attorney, advised me in my negotiations with the Cafaro Company regarding my employment agreement. Mr. Harney served as my attorney from 1996 to 2000. I retained Mr. Harney to act as my attorney with respect to a variety of matters including: my work with Laserline Corporation, the contract on my home in Virginia, my agreement with Cafaro Corporation and work for USAG, additional issues with my home, and other personal financial matters.

10. I did in fact negotiate an agreement with the Cafaro Company and served as USAG's Chief Operating Officer from in or about August 1997 until March 6, 2000. I also relocated my family from New Jersey to the northern Virginia area.

11. Shortly after starting my new position with USAG, I learned that the Cafaro Company and J.J. Cafaro routinely failed to meet its financial obligations to its officers, employees, and vendors. On several occasions the Cafaro Company failed to make payments to me that were required by my employment agreement.

12. I always insisted on integrity in USAG's business operations. I knew that USAG could only obtain FAA certification if the company had a good reputation for honesty and fair dealing.

13. Despite my best efforts, my relationship with J.J. Cafaro and others with the Cafaro Company deteriorated because of differences of opinion as to how to manage USAG. Ultimately, the Cafaro Company terminated my employment agreement on March 6, 2000.

14. Shortly after my termination, I retained Larry Huntsman, a Virginia attorney, and on May 4, 2000 filed a civil action in Fairfax County Circuit Court against the Cafaro Company. In that complaint I sought damages for breach of my employment contract.

15. Subsequent to filing of my lawsuit, various Cafaro Company principals, including J.J. Cafaro and Capri Cafaro, falsely accused me of stealing money and equipment from the Cafaro Company, and falsifying the paperwork related to the acquisition of my home mortgage.

16. One evening in or about August 2000, two FBI agents, without any prior notice, came to my house. The two agents stated that they were looking for information relating to the relationship between USAG, J.J. Cafaro, and Congressman James Traficant. I advised them that I was represented by counsel and they requested that I have my attorney contact them. I was advised that I was not a target of the investigation.

17. My attorney, Larry Huntsman, contacted the FBI and Mr. Morford. Mr. Morford told him that he was seeking information from me regarding the relationship between USAG, J.J. Cafaro, and Congressman Traficant.

18. I, with the assistance of my attorney, Mr. Huntsman, agreed to cooperate with Mr. Morford in exchange for immunity from prosecution. Mr. Morford provided my attorney with a

letter granting me immunity and expressly providing that I was not a target of Mr. Morford's investigation.

19. Pursuant to the immunity agreement, Mr. Huntsman provided Mr. Morford with a written proffer that addressed topics identified by Mr. Morford. Specifically, the written proffer addressed Albert Lange's purchase of Congressman Traficant's boat, an aluminum welder and generator purchased by J.J. Cafaro in the summer of 1999, and certain automobiles that Congressman Traficant obtained through J.J. Cafaro.

20. I was never notified that there was ever any question about the veracity of the statements contained in the written proffer or that my status as "not a target" of the investigation had changed as a result of the proffer.

21. On March 1, 2001, my attorney provided Mr. Morford additional documents that I had obtained in the civil suit against the Cafaro Company.

22. I was interviewed by Mr. Morford and the FBI on March 8, 2001. Before the interview began, Mr. Morford specifically said that the August 18, 2000 immunity agreement was still in force and would govern whatever information I provided during the interview.

23. Mr. Morford questioned me for several hours, inquiring into the following subjects: my employment agreement with the Cafaro Company and my pending lawsuit; my contacts while Chief Operating Officer of USAG with Congressman Traficant; Albert Lange's purchase of Congressman Traficant's boat; USAG's compensation to Albert Lange; USAG's purchase of an aluminum welder and generator and Congressman Traficant's possession of these two items; and USAG's payment for meals associated with meetings with Congressman Traficant.

24. At no time during the course of the interview did Mr. Morford or any other government agent challenge the veracity of my statements.

25. Following Mr. Harney's May 22, 2001 grand jury testimony, he warned me that, based upon the questioning by Mr. Morford, it was clear to him that, having obtained a plea and the cooperation of J.J. Cafaro, the government now was pursuing me as part of its investigation. Mr. Harney further informed me that he was asked about my employment agreement with the Cafaro Company. He also told me that Mr. Morford asked questions suggesting that I had obtained my employment agreement and my home mortgage through fraud. He advised me to seek new counsel and recommended John Nassikas of the Washington, D.C. law firm of Arent Fox. On June 7, 2001, I retained Mr. Nassikas.

26. I became aware that during the month of June 2001 my attorney, John Nassikas, had several conversations with Mr. Morford in which Mr. Morford indicated concern about the civil action that I had initiated against his witness, J.J. Cafaro. I learned that resolution of the civil suit through dismissal, nonsuit, or settlement had been discussed during these conversations. I was also aware that Mr. Nassikas had discussions with counsel for J.J. Cafaro about nonsuiting the complaint I had against the Cafaro Company for breach of my employment contract.

27. On June 25, 2001, Mr. Morford again questioned me in an interview that lasted approximately eight hours. At the beginning of the interview, Mr. Morford again indicated that the interview was being conducted pursuant to the August 18, 2000 immunity agreement.

28. During the afternoon session of my June 25, 2001 interview, Mr. Morford questioned me about my employment agreement, asking questions suggesting that I had obtained my employment agreement with the Cafaro Company and my home mortgage through fraud.

29. I was also questioned about the other topics addressed by the written proffer statement and my earlier March 8, 2001 interview.

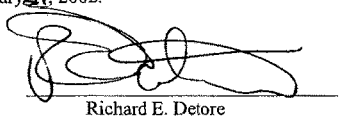
30. Mr. Morford attempted to pressure me to change my statement that I knew of no acts of corruption involving Congressman Traficant, J.J. Cafaro, and USAG.

31. I learned that Mr. Morford had advised my attorneys that the IRS had subpoenaed my financial records and intended to conduct an investigation of my financial affairs. Mr. Morford indicated that he had temporarily stopped the IRS investigation but could not continue to do so unless I began to recall the corrupt acts I had allegedly witnessed involving Congressman Traficant, J.J. Cafaro, and USAG. I learned that Mr. Morford again raised the issue of resolving the ongoing civil suit that I had against the Cafaro Company.

32. On August 17, 2001, I did nonsuit my civil complaint against the Cafaro Company for breach of my employment contract because of the government's concern about the challenge the lawsuit presented to J.J. Cafaro's credibility and to maintain my status as only a witness in continuing criminal investigation.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on February 11, 2002.



Richard E. Detore

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	Criminal No. 4:01CR207
	)	
Plaintiff,	)	Judge Lesley Brooks Wells
	)	
vs.	)	
	)	
RICHARD E. DETORE,	)	
	)	
Defendant.	)	

DECLARATION OF RICHARD E. DETORE

1. I, Richard E. Detore, am over 21 years of age and have personal knowledge of all the matters contained herein.

2. In or about 1996, I retained Mr. James "Jay" Harney as my attorney. Mr. Harney served as my attorney from 1996 to 2000.

3. I retained Mr. Harney to act as my attorney with respect to a variety of matters including: my work with Laserline Corporation, the contract on my home in Virginia, my agreement with Cafaro Corporation and work for US Aerospace Group, L.L.C., additional issues with my home, and other personal financial matters.

4. Over the course of Mr. Harney's employ as my attorney, I revealed confidential information to him. Mr. Harney and I engaged in privileged, attorney-client communications on, among others, the subjects listed above in Paragraph 3.

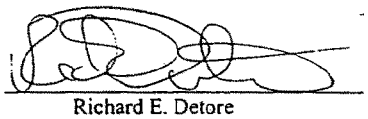
5. While Mr. Harney was employed as my attorney, he and I engaged in privileged conversations about facts and issues that relate to the matters alleged in Count 3 of the Superseding Indictment of October 26, 2001.

6. Some time prior to May 26, 2001, I became aware that Mr. Harney had been subpoenaed to testify before the federal grand jury investigating Congressman Traficant. Mr. Harney told me that he had received the subpoena and had learned that he was going to be asked about the facts surrounding a $12,000 payment from Cafaro Corporation to USAG for the benefit of Walt Elison. I was not surprised that the Government wanted to ask Mr. Harney about this matter as I had advised Assistant United States Attorney Craig Morford during my March 8, 2001 proffer session that Mr. Harney has witnessed me give the $12,000 to Capri Cafaro. I told Mr. Harney that he should tell the truth about the facts and events he witnessed with regard to the $12,000 check. At no time was I made aware that Mr. Harney would be questioned about any subjects or matters related to his role as my attorney. Mr. Harney did not request that I — nor did I ever agree to — waive my attorney-client privilege with respect to the confidential information and secrets that I disclosed to Mr. Harney.

7. At no time during or after the conversation with Mr. Harney described in Paragraph 6 above, have I ever waived my attorney-client privilege with respect to the confidential information and secrets that I disclosed to Mr. Harney.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on January 24, 2002.



Richard E. Detore

VIRGINIA:

IN THE CIRCUIT COURT OF FAIRFAX COUNTY

C

RICHARD E. DETORE,	:	
	:	
Plaintiff,	:	
	:	
v.	:	At Law No. 187995
	:	
THE CAFARO COMPANY	:	
2445 Belmont Avenue	:	
Youngstown, Ohio 44504	:	
	:	
SERVE: Clerk Virginia State	:	
Corporation Commission	:	
	:	
Defendant.	:	

MOTION FOR JUDGMENT

COMES NOW the Plaintiff Richard E. Detore, (hereinafter "DETORE"), and moves for judgment against the Defendant the Cafaro Company (hereinafter "CAFARO") on the following grounds for the following amounts:

1. Plaintiff, Detore, is a bona fide resident and domiciliary of Fairfax County and the Commonwealth of Virginia.

2. Defendant Cafaro at all relevant times was an Ohio corporation transacting business in Virginia without authorization to do so, and it has not and does not maintain a resident agent or resident office in Virginia, nor is there any director, officer or agent of the defendant corporation found in the Commonwealth.

3. This cause of action arises from the transaction of business and/or contracting to supply services or things within the Commonwealth of Virginia

COUNT I

(Breach of Oral Employment Contract)

4. The allegations of paragraph 1 and 2 are incorporated herein.

5. On or about August 1, 1997, Cafaro hired Detore to work as Chief Operating Officer of its offices in Virginia at an annual salary of $250,000.00 per year, plus incentive compensation, benefits and expenses.

6. From August 1, 1997 to July 31, 1998 Detore received $200,000.00 of the agreed salary, leaving $50,000.00 unpaid in breach of the agreement and that amount remains fully due and owing.

7. From August 1, 1998 to December 31, 1998, Cafaro failed to pay $29,166.44 of Detore's same salary, as agreed, all of which remains fully due and owing.

COUNT II

(Breach of Written Employment Contract)

8. The allegations of paragraph 1, 2, and those of Count I are incorporated herein.

9. On or about February 25, 1999 Cafaro entered into a five year employment agreement with Detore (hereinafter "Agreement"), in Fairfax City, Virginia, to be performed in the Commonwealth of Virginia commencing January 1, 1999, employing Detore as Chief Operating Officer of its offices in Virginia. A copy of that contract is attached hereto and incorporated herein as Exhibit A.

10. Pursuant to the terms of that Agreement, in February, 1999, Cafaro paid Detore $50,000.00 of the $100,000.00 guaranteed incentive compensation due Detore for the calendar year 1999.

11. In February, 2000 Cafaro paid $25,000.00 of the first $50,000.00 due for the year 2000, but failed to pay the remaining $25,000.00 owed Detore of the $50,000.00 incentive compensation payment due January 1, 2000.

12. On March 6, 2000, Cafaro unilaterally terminated Detore's employment.

13. Under the terms of the Agreement, in the event of termination of employment other than by Detore's voluntary resignation, the entire unpaid balance of the guaranteed $1,250,000.00 five years salary and the minimum guaranteed $500,000.00 incentive compensation is immediately due and payable to Detore within ten (10) days after this termination date.

14. Detore is now therefore due the remaining unpaid balance of his guaranteed $1,250,000.00 five year salary totaling $1,000,000.00 for the years 2000, 2001, 2002, and 2003, plus the balance of the guaranteed $500,000.00 "incentive compensation" for the five year term totaling $375,000.00, plus interest from March 16, 2000 until paid, plus his attorneys fees, investigative expenses, other costs reasonably incurred, and Court costs, all as provided in the Agreement.

WHEREFORE, Detore moves for judgment against Cafaro as follows:

On Count I - In the amount of $79, 166.44, plus interest at the statutory rate on $50,000.00 from July 31, 1998 until paid; and on $29,166.44 at said rate from December 31, 1998 until paid; plus Detore's attorneys fees, investigative expenses, any other costs reasonably incurred, and court costs.

On Count II - In the amount of $1,425,000.00 plus interest on $50,000.00 at the statutory rate from July 1, 1999; interest on $25,000.00 at said rate from January 1, 2000; and interest at said rate on $1,350,000.00 at said rate from March 16, 2000; all until paid, plus Detore's attorneys fees, investigative expenses, and other costs reasonably incurred, and court costs;

COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX to-wit:

I, Richard E. Detore, being first duly sworn, depose and say that the claims herein are true and correct and, that all amounts claimed are fully due and owing and there are no credits due or set-offs against them, and that Defendant is not a member of the armed forces of the United States.

Richard E. Detore

SUBSCRIBED and SWORN TO before me this 4th day of May 2000, by Richard E. Detore.

Notary Public

My Commission Expires: 3/31/02

Lawrence D. Huntsman, Esquire
Va Bar No. 8607
10368 Democracy Lane
Fairfax, Virginia 22030
(703) 591-2921
Attorney for Plaintiff

MSN Home Hotmail | Search | Shopping | Money | People & Chat | Passport sign out

msn

Hotmail gingerpig@hotmail.com

Inbox Compose Addresses Folders Options Help

Inbox

From: alange@usaerospace.com Save Address - Block Sender
To: gingerpig@hotmail.com Save Address
Date: 11 Mar 2000 07:41:48 -0800

Reply Reply All Forward Delete Previous Next Close

Rick

I hope you understand I was froced to do I what I did. I do not feel right about it but JJ said he would fire me if I did not help him got you out. I told Jim on Thursady night what had happened. JJ agreed to put $500,000. into the business to keep in running if I would agree with his story about you. You know it is important that all the employees do not loss their jobs. JJ need not want to pay you what he owed you and I know you only looked out for everyones best interest. He is trying to make me put things in writing that is untrue about you so he will not have to pay you. The office is not allowed to talk to you if anyone does he will be fired. They have threatened everyone

I hope you can understand. Everyone is very upset and are calling here about it. Noone can beleive what has happened, and all feel the business is lost. Please do not ever say I contacted you. I was not even aloud to deliver your personel items to you. JJ had us go through all your stuff and remove anything about the comapny or products.

JJ and Capri are now forcing all of us to say you were hurting the business. Everyone knows its not true. Everyone knows you were only trying to figrue out how to deal with the negitive press. You know everyone had the same concern that the article could hurt our contracts. It was no reason to fire you.

Please do not try to contact us as it will get us fired.

I am very sorry I hope you undersatnd.

Al

Reply Reply All Forward Delete Previous Next Close

(Move to Selected Folder)

Folders Options Help

U.S. Department of Justice

United States Attorney
Northern District of Ohio
Organized Crime Strike Force Unit

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

August 18, 2000

Lawrence D. Huntsman, Esq.
10368 Democracy Lane
Fairfax, VA 22030
Fax No. (703) 591-0922

Re: Richard Detore

Dear Mr. Huntsman:

I write to confirm matters about which we spoke during our telephone conversation today. As I previously advised you, we are investigating the extent and nature of relationship between your client's former employer, U.S. Aerospace, and Congressman James A. Traficant, Jr. I advised you that although your client is not a target of this investigation, we believe he may have information relevant to this inquiry. I further advised you that the government is interested in obtaining any information Mr. Detore may regarding this investigation. You advised me that you are willing to provide to me a written proffer describing Mr. Detore's knowledge of any and all dealings between Congressman Traficant and persons associated with U.S. Areospace and its related entities. The purpose of this letter is to memorialize the terms and conditions of such a proffer.

First, your client must be completely truthful, candid and forthright at all times during the proffer process; failure to do so could subject him to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information. Fourth, in the event your client ever becomes a witness in any judicial proceeding, including but not limited to testimony before a grand jury or trial, and offers testimony materially different from any statement made or other information provided during the proffer, an attorney for the government may cross-examine your client with, and introduce rebuttal evidence concerning, the statements he made and the information he

provided during the proffer. The government may also introduce against your client any statements made and information provided during the proffer in the event your client is ever charged with providing false information during the course of this proffer or is ever charged with committing perjury in any subsequent judicial proceeding. These provisions are necessary to ensure that your client does not abuse the opportunity for a proffer, does not make materially false statements during the course of the proffer and does not commit perjury while testifying in subsequent proceedings.

We trust that you will find these ground rules fair and reasonable. Please sign and have your client sign this letter where indicated below. Signing this letter will confirm that you and your client agree with and accept the terms of this letter and that you have advised your client of his rights under the Fifth and Sixth Amendments of the United States Constitution.

Please do not hesitate to call me at (216) 622-3921 if you have any questions regarding this matter.

Very truly yours,

Craig S. Morford
Assistant U.S. Attorney

APPROVED:

Richard Detore

Lawrence D. Huntsman, Esq., ATTORNEY FOR RICHARD DETORE

8/29/00
Date

LAWRENCE D. HUNTSMAN
ATTORNEY AND COUNSELOR AT LAW
10368 DEMOCRACY LANE
FAIRFAX, VIRGINIA 22030

(703) 591-2921
FAX: (703) 591-0922

F

TELECOPIER COVER LETTER

DATE: August 29, 2000

TIME: _____

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Craig S Morford

COMPANY: _____

TELEPHONE NUMBER: 216 622-3921

RECEIVING TELECOPIER NUMBER: 216 522-7358

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 10

REFERENCE: Richard Dettore

MESSAGE: _____

IF YOU DO NOT RECEIVE ALL OF THE INDICATED PAGES, PLEASE PHONE (703) 591-2921 IMMEDIATELY.

The information contained in this facsimile message is attorney privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us at the above address via the U.S. Postal Service. Thank you.

LAWRENCE D. HUNTSMAN
ATTORNEY AND COUNSELLOR AT LAW
10368-B DEMOCRACY LANE
FAIRFAX, VIRGINIA 22030

703-591-2921
FAX: 703-591-0922
E-MAIL: ldhuntsman@earthlink.net

D.C. OFFICE
SUITE 406
1101 17TH ST., N.W.
WASHINGTON, D.C. 20036
202-296-0555

August 29, 2000

Re: Richard E. Detore

Dear Craig:

Enclosed is the proffer agreement letter you sent me which has been countersigned by Richard E. Detore, and me as his attorney.

Also enclosed is my synopsis of Mr. Detore's recollections concerning the four relevant subjects to your inquiry that emerged from his stint as CEO of The Cafaro Company's aerospace and technical ventures in Northern Virginia.

Please let me know if Mr. Detore or I can be of additional assistance.

Very truly yours,

Lawrence D. Huntsman

LDH/es

cc: Richard E. Detore

U.S. Department of Justice

United States Attorney
Northern District of Ohio
Organized Crime Strike Force Unit

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

August 18, 2000

Lawrence D. Huntsman, Esq.
10368 Democracy Lane
Fairfax, VA 22030
Fax No. (703) 591-0922

Re: Richard Detore

Dear Mr. Huntsman:

I write to confirm matters about which we spoke during our telephone conversation today. As I previously advised you, we are investigating the extent and nature of relationship between your client's former employer, U.S. Aerospace, and Congressman James A. Traficant, Jr. I advised you that although your client is not a target of this investigation, we believe he may have information relevant to this inquiry. I further advised you that the government is interested in obtaining any information Mr. Detore may regarding this investigation. You advised me that you are willing to provide to me a written proffer describing Mr. Detore's knowledge of any and all dealings between Congressman Traficant and persons associated with U.S. Aerospace and its related entities. The purpose of this letter is to memorialize the terms and conditions of such a proffer.

First, your client must be completely truthful, candid and forthright at all times during the proffer process; failure to do so could subject him to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information. Fourth, in the event your client ever becomes a witness in any judicial proceeding, including but not limited to testimony before a grand jury or trial, and offers testimony materially different from any statement made or other information provided during the proffer, an attorney for the government may cross-examine your client with, and introduce rebuttal evidence concerning, the statements he made and the information he

provided during the proffer. The government may also introduce against your client any statements made and information provided during the proffer in the event your client is ever charged with providing false information during the course of this proffer or is ever charged with committing perjury in any subsequent judicial proceeding. These provisions are necessary to ensure that your client does not abuse the opportunity for a proffer, does not make materially false statements during the course of the proffer and does not commit perjury while testifying in subsequent proceedings.

We trust that you will find these ground rules fair and reasonable. Please sign and have your client sign this letter where indicated below. Signing this letter will confirm that you and your client agree with and accept the terms of this letter and that you have advised your client of his rights under the Fifth and Sixth Amendments of the United States Constitution.

Please do not hesitate to call me at (216) 622-3921 if you have any questions regarding this matter.

Very truly yours,

Craig S. Morford
Assistant U.S. Attorney

APPROVED:

Richard Detore

Lawrence D. Huntsman, Esq., ATTORNEY FOR RICHARD DETORE

8/29/00

Date

I. The Boat

J.J. Cafaro asked Mr. Detore if he knew anyone who did fiberglass work on boats and did not elaborate further. At a later date, while at a meeting on Capital Hill with Mr. Traficant, he started to discuss his boat and J.J. Cafaro remarked that he had still not been able to find anyone who could do good quality fiberglass work at a reasonable price that would go to the boat. Mr. Detore was told that the boat needed to be repaired on site because it was not able to be moved.

The next time Mr. Detore heard about the boat was several months later during a conversation between Traficant and Al Lange. During this conversation Lange became very excited to learn that the boat was made by the company that his father had worked for (Egg Harbor) and during the same time frame. It seemed to Mr. Detore that Lange thought that maybe his father had helped build the boat. The two decided to go look at the boat which was only about 10 minutes away. Mr. Detore rode to the marina with them. The marina looked like a boat junk yard. They walked over to an approximately 30 foot boat with blue tarps over it. It appeared to Mr. Detore to be in major disrepair. Lange was excited about the potential the boat had and suggested that Traficant not fiberglass it as it would hurt its value. Traficant said he wanted it repaired so it could be sold and had no interest in a big reconditioning job. Traficant asked Lange if he wanted to buy it and they talked numbers. Lange said he would think about it. From what Mr. Detore remembers over the next few weeks, Traficant and Lange were always talking about the boat. Lange seemed to think the boat could be worth some money with cosmetic repairs. Lange said new ones sold in the area of $300,000.00 and old ones like Traficants were worth between $70,000.00 and $90,000.00. Lange had the boat appraised and was boasting about the money he could make by buying and then selling it. Lange had numerous boat purchasing guides and publications. Traficant was interested in spending the least amount of money possible to fix it up and resell it. Traficant suggested that Lange get an advance or loan from Cafaro to buy the boat. The price Traficant was asking was in the area of $35,000.00 to $42,000.00. Lange asked Mr. Detore to talk to J.J. about getting his bonus early to buy the boat. Cafaro agreed to discuss it with Lange. Meanwhile it was agreed between Lange and Traficant that Lange would begin to work on the boat. Lange became totally involved in the boat and seemed to want to repair the boat so it could be used by the Company so he could somehow

offset his costs. It became a point of contention between Lange and Cafaro on the deal Lange wanted to work out to receive money from Cafaro. Lange wanted it as a bonus for his work and Cafaro wanted it to be a loan. Lange began to receive money from Cafaro to start work on the boat and Mr. Detore understood them to be advances on Lange's bonus. Lange told Detore that he had spent about $10,000.00 of his bonus money on the boat. The repairs took a long time and were not done well. When it was finally put in the water it sank and had to be rescued several time by the fire boat which had to pump water out of it. During this period of time Cafaro agreed to advance Lange payment to pay either Traficant directly or the bank that held the note for the boat. Something went wrong and Lange was not happy with the deal and started to question whether he had underestimated the costs of repairing the boat and his ability to make any money. When Lange received a 1099 for income from his bonuses he got angry and walked out threatening to quit. Detore understood that Cafaro changed the monies given Lange back into loans and reversed the 1099. Lange was going under with legal action against contractors working on the boat and repair bills for it and decided that in light of his not getting his bonuses as agreed from the Cafaros he was no longer able to keep up his agreement to buy the boat at that time and would have to wait to complete buying it. Detore felt that Cafaro were pressuring Lange to not get outspoken when he found large amounts of unknown rot and work to be done with the boat even though Lange felt Traficant had known about to some degree and to complete his deal with Traficant so Traficant would not have bad feeling toward them. The last Detore heard about the boat Traficant told him that Lange had never finished the deal and had walked away from the boat.

II. The Welder for aluminum and Generator

During the Summer of 1999, J.J. Cafaro purchased through USAerospace a welder for aluminum and a generator. The order was placed on J.J. Cafaro's credit card, first attempts through J.J. Cafaro to purchase these items failed because his card had not been paid, Mr. Detore believes that the seller had to get Cafaro's authorization over the phone for the card to finally go through. Detore was told that they were to be used to produce "MEANPALS" aluminum trailers by workers in the Youngstown area. Cafaro wanted to issue a press release that he was bringing

jobs to Youngstown, and Traficant was interested in the jobs and reviving business in the local area. Detore was told that Cafaro's plan was to get people started making parts for the trailers and then to move on to whole trailer production. Detore toured the area with Cafaro looking for sites to build trailers including Ross Industrial Park. The equipment was to be dropped off to Traficant who was to take it to Youngstown. The equipment was to be delivered to a person who was interested in forming a business venture with Cafaro. After six months delay the equipment was finally purchased but USAerospace did not have the funds available to obtain materials and was in fact at risk of losing the prototype trailer because of Cafaro's failure to pay. There were never any funds to even pay the bills at USAerospace let alone funds for a new venture. The plan for the new business died. Traficant told Detore that he had tried on numerous occasions during the month of March 2000 to get Lange or USAerospace or Cafaro to make arrangements to pick up the equipment but that they had never returned his phone calls.

Mr. Detore was told several months ago that an attorney at USAerospace was implying that he had stolen the equipment from the Cafaros. Mr. Detore contacted his attorney and Traficant and told Traficant what was being said about him so Traficant could set them straight. Traficant told Detore that he would, and wanted to make arrangements for the equipment to be picked up and returned to The Cafaro Company's attorney. Detore told Traficant that his attorney saw no need for Detore to get involved, and that it was the Cafaro's equipment and that if they wanted it they could make arrangements themselves to get it.

III. The Vehicles

The vehicles Traficant had from Cafaro had been sold to him long before Detore knew any of them with the exception of Cafaro's Jeep. Traficant bought a Jeep from Cafaro after USAerospace bought a Suburban. The sale was handled in Youngstown and Detore had no knowledge of the details of the transaction. Traficant became interested in the Jeep when he saw it in Lange's use. Traficant noted it's problems with blowing oil, failing brakes, worn-out tires, doors that didn't work, etc. Traficant asked Lange several times what he thought the Cafaros were going to do with it and he thought it could be purchased for. After it was taken out of service for breaking down, Traficant contacted Cafaro and worked out a deal.

There were numerous stories from both Cafaro and Traficant regarding the other vehicles. other vehicles. The first time Detore heard about these cars was when Traficant asked him to remind Cafaro that he was still waiting for parts to make one of these cars run Traficant and Cafaro gave Detore messages for each other regarding cars, car repairs and car parts. Traficant would accuse Cafaro of promising parts and repairs and Cafaro would say he was not responsible. Traficant told Detore that Cafaro owed him a roof boot, engine computer, undercarriage body parts, replacement radio, and numerous other items including wiring diagrams. Traficant told Detore that Cafaro had agreed to get someone who had previously worked on the cars to try and make them roadworthy. Cafaro told Traficant that they were purchased as is and he was not going to have work done on them anymore. Traficant agreed to talk to Cafaro about it when he was back in Youngstown. Detore was left with the familiar feeling that it was as always with Cafaro in his dealings, that things were left with open ends and in n confused mess.

Detore saw the Avante for the first time around November 1999. Traficant told Detore that the car had been driven to Washington D.C. were it was now having problems. Traficant told Detore he needed to get in touch with J.J. Cafaro because the Avante needed repairs. J.J. Cafaro asked Detore to get in touch with Lange and have Lange go take a look at the car to see what was wrong. J.J. Cafaro said he didn't think he was responsible for the repairs and that the repairs would be at Traficant's expense. This seemed to be to Detore in contrast to what Cafaro was saying to Traficant, because Traficant Said that Cafaro had agreed to a limited amount of repairs to make it roadworthy and in condition to pass inspection. The vehicle was taken to several shops for estimates and during this time Traficant decided he wanted bodywork and paint repairs done at the same time. None of the shops wanted to touch it. One shop said there was no way it was roadworthy or safe to be on the highway. Detore did not personally take the vehicles for estimates because it was during a period that Cafaro was behind on his salary and the paychecks that he had received had bounced at the bank several times. As a result Detore was not at work until he was being paid which was almost two weeks. According to Mr. Detore the car sat for a period behind the Manassas office because Cafaro wanted to talk to Traficant about the car.

IV. The Rental Corvette

During the period that the Avante was out of commission, Traficant needed a rental car to take a road trip he had coming up. Traficant wanted a car the size of the Avante and a convertible because he was traveling to the Southern States. Detore discussed the rental with J.J. Cafaro and with Capri Cafaro and they both understood that he needed reliable transportation and agreed to help get the car but didn't feel they were responsible. The only convertible that was available was a Corvette from a rental company in D.C. The company dropped the car off at the USAerospace office in Manassas and was given Traficant's credit card information. The company required a credit card imprint to leave the car. Since the company would not take Traficants' card number but needed a credit card imprint, it was suggested to Detore that he might allow the company to use his credit card to get delivery of the car. Detore agreed after he was assured that he would not be billed. The company explained to Detore that they billed only after the car is returned, which would allow Traficant to pay for the car when he returned it. During the next few weeks Detore's account was repeatedly debited and then credited for this transaction. Detore complained to Cafaro that he felt it was abusive that he was in the middle of the car transaction between Cafaro and Traficant. Detore complained also to Cafaro that other employees' time was being wasted (Detore did not take the car around for estimates) getting car repair estimates and was bad business all the way around, and that he felt it put the employees in a bad position being between Traficant and Cafaro and could lead to hard feelings all the way around. Detore was concerned especially about getting repairs done on a Congressman's car even if Cafaro did owe it to him or had agreed to it. Detore also complained to Cafaro that he was concerned about being stuck with the car rental bill in the event that Traficant could or would not pay, or perhaps damaged the car. Cafaro told Detore that he would not let that happen. Detore was confused about the car transactions and the conditions and terms of the transactions on relative to a car that Cafaro was telling him Traficant had owned for what Detore had thought was years. Traficant had told Detore that he had not received the titles to the vehicles even though he had paid for them and said he could get copies of the canceled checks. Cafaro was telling Detore at the same time that Traficant did have the titles for everything except the Jeep,

which he could not find. Detore told Cafaro that he could get a duplicate title from motor vehicles without too much trouble.

In December of 1999, Capri Cafaro told Detore that she was not sure that J.J. Cafaro was being honest in his dealings and about the cars. She told Detore that J.J. had a way of promising things that he couldn't or shouldn't deliver and making deals he never completed. Capri told Detore that he should not trust what J.J. Cafaro says. Detore asked Capri about the cars and she told him that she had not seen the Avante in question for a long time and that in fact the reason J.J. didn't have a title to the Jeep was because it belonged to her mother and was in her name, and she was having a fit with J.J., and that she wanted it back and had never agreed to anything. After hearing that, Detore had the Avante picked up with no work ever being done and returned to Traficant. A notice was sent to get the rental car back, it was returned and Detore believes that Traficant paid the bill for it.

LAWRENCE D. HUNTSMAN
ATTORNEY AND COUNSELOR AT LAW
10368 DEMOCRACY LANE
FAIRFAX, VIRGINIA 22030

(703) 591-2921
FAX: (703) 591-0922

6

TELECOPIER COVER LETTER

DATE: 3/1/01

TIME: _____

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Craig Morford

COMPANY: U.S. Attorney's Office

TELEPHONE NUMBER: _____

RECEIVING TELECOPIER NUMBER: 216 522-7358

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 53

REFERENCE: Richard DeLore

MESSAGE: please note - all unsigned or obviously by unnamed author were the work of Capi Cataro not Rick DeLore LOH

IF YOU DO NOT RECEIVE ALL OF THE INDICATED PAGES, PLEASE PHONE (703) 591-2921 IMMEDIATELY.

The information contained in this facsimile message is attorney privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us at the above address via the U.S. Postal Service. Thank you.

Sales/Purchase agreement

An agreement has been struck between Jim Trafficant (seller) and Albert Lange (buyer) for the purchase of Jim's 37foot 1970 Egg Harbor boat for the purchase price of $26,000.00 + cost of repairs under the following Conditions:

Conditions:

1) Albert Lange will pay for a boat survey to determine the boats Condition and value after repairs have been made.
   a) survey will identify problems to be repaired
   b) estimated costs for repairs will be desired from the survey for which Albert Lange will pay for repaires
2) Repairs on the boat will be made at the cost of Albert Lange before final payment of $26,000.00 is made to Jim Trafficant under the following conditions:
   a) if repair cost and payment to Jim trafficant far exceed the value of the boat as stated on the survey. then Albert Lange will not continue with the purchase. but will be responsible for the cost of the survey
   b) final payment of $26,000.00 will be made to Jim Trafficant will be made at the time Albert Lange has obtained finicaning to cover the cost of the payment to Jim Traffa
3) In the event that repairs to the boat are started and the cost to repair the boat or if some thing happens to make repairs costs to expensive then Albert Lange has the right to back out of the sale with the following condition:

Condition:

JJ 00250

If Albert Lange backs out of the purchase of the boat, All monie spent on the repairs of the boat will be held until such time

Sale of the boat Albert Lange will receive a cashiers check for the amount of the repairs he has paid to restore the boat only. All slip rents and Club dues are the responsibility of Albert Lange until final purchase has been made or until Albert Lange has declined the purchase of the boat.

Upon completion of the payments of $2,000.00 To Jim Trafficant, Jim Trafficant will present Clear title of the 37 foot 1970 Egg Harbor boat to Albert Lange within 10 working days.

This agreement is understood by both parties and they have entered into this agreement on 10 August 1998.

Albert Lange

Jim Trafficant

JJ 00251



USAerospace [illegible]
[illegible] Gatwin Drive
[illegible]
(703) 365-[illegible] Fax: (703) [illegible]

Interoffice Memorandum

To: John J. Cafaro
From: Richard Detore
CC:
Date: 11/23/98
Re:

JJ:

We need to get a check for $8000.00 to complete the boat repairs. Please call if you have any questions.

[illegible]

Pd. 12-24-98
Ch. #3588

JJ 00[illegible]

P4808 B1 72

3587

DATE 12-23-1

PAY TO Cash

FOR (6000 - 5,770.00 + 230.00)

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

DEPOSIT/CREDIT 5,770.00

TOTAL

THIS CHECK 230.00

OTHER TRANSACTIONS

BALANCE

3588

DATE 12-24-9

PAY TO Richard Detore

FOR (Boat) US Aerospace

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

DEPOSIT/CREDIT

TOTAL

THIS CHECK 8,000.00

OTHER TRANSACTIONS

BALANCE

3589

DATE 1-8-99

PAY TO American Express

FOR

TAX DEDUCTIBLE

BALANCE BROUGHT FORWARD

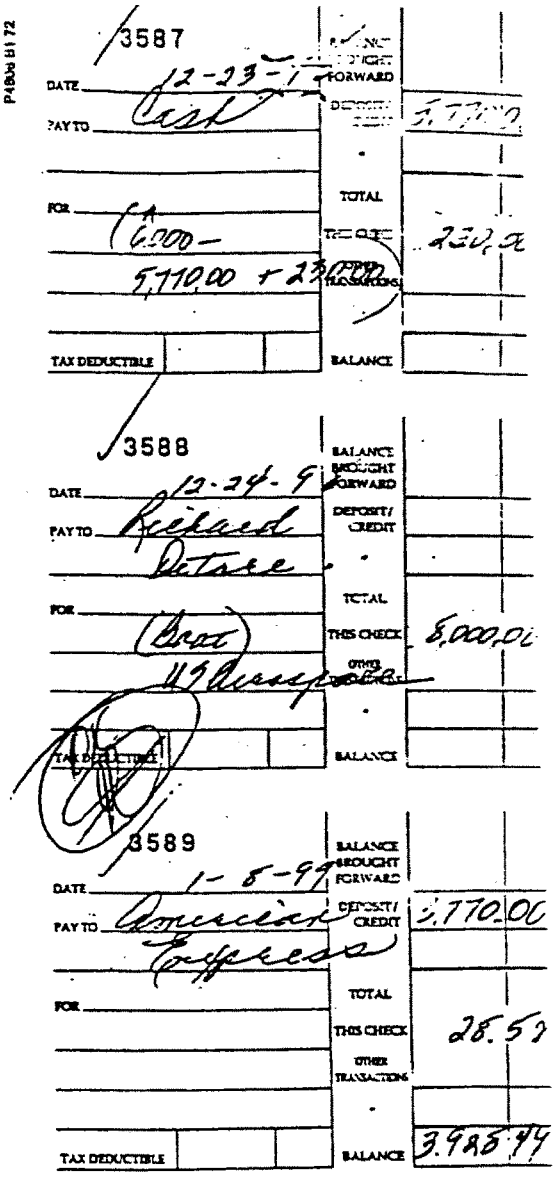
DEPOSIT/CREDIT 3,770.00

TOTAL

THIS CHECK 28.57

OTHER TRANSACTIONS

BALANCE 3,928.44



JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

3352

DATE [illegible] 1998

PAY TO THE ORDER OF CASH $3,500.00

Three Thousand Five Hundred and no/100 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

⑆041200458⑆ 24840⑈511⑈ 3352 ⑈0000350000

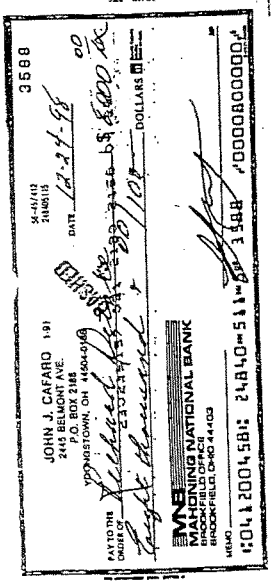
JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

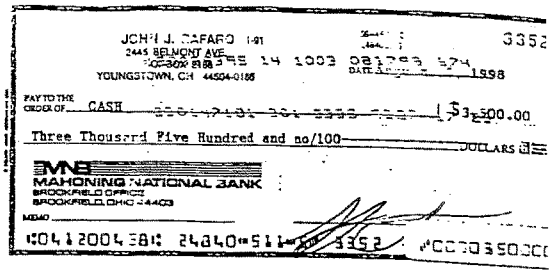
336

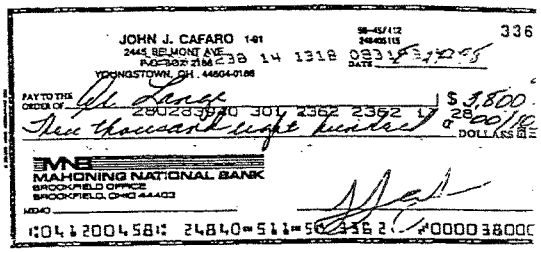
DATE [illegible]

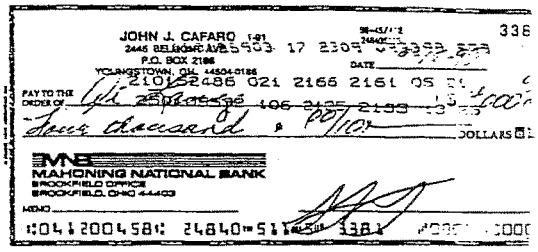
PAY TO THE ORDER OF Ul Lange $ 3,800.00

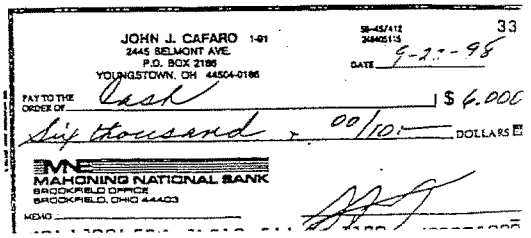
Three thousand eight hundred 00/100 DOLLARS











MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

⑆041200458⑆ 24840⑈511⑈ 3362 ⑈0000380000

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

336

DATE [illegible]

PAY TO THE ORDER OF Ul [illegible] $ [illegible]

Four thousand 00/100 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

⑆041200458⑆ 24840⑈511⑈ 3381 ⑈0000[illegible]000

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

33

DATE 9-2[illegible]-98

PAY TO THE ORDER OF Cash $ 6,000

Six thousand 00/100 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

3588

DATE 12-24-98

PAY TO THE ORDER OF Richard [illegible] $ 8,000.00

Eight thousand 00/100 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

⑆041200458⑆ 24840⑈511⑈ 3588 ⑈0000800000⑈

JJ 00309

Friday, August 21, 1998

MEMORAMDUM OF UNDERSTANDING

The following information was discussed on Thursday 20 August concerning the repairs of a 37 foot Egg Harbor boat located at the Eastern Power Boat Club, 1301 Water St. S.E., Washington DC 20002. The discussion was held between Al Lange, address; 9043 Coriander Circle, Manassas, VA 20110 (principle) Capt. Bruce Sannino, address; 3774 "B" Beach Dr. Blvd, Edgewater, MD 21037 (sub-contractor) and Ernst de Groot, address; P.O. Box 25191, Arlington, VA 22202-5191 (sub-contractor).

The outcome of the discussion is outlined within the following paragraphs:

Bruce and Ernst came to the agreement that they would make all the necessary repairs to return the boat to a seaworthy an eye pleasing condition.

- The budget for materials and labor to complete this project is not to exceed $11,000.00 dollars US.
- A bonus system has been placed into effect for this project, for every dollar saved on the $11,000.00 budget, Bruce and Ernst will receive .50 cents.
  1. The split of the bonus money between Bruce and Ernst is to be determined by these two individuals.
  2. The one condition of the bonus is that quality workmanship must be maintained and quality materials must be used for repairs and painting.
  3. Installing used parts and components on the boat to accomplish repairs must first be approved by Al Lange prior to their installation.
  4. Receipts for materials and time accounting for hours spent must be submitted to Al Lange on a weekly basis to assure that budget overruns do not occur. (If I do not have a receipt for a purchase, I will not pay for it.)
- Work on the boat will be accomplished at the Eastern Power Boat Club (EPBC).
  1. While working at EPBC all parties will follow the rules and by laws of the club assuring not to cause friction between the club members or the staff.

Schedule:

- Pull out of the boat for dry dock. Between 26 Aug. and 28 Aug. 1998.

  1). Al Lange to get approval and arrange for pullout.
  2). $3,000.00 dollars will be paid to Ernst to fund work to be accomplished on boat while in dry dock.

- Launch boat into water after dry dock repairs. Between 9 Sept. and 11 Sept. 1998

  1). Ernst will make arrangements with the club to dump the boat back into the water.
  2). $3,000.00 dollars will be paid to Ernst to fund work to be accomplished on the interior of the boat and outside areas above the waterline.

- Drop dead date for completion of all repairs to be accomplished. 30 October 1998.

  1). Early delivery is acceptable.
  2). Al Lange will pay balance due on outstanding invoices when repairs on the boat are completed.

- Al Lange requires that 2 phone calls per week be made to discuss progress on repairs and one site visit per week be made until the project has been completed.

Work to be accomplished:

1). Repair of wood:

a). Exterior and interior structural members:

All wood that is bad on the boat will either be completely replaced or if not used as a structural member, be cut out and a new piece spliced into place in such a fashion that it does not distract from the final finish to be applied to the boat.

b). Interior cabin:

Where possible, the use of the same type wood will be used to make repairs to damaged areas. It is acceptable in some areas as discussed, to make repairs on holes in bulkheads using wood covered with fabric that accents existing amenities.

c). Securing plank to frames and ribs:

It was determined that the wood planks are separating from the frames and ribs. These planks will be drilled and re-attached while the boat is out of the water in dry dock and prior to painting. It was also determined that the plank joints would be V routed and filled to improve the appearance of the finished paint.

2). Carpet installation:

a). Interior cabin:

The carpet throughout the cabin area will be replaced. Al Lange will determine the color of the carpeting to be installed.

b). Aft deck area:

As discussed with Bruce, The aft deck area will receive indoor/outdoor carpeting that snaps down into place that matches the rail curtain that Bruce said he would sew for the cost of material.

3). Work on Engines:

It has been determined that the engines will need tune ups and other miscellaneous parts replaced to bring them back into good working condition. It was also agreed, that if the engines had major mechanical problems requiring a large sum of money to be spent to repair them, this additional moneys to be spent would not come out of the budget established for repairs that is set for this program. ie; bad rods, bad crank shaft, cracked blocks or any other major problem that requires the complete tare down of the engines.

4). Electrical work:

All electrical systems and wiring are to be brought up to good working condition. This includes the replacement of the water heater, repairing the water pump, repairing or replacing corroded electrical wiring and lighting fixtures. It also includes, servicing the generator system on the boat to restore it to proper operation.

5). Fungus spraying:

It was determined that fungus was growing on the interior side of the planking and ribs of the boat and a anti-fungus spray would be applied to all areas to control its growth and spread.

6). Mechanical Systems:

All mechanical systems will be serviced and any parts deemed needing replacement will be replaced. This includes the steering system, prop shaft system and replacing shaft bearings. Also, if needed the props will be refurbished. I would also like to have zinc couplings and disks placed on the rudder and prop shafts and any other location deemed necessary to control corrosion of these items.

7). Fiberglass:

In order to weatherproof the cabin area it was determined that fiberglass would be used to seal the deck areas to keep water out of the cabin.

8). Paint and cleaning:

a). Exterior:

The boat will be painted with yacht white using high gloss black as an accent color. In areas that the wood can economically restored to a wood grain finish I would like them stained with light mahogany stain them use either varnish or polyurethane clear paint to preserve the finish.

Ernst and Bruce can take artistic license with designing the paint scheme on the boat but all three of us must agree to the final scheme before paint to be applied.

Bottom paint should be anti-fowling, color to be determined.

All paint must be of good marine quality.

Surfaces will be stripped of paint and primer applied prior to topcoats being applied.

The name of the boat will be changed to BEAM RIDER which will be placed on the transom of the boat. Al Lange will determine the final colors and design of the logo. I will need Bruce or Ernst to come up with the painter for the logo.

b). Interior:

The interior cabin is in good shape. Some areas may be necessary to have a fresh coat of varnish applied. For the most part, it was determined that a good cleaning of the interior cabin area including using a paneling cleaner will restore the wood to a luster finish.

I would like to have the inside of the boat cleaned by professionals to include the bilge and engine compartment area.

9). Other areas of work:

- The bridge area will be refurbished. The use of lexan to cover the delaminated wood on the dashboard to improve the appearance is authorized.
- The transom windows will be reworked and or replaced.
- The forward hatch needs to be replaced.
- Boat railings to be reinstalled and in some cases, worked to get bent areas back into shape.
- Lexan has been cut to replace the piece that is currently located at the entrance to the cabin area. I would like that to be installed. Any other lexan that is used to improve the appearance of the boat should be of the same color unless appearances will be improved by using a different color. (To be determined by all three parties.)

JJ 002

10). Anchor wench:

A dual control anchor line cable wench needs to be installed on the bow of the boat with an area that can store the anchor cable and a support bracket that holds the anchor when pulled up for running. It is preferred that this item be bought used to reduce costs but must be in good working order and have controls at the unit and at the wheel house area of the cabin.

11). Release of liability / hold harmless:

It is understood that while Bruce Sannino, Ernst de Groot or individuals hired by the said two parties are accomplishing repairs outlined within this document, will hold harmless Albert Lange for medical expenses or identified in a law suit in the event that an injury to their personal body occurs during the accomplishment of repairs to this boat. Also, Albert Lange will not be responsible for injuries that may occur during travel to or from the work site.

Why release comp. if Cotero deal?

The parties named below having signed this document enter into this agreement with full understanding of the requirements of the repair project of the boat as outlined within the previous paragraphs.

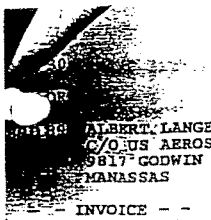
12). If any clauses found within this document are found to be illegal or invalid, the remaining clauses and or conditions shall remain in full affect.

13). This document shall be governed by the laws of the Common Wealth of Virginia.

Please sign document above your name in blue ink only.

Albert Lange | Bruce Sannino | Ernst de Groot

JJ 00259



INVOICE COPY RUN ON 9/10/98 PAGE 13

MANUAL CHECK DIVISION

NON-OPERATIONAL

ALBERT LANGE
C/O US AEROSPACE
9817 GODWIN DRIVE
MANASSAS VA 201100000

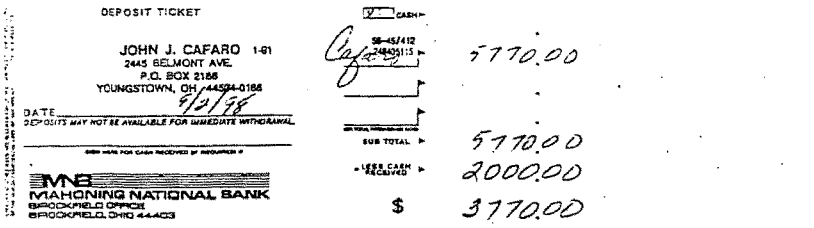
INVOICE NUMBER	DATE	VOUCHER	PO NUMBER	BATCH	SEP CHK	DUE DATE	BUDGET DATE	COMPLETE	RECOUP
EXPENSE	9/10/98			94	N	9/11/98	9/10/98		

GROSS	RETAINAGE	DISCOUNT	SALES TAX	NET
3,000.00	.00	.00	.00	3,000.00

AMOR DISTRIBUTION	ACCOUNT	AMOUNT	BUDGET
395 CAFARO-LASER, LTD.	789-020 TRAVEL/ENTERTAIN-HOME	3,000.00	
COMPANY BREAKDOWN	01 CAFARO-LASER, LTD.	3,000.00	

INITIALS:

JJ 00283



DEPOSIT TICKET

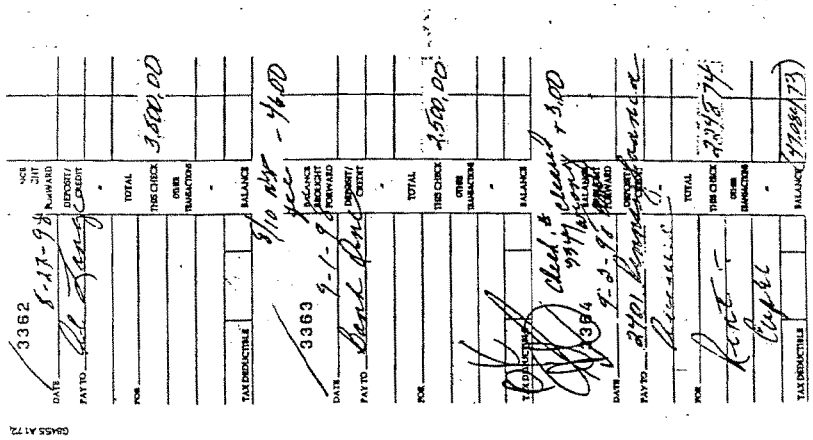
JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2188
YOUNGSTOWN, OH 44504-0188

DATE 5/5/98
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

CASH 5770.00
SUB TOTAL 5770.00
LESS CASH RECEIVED 2000.00
$ 3770.00

MNB
MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

:041200458: 24840=511=5



3362 5-11-98 Cash 3,500.00 - 40.00 = 3460.00
3363 5-1-98 Bank Fees 3,500.00 - 5.00 = 3455.00
Check # issued 5-3-98 3,455.74 - 3,455.74 = 0.00
3364 5-3-98 Payroll Expenses
Rent Supplies
TOTAL
THIS CHECK
OTHER TRANSACTIONS
BALANCE
BALANCE BROUGHT FORWARD
DEPOSITS CREDIT
DATE
PAY TO
FOR
TAX DEDUCTIBLE

GLASS A1 72

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2188
YOUNGSTOWN, OH 44504-0188

55-45/412
24405115
3362
DATE 5/11/98

PAY TO THE ORDER OF J. Lange $ 3,500.00
One thousand five hundred 00/100 DOLLARS

MNB
MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

MEMO

*****A/P INVOICE, EXPLANATION, AND CONTRACTED SERVICES REPORT*****

CONTRACTOR A Lang CENTER Lisa

EXPENSE MONTH	BATCH	DIV	SINGLE: PROJ-PRO#	CTRCODE	ACCT#	BUDGET
09/98	1	1A	------	395	1789029	Y N

INVOICE DATE	MANUAL CHECK #	CHECK DATE	SEP CHECK
9/10 PM	16997	09/11 98	

INVOICE #	Expenses
VENDOR #	319089
VOUCHER #	
P.O. #	
DUE DATE	09/11 98
TYPE CIRCLE	E (M) C
DIST AMT.	3000 00
SALES TAX	
GROSS AMT.	
RETAINAGE	
DISCOUNT	
AMT. TO PAY	3000 00

PROJ PRO#	CO	DIST. AMT.	RETAINAGE
	TOTAL		

HOLD CODE	BUDGET RECOUP EXP DATE	COMP
	09/10 PM	

CTR. CODE	ACCT #	DIST. AMT.	BUDGET
			Y N
			Y N
			Y N
			Y N
			Y N
			Y N
	TOTAL		Y N

CONTRACTED SERVICES USED ONLY**

DESCRIPTION OF EQUIPMENT USED	TIME IN	TIME OUT	TOTAL HOURS

NUMBER OF WORKERS USED	TIME IN	TIME OUT	TOTAL HOURS

EXPLANATION -- BE SPECIFIC: WHAT, WHEN, WHERE OR MATERIALS/SERVICES:

COMMENTS:

BUDGET	AMOR #	AMOUNT APPROVED YEAR TO DATE

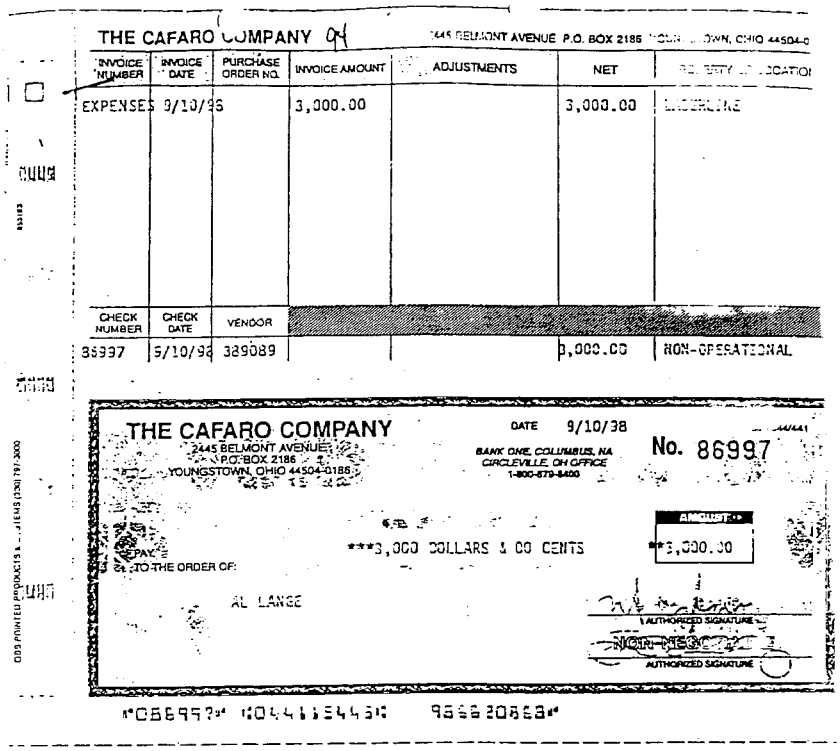
APPROVAL

PROPERTY MANAGER

REGIONAL MANAGER

DIRECTOR OF OPERATIONS

JJ 00284



THE CAFARO COMPANY 94 2445 BELMONT AVENUE P.O. BOX 2186 YOUNGSTOWN, OHIO 44504-0

INVOICE NUMBER	INVOICE DATE	PURCHASE ORDER NO.	INVOICE AMOUNT	ADJUSTMENTS	NET	PROPERTY OR LOCATION
EXPENSES	9/10/98		3,000.00		3,000.00	LABORLINE

CHECK NUMBER	CHECK DATE	VENDOR				
86997	9/10/98	389089			3,000.00	NON-OPERATIONAL

THE CAFARO COMPANY
2445 BELMONT AVENUE
P.O. BOX 2186
YOUNGSTOWN, OHIO 44504-0186

DATE 9/10/98

BANK ONE, COLUMBUS, NA
CIRCLEVILLE, OH OFFICE
1-800-679-8400

No. 86997

AMOUNT

PAY TO THE ORDER OF: ***3,000 DOLLARS & 00 CENTS **3,000.00

AL LANGE

AUTHORIZED SIGNATURE

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

⑈086997⑈ ⑆044115443⑆ 956620863⑈

JJ 00282

MORANDUM

TE: SEPTEMBER 10, 1998

): DOMINIC ROSSELLI

ROM: J. J. CAFARO

RE: U. S. AEROSPACE GROUP / CAFARO LASER LTD.
AL LANGE

Please issue a check in the amount of $3,000.00 payable to Al Lange for expenses. I will explain to you in full at a later time.

Please overnight this check to Al Lange to the U. S. Aerospace address.

Thank you.

JJC/gh

RECEIVED
JAN 05 1999
BY: 20

A fax from...

Congressman James A. Traficant, Jr.

17th District – Ohio

2446 Rayburn House Office Building • Washington, D.C. 20515
Telephone 202/225-5261 • Fax 202/225-3719

Date: 1/5/99

Number of pages (not including cover page): 4

To: Al Lang

From: Jim Traficant

Receiving fax number: (703) 365-2635

Content/Message:



District Offices:

• 5555 Youngstown-Warren Rd. • Suite 503 • Niles, Ohio 44446
Telephone 330/652-5649 • Fax 330/652-2637

• 125 Market St. • Youngstown, Ohio 44503
Telephone 330/743-1914 • Fax 330/743-4920

• 109 West 3rd St. • E. Liverpool, Ohio 43920
Telephone 330/385-6921 • Fax 330/385-7582

JJ 00311

THE EGGS FILES

Save the Sound™

EGG HARBOR OWNER'S ASSOCIATION NEWSLETTER

FIRTH EDITION · E-MAIL EGGESSEX@AOL.COM · DECEMBER 1999

EGG HARBOR IS BACK!!!!!

We couldn't have asked for a better Christmas present! The wait is over and production is in full swing. Paul Didonato, a successful New Jersey businessman has taken the helm. He and his family have been avid boaters and Egg Harbor fans and intend to continue the tradition of quality and style into the 21st century! The plant is no longer at the old facility. It has been moved to the old Pacemaker yard on the Mullica River in New Jersey. Now, they are right on the water with a much larger facility, which will make testing & fine tuning the boats so much easier. Our 'old' friend Bob Hazard is still in charge of sales and marketing and Rudy Lehnart will still be on board. Rudy just had both knees replaced but is now on line so you can get him via e-mail. We hope he has a speedy recovery. Rudy has been helping us find sources for parts and information so if you have anything in particular you are looking for, please send us a note or e-mail us so we can pass the info along to everyone else. The press release with all the info is on the website. The company website will be www.eggharboryachts.com and they have given our site a direct link to help us with the 'perpetual egg hunt'. This will prove to be a very EGGciting and successful year for Egg Harbor!

INSIDE THIS ISSUE

1 EGG HARBOR YACHTS

EGG CENTRAL MEMO

2 SAVE THE SOUND, INC WEBSITE INFO

1999 RENDEZVOUS *EGGS TO ESSEX*

3 INFO COLUMN

4 DUES & REGGISTRATION

MEMO FROM: EGG CE[illegible]

Unbelieveble is the only description of how our Association is growing! If you don't have a computer you really should start thinking about it. Christmas is coming! We updated our site the beginning of October and in the first three weeks we had 7900 hits! We are international now. There is a small fleet in the Croatian Sea we have been in contact with. Thank goodness for e-mail. A Rendezvous in the Med? It is not unusual for us to have 4 to 5 inquiries per day and add at least 2 names a day to our mailing list of enthusiastic Egg owners. This newsletter will go to 1500 Egg Harbors, sooo...we are taking a serious look at how we want to see this evolve. First, we have to fine-tune our mailing list. We don't want to see [illegible] go to people who could care less about all the hard work going into this. Therefore, it is time for us to finally collect dues. This will be the last newsletter you will receive if we don't hear back from you. The dues will enable us to produce a first class newsletter and to upgrade our website. We expect to become a database for any Egg info [illegible] be looking for or have to offer. Many members have been asking for rendezvous' and /or raft ups in their areas and we want to see all this happen. We anticipate different chapters starting up across the U. S. and Canada. So show us your vote of support and send in your dues! In exchange you will receive a membership card, a membership decal to go on your bulkhead and a 20% discount on any of the goods and services we offer as a group starting January 1st. We are working on group discounts available through different manufacturers, but this may take a while as we go forward. We have to prove we have a strong following first. There will be areas on our website available to only paid members. So, for $20, this will be a bargain. Winter is here and this is a great time to communicate. We have put many people in touch with other owners of similar models and years. Use the bulletin board on the site for any questions and suggestions. If you didn't order a calendar this year, you really missed out. They are fabulous! We had so many great pictures it was hard to choose. Claudia and Fren did a super job. We can't wait until January so we can start to use it. We plan on doing the same next year, so send those photos! Keep in touch! And HO HO HO!! Have a great Holiday season and think boating...for those of you in warmer climates...think of us and send in info for the next newsletter!

JJ 00312

SAVE THE SOUND, INC. For those of you that are new to our organization, we have a very strong 'grass roots' effort directed towards environmental awareness, education and safety. We need this mission to give us direction and credibility. To date we have donated over $10,000 to Save the Sound, Inc. We have asked that the donation be used towards their Adopt-a-Harbor program with the hopes to establish Essex as 'our first harbor'. The Connecticut River Museum is teaming up with the EHOA and is getting additional grant monies available. The local Sea Scouts will be 'testing the waters' as a project! This speaks so well of our group and PROVES that boaters, especially Egg Harbor owners, DO CARE. What a PR story! Now, you ask...where do we get the money? We go to manufacturers/vendors and ask for donations (not an easy project) and the highlight of our rendezvous has been our infamous raffle. As boaters, we each spend thousands of dollars a year to maintain and upgrade our boats. This gives us a little leveridge to ask suppliers for donations. Also, Egg owners have come forward and made personal donations. The donations do not have to be marine orientated. So put on the old thinking cap and consider how you can help. Why not ask your yard or one you frequent to donate a weekend stay? Do you have a particular marine store you frequent...ask them for a raffle item or at least get us a contact to send a vendor letter to. Essex Harbor has been our first project and I'm sure we will get some terrific PR out of this. We don't want to give the perception that we are just throwing a big party. This is a worthwhile and dedicated group. We have proved this by our diligence in seeing this project happen! Anyone interested in becoming a volunteer for the 'Essex Project' please contact Cindy Kenney (eggessex@aol.com). We will be having some training sessions in late spring and the testing is done from May until October several times a month. The raffle tickets have already been bought and our coordinator of the raffle sales (Marybeth) is already getting warmed up...'get out your wallets!' This year's event is going to be more eggciting than ever. We have some great ideas. Every year seems to get better. We would like to see similar events happen in other areas but we have to find individuals willing to coordinate. Let us know if you are interested and we will try to work out the details and help as much as possible.

Many of the folks we have met over the last three years have become great friends and boating buddies. Bill & Fran Bain of Tikhai were seriously thinking of getting out of boating since some of their old friends were no longer around. But our event with all the comradery, has given them a great reason to stay with their Egg of 22 years (original owners). When you make out that $20 check for your dues, please consider it as a pledge to our projects and the hundreds of volunteer hours involved to see this happen. We are not going away. This group is dedicated. We are off to a terrific start. Be proud to be a member!!

EGGS TO ESSEX 1999 [illegible] Essex Island Marina, Essex, Ct 860-[illegible]267. Our traditional Father's Day weekend event. June 18th-21st. Bring the kids and grandkids to celebrate. Twice the number of boats [illegible] reserved their slips over last year. 100 Eggs are about all they can handle. So, if you don't want to be 'on the hook', call today! Try to plan on coming in on Thursday night to make the most of the weekend. Lots of exciting events will be going on so you won't be dissappointed. Craig and Vicky Stavola of "JOKER" are flying in for Island Steel band for a poolside happening on Saturday afternoon. New England Financial has promised to serve the Margaritas! Some thoughts we have been tossing around...Hawaiian nite with pig roast on Friday night, awards ceremony during dinner on Saturday nite before the infamous raffle, seminars, poker run, kid's events, reception at the Connecticut River Museum [illegible] the list's just starting to grow. It promises to be a jam-packed weekend.

OUR WEBSITE Egg owners are finding us via the site. Our sincere thanks to Dan and Sharon Harding of the "Sharon Ann II" for designing, maintaining and upgrading our owner's site. We can't get over the responses we have had. We have had plenty of suggestions and we hear you loud and clear. Be patient :) / January 1st you will see some major changes to the site. In the meantime, use the guest book as a bulletin board for comments, suggestions or a place to post info or inquiries for parts, etc. Scroll through the comment section, you may be able to help other Egg Owners with a particular problem or just converse with [illegible] with a similar year Egg. If you don't have a computer, go to the library and check us out. This will be the way of the world, so it's time to get on the bandwagon! When the site is upgraded, we will be changing the address but it will be linked with the old. Dan secured the NEW Egg Harbor account www.eggharboryachts.com and we have a direct link on their site. The EGG HUNT continues! The traditional Rendezvous full color poster is on the site. Please print it out and hang it in your local yard. This will get the word out. You would be amazed how many Eggs are around. We encourage all years, wood to new. We expect to become a database for Egg info.

1999 CALENDAR sold out!! The dozen winners.....

Lady Emily 1961 37', Monkey Business 1988 37', Papa Salt 1957 30', Sun Seeker 1984 35', Anne Marie 1966 37', Foam 1988 35', Crazy Moment 1969 25', Black Jac III 1968 43', Scheherazade 1971 37', Sundancer 1973 33', Dad's Girl 1971 48', Me Time [illegible]73 35'. Thanks to all that sent in photos. It was a tough call picking the winners. What a great Christmas gift!

EGG HARBOR EMBLEMS now available. Replicated from an original and cast in brass. Check out the order form on the website (old script style on the early eggs).

THE PACE CONTINGENCY

We have had quite a few inquiries from Pacemaker owners...wishing to see a 'Pace' group form like ours. If you look at the convoluted history of Egg Harbor, you will see that Pace and Egg were owned by the same group for many years. In the true spirit of boating, any Pace owner wishing to join our group is welcome to do so. We will be able to get other Pace owners in touch with each other. We are all looking for similar parts and sources. Now that Egg is back in the old Pacemaker yard, this seems all the more a natural!

HATCHES ANYONE?

Roger Holloway, a fellow Egg owner, was looking for hatches for his own boat but the search proved fruitless. He now manufactures them. He runs production 4 times a year, and the next run is in January. Price per hatch is $195 or 3 for $400. Give him a call at 714-997-9880...10-7 Pacific time

RESCUE AT CUTTYHUNK

'Misbehavin' III' a 1988 35' Egg had a fellow crew member have a heart attack after climbing to the top of the infamous hill in Cuttyhunk. Bill Shields, the skipper of the vessel, had a serious problem. Where do you get help on Cuttyhunk. His buddy, Roy Macleod, had to get flown out to a hospital in New Bedford and received care within 45 minutes. One of his doctors said the response was faster than if it happened in downtown Boston! Bill was back in Cuttyhunk several weeks later and found the residents were raising money to benefit the Cuttyhunk Defibrillator Fund and to set up an emergency care clinic. That should make all of us rest a little easier!

EGG MUSIC

Reading through one of the old Homeport newsletters Egg Harbor used to send out, we ran across an article from a fellow down in Florida who wrote "In My Merry Golden Egg" to the tune of "In My Merry Oldsmobile". After a little searching, we found William Hammond, the skipper of 'Crazy Lady' and he gave us the sheet music and other sing a long tunes. The debut will be at this year's rendezvous. Any musicians in our mist?

9,000 MILE TRIP IN 30" EGG

How many of us dream of taking off for that extended trip? Well, this couple took a year....Bernie & Mary McGuinness and their Lab Peg from their homeport of Niantic, Connecticut, visited 21 states, Canada, the Bahamas and north again through the Intracoastal Waterway. There isn't enough room to cover the entire journey in this issue but we promise to give you the details in the next issue. Maybe we can talk them into attending the rendezvous and sharing their Eggperiences!!

HARDTOP FOR 30" EGG

Has anyone done one of these? Andrew Shapiro was wondering if anyone has any info on replacing the bimini top and if there is a recommended source. His is a 1973 30' sportfisherman and it has been in their family close to twenty years. Maybe someone out there has a photo of their hardtop? We have about 120 known 30 footers on our mailing list.

PROP SURVEY

We are still collecting data on props and performance so send in your info. Those of you out there with 35'ers will appreciate this..."Foam 1988 35' Egg Harbor SF repowered 3/97 w/Merc 502 MPI's turning through 1.91 reductions and spinning 20x20 cupped blade nibrals. Cruise at 3400-3500rpm at 21-22 knts loaded, no flo-scan but figure high 20's gph. She'll turn 4700 wot (the engines are rated for 4800) and move at better than 31 knts. These engines were 8" shorter than the previous 454's due to much smaller trannys. Previously, 454's through 1.88 gears and 18x18 wheels cruised at 17 knts at 3100 and topped at 23 knts at 4000 using the approximate same amount of fuel! LOVE these motors and this boat!!! Al and Glen Reitter out of Huntington, New York.

CONVOYS

Many boats are coming from quite a distance to make the rendezvous this year. Consider making it an [illegible] is safety in numbers and traveling together [illegible] you would like to hook up with someone else coming from your locale, let us know or post it on the soon to be 'forum' on the website.

PERKINS 510 TURBO V-8

Member John Copenhaver is looking for info. Any members out there with a similar year, 1977 33', with Perkins? E-mail copenhvr@us.hsanet.net

60' EGG FOR CHARTER!

Florida and the Bahamas! Mark Beloyan from Florida owns 'Branch Office'. Visit his website for charter information www.branch-office.com

MEETING GREAT PEOPLE ON EGGS!

We met a super couple this year out on Block Island....Phil and Gloria Maron of 'Glory'! They had their 1987 Egg [illegible] when they retired and have lived on it in New England waters for six months out of the year since then. The amazing [illegible] underwent dialysis on board, which the skipper [illegible] and three years ago had a kidney transplant! They are still boating! Kudos to them and all their adventures. They have promised to attend this years rendezvous. They have some great boating stories to share.

AERIAL PHOTO?

Glen Reitter of 'Foam' thought it would be super if we could get an aerial shot of the 'Egg City' during our rendezvous. Anyone out there with a spare plane?

INTERESTING WEBSITES

http://www.blockisland.com
http://www.pws.fsu.edu/B/buoy?station=44025
http://www.ndbc.noaa.gov/dial.shtml
http://www.impulz.net/buzzardsbay/boating.htm
http://terraserver.microsoft.com/

WILLIAM J. PETZOLD INC.
37 Indian Hill Avenue
Portland, Connecticut 06480
860-342-1196
Wanted: Listings on used Eggs. Buyers waiting!
Come visit our indoor and outdoor storage facilities.
Large discount marine store
In stock Egg Harbor Parts
New and Used Boat Showroom
Canvas Shop
5% Ship's store discount to members
(excluding electronics)
offer expires 3-7-99

SEA TOW
$75 Special Membership available to Egg Harbor Owner's Association Members
Call Karrie-Ann Bienas
860-395-1146

ARTISTIC EMBROIDERY
Call Linda if you are looking for any Egg Harbor Logo clothing. She will send you her flyer.
508-559-6616

Enjoy the holidays and stay in touch!
HAPPY NEW YEAR

282 225

OFFICIAL MEMBERSHIP APPLICATION

Help us to maintain a current mailing list. This is the info we would like to have on file:

Skipper and First Mate_____

Mailing Address_____

_____

_____

Phone Number_____

E-Mail address_____

Boat name_____

Year and Length_____

Homeport_____

Years Owned_____ Documentation #_____

DUES: $20 PER YEAR DUE JANUARY 1ST (U.S.) ADD $5 OUTSIDE U.S. Make check payable to Egg Harbor Owner's Association and send to the return address on this newsletter. Any questions or suggestions, please call 860-228-4190 or e-mail eggessex@aol.com

This will be your last mailing if we don't receive your dues! Join today!

OPTIONAL INFO We are working on building a database on Egg Harbor yachts. Any info you may feel would be of help to another Egg enthusiast, please make note. The following is a short list:

Engines_____

Transmission Ratio_____

Props_____

Max RPM_____

Max Speed_____

Favorite Cruising Area_____

Tech Tips_____

_____

_____

_____

_____

Suggestions_____

_____

_____

_____

This is your association and we want input!!

Photocopy this page and pass along to your EGG buddies!!

http://www.qualitdesigns.com/eggharbor.htm

EGG HARBOR OWNER'S ASSOCIATION
EGG CENTRAL
CINDY & MARK (& Morgan) KONNEY 'PLEIADES'
17 COLUMBIA LANDING
COLUMBIA, CONNECTICUT 06237 U.S.A.

ADDRESS CORRECTION REQUESTED...

CAPT JAMES TRAFICANT JR
SUZ 1970 37'
329 N MAIN ST
POLAND, NH 44514

JJ 003 15

This will be your FINAL mailing if we don't receive your dues!

Newsletter compliments of Allied Printing of Manchester, Connecticut

USAerospace Group, L.L.C.
7836 Wakeman Drive
Manassas Regional Airport
Manassas, VA 20110
(703) 365-8001, Fax: (703) 365-2535

Interoffice Memorandum

To: Capri Caffaro

From: Al Lange

CC: Richard Detore / JJ Cafaro

Date: 05/10/99

Re: Al Lange's Bonus and other funds

Dear Capri,

I wish to thank you for staying on top of my bonus issue and finally getting the majority of it paid. I still am a little short on the bonus amount. The shortage is $5,000.00. My bonus was for $35,000.00 but the check issued was for $30,000.00. If you could get this amount to be issued in my next paycheck it would be appreciated.

Second, I need to have a separate check cut from your father checking account in the amount of $8,000.00 to finish the repairs on the boat. It needs to be made out to cash. The boat people are once again becoming restless about being paid.

Sincerely,

Al Lange

General Manager

Please take Care of these Issues ASAP.

CSC ok

JJ 00386

JG Capio

12 May 1999 page 1 of 2

CONTRACT PROGRESS:

Military: We have officially sent MINIPALS to the Pentagon to be deployed in the theater of combat. We are still waiting word from the Pentagon on exactly when we would depart for Weesbotten AFB.

The following is a breakdown of what we are owed at this point:

AMOUNT OWED	CONTRACT	DUE DATE
$12K	Volpe	12 May
$50K	CPE/DITCO	w/in 15 days
$64K	MTDS/DITCO	w/in 15 days
$83,663	MTDS	w/in 30 days
$18,899	V-Ring	w/in 1 week
$63K	ABS	w/in 1 week
$7400	TSE	w/in 1 week
$200K	Responders	w/in 30 days
$330K	misc. contracts that need additional paperwork to be invoiced and completed in 30 days	

INVESTMENT UPDATE:

I have sent yet another updated version to Nancy including ownership information. She has indicated to me that she will be in the area 27 May. We intend to host her here at that time.

FAA:

Sandy Sinick at SSD called this week and indicated that it could be possible for us to put together a road show to bring to Sen Ted Stevens. I think this would be beneficial to both appropiations and FAA certification.

ADMINISTRATIVE ISSUES:

Done — Rob needs his raise. You received a fax on Monday from Al regarding this matter.

Rick Detore needs to be reimbursed for $2073.32 for a COD for parts for the MEANPALS.

Done — We are putting Mandy on salary. I sent out the letter to Payroll.

Al needs $8K to finish work on the boat so we can do testing for the Coast Guard. We only have a limited time left on our mandate, so this needs to be done ASAP. Hold

Randall needs his retainer paid.

JJ 00407

JG — just found out that Lite Beams has agreed to work with us on a royalty basis so we can produce their product we need to

ADMINISTRATIVE ISSUES CONT page 2 of 2

I have spoken with Bill Reali. He has some of the same concerns we do and is planning to make a trip to Manassas as soon as he can. He will also discuss issues with Cafaro Accounting and Chip Roselli this week.

We need back up information here for the monies received in Youngstown for continuity in records.

Ruth requested that we have the cost of health etc. for USAG as to calculate an overhead. We are trying to put together for both USAG and Navcom basic operating cost for each month so you know how much we need without question.

On that note, we discussed the priortization of payment by Belmont without our input. I suggest that Monday you review the APs in question and Wednesday and make decision on what you want to pay. I will then confer with Ruth and Tracy concerning items that need immediate attention and any pressing issues that surface last minute. On Wednesday, you can give Ginni a list of items you approved to be paid that week. At that time, I can compare lists and she can go back to you and accounting with an answer. The idea is to work within the budget without neglecting priorities you many not be aware of.

We are changing Navcom Pay Day to the 5th of each month effective 5 June.

why OK * DR. JACKSON NEEDS HIS CHECK FOR HISOWN PAY!

OVERDUE ACCOUNTS:

IRS $25K is overdue by a month

GOVERNMENT ISSUES.

My $1000 dues are owed for the IADLC.

I need a check for $5000 for the Atlantic Council NATO and eventually $5000 for the "Washington Roundtable' sponsored by UVAs center for government studies.

OK I also need $6K transferred into my account for Dole, Gore, Sherrod Brown, Phil Crane.

On a better note, it seems as if we could be getting $3-4Mil in emergency appropriations for the Kosovar effort. We currently have $6mil in general defense appropriations and we are working on both R&D and Highway safety appropriations.

I [illegible] last week with Patrick Kennedy's DOD fellow, and it looks like Patrick, his DOD fellow, and LD will be coming to Manassas soon to view the system.

21 May 1999 page 1 of 2

CONTRACT PROGRESS:

Military: Rick and Al returned from Ft Rutger last Thursday after testing the MINIPALS with the Apache helicopters. The test was successful and the report reflected the performance of the system. This report has dispelled any hesitation at the Pentagon that was rooted in Gary Skillcorn's negative call. Van Cunningham and the rest of the Pentagon have been de-briefed. After Major Byrd returns, we will expect to go to Germany at that time. Randall is also working at the high level at the Pentagon.

457th Airbourne: Charlston AFB is wide open for a MEANPALS system, because no one has responded to their RFP. We now need to make sure that we complete the payment to finish the MEANPALS products.

Coast Guard: Time is running out on the mandate to test our system for marine use. We have not been able to conduct testing because we have not been able to complete the work on the boat. Hence, we need to take care of $8K for Al to be used towards the boat.

R&D Funds: There are two separate opportunities for $1.5M of R&D funding. We are in the process of responding to these opportunities.

Outstanding invoices: There are $400K out on the street to be collected and another $100K to be invoiced soon.

Postal Shafts: Rick Nichols has been dragging his feet to provide us with proper documentation to invoice and pay him for the next round of shafts. Finally he has been getting the show on the road and we will hopefully have this completed within the next three weeks.

International: Liberia has evidently approched NAVCOM. Like Cameroon, I am certainly not holding my breath.

UK: We have received the $47K from Tony Marmont.

INVESTMENT UPDATE: Nancy Aversa from McD came to Manassas last week. We had a very productive meeting. She had an opportunity to ask questions about the technology and its benefits in the market. I was quick to explain all the reasons why, because our products cost less and provide more, would be a lucrative investments. Such issues included being able to increase airport runway use, increase GA airport use, support from airlines b/c they need not spend money to update on-board instrumentation, support from carriers such as Fed Ex b/c they need constant access to airports and cannot afford to be fogged out etc. We also discussed international markets, such as NATO's use of military products and developing nations use of our energy-efficent, space saving, cheap system. Loni provided Nancy with concervative market projections, increasing over a ten year period. I have sent these along for your review.

FAA:

Vic Norris is in the process of writing the CRDA agreement for the FAA. As you know, we had conversations with staff at the DoT who may be able to help us expedite the certification funding process, in addition to possibly expediting the payment of the $3.2

ADMINISTRATIVE ISSUES:

I suggest that we pay some of our more critical overdue bills, such as Vic Norris, out of the $47K we received from the UK. I have attached the list of this weeks outstanding APs which I have marked to indicate what I think needs to be addressed. NAVCOM items are NO LONGER to receive precedence over USAG outstanding accounts. Because USAG is at a critical point with the Pentagon etc., we cannot afford to neglect our expenses in any way. We need to pay all expenses directly relating to the production of our product. Until such time as ALL USAG bills are paid, NAVCOM bills will NOT be addressed. This includes the IRS payment of $25K.

NAVCOM issues regarding DITCO, payroll and debt need to be discussed at length.
There was no close on the building yet again. We must get Zeke to agree to assign us, at no cost, the manufacturing facilities, so they are not lost if the Bank takes the building to auction.

Al needs $8K to finish work on the boat so we can do testing for the Coast Guard. We only have a limited time left on our mandate, so this needs to be done ASAP. He also needs the remaining $5K Of his bonus, seeing that his bonus was $35K and he only received $30K. Taxes have been accounted for in this issue.

I have spoken with Bill Reali. He will be out in Manassas the first week in June. We need back up information here for the monies received in Youngstown for continuity in records. Hopefully, Bill and the accountants here will be able to come to some conclusion about this issue. In addition, they will be discussing the software package, establishing USAG rates etc, and reviewing some of the NAVCOM tax issues as a non-biased observer.

As I had indicated in the past, NAVCOM has paid more taxes than they owed, due to relying on audit information provided by Watkins and Meegham. The firm had overestimated revenue, therefore NAVCOM has paid more taxes. We are working on reconciling all the information to get more money back from the IRS.

As you know, Mandy has finally been put on salary. Due to a long-standing miscommunication with Rick, she has requested some adjustments. There has definately been a lack of communication between Rick and Mandy and Rick and I. I have relied on Rick in the past to come to diffinative conclusions about salary issues. I have known about these issues all along and thought they got resolved. Unfortunatly, I did not realize Rick had not reconciled the differences. I just figured Mandy and Rick had reached a mutual understanding. I feel this issue needs to get resolved after all this time. We cannot afford to start over from square one again and again, wasting time training new employees.

We are changing Navcom Pay Day to the 5th of each month effective 5 June.

I put $1000 of my own money to create a petty cash fund. I do not personally have the means to continue to replenish this on my own. Please transfer me this amount once a month so I can replenish the petty cash fund in a timely manner. I do have all back-up documentation if necessary. I just figured it would take forever to get the show on the road for such a small amount, I went ahead and did it myself.

GOVERNMENT ISSUES:

June 10 is the DCCC Black Caucus dinner. As you well know, it is important to support Charlie Rangel, so I feel it is important to attend this event. Support ranges from $5K-$50K. $25K gets you into the VIP reception.
My $1000 dues are owed for the IADLC.

I have just been invited to USAID's conference on women owned business in Chicago. This is a big event for the government to show that they support women's business endeavors. I feel it is important to show my face at this event to gain exposure in the government as a woman-owned technology based corporation. Hillary Clinton, the head of the Small Business administration, Secretary of Commerce Bill Daley are just a few of the dignitaries in attendance. In addition, Congresswoman Janice Schakowsky (D-IL) will be at the conference. She is one of the representatives who are pressing an increase in funding to women-owned small business. According to Trafficant's office, no is the time to rally wide-spread congressional support for our system, due to pending emergency spending bills for Kosovo and certification issues. *The hitch is this conference is Wed-Fri of this week. I really think I should go Thursday and Friday.*

I need a check for $5000 for the Atlantic Council NATO. **This is almost one month overdue and they have started to call us.**

On a better note, it seems as if we could be getting $3-4Mil in emergency appropriations for the Kosovar effort. We currently have $6mil in general defense appropriations and we are working on both R&D and Highway safety appropriations. This is on hold until

I spoke last week with Patrick Kennedy's DOD fellow, and it looks like Patrick, his DOD fellow, and LD will be coming to Manassas soon to view the system.

I met with George Henry from Rangel's office about the DITCO situation. He suggested we get legal representation regarding a no-payment or a late-payment. He did indicate that small business and 8A status issues are important to Charlie, as I had suspected. I suggest we wait and see what happens with lawyer Parliee White. My understanding right now is there are some severe discrepencies in DITCO's accounting that prove to be in our favor. IN addition to that, it seems as if Zeke un-necessairly paid taxes he didn't owe, building an argument that we need a refund closer to $10M from the IRS.

CONTRACT PROGRESS:
Coast Guard: Time is running out on the mandate to test our system for marine use. We have not been able to conduct testing because we have not been able to complete the work on the boat. Hence, we need to take care of $8K for AI to be used towards the boat.

R&D Funds: There are two separate opportunities for $1.5M of R&D funding. We are in the process of responding to these opportunities.

Outstanding invoices: We have received confirmation that DITCO will be sending us payment of $279K. This is partial payment of what is owed to Navcom by DITCO. Copy of the confirmation has been faxed to you earlier this week. If you had not received this, please let me know. We are expecting $300K total to be received within the next two weeks.

Postal Shafts: Rick Nichols has been dragging his feet to provide us with proper documentation to invoice and pay him for the next round of shafts. Finally he has been getting the show on the road and we will hopefully have this completed within the next three weeks. We're still waiting for an improvement. Once finished, this contract is worth $36K. $18K is scheduled to be received by the first of July.

De-mark and Responder Cards: Navcom has been approached by FAA W Pacific region to produce De-mark cards for Edwards AFB. This contract would yield about $41K. In order to produce on this contract, it is necessary to pay precision metals $10K plus the outstanding balance of $456. To start, we must pay the outstanding balance and $2500 up front and pay the remaining within 2 weeks. Navcom has also been asked to produce on the responder card contract. We have responder cards available. The dollar ammount on this contract is currently unavailable.

Small Business Administration: It does not seem as if we will be able to meet the stringent 8A requirements. We can still meet the requirements for the Small Disadvantaged Business Woman-owned category and need to move forward at the Cafaro Company with the financial paper work.

FAA:

Vic Norris is in the process of writing the CRDA agreement for the FAA. As you know, we had discussions with staff at the DoT who may be able to help us expedite the certification funding process, in addition to possibly expediting the payment of the $3.2. Also, I understand there has been some developments on locating the appropriated or misappropriated funds at the FAA that could possibly confirm my hunch about Gary Skillicorn.

We are waiting for the final decision on the CRDA agreement. We may not have to put up any money for a CRDA agreement and will know by the end of the week how we stand. The USAG test sites most likely will be: Manassas and Volpe. Gary Skillicorn has been taken out of the loop to the best of our knowledge.

Copies faxed to Cofaro Co.

BAA: The Broad Area Announcement for $1.5 M has been temporarily denied. Randall is looking for higher avenues than Van Cunningham to figure out how to move things along.

Charlston AFB: We must pay the outstanding balance of approx. $9500 to Georator for the MEANPALS trailer so we can go to Charlston AFB. We will now need to re-schedule our demonstration date because the trailer is not yet ready.

NATO: The interest for our system's deployment in the Kosovar peace keeping efforts is still strong. The US army wants to escort us on a demonstration tour of NATO allied nations.

ADMINISTRATIVE ISSUES:

Before you seend any checks out, please send us a list of what you are paying first so we can tell you if these payments correspond with our priorities.

Al needs $8K to finish work on the boat so we can do testing for the Coast Guard. We only have a limited time left on our mandate, so this needs to be done ASAP. He also needs the remaining $5K of his bonus, seeng that his bonus was $35K and he only received $30K. Taxes have been accounted for in this issue.

I have spoken with Bill Reall. I do not know when he will be coming to Manassas. However, I did receive his message, and Ruth and Tracy are working on a list of requirements government auditors need and information they would like to discuss with him. I would like you to be a part of at least some of these discussions. We need to discuss how you want to handle establishing USAG as a corporate entity on the books, either back date to January 1 or start now and go forward. We need back up information here for the monies received in Youngstown for continuity in records. Hopefully, Bill and the accountatns here will be able to come to some conclusion about this issue. In addition, they will be discussing the software package, establishing USAG rates etc, and reviewing some of the NAVCOM tax issues as a non-biased observer. We must do this next week!

As I had indicated in the past, NAVCOM has paid more taxes than they owed, due to relying on audit information provided by Watkins and Meeghan. The firm had overestimated revenue, therefore NAVCOM has paid more taxes. We are working on reconciling all the information to get more money back from the IRS.

I put $1000 of my own money to create a petty cash fund. Please repay.

When you do get out to Manassas, you need to meet with Vic to re-structure his deal, so he can be put on salary, instead of this retainer. In addition, deals need to be structured with Lite Beams and Shemwell/Vetter due to the impending Raytheon threat. You must also meet with Joe Langevin to decide on structuring a deal with him.

I have decided that we as an organization have become too confidant in our current efforts n the House Aviation subcommittee. I feel it is necessary to redirect our energies to other members of the sub and full committee on Transportation, in addition to the appliciable appropriations subcommittees. I have implemented a strategy to target the most receptive members of the House and Senate in these areas of interest. In addition, I have enlisted William Gary to concentrate of Virginia Rep, Wolf, NRCC Chair VA Rep. Davis and VA Sen. Warner, all of whom are very prominent on these committes.

I need a check for $5000 for the Atlantic Council NATO . This is almost 3 months overdue and they have started to call us.

On a better note, it seems as if we could be getting $3-4Mil in emergency appropriations for the Kosovar effort. We currently have $6mil in general defense appropriations and we are working on both R&D and Highway safety appropriations. This is on hold until

I spoke last week with Patrick Kennedy's DOD fellow, and it looks like Patrick, his DOD fellow, and LD will be coming to Manassas soon to view the system.

I need the following amounts for up-coming political events:

$1000 K IADLC BOARD DUES

$[illegible] IADLC dinner with White House Chief of Staff John Podesta

$10[illegible] Patrick Kennedy Birthday party

OUTSTANDING A/P THAT MUST BE PAID

Aeroteck-they are pulling the audocad engineer

TML-wont fix the copier until paid

Vic Norris-refuses to continue work on CRDA agreement

Avionics NW-Charlie Brown working on responder card contract

Walt Ellison-computer programmer, hasn't been paid in 2 months

Research Electro Optics-laser parts necessary to complete work for Kosovo request

Lebbern Manufacturing-overdue for months and key to unit production

Georator-holding MEANPALS trailor until paid. Trailor needs to go to Charleston AFB ASAP

Al Lange-at least $1500 for boat work. Wrote a check earlier this week. Needs $8K in total. Need boat completed to work on Coast Guard certification

BRIEF UPDATE

FAA is coming in tomorrow morning to discuss potential contracts with USAG.

Langehorn Bond will return from the Paris air show June 16

It has come to my attention that Vetter is trying to work directly with the USMC to meet some requests. To do so, he has been having discussions with Raytheon to back him up and has been using the information from your conversation in Las Vegas about Kosovo to fuel their interest. Do they have this right contractually or can we stop them?

Read the following document that I want to distribute when I meet with everyone in Youngstown 25-26 June.

I finally spoke with Bill Reali and he seems to be on the same page as us. Please try to make some time at the beginning of the week of 26 June.

PERSONAL

As you know, Renee and I plan on taking next week off to go to California. I will fax all the reservation information to Ginni, but will need some $$$ transferred into my account or brought to me this weekend.

USAEROSPACE LONG-TERM GOAL

The USAerospace (USAG) staff is committed to working towards building sustained credibility as a contractor and supplier to several branches of the U.S. government. Offering a wide variety of aviation navigation equipment, USAG now supplies the Department of Defense and will soon service the Federal Aviation Administration (FAA). It is our desire to build a strong reputation as a credible producer of aviation-related technology. As we build both our name recognition and sales, USAG will also grow into a more autonomous corporation with the ability to sustain itself. We are committed to moving forward in the most expedient manner possible, as to alleviate the financial and human resource drain caused by USAG at the home office. To achieve this goal, it is necessary not only to pursue all applicable government contracting opportunities, but also to implement the footing of an independent corporate entity.

Our technology is state of the art and our approach is progressive. Every and all avenues to generate revenue and establish corporate credibility are being explored to the fullest extent. In this process, McDonald Investments of Cleveland, Ohio, has been working with USAG to generate a business plan for prospective investors. The staff of McDonald has recognized the enormous market potential of USAG products. Their interest in our group serves to build not only external inquiries, but also internal confidence in long-term product profitability.

The following is the working draft of the USAG-McDonald business plan. It gives an overview of each product and its use in a business framework. Included in this information is USAG profit and market share figures projected over ten years.

WHY IS USAEROSPACE A WISE INVESTMENT?

USAG products are appealing and will have long term success because they are the most advanced technologies on the market, while being considerably less expensive than comparable systems. These products are also highly versatile, with the ability to be utilized in military, marine and civil aviation applications. USAG products are certified by both the Army and Navy and are currently ready to deploy in Kosovo. The support and use of USAG systems by the US government lends credibility to our products and opens the doors to the international Allied military market, such as fellow NATO nations.

USAG has recently entered into a Cooperative research and Development Agreement with the FAA to finally complete certification for civilian use of our products. After the certification process is complete, within the next four to six months, the global commercial aviation market is wide open. While US certification is not necessary to sell our system in all nations abroad, it is necessary for all G8 countries. In the United States, Congress plans to mandate all airports convert to the visual based system within the next five to ten years. This enables airports of all sizes to increase their use by improving the ability to land in adverse weather conditions. At larger airports, the system would aid in increasing use of more runways, because of the systems comparatively small size and low cost. Size and cost also positively effect small, general aviation airports that typically do not have the monetary or land resources to invest in the current systems that consume acres of land and incur enormous maintenance costs. For these same reasons, our system is attractive to the economically developing nations of the international community.

Government is not the only group with influence over the aviation industry. Airlines and cargo carriers alike are extremely vocal in shaping the future of airport safety. Commercial carriers are fond of our products, because no on-board instrumentation is needed. Since it is simple to learn how to use the visual landing system, costly training is unnecessary. Cargo carriers, who rely on the ability to land on time, appreciate increased access to airports in adverse weather situations.

These statements give further reasoning behind the provided conservative market projections.

WHY IS NAVCOM A NECESSARY EVIL AND A GOOD LONG-TERM INVESTMENT?

Government agencies, such as the FAA, have innumerable regulations and standards to qualify a corporation as a legitimate supplier and contractor. The government has rigid standards for manufacturing facilities, accounting systems, employees, manuals, quality control etc. USAG was faced with reams bureaucratic red tape that was preventing us to move forward on product certification and military contract performance. If USAG chose to independently address the FAA's requirements, it would have been very time consuming and costly. It became apparent that it was necessary to seek alternatives to starting from square one with developing FAA requirements. Soon after, USAG had an opportunity to become involved with FAA contractors and office landlord, Navcom systems.

Navcom primarily produces telecommunications products for FAA use and already had all of the bureaucratic standards in place. For several years, Navcom was extremely profitable because it built a niche as a high-quality contractor who out bid large firms such as AT&T for small contracts. However, as the years passed, Navcom's owners invested in several business ventures, including an airline, that went sour. While they were still trying to produce on contracts and had offers for more, it became virtually impossible for Navcom to support its contract-related operating costs. USAG was approached to provide financial assistance to Navcom in exchange for re-assignment of current profitable contracts and completed FAA requirements. In addition, USAG gained personnel experienced in the rules of government contracting, and hence, avoided time consuming searches and training of new employees.

At the time USAG entered into an agreement with Navcom, their dire financial situation was clear. However, a resolve seemed in sight for all involved. Navcom has several active contracts, as well as passed due funds in excess of $3.2 million owed to them by the government contract agency, DITCO. DITCO was to pay these funds by early 1999. Unfortunately, DITCO has been bogged down by the politics of bureaucracy and has withheld payment unnecessarily. Their reluctance to pay what Navcom is owed has also effected the timely payment of other non related contract invoices.

If it were not for DITCO's unacceptable behavior, Navcom would be producing a respectable return. Despite the current situation and Navcom's evident financial drain on the home office, investing in Navcom was, and still is, the right choice. Without Navcom's personnel and experience, USAG would not have the on-site resources to progress in the field of government contracting. If USAG chose not to become involved with Navcom, USAG would have wasted valuable time and money, causing a further set back to the corporate entity. Money can be recouped, but time is permanently lost.

ADDRESSING THE CHALLENGES OF GOVERNMENT CONTRACTING

Government contracting is a complex, multi-player game with many and no rules all at once. USAG, in conjunction with Navcom, is prepared to meet all of the challenges associated with playing the government contracting game. There are two main impediments facing our collective group: preferential treatment of big business by government agencies and bureaucratic politics. These two problems are not necessarily mutually exclusive, but tend to be related in many cases. In any event, these problems can be solved in a reasonable time frame by a combination of political, legal and tactical methods.

I. Big Business vs. Small Business

The Problem: Government bureaucrats are notorious for taking the easy way out. They tend to choose products and corporations with name recognition, even if they are more expensive or of lesser quality. Bureaucrats do this to avoid scrutiny or criticism that may come from superiors about unknown or new products and corporate entities. As a result, small businesses are often not given a fair chance.

I. Big Business s. Small Business continued

The Solution: The law makes provisions for such behavior by requiring all government agencies to use small businesses for a set amount of contracts. However, to gain the benefit of these set asides, a company must be registered in one of the many Small Business Association aid programs. USAG can qualify for special categorization giving them precedence in government contracting by applying for either 8A corporate status or women owned business. It must be one or the other. 8A require a personal net worth of less that $250K. Women-owned business requires one person to own more than 51% of the corporate holdings. It takes 120 days to process the applications.

These priority status categories can and will make all the difference in the long-term viability of USAG. Essentially, these opportunities serve as affirmative action programs, extending access to government contracts via quotas and set-asides for small, disadvantaged businesses. There are higher quotas and larger set-asides within the government budget for 8A status corporations than those that are woman owned. Statistics for FY 99 show over $1 billion in funds ear-marked for special status contractors. Therefore, it is highly important USAG/Cafaro focus its energies on producing all necessary information and documentation to complete this process.

II. Bureaucratic Behavior

The Problem: Bureaucrats are not typically receptive to change, by the inherent nature of their job. Over the years, many bureaucrats develop their own pet projects that they fund by shifting appropriated funds for other purposes than what was intended. In this process, bureaucrats enter into a cycle of protecting themselves and their special interests by either destroying or ignoring new projects. Money gets wasted and misappropriated, and no one wants to be accountable for it. As a result, many federal agencies are faced with budget constraints that force them to dole out payment to contractors at an unacceptably slow rate. USAG is facing these types of problems from DITCO, the FAA and the Pentagon.

A. DITCO

The Problem: Racial and small business prejudice, in combination with budget limitations and motivation to protect individual special interests, has provoked DITCO contract officers to wrongfully hold back payment to Navcom totally over $4 million for work completed on several unrelated contracts. This is unacceptable behavior, because no agency is allowed to hold up payment on one contract just because another contract is under review. DITCO has supplied Navcom with several excuses over the past few months to explain why there has been no payment. They have been dishonest and withholding of information, changing stories from the beginning to the end of one phone conversation. As a result, DITCO has inflicted an extreme financial burden on both Navcom and Cafaro, knowing the company needs the funds to continue to meet operating costs.

The Solution: There are several steps to successfully combating DITCO and retrieving the funds rightfully owed to Navcom. Legal representation has already been retained to attempt to put pressure on the agency. The real pressure is going to come from the House Government Reform Committee, with Rep. Dennis Kucinich (D-OH) leading the charge. It is the duty of this committee to see government agencies are conducted in an effective, productive and fair manner. We are building a case against DITCO to fuel a Congressional inquiry. But, Congress can not be the only branch of government involved in this examination. Federal agencies tend to bite the hand that feeds them. That is to say, agencies tend not to listen to Capitol Hill, even though Congress funds them. Hence, it is necessary to make appropriate inroads to approach staff at DISA, and the Department of Defense, the umbrella agencies of DITCO. LTG David J. Kelley, director of DISA, would be the ideal place to start. This type of action cannot come from Defense Secretary Cohen and expect to make its way down the latter to the underling that oversees DITCO. Hence, it is necessary to start higher than the problem in the chain of command, but closer to home, to be more effective.

B. FAA

The Problem: Administrator Garvy, Transportation Secretary Slater, members of the House and Senate Transportation Committees and most FAA staff members, support certification of USAG visual landing system. This May, the FAA commited to entering into a CRDA agreement. However, one bureaucrat has stood in the way of our progress. Gary Skillicorn is a typical bureaucrat with special interests. He has seemingly misappropriated the funds intended for USAG elsewhere within the FAA. This has motivated him to attempt to stifle the program as not to answer question son the whereabouts of the monies.

The Solution: Again, this is a job for Government Reform commitee. This time, however, the Senate committee, led by the efforts of Senator Robert Toricelli (D-NJ), will be involved since he is the original person who authorized appropriation. Senator Toricelli will discuss the whereabouts of the funds with Under Secretary of Transportation for Budget, who is aware of the transferred funds. Following their meeting, it is then appropriate to informally investigate the FAA's use of the money. In the interim, USAG has solid support from both House and Senate Transportation and Appropriations committees. Senator Ted Stevens(R-AK), is a key figure in aviation legislation. As the senator from Alaska, he must be concerned with air safety, as it is the more frequently used method of travel in his home state. Other key members, particularly Senators up for re-election and Republican members of the House Judiciary committee who are vulnerable to defeat, are being targeted for support. Contact can be made through the political arm of each party(DCCC/DSCC/NRCC/NRSC).

C. PENTAGON

The Problem: USAG was invited to Ft Rutger, AL. to test the MINIPALS system for use with Apache helicopters to be deployed in Kosovo. Testing was successful and the system was well received. The Pentagon report, however, was written by an individual who did not spend more than a few hours reviewing the system's capabilities. As a result, the report came back filled with erroneous information. This lack of attention to detail may have been motivated by Under Secretary for Acquisition and Technology, Jaques Gensler, a former Raytheon executive. It was no surprise to learn Secretary Gensler was pushing to buy a more expensive, less effective system produced by Raytheon.

The Solution: Actions are already underway to curtail the actions of these individuals. USAG filed a rebuttal with the Pentagon, disproving the information stated in the previous report. In addition, we are building support within the Senate and House Armed Services and Appropriations committees using the same means as with the Transportation committee.

BUILDING CORPORATE STRENGTH FROM THE INSIDE OUT

It is the goal of USAG to stop draining the resources of the home office as soon as it is feasible. While working to establish economic viability, it is necessary to be prepared to be a self-sufficient entity with the ability to have all corporate activities on site in Virginia. Hence, it is necessary to plan now to accommodate the future. USAG is in the process of developing its own human resources standards, corporate policies, benefit plans and accounting systems. Accounting autonomy is the most important part of the self-sufficiency puzzle. It is possible to become one step closer to attaining this piece, even without strong income. It would be beneficial to set up a USAC account locally. A weekly budget amount could be transferred in and on-site accountants would then have the ability to cut checks and complete payroll. In addition, this account enables USAG to keep all original accounting documents in-house. It is absolutely essential to have these files in the Virginia office due to government auditing regulations. If this does not occur, the government contracting agencies will audit the Cafaro Company.

FUTURE OPPORTUNITIES FOR USAEROSPACE GROUP AND NAVCOM

USAG and its related technologies are at the verge of significant success. The key to progress is cooperation and commitment. Although the past several moths have been financially trying, now is not the time to walk away. All must endure short-term failure to achieve long term success. Every problem has a solution, but one must have patience to see it out, not bow out prematurely. It is understandable that the untrained eye could perceive USAG as demanding resources without reciprocating. However there are several current and pending lucrative contracts within grasp. The following paragraphs are a summary of such activity.

USAerospace Group

USAID: USAG is registering with the US Agency for International Development's (USAID) program for technology integration. This program is designed to pair up developing nations needs with services and products provided by US corporations. USAID's endorsement would lend USAG international credibility as well as recognition within the US government. USAG high-tech, low-cost landing systems are perfect for many nations in economic transition. USAG provides countries without economic or natural resources an opportunity to upgrade their current technology or install new systems where they would otherwise not be able to do so.

Currently, there are approximately $15 million worth of military contracting opportunities relating to products and services offered by USAG and its affiliates. The majority of requests from purchasers are for the MEANPALS and MINIPALS rapid-deployment aircraft guidance packages. USAG customizes each request to fit the demands of the purchaser. Each MEANPALS system is equipped with a specified number of localizer and glide slope laser-based visual landing units, cold cathode edge lights, remote control on/off capability and GPS. MINIPALS is a specially designed, portable landing system specifically equipped to meet the needs of combat conditions. MINIPALS has been selected by the Pentagon to help land rotorcraft in the Kosovo region. In addition, there is $4M of pending legislative mandates, for the purchase of USAG's systems to use in emergency situations. Currently, there is a mandate to test the laser-based guidance system for marine use by the Coast Guard. The testing period will expire within the month.

6 July1999 page 1 of 3

CONTRACT PROGRESS:

Coast Guard: Time is running out on the mandate to test our system for marine use. We have not been able to conduct testing because we have not been able to complete the work on the boat. Hence, we need to take care of $3K for Al to be used towards the boat.

R&D Funds: There are two separate opportunities for $1.5M of R&D funding. We are in the process of responding to these opportunities.

DITCO: We have FINALLY received $279K from DITCO. We are attempting, via FAA council, to shake loose the remaining approx. $600K owed by buying the product lines from Navcom and/or having the FAA separate the contract from DITCO. We are trying to avoid 50% payment on contracts completed due to the $3.2M issue.

Postal Shafts: Rick Nichols has been dragging his feet to provide us with proper documentation to invoice and pay him for the next round of shafts. Finally he has been getting the show on the road and we will hopefully have this completed within the next three weeks. We're still waiting for an improvement. Once finished, this contract is worth $36K. $18K is scheduled to be received by the first of July. In the interm, we are not spending any money on this contract.

De-mark and Responder Cards: Navcom has been approached by FAA W Pacific region to produce De-mark cards for Edwards AFB. This contract would yield about $41K. In order to produce on this contract, it is necessary to pay precision metals $10K plus the outstanding balance of $456. To start, we must pay the outstanding balance and $2500 up front and pay the remaining within 2 weeks. Navcom has also been asked to produce on the responder card contract. We have responder cards available. The dollar amount on this contract is currently unavailable. This is on hold until the DITCO issues seems to have a more defined solution.

Small Business Administration: It does not seem as if we will be able to meet the stringent 8A requirements. We can still meet the requirements for the Small Disadvantaged Business Woman-owned category and need to move forward at the Cafaro Company with the financial paper work.

McDonald Investments: Cafaro is reformatting the presentation booklet for McD. Please send me a draft when completed. As soon as this is finished, we should set a meeting with McD, but should hold off until we have a more firm grasp on where certification stands.

FAA:

Vic Norris is in the process of writing the CRDA agreement for the FAA. As you know, we had discussions with staff at the DoT who may be able to help us expedite the certification funding process, in addition to possibly expediting the payment of the $3.2. Also, I understand there has been some developments on locating the appropriated or misappropriated funds at the FAA that could possibly confirm my hunch about Gary Skillicorn.

We are waiting for the final decision on the CRDA agreement. We may not have to put up any money for a CRDA agreement and will know by the end of the week how we stand. The USAG test sites most likely will just be Manassas and Volpe. We are sending in a preliminary package into Dan Salvano and Calvin Miles this week.

BAA: The Broad Area Announcement for $1.5 M has been temporarily denied. Randall is looking for higher avenues than Van Cunningham to figure out how to move things along.

Charlston AFB: We must pay the outstanding balance of approx. $9500 to Georamr for the MEANPALS trailer so we can go to Charlston AFB. We will now need to re-schedule our demonstration date because the trailer is not yet ready.

NATO: The interest for our system's deployment in the Kosover peace keeping efforts is still strong. The US army wants to escort us on a demonstration tour of NATO allied nations.

Redstone Aresenal: We are scheduled to have a demonstration here 20 July.

Dover AFB: Dover has released a pre-solicitation notice on aircraft nav aides which we intend to be ready to respond to.

ADMINISTRATIVE ISSUES:

I understand we have $150K to pay open AP. Tracy and I have compiled the list to be paid. If you have any questions, please ask me before taking any action. Before you send any checks out, please send us a list of what you are paying first so we can tell you if these payments correspond with our priorities.

Al needs $8K to finish work on the boat so we can do testing for the Coast Guard. We only have a limited time left on our mandate, so this needs to be done ASAP. He also needs the remaining $5K Of his bonus, seeing that his bonus was $35K and he only received $30K. Taxes have been accounted for in this issue.

Last week we discussed establishing a USAG account initially in Ohi, so we can have employees and a separate account to draw from to cover expoenses. I cannot stress neough the need to eventually have theh accounting controlled in Manassas due to government accounting auditing practices. We need to discuss how you want to handle establishing USAG as a corporate entity on the books, either back date to January 1 or start now and go forward. We need back up information here for the monies received in Youngstown for continuity in records. In addition, they will be discussing the software package, establishing USAG rates etc.

As I had indicated in the past, NAVCOM has paid more taxes than they owed, due to relying on audit information provided by Watkins and Meeghan. The firm had overestimated revenue, therefore NAVCOM has paid more taxes. We are working on reconciling all the information to get more money back from the IRS.

I put $1000 of my own money to create a petty cash fund. Please repay.

Alan vetter called + wants updates
what to do?

Vic Norris seems to have come to an understanding of what is going on. I have overnighted his tentative agreement to you. He is also resubmitting his hourly rates for review to cover past expenses incurred. We should discuss how we intend to handle this issue.

We must find out the status of the VA business license with the legal department because immediate action needs to be taken.

Within the next few weeks, you must travel to the West Coast to re-negotiate with Shemwell/Vetter and Lite Beams as to save us from a serious problem before it starts.

We are working on putting a business plan and corporate policy manual together, which will include reviewing benefit packages etc.

We need to make a decision on what we are going to do about the Navcom/United Bank rent issue.

Within the next two weeks, I would like to return to Youngstown to chat with Tony about USAG progress.

GOVERNMENT ISSUES:

I have decided that we as an organization have become too confidant in our current efforts n the House Aviation subcommittee. I feel it is necessary to redirect our energies to other members of the sub and full committee on Transportation, in addition to the appliciable appropriations subcommittees. I have implemented a strategy to target the most receptive members of the House and Senate in these areas of interest. In addition, I have enlisted William Gary to concentrate of Virginia Rep, Wolf, NRCC Chair VA Rep. Davis and VA Sen. Warner, all of whom are very prominent on these committes.

I need a check for $5000 for the Atlantic Council NATO . This is almost 3 months overdue and they have started to call us.

On a better note, it seems as if we could be getting $3-4Mil in emergency appropriations for the Kosovar effort. We currently have $5mil in general defense appropriations and we are working on both R&D and Highway safety appropriations.

22 July Rick is scheduled to testify in front of the House Aviation Subcommittee on aviation safety.

I need the following amounts for political events I have ALREADY WROTE CHECKS FOR:

$1000 Jennifer Dunn

$1000 LADLC BOARD DUES

$500 LADLC dinner with White House Chief of Staff John Podesta

$??? Patrick Kennedy Birthday party (not yet)

********** -COMM. JOURNAL- ********** DATE NOV-16-1999 ***** TIME 15:53 *** P.01

MODE = MEMORY TRANSMISSION START=NOV-16 15:41 END=NOV-16 15:53

FILE NO.= 187

STN NO.	COM	PEER NO.	STATION NAME/TEL.NO.	PAGES	DURATION
001	OK	<05>	JJ Cafaro USAG	003/003	00:01'58"

-USAerospace Group -

********** -703 365 2635 - ***** - 703 365 2635 6550- **********

USAerospace

USAerospace Group, L.L.C.
9617 Godwin Drive
Manassas, VA 20110
(703) 365-6000 / Fax: (703) 365-2635

Fax

To:	JJC	**From:**	Capri
Fax:		**Pages:**	3
Phone:	330.747.2661	**Date:**	11/16/99
Re:	Urgent Items	**CC:**	

X Urgent ☐ For Review X Please Comment ☐ Please Reply ☐ Please Recycle

I would appreciate it if you would tend to the following issues bearing in mind that if they are neglected, USAG's viability for potential contracts will plummet, without opportunity to rebound.

1. Health insurance. The Trigon and Guarglan benefits were to be paid as of yesterday. I made it exceedingly clear that if left unpaid, we would not have option to renew. This is not as simple as placing everyone on the Cafaro plan again, as the Cafaro plan does not meet government standards for benefits. I also cannot approach these institutions and ask if they will re-instate our policy to decide if we should pay. The only way we will have any credibility at this point is if we send certified funds covering payment through December. This has effected every member of the office and their dependents in a very serious fashion.

2. NAVCOM employees must be paid. If they are not paid, we cannot continue to work on current contracts, or receive new ones, as these individuals in manufacturing are already pre-certified with the FAA. There is no way out of this one. We cannot replace them with other people.

3. Legal action is been taken against Al in relation to his boat. I am trying to collect the hard details, but from what I can surmise, the lawsuit would be dropped with a small payment of $1000.

4. Aerotech is willing to settle their outstanding balance and close out their account with 15% off, if we pay them by Friday.

5. The SSD patent lawyers seem to be a bone of contention, stating that MINIPALS is not a patentable product. Attached is information on a firm that is willing to do the work for approx. $7000.

6. How true and consistant that we will have $250K to work with, and how soon would we have access to such funds?

OUR REF. NO.	YOUR INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AM
		11/15/99	2172.17	2172.17	.00	2172.

10

USAEROSPACE GROUP L.L.C.
9617 GODWIN DRIVE
MANASSAS, VA 20110

FIRST UNION NATIONAL BANK
68-141-510

10

	DATE	CONTROL NO.	AMOUNT
**** 2172 DOLLARS AND 17 CENTS **	1/17/00	001024	****2172.17

PAY TO THE ORDER OF
ALBERT LANGE JR
9043 CORIANDER CIRCLE
MANASSAS, VA 20110

Capri L. Cafaro

⑈00001024⑈ ⑆051001414⑆ 4311676598⑈

USAEROSPACE GROUP, L.L.C.

10

MOTORCYCLES ATVs HONDA POWER EQUIPMENT DEALER
170 LEE HIGHWAY, WARRENTON, VA. — PHONE (540) 347-4591

YAMAHA

SOLD TO US AERO SPACE GROUP
~~CAFARO, JOHN~~
Home Phone
Office Phone 703 365-8000
ADDRESS 9817 GODWIN DRIVE
Date 5/18/99 Salesman: RICK BLA
Delivery Date 5/18/99 Dealer # 00002877
Finance Co:
CITY MANASSAS STATE VA COUNTY ZIP CODE 2011

Cost of Vehicle, Power Pro EB5000XK1A		2,596.00
Second Unit		
Third Unit		
Freight		
Dealer Preparation		
Accessories 4TH		
5TH		
~~6TH~~		
7TH		
0 EX SERVICE		
Accessories		
Tax		
Accessories		
Total Units and Accessories		
Tags and Title		0
Sales Tax		116.91
Cash Delivered Price		2,714.91
Trade-In Allowance		
Deposit Mastercard Visa ☒ Check ☐ Cash ☐		2,714.91
Balance Due		-0-

APPRAISAL OF TRADE IN

Frame No.
Engine No.
Mileage Year
Model Color
Appr'd by Allowance $

PERMISSION FOR MINORS

I/we give permission to my son/daughter.

to purchase a motorcycle from Bialock Cycle Co., Inc.

Parent, Guardian

DESCRIPTION OF UNIT BEING SOLD

Make HONDA Year 99
Serial No. EA7-3144654
Model No. EB5000XK1A Guarantee
Color RE Mileage

SECOND UNIT BEING SOLD

Make Year
Serial No.
Model No. Guarantee
Color Mileage

THIRD UNIT BEING SOLD

Make Year
Serial No.
Model No. Guarantee
Color Mileage

Key #

SPECIAL ORDER ACCESSORIES

Specially ordered accessories require nonreturnable deposits at the time of order. Please carefully consider the accessory options before you reach your final decisions.

License No.
Date of Birth -0-/-0-/-0-

TAG AND TITLE

	VA.	
Dealer Bus. License Tax	None	
Vehicle Tax	3%	
Processing Fees	$49.00	
Uninsured M'V Fees		
Tags	$24.50	
Transfer	$ 2.00	
Temporary Tags	$ 2.00	
Title	$10.00	
Inspection Fees	$ 5.00	
TOTAL		0

COPY OF THIS INVOICE RECEIVED AT OR BEFORE DELIVERY WI
UNDERSTANDING THAT SAME IS SUBJECT TO AUDIT BY SELLI

Signed Date

ABOVE ORDER SUBJECT TO APPROVAL BY AUTHORIZED MANAG
OF BIALOCK CYCLE CO., INC.

Signed Date 5/18

Authorized Manager

11
10

Blalock Cycle Co., Inc.
170 Lee Hwy
Warrenton, VA 22186
(703) 347-4591

11
10

SALES DEPARTMENT INVOICE

Layaway Deal

Receipt # 9000526
Receipt Date: 5/18/99

Cashier: ** -) RICK BLALOCK

Received From: US AERO SPACE GROUP
9917 GODWIN DRIVE
MANASSAS, VA 20110
703 365-8000

1 Sheet # 00022877

Yr: 99 Make: HONDA Model: EB5000XK1A Stock: 144654 VIN: EA7-3144654

21.
20

Method of Payment: MC/Visa

Payment Amount: 2,714.91

Comments/Reference:

21.
20

Tuesday, May 18th, 1999 3:02 pm

BUSINESS CARD STATEMENT

BANK ONE.

24 HOUR CUSTOMER SERVICE
800-346-5538

Billing Statement for Account Number **4731 6245 7007 0008**

Statement Date	New Balance	Payment Due Date	Minimum Payment
June 13, 1999	$9,875.59	July 10, 1999	$446.00

Amount Enclosed $

473162457007000800044600009875599

☐ Check this box if address change is indicated on back

Make checks payable to:

BANK ONE,N.A.
PO BOX 530808
ATLANTA GA 30353-0808

JOHN J CAFARO
CAFARO MANAGEMENT COMPANY
2445 BELMONT AVE
YOUNGSTOWN OH 44505-2418

55

:5000 460 28: 1094 5700 70008 5#

Please return this portion with your payment to ensure proper credit. *Please write your account number on your check.*

Transactions for Account 4731 6245 7007 0008 ***24 Hour Customer Service 800-346-5538***

Tran Date	Post Date	Description	Debits	Credits	Reference Number
05/18	05/18	BLALOCK CYCLE CO INC WARRENTON VA	2,714.91		24246514B2PHDDZY5
05/19	05/19	VERIO *INTERNET SVC 888-523-7959 TX	75.00		24692164B0083R2L9
05/27	05/27	RESEARCH ELECTRO OPTICS 303-9381960 CO	1,000.00		24717054LJMDKYRFH
05/27	05/27	RESEARCH ELECTRO OPTICS 303-9381960 CO	1,000.00		24717054LJMDKYRG3
06/15	06/15	LATE FEE	20.00		
06/15	06/15		78.61		*FINANCE CHARGE*
Totals			*$4,888.52*	*$0.00*	

HAVE YOU OVERLOOKED YOUR PAYMENT?
IF YOU HAVE, PLEASE REMIT NOW.

TO RECEIVE OUR EXCLUSIVE CARDMEMBER OFFERS AND DISCOUNTS,
REGISTER YOUR EMAIL ADDRESS AT WWW.SPECIALVALUES.COM TODAY!

JJ 00471

Account Activity

Previous Balance	- Payments	- Credits	+ Purchases	+ Cash Advances	+ Other Debits	+ FINANCE CHARGE	= New Balance	Company Credit Line	Available Credit Line	Available Cash Advance Line
$4,987.07	$0.00	$0.00	$4,789.91	$0.00	$20.00	$78.61	$9,875.59	$10,000	$124	$124

Finance Charge Calculation

	Balance Subject to Finance Charge	Daily Periodic Rate	Resulting from Periodic Rate	Transaction Fees	Total	NOMINAL ANNUAL PERCENTAGE RATE	ANNUAL PERCENTAGE RATE	Days in Billing Cycle
Purchases	$6,552.97	0.04038%	$78.61	$0.00	$78.61	14.74%	14.74%	29
Cash Advances	$0.00	0.04038%	$0.00	$0.00	$0.00	14.74%	14.74%	29

Back of this statement contains information regarding your account and ...

*****A/P INVOICE, EXPLANATION, AND CONTRACTED SERVICES REPORT*****

CONTRACTOR Al Bongo CENTER USA4

EXPENSE MONTH	BATCH	DIV	SINGLE: PROJ-PRO	CTRCODE	ACCT	BUDGET Y N
11 1994	/	/			/	/

INVOICE DATE 11/15/94
INVOICE # BOAT
VENDOR #
VOUCHER #
P.O. #
DUE DATE 11/15/94
TYPE CIRCLE E M C
T. 2172.17
SALES TAX
GROSS AMT.
RETAINAGE
DISCOUNT
AMT. TO PAY 2172.17

MANUAL CHECK # | CHECK DATE / / | SEP CHECK

PROJ PRO	CO	DIST. AMT.	RETAINAGE
	TOTAL		

CTR. CODE	ACCT #	DIST. AMT.	BUDGET
			Y N
			Y N
			Y N
			Y
			Y
			Y N
	TOTAL		Y N

HOLD CODE | BUDGET EXP DATE / / | RECOUP | COMP

CONTRACTED SERVICES USED ONLY

DESCRIPTION OF EQUIPMENT USED	TIME IN	TIME OUT	TOTAL HOURS

NUMBER OF WORKERS USED	TIME IN	TIME OUT	TOTAL HOURS

EXPLANATION -- BE SPECIFIC: WHAT, WHEN, WHERE OR MATERIALS/SERVICES:
IR 94 - WORK PERFORMED ON BOAT/EXPENSES

COMMENTS:

BUDGET	AMOR #	AMOUNT APPROVED YEAR TO DATE

JJ 00569

APPROVAL

PROPERTY MANAGER

REGIONAL MANAGER

DIRECTOR OF OPERATIONS

REPORT DATE: 05/01/00 12:10 U.S. AEROSPACE GROUP, LLC PAGE

CASH RECEIPTS REGISTER

RECEIPT #	DATE	ACCOUNT #	ACCOUNT DESCRIPTION	BILL # TRANS CODE	TRANSACTION DESCRIPTION	DEBIT	CRED
0086	04/30/00	1) 1001-000-00	FIRST UNION CAP ACCT	00	FIRST UNION CAP ACCT	0.00	
		2) 6301-000-00	TRAVEL	00	LANGE BOAT EXP TO 3100		2,172.1
		3) 3100-000-00	OWNER ADVANCE TO CAPITAL	00	LANGE BOAT EXPENSE	2,172.17	
						2,172.17	2,172.1

Eastern Power Boat Club

1301 Water St. S.E.
Washington D.C. 20003

202-544-9810

Al Lange
9043 Coriander Circle
Manassas, Va. 20110

Dear Mr. Lange,

This is to notify you that your account with Eastern Power Boat Club for Dues, Dockage, Work time and Electricity are significantly overdue.As of August 1999, your account is $772.17 overdue. If the Club does not hear from you within 30 days from the receipt of this letter and arrangements are made to settle this debt, the Club will seek legal means to get what is owed, and then, remove the boat from the Club.

Please contact Sam Puglisi, Treasurer as soon as possible.

1418 Ray Rd.
Hyattsville, MD. 20782
Home (301)559-1257
Work (301)656-6624

Sincerely,

Robert S. Currie
Secretary

Eastern Power Boat Club
1301 Water St. S.E.
Washington, DC 20003
Attn.: Sam Puglisi

Dear Mr. Puglisi,

Here is a check in the amount of $772.17 that represents overdue payment to the club for dock space and storage for the 37 foot Egg Harbor.

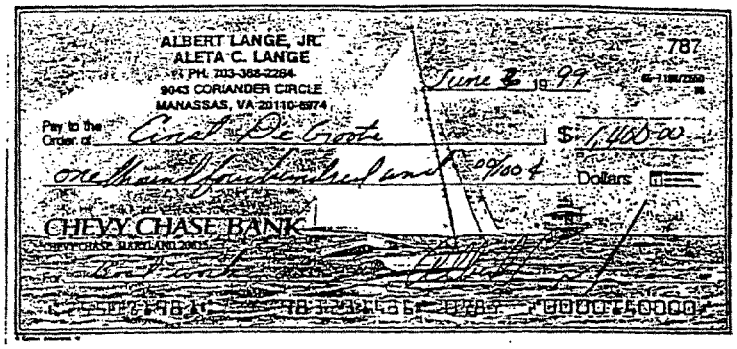
I must tell you, I have been working to receive a clear title to that boat for over a year. To date I have not received clear title. I am going to try to have clear title to this boat within the next two months.

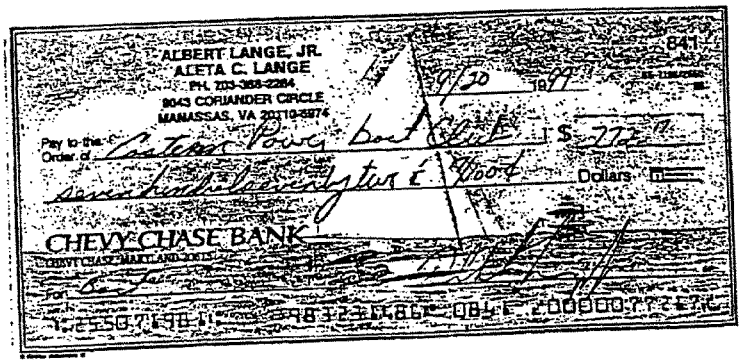
If I can not obtain clear title to this boat soon, I will have no option but to leave the boat club and inform you that the owner is to be responsible for all expenses in the future.

I will inform you of the results of my trying to obtain clear title to this boat no later than December. In either case, I will let the club know who and where to send any new expenses that the boat has accrued.

Sincerely,

Al Lange


ALBERT LANGE, JR.
ALETA C. LANGE
PH. 703-368-2284
9043 CORIANDER CIRCLE
MANASSAS, VA 20110-6974
787
June 8 19 99
Pay to the Order of
$ 1,100.00
Dollars
CHEVY CHASE BANK


ALBERT LANGE, JR.
ALETA C. LANGE
PH. 703-368-2284
9043 CORIANDER CIRCLE
MANASSAS, VA 20110-6974
841
19
Pay to the Order of
$
Dollars
CHEVY CHASE BANK

January 5, 2000

To: Eastern Power Boat Club
1301 Water St. SE
Washington, DC 20003
Attn: Commodore Lloyd Taylor

From: Al Lange
9043 Coriander Circle
Manassas, VA 20110

Subject: Termination of club membership.

Dear Commodore Taylor,

I am writing to inform you that I wish to terminate my membership with the Eastern Power Boat Club. The following paragraph will outline my reason for termination.

After working for more than a year and a half to obtain clear title for the 37 foot Egg Harbor named SUZ that is docked at the club I still have not been able to come to terms for the title. At this point in time, I no longer have the desire to continue working on obtaining title to this boat.

The title for this boat is in the name of James A Traficant Jr. You should have contact information on hand being that he had been a member of the club prior to my appearance. Please contact him to collect any debt that has accrued on this boat since the last time I paid the outstanding balance.

I must also inform you that I will no longer accept any responsibility for payment of debt on a boat that I have no ownership in.

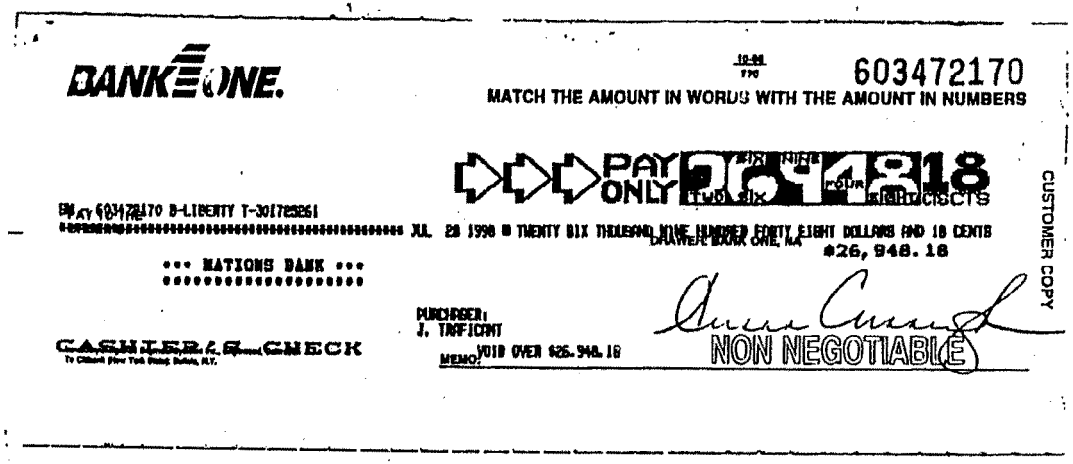
I want to thank you for the fine support that you club has afforded me over the past year and wish all club members to have a great year.

If you have any additional questions, please feel free to contact me.

Sincerely,

Al Lange

1401



BANK ONE.

10-98
770

603472170

MATCH THE AMOUNT IN WORDS WITH THE AMOUNT IN NUMBERS

PAY TO THE ORDER OF 603472170 B-LIBERTY T-301725261

PAY ONLY 26948 18

SIX NINE FOUR EIGHT CTS

TWO SIX

JUL 28 1998 ■ TWENTY SIX THOUSAND NINE HUNDRED FORTY EIGHT DOLLARS AND 18 CENTS

DRAWER: BANK ONE, NA

$26,948.18

*** NATIONS BANK ***

PURCHASER:
J. TRAFICANT

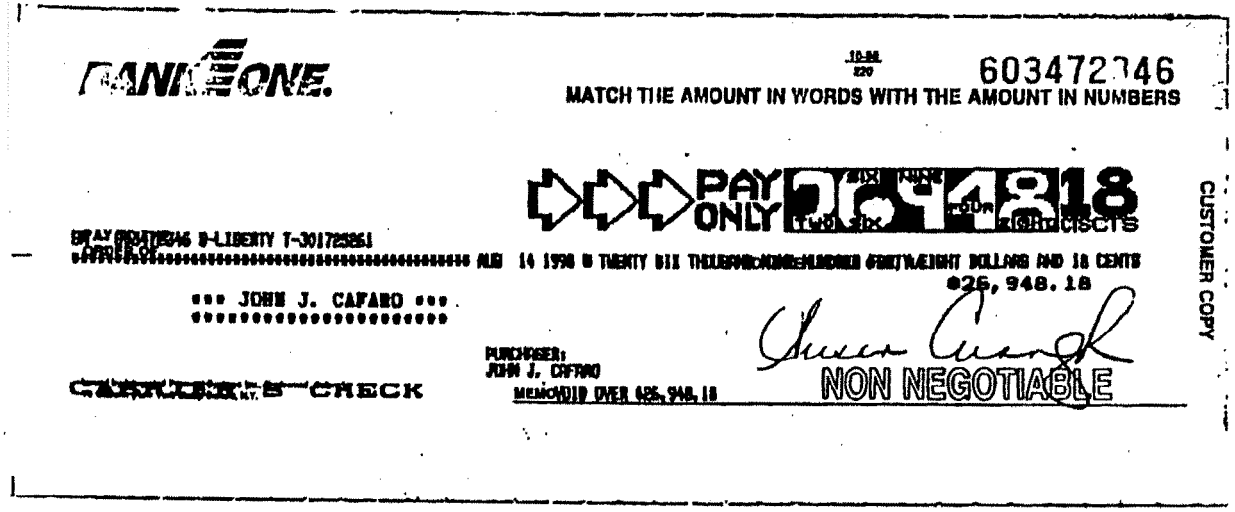
MEMO: VOID OVER $26,948.18

NON NEGOTIABLE

CASHIER'S CHECK

To Citibank New York Stamp Bulletin, N.Y.

CUSTOMER COPY



BANK ONE.

10-98
220

603472346

MATCH THE AMOUNT IN WORDS WITH THE AMOUNT IN NUMBERS

PAY ONLY 26948 18

SIX NINE FOUR TWO SIX EIGHT CISCTS

PAY 603472346 B-LIBERTY T-301725261
ORDER OF ********** AUG 14 1998 W TWENTY SIX THOUSAND NINE HUNDRED FORTY EIGHT DOLLARS AND 18 CENTS
$26,948.18

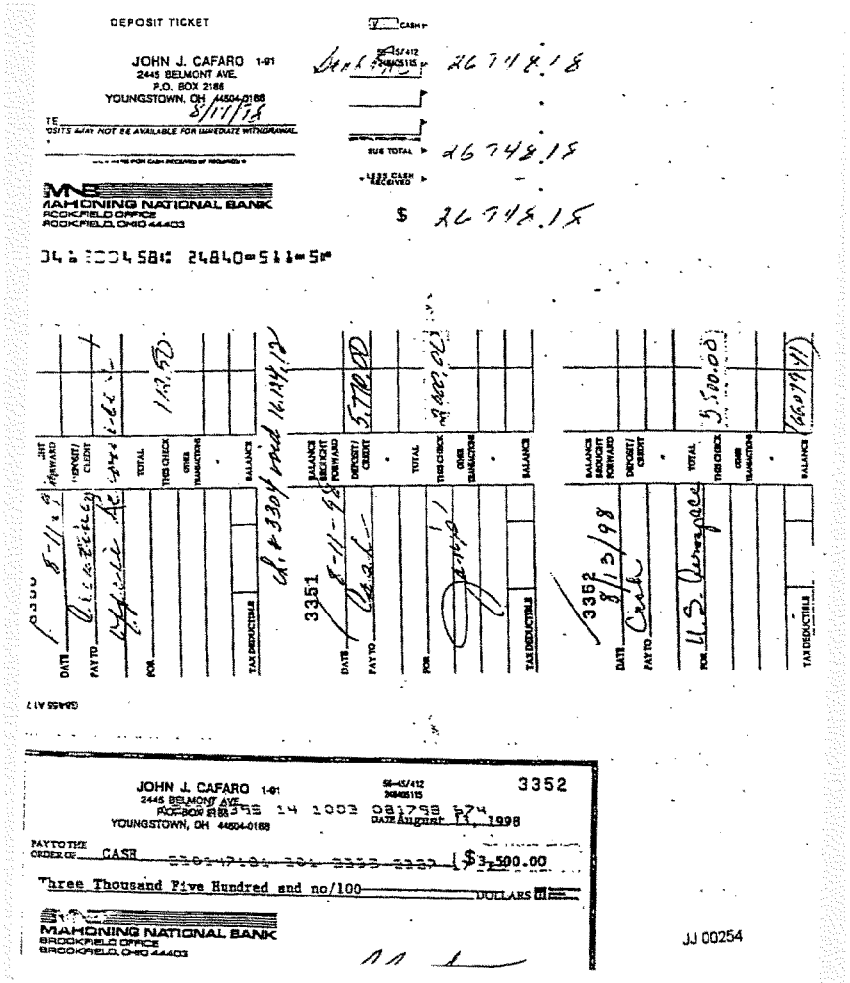
*** JOHN J. CAFARO ***
****

PURCHASER:
JOHN J. CAFARO
MEMO VOID OVER $26,948.18

CARRIER'S CHECK

NON NEGOTIABLE

CUSTOMER COPY



DEPOSIT TICKET

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

8/11/98

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

CASH

SUB TOTAL 26748.18

LESS CASH RECEIVED

$ 26748.18

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

3351 8-11-98 Cash

3352 8/12/98 Cash U.S. Mortgage 3,500.00

JOHN J. CAFARO 1-91
2445 BELMONT AVE.
P.O. BOX 2186
YOUNGSTOWN, OH 44504-0186

3352

DATE August 11, 1998

PAY TO THE ORDER OF CASH $3,500.00

Three Thousand Five Hundred and no/100 DOLLARS

MAHONING NATIONAL BANK
BROOKFIELD OFFICE
BROOKFIELD, OHIO 44403

JJ 00254

FD-302 (Rev. 10-6-95)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/15/2001

RICHARD E. DETORE, born February 1960, Social Security Account Number 222-44-0571, was interviewed at the Department of Justice (DOJ) office of O.C.R.S. pursuant to a proffer agreement with the U.S. Government. DETORE was represented by Attorney LARRY HUNTSMAN. Assistant United States Attorneys (AUSAs) CRAIG S. MORFORD and MATTHEW B. KALL represented the government. Present at the interview was Special Agent (SA) CHARLES L. PERKINS, Criminal Investigative Division (CID), Internal Revenue Service (IRS). DETORE provided the following information:

DETORE has a background in aviation and formerly held the position of Chief Executive Officer (CEO) in a corporation known as Alliance Aerospace (AA). DETORE operated C130 aircraft and flew for numerous companies as a pilot.

DETORE mentioned that his recent statement as provided to the U.S. Attorney's Office is his view of matters involving U.S. Aerospace Group (USAG) and U.S. Congressman JAMES A. TRAFICANT, Jr.

In 1995, while DETORE was CEO of AA, he was working in Mexico City where he was introduced to MARK EDDINGTON. EDDINGTON owned a company known as UML Leasing which marketed a laser lighting system called Laserline. EDDINGTON worked in conjunction with the inventors of Laserline, namely, Doctors SHEMWELL and VETTERS.

EDDINGTON was marketing Laserline to be utilized in refugee evacuations.

First Name Unknown (FNU) BACCUS, the top aviation official in the Mexican organization referred to as the D.G.A.C. was involved in demonstrating the Laserline system. When the system was demonstrated for DETORE he found it to be "scary" and looking like "a rats nest of wires." DETORE made the recommendation that it would not fly in its non-certified condition.

DETORE was subsequently paid by the Laserline board of directors to travel to Pasadena, California as a consultant. Their goal at the time was to equip U.S. Navy vessels with the lasers. DETORE advised them that they would not meet military

Investigation on 03/08/2001 at Washington, D.C.

File # S8C-CV-60877 Date dictated 03/14/2001

[redacted] PERKINS/bib

58C-CV-60877

compliance. A Navy inspector subsequently gave Laserline a failing grade.

The Laserline board was trying to get Laserline certified in the U.S. which necessitated funding from private investors. An impasse developed.

Then, all of a sudden, the board had an investor from Youngstown, Ohio, which was Cafaro Company (CC). DETORE was asked to travel to Youngstown to do a demonstration flight.

EDDINGTON told him that TOM NOLAN, the Youngstown Airport manager, was going to give DETORE carte blanche to do the demo flight.

DETORE got in trouble with EDDINGTON when DETORE told him that a demo flight could not be done without FAA certification and that other airlines had to be notified of their plans. NOLAN became nervous. DETORE then contacted the FAA in Chicago, Illinois which provided its endorsement on condition that the runway being used for the demo had to be closed to all commercial flights.

Prior to the demo flight, DETORE briefed the on-site U.S. Air Force official.

The CC jet was selected as the aircraft to be used in the demo. J.J. CAFARO, TONY CAFARO, EDDINGTON and NOLAN participated in the test flight which DETORE described as being a "wild show."

DAVE HANNAH, a part-time employee with Laserline assisted DETORE in the demonstration.

While laying in the mud, DETORE watched the CAFARO jet make its first approach out of alignment. To this day no one aboard the plane has said that they saw the lasers.

While in Youngstown, EDDINGTON, in describing the CAFARO's estate, told DETORE, "- you ought to see this house. DETORE also learned that J.J. was trying to bring a micro brewery to Youngstown in association with the Baroness VAN FRANKENBORG.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of RICHARD E. DETORE, On 03/08/2001, Page 3

J.J. was the point man for USAG but, at times, he would say that he needed to get the endorsement of his brother, TONY. DETORE was aware of the CAFARO family history where J.J. had quit the company and then returned from Philadelphia.

DETORE explained how USAG was run in an unorganized fashion. There was "no control over anything" and it became an embarrassment when dealing with attorneys and vendors. Checks bounced and employees were not paid. J.J. brought in his daughter CAPRI and made her USAG's president.

CAPRI said that USAG needed a budget established. CAPRI had one of DETORE's bonus/back pay checks shredded but she would not admit it.

USAG was going in different directions and DETORE tried to get the company in focus. However, later in this interview, DETORE admitted that he was responsible for committing part of USAG to a voice activated wheelchair project and something to do with a light beams enterprise which sold FAA products.

DETORE stated that he is the inventor of various technologies and has patents registered at the U.S. Patent Office. DETORE's patents relate to the application of hybrid laser technology.

In early 1997, DETORE was still consulting for Laserline and it was then that he traveled to Manassas, Virginia in relation to USAG. By the summer of 1997, he still had no signed employment agreement with USAG. An agreement was eventually delivered in February 1999.

DETORE first met TRAFICANT in 1997 on Capital Hill in Washington, D.C.

TRAFICANT's name was first brought up by J.J. at a meeting with DETORE and TONY CAFARO in Youngstown, Ohio.

DETORE could tell that TONY did not like TRAFICANT. It was up to J.J. to handle the support from TRAFICANT.

DETORE was shown a letter from J.J. wherein J.J. gave credit to TRAFICANT for progress made with USAG.

58C-CV-60877

DETORE remarked that this letter could have reflected the first time that TRAFICANT got involved. DETORE said that Congressman NORM DICKS initially started pushing/supporting USAG in 1995 - 1996. DICKS was associated with the vertical program office which involved helicopters.

DETORE eventually admitted that most of his efforts on Capitol Hill involved TRAFICANT. He agreed that no other congressman received one-tenth of the attention from USAG as did TRAFICANT. DETORE was with TRAFICANT in a lot of meetings at the Taverna Restaurant in Washington, D.C.

With J.J. CAFARO in his office, TRAFICANT called DAVID HINSON, who was the FAA Administrator at the time to make a pitch for USAG.

The CAFAROs also used their influence with PATRICK and EDWARD KENNEDY, DICK GEPHART, MARTY FROST and BOB TORRICELLI on Capitol Hill.

TRAFICANT never did enough for USAG. People on the Hill began to say that TRAFICANT carried no weight, was useless, and got no respect.

TRAFICANT told DETORE that the CAFAROs did not like him.

TRAFICANT's Boat

DETORE was present during the interview of AL LANGE at the CC building. LANGE owned a boat and DETORE recalled getting chewed out by the CAFAROs over the issue of transporting LANGE's boat to Virginia.

DETORE has seen the boat owned by TRAFICANT. DETORE described TRAFICANT's boat as looking like "the U.S.S. Minnow." TRAFICANT had asked J.J. if he knew of a carpenter who could fix his boat. CAPRI and a friend finished the deck on TRAFICANT's boat.

LANGE started to work on TRAFICANT's boat and then decided that he wanted to purchase it based on sentiment related to his father's association with the same type of boat.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of RICHARD E. DETORE, On 03/08/2001, Page 5

LANGE made an agreement with J.J. to purchase TRAFICANT's boat. LANGE would use his bonus money from J.J. in the form of a loan to buy TRAFICANT's boat. The CAFAROs were loaning LANGE the money to buy TRAFICANT's boat for himself. J.J. wanted LANGE to sign the note while he (CAFARO) held the title to the boat.

Attorney JAY HARNEY saw the note that LANGE supposedly signed to purchase TRAFICANT's boat.

DETORE advised that USAG's efforts to purchase TRAFICANT's boat was not a favor for TRAFICANT. TRAFICANT owed more on the boat than what it was worth. TRAFICANT previously tried to sell the boat for $42,000.00 to $50,000.00. LANGE had TRAFICANT's boat appraised at $80,000.00.

DETORE contested the purchase of TRAFICANT's boat for USAG purposes.

J.J. had offered to use his private 100 foot boat but it was too big.

DETORE agreed that USAG could have leased a boat when they needed one instead of purchasing one which needed repair.

A USAG check in the amount of $8,000.00 was written to DETORE to repair TRAFICANT's boat and DETORE gave the check to LANGE.

Prototype Trailer for USAG

A company called Trailex built a prototype trailer for USAG. Trailex held the trailer due to billing problems. J.J. knew of a retired General Motors employee from Youngstown who was a sheet metal expert who was supposed to add parts/components to the trailer.

J.J. and TRAFICANT had a plan to revive the economy in Youngstown by building a trailer manufacturing plant at Ross Industrial Park. CAPRI was supposed to do the press release for TRAFICANT.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of RICHARD E. DETORE On 03/08/2001 Page 6

During the time that FAA Administrator JANE GARVEY appeared for the test flight there was a heated argument about making the trailers in Youngstown. TRAFICANT remarked to J.J. that he did not want to see another Avanti-like effort in respect to the trailers. TRAFICANT subsequently told DETORE that J.J. was mad at him. CAPRI had made the public presentation before the test flight and there was concern that she was not qualified to do it.

Welder purchased by USAG

J.J. said that his old Avanti plant had all of the equipment needed to manufacture trailers except aluminum welding equipment.

J.J. subsequently told DETORE to purchase a welder and pressured DETORE to purchase the welder on DETORE's personal credit card. J.J. wanted DETORE to pick-up the welder and bring it back to the USAG office.

TRAFICANT asked how the welder was going to get to Youngstown. It was TRAFICANT's idea to drive/transport the welder to Youngstown.

TRAFICANT had wanted to know how hard it would be to build a horse trailer for him (TRAFICANT). TRAFICANT was always asking, laughingly, how much it would cost.

Twelve thousand dollar (12,000.00) check

DETORE cashed a USAG check in the amount of $12,000.00 to pay USAG employee WALT ELLISON for work done on their security systems and office computers. ELLISON was supposed to take care of the security manuals for USAG.

CAPRI had been unsuccessful in an attempt to negotiate an initial check made out to USAG. An Ohio court had placed notices of levies against USAG after rendering a judgement of default. The check that DETORE cashed was a re-written check after CAPRI brought the first check back to the office. CAPRI had tried to negotiate the first check at either First Union Bank or Sudley Bank.

58C-CV-60877

Before going to the bank, DETORE called SARAH JONES, his bank manager, to verify the check from Bank One.

LANGE and Attorney JAY HARNEY went to the bank with DETORE to cash the check.

DETORE brought the $12,000.00 cash back to the office. CAPRI wanted to deposit the monies to make another pay off. DETORE explained that they were trying to get set up for an audit. DETORE stated that "cash stuff was going through USAG all the time."

At certain times CAPRI tried to hide details of a car wreck and her eviction from an apartment.

Generator purchased by USAG

The prototype trailer was still "stuck" at Trailex during the time of the purchase of the generator. It bothered DETORE to hear TRAFICANT ask - "how are you making out with the generator?"

Joint agreement between USAG and NAVCOM

ELIJAH "ZEKE" JACKSON was the president of NAVCOM Systems, Incorporated, a telecommunications company with an office at the USAG site. J.J. wanted to own NAVCOM. DETORE went to TRAFICANT to discuss a joint venture between USAG and NAVCOM. DETORE went to TRAFICANT because he already knew him.

Rental of Corvette

TRAFICANT brought up the idea of renting a convertible while his Avanti was being repaired. At first, J.J. said B.S. to renting a car for TRAFICANT. J.J. said that he had sold the Avanti to TRAFICANT "as is" (with no guarantees).

TRAFICANT subsequently talked with J.J. and then told DETORE that J.J. had approved payment for a rental vehicle for TRAFICANT. J.J. asked DETORE how much a rental vehicle would cost per day. DETORE gave him an estimate between $40.00 and $60.00 per day. After DETORE rented the Corvette he told TRAFICANT that J.J. had the vehicle charged to his (DETORE's)

58C-CV-60877

credit card and DETORE was not going to pay for it. J.J. subsequently "chewed DETORE's tail" and told him that he had only approved an amount of $2,000.00.

DETORE received a "huge list" of repairs to be made on the Avanti from TRAFICANT. TRAFICANT worked out a deal with J.J. to purchase the Jeep which had been used at USAG. DETORE thought it monstrously stupid to sell a car to a U.S. Congressman. TRAFICANT said he had a canceled check and an agreement on the purchase. It was suggested to TRAFICANT to take the canceled check to Ohio to get it titled. J.J. offered TRAFICANT the use of his airplane but TRAFICANT said no.

TRAFICANT delivers offer from J.J. CAFARO to DETORE to settle unlawful discharge suit

Within the first month of being fired, TRAFICANT was pressuring DETORE to go back to work for the CAFAROs. TRAFICANT advised DETORE not to file suit against the CAFAROs because they were too powerful.

Sometime before Christmas, TRAFICANT told DETORE that the most J.J. could afford to pay in a settlement was $60,000.00. They wanted DETORE to sign a waiver to not sue for money against J.J.

DETORE recalled that, in February 2000, right before he was fired from USAG, CAPRI wanted him to sign papers which would establish USAG as a new entity separate and apart from CC.

CAPRI had mentioned at the time that TRAFICANT was not going to make it past the Congressional primary. The CAFARO family wanted CAPRI to become involved in politics. CAPRI took cookies to BUD SHUSTER, FNU OVERSTAR and others on Capitol Hill. The CAFAROs hired GUY VANDERJACK as a lobbyist for USAG.

DETORE last spoke with TRAFICANT to wish him a Merry Christmas. They did not talk about the investigation. TRAFICANT, who is paranoid, said, "I'm going down in flames."

In retrospect, J.J. is the type of individual who will "play ball" but TRAFICANT is not.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of RICHARD E. DETORE, On 03/08/2001, Page 9

On the day that DETORE was fired from USAG, CAPRI told DETORE that he was undermining the company and asked him to turn over his identification card. J.J. then advised him that he needed to get out of the building before somebody got hurt.

)-302 (Rev 10-6-93)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 07/06/2001

RICHARD E. DETORE was interviewed in the presence of his attorney JOHN N. NASSIKAS III and assistant at the law offices of ARENT, FOX, KINTNER, PLOTKIN, and KAHN, 1050 Connecticut Avenue, N.W., telephone number 202/857-6014. Assistant United States Attorneys (AUSAs) CRAIG S. MORFORD and MATTHEW B. KALL represented the U.S. Government in respect to this proffer arrangement. DETORE provided the following information:

DETORE was hired by MARK EDDINGTON and the inventors of LASERLINE as a consultant to put the laser technology in package form to meet Federal Aviation Administration (FAA) certification.

EDDINGTON, and DAVID HANNAH, who was a flight instructor, helped DETORE to set up LASERLINE test programs. DETORE was residing in New Jersey and flying into Manassas, Virginia from time to time.

DETORE advised that laserline had potential for Olympic security measures that would be controlled by the Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA) and U.S. Secret Service.

In late 1996, DETORE had a consulting agreement on paper with LASERLINE and then, in early 1997, he received a letter from EDDINGTON promoting him to vice resident and full-time employee. At the time, DETORE was owed consulting fees which were in arrears.

BOB OBUCK (phonetic), Vice President of BANK OF AMERICA was involved with EDDINGTON and the inventors, namely Drs. SHEMWELL and VETTERS.

EDDINGTON had no expertise in laser technology at the time.

DETORE spoke with SHEMWELL and VETTERS on a daily basis. They were responsible for all of the technical support.

J.J. CAFARO first became involved with LASERLINE sometime in 1996. DETORE did the LASERLINE demonstration flight at Youngstown-Warren Regional Airport (YWRA) on May 28, 1996.

Investigation on 06/25/2001 at Washington, D.C.

File # 58C-CV-64330; 58C-CV-60877 Date dictated 06/29/2001

CR MICHAEL S. PIKINAS/bib

After the demonstration ay YWRA, the CAFAROs invested money in LASERLINE.

DETORE dealt with LONNY JAKOWSKY (phonetic) of the FAA in an attempt to get the laserline technology certified.

DETORE attended a meeting with J.J., CAFARO's attorneys, JIM DOBRAN and MARK BECK, and CAFARO's Chief Financial Officer (CFO) CHIP ROSELLI. J.J. convened these meetings for lack of performance in respect to EDDINGTON. These meetings occurred in 1996.

Subsequent meetings were set up by EDDINGTON. Attorney JEFF CATRELL, Vice President, and son-in-law of EDDINGTON and ROB CREVELLO attended these meetings in Washington, D.C.

EDDINGTON would talk of J.J.'s political and financial influence.

DETORE was present when J.J. received a telephone call from President BILL CLINTON.

FAA officials JAKOWSKY and PAUL IRWAY (phonetic) called DETORE about a comment J.J. had made to them wherein, he had said, "do you know who I am?' These officials were not going to allow FAA certification to be "bought."

J.J. once said, in a cavalier fashion, "If I screw up I lose $5 million, so I lose $5 million."

J.J. tried to circumvent FAA regulations. He once said that he was going to meet with ROD SLATER, Secretary of the Transportation Department. DETORE was shown a handwritten Memorandum of Understanding (MOU) dated August 7, 1997. DETORE stated that he never signed this MOU but he knows about it. He was not there when it was signed by J.J., SHEMWELL, VETTERS and a CAFARO lawyer.

In Las Vegas, Nevada, during the summer of 1997 there was a big shopping mall convention and WILLIAM CAFARO, ANTHONY CAFARO and J.J. were holding meetings in upstairs hospitality suites. A rift had developed between EDDINGTON and the CAFAROs. DETORE was not getting paid by EDDINGTON at the time but EDDINGTON blamed CAFARO for not sending the money promised to LASERLINE. LASERLINE

attorney CATRELL was at the meeting in Las Vegas. The CAFAROs were accusing EDDINGTON of embezzling $1 million. EDDINGTON had told DETORE that the CAFAROs had purchased a million dollars worth of laser systems. The CAFAROs were passive investors before the Las Vegas meeting.

DETORE was ordered to fly to Mexico and met with the Mexican Administration known as the DJAC. A Mexican official told DETORE that he was owed $25,000.00. EDDINGTON lied to the CAFAROs about the arrangement with the Mexican official whhich was an apparent bribe. EDDINGTON had lied to investors by painting too rosy of a picture. DETORE then considered EDDINGTON to be slimy so he walked away.

ANTHONY CAFARO suggested to J.J. that the CAFARO COMPANY pay DETORE what he was owed.

In Las Vegas, WILLIAM CAFARO asked DETORE to come aboard and work full-time with the CAFAROs. He commented that time was not a problem as it takes five years to build a shopping mall.

The CAFAROs then flew DETORE to Youngstown where a handwritten agreement was produced. CAFARO's attorney DESALVO was present at this meeting. DETORE received a late telephone call from J.J. informing him that he had been released by LASERLINE. DESALVO and DOBRAN were also on the line when the call was made.

EDDINGTON continued to be involved and the CAFAROs told DETORE that they would do what LASERLINE had done. They gave DETORE his I-9 vacation benefits information.

The first thing that the CAFAROs demanded was for DETORE to move to Washington, D.C. DETORE's move began in July or August of 1997. During the moving process J.J. changed the written agreement and told DETORE that ANTHONY can't do it the way it was written. It was changed that DETORE would be paid in the form of a relocation bonus.

Although he tried to, DETORE never spoke with ANTHONY CAFARO about his employment and compensation.

DETORE was shown bank mortgage documents in respect to his relocation.

FD-302a (Rev 10-6-95)

58C-CV-64330; 58C-CV-60877

Continuation of FD-302 of RICHARD E. DETORE, On 06/25/2001, Page 4

DETORE was already financially secure at the time (spring 1997) he decided to work for J.J. CAFARO. The CAFAROs did not help him dig himself out of a hole. DETORE had job offers from other corporations at the time. He had nine years seniority with NORTHWEST AIRLINES. He was qualified to captain 757 or DC9 airliners.

GREAT WESTERN CORPORATION in Colorado Springs, Colorado made him a specific job offer. RUSSELL MEEKS represented GREAT WESTERN CORPORATION. MEEKS was a friend of MARK EDDINGTON. MEEKS' offer was around $250,000.00 per year. MEEKS was starting an airline and he wanted DETORE to work in a managerial position.

DETORE was shown a letter dated February 7, 1999, concerning his employment history with CAFARO COMPANY. This letter had been provided to NATIONS BANK in respect to a mortgage.

DETORE was also shown a facsimile cover letter from JAY HARNEY, dated February 9, 1999, wherein HARNEY expressed to DETORE that he liked this format as it had more impact on the bank and settlement people.

Another document, dated February 7, 1999, was sent to MIKE HOUSTON. DETORE stated that this document was sent to the bank for continuity.

DETORE sent his employment agreement to HARNEY. It was a sloppy agreement from CAFARO. DETORE's wife wanted something in writing and was in tears when the DETOREs were not going to settlement on their home. J.J. told HARNEY to get the employment agreement done.

The first draft of the employment agreement with CAFARO was received by DETORE in February 1999.

J.J. followed up with $250,000.00 to DETORE's home builders.

At the time of this life changing move, DETORE had a lot of time and effort invested in lasers. His wife was lackadaisical about it because she had a job in New Jersey in addition to family roots.

DETORE also owns other laser patents but the opportunity with the CAFAROs could have turned out to be something big, if they

GEPHART proposed $5 million to be moved into the FAA budget. DETORE relayed this information to JAKOWSKY and PAUL IRWAY. J.J. thought it was a done deal.

DETORE put together test plans and relayed other technical information to the FAA.

J.J. told TRAFICANT that it would all be taken care of if the FAA Administrator could get $5 million moved into the FAA budget.

TRAFICANT called FAA Administrator HINSON to set up a meeting. HINSON was favorably impressed with the technology after seeing a demonstration.

DETORE also took BARRY VALENTINE, NASA's top guy along with HINSON on the test flight. They few out of Manassas, Virginia.

DETORE was shown a photograph. DETORE stated that the photograph was taken before the call was made from TRAFICANT to HINSON.

DETORE insisted that CAPRI had responsibility for the key liaison contacts on Capital Hill.

TRAFICANT chewed out DETORE after CAPRI briefed SUZANNE SULLIVAN from the FAA. TRAFICANT told DETORE - "do not ever let her go back to the FAA." CAPRI lacked the knowledge to adequately represent USAG. The FAA showed no interest in USAG after CAPRI's briefing and it left DETORE with picking up the pieces.

DETORE admitted that TRAFICANT, over and above all others, showed the most interest and due diligence on Capital Hill in support of USAG. TRAFICANT became actively involved in 1997.

TRAFICANT was not confident that J.J. could make USAG succeed and remarked that J.J. will screw things up. J.J. comes off as a "fat cat" and CAPRI was a 19 year old in high heels.

TRAFICANT thought that the CAFAROs had a bad image. TRAFICANT said that the CAFAROs hated him.

TRAFICANT suggested a lobbyist for USAG but DETORE could not remember the name.

LYLE WILLIAMS Former Congressman from Youngstown, Ohio, told the CAFAROs that he could handle the lobbying for USAG.

TRAFICANT tried to work with DETORE around the fat cat CAFAROs to get things done. TRAFICANT contacted the Commandant of the U.S. Coast Guard on behalf of USAG. TRAFICANT said that he would sponsor a request by the U.S. Army to use USAG technology. TRAFICANT's plan was to let him contact the agencies and "we (TRAFICANT and DETORE) will make things work." J.J. and CAPRI would say "baloney", TRAFICANT cannot do this or that.

TRAFICANT asked to have his grass cut. On the boat issue, TRAFICANT was a persistent salesman.

It was J.J. who asked DETORE if he knew anyone who could repair fiberglass boats.

TRAFICANT asked J.J. how he was making out on his boat. TRAFICANT asked if there was anyone who could work on his boat.

DETORE was aware that AL LANGE had a boat of his own.

DETORE never heard TRAFICANT's boat mentioned in LANGES' employment interview.

DETORE did not recall that LANGE knew anyone who could fix boats.

J.J. and LANGE discussed the issue of purchasing TRAFICANT's boat.

DETORE was aware of TRAFICANT's financial difficulties with the Internal Revenue Service (IRS). TRAFICANT always complained how much the IRS was taking out of his pay checks.

TRAFICANT initially lived on his boat and then at his office. MARCONE would say that TRAFICANT should not sleep in his office. There was a guy living on TRAFICANT's boat who was making repairs. TRAFICANT had $50,000.00 to $60,000.00 sunk into the boat.

DETORE did not know that TRAFICANT had a loan/note on the boat until MARCONE called for LANGE to take over the boat.

TRAFICANT said that he could not sell the boat to J.J. because it would make for bad publicity.

For six months TRAFICANT was trying to sell his boat to LANGE.

TRAFICANT probed DETORE about what DETORE knew about the boat deal.

LANGE made representations to J.J. that if TRAFICANT's boat was repaired it could be worth $80,000.00.

The boat deal started in 1997.

The "check thing" was a shock to DETORE and LANGE.

LANGE never said a final no to purchasing TRAFICANT's boat.

DETORE thought TRAFICANT's boat deal was a completely stupid thing. DETORE did not like the fact that J.J. and LANGE were contemplating the purchase of TRAFICANT's boat. DETORE feared that there would be negative press in respect to a boat deal involving TRAFICANT. It would have appeared that they were doing something for TRAFICANT.

DETORE believed that LANGE used his bonus money or loans/advances to make the payments on the boat.

Affidavit of James J. Harney, Esq. and supporting documents

SEE #12

Affidavit of James J. Harney

1. I, James J. Harney, am over 21 years of age and have personal knowledge of all matters contained herein.

2. I am an attorney whose address is 10511 Judicial Drive, Fairfax, Virginia 22030.

3. I received a subpoena from Special Agent Michael A. Carroll to provide information regarding an investigation of John J. Cafaro and his involvement with Congressman James A. Traficant, Jr.

4. I was advised that I was not a target of the investigation and that my immediate cooperation with the FBI and the government was compelled by the subpoena. It was my understanding, based on what I was told at that time, that because the subpoena was being issued as part of a Grand Jury investigation of Messrs Traficant Jr and Cafaro, that I had no choice about the following two things: whether or not to appear; and whether or not I had to disclose anything about which I had even tangential knowledge.

5. I was further advised that the government only sought information of what I actually witnessed along with others, regarding a $12,000.00 banking transaction that included Capri Cafaro and Richard Detore and that occurred on or around November or December of 1999.

6. On March 21, I met with Agent Carroll.

7. During the meeting Agent Carroll never asked me whether Richard E. Detore was a client of mine, even though Mr. Detore had become a client in 1996 and was still a client at the time of my questioning.

8. Agent Carroll did, however, advise me that my cooperation was required, and I was provided with a subpoena, which he disclosed verified that authority. I was further advised that any questions I had should be addressed to Craig S. Morford, an Assistant United States Attorney in Cleveland who was heading the Grand Jury investigation.

9. I contacted Mr. Morford because I was concerned that the subpoena necessitated, and to which he advised, as a matter of law, my full cooperation and participation in the questioning, and appearance before the Grand Jury at the Federal Courthouse in Cleveland Ohio on May 22, 2001. In his April 26, 2001 letter to me, Mr. Morford wrote that the subpoena required me to be

present in the United States District Court for the Northern District of Ohio on the date, time and place stated to testify before the grand jury. The subpoena required my personal appearance but requested no documents or objects. To be produced. He reiterated during our conversation that the questions I would be asked concerned what I recollected about a $12,000.00 banking transaction, that I witnessed along with others, and in which Capri Cafaro and Richard E. Detore were involved, and other publicly related issues relating to USAG. Mr. Morford stated that he needed to have me before the Grand Jury because there was conflicting testimony on the subject of the $12,000.00 bank transaction from other witnesses and my testimony would help resolve the issue.

10. During the same conversation Mr. Morford further advised me that my client, Richard E. Detore, was not a target of the investigation.

11. In reliance on Mr. Morford's statements that I was compelled to testify, that my testimony concerned only very public situations in question, and that my client was not a target of the investigation, I agreed to go.

12. When I arrived in Cleveland, Mr. Morford questioned me prior to going before the Grand Jury. At that time he asked me questions which were general in nature and did not indicate the subject of the questioning before the Grand Jury would be any different. He repeated that I was required by law to fully answer everything that was going to be asked before the Grand Jury. I understood that meant that I had to answer every question asked, to my best recollection, when it was asked without the ability to refresh my recollection from records or other sources that might have been available to me at other locations. This understanding was further verified during my testimony when asked directly by Mr. Morford, who I represented, I advised that the best I could recall I represented Mr. Detore, and he continued probing deeper into those privileged areas. This affirmed my understanding from Mr. Morford that under law the Grand Jury had the authority to compel my answers. Mr. Morford's manners and tone was extremely intimidating and threatening. I was totally blindsided by the nature and tone of the questioning, somewhat fearful and completely confused since I had been told about a very different line of questions, and was now being asked about many years of interactions which transpired several years earlier. In this rattled emotional state I had serious trouble recollecting precise information, which I advised repeatedly during my testimony that I was not sure of the answer, without substantiating records which I was not asked to produce or review before testifying, or regarding the staggering number of questions with which I was bombarded and thus many of my answers, both in the interview and before the Grand Jury, contained inaccuracies or required further explanation.

13. This situation was further compounded by the suggestive way Mr. Morford worded his questions. He implied that if I represented both USAG and Richard E. Detore during the same period of time, my representation of Mr. Detore was in conflict with my representation of USAG. This caused me to fear that, unbeknownst to me at the time, that I had been doing something wrong. In fact, however, not only did my representation of Mr. Detore long precede that of USAG, but he introduced me to USAG as his attorney who might also be useful to the company. The company and its officers were made fully aware of the fact that I was also Mr. Detore's personal attorney.

14. In addition, with regard to any potential conflict between my representation of both Mr. Detore and USAG on the issue of Mr. Detore's employment contract, several things are important. First, the employment contract was personally negotiated between J.J. Cafaro and Mr. Detore on behalf of the Cafaro Company, not USAG, the company for whom I worked. Second, I gave Mr. Detore my legal opinion through various notes on what content was important to include in the contract but did not write the contract itself. Instead J.J. Cafaro personally wrote it. Thus, I was free to represent Mr. Detore and did.

15. Directly after my Grand Jury testimony, because I was so overwrought, agitated and unsure of what I had said, I requested a copy of the transcript of my testimony so that I could review it and correct any misstatements from information based on my actual records. I have never received any transcript despite assurances that it would be provided. Recently however, as a part of Mr. Detore's motions in this action, I received a copy of the transcript. Upon reading it, I was shocked to discover the substantial number of inaccuracies it contained.

16. Most important of all is the fact that upon review of my records, including my bills, it has become totally apparent to me that at all times before, during and after the Grand Jury proceedings, including the time covered by my interviews with agents of the FBI and with Mr. Morford, Richard E. Detore was my client. Mr. Detore retained me to represent him with regard to various civil issues that included his house closing; his employment agreement with the Cafaro Company; and those criminal issues that are now the subject of an indictment before this court. On each of these issues he related confidential information about events that had already occurred and on which he requested my legal opinion.

17. As to all matters pertaining to this indictment, in my capacity as his counsel, I gave Mr. Detore legal advise on most of them including, but not limited to: the meals; the purchase by Al Lange of the boat; the welder, etc.

18. I would like to state that I have known Richard E. Detore both as a client and as a friend over more than six years and during all times it was abundantly clear to me that he was an incredibly hard worker, a kind and accommodating person and, most importantly, a man of tremendous integrity. I have always found him to be completely honest, trustworthy, and loyal.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on May 25, 2002

James J. Barney

City/County of FAIRFAX
Commonwealth/State of VIRGINIA
Sworn to and subscribed before me this 25 day
of May, 2002. Witness my hand and official seal.
Notary Public
11/30/05
(Print your expiration date above)

AO 110 (Rev. 12/89) Subpoena to Testify Before Grand Jury

United States District Court

NORTHERN DISTRICT OF OHIO, EASTERN DIVISION

TO:
James John Harney
10511 Judicial Drive
Fairfax, VA

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

[X] PERSON [ ] DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE	COURTROOM
U.S. Courthouse 201 Superior Avenue Cleveland, Ohio	Room 503
	DATE AND TIME 05/22/01 9:00 a.m.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

PERSONAL APPEARANCE REQUIRED

☐ *Please see additional information on reverse*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK	DATE
GERI M. SMITH	April 26, 2001
(BY) DEPUTY CLERK Barbara L. Bain	

This subpoena is issued on application of the United States of America

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

Craig S. Morford, Assistant U.S. Attorney
1800 Bank One Center, 600 Superior Ave., East
Cleveland, Ohio 44114-2600

U.S. Department of Justice

United States Attorney
Northern District of Ohio

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

April 26, 2001

James John Harney
10511 Judicial Drive
Fairfax, VA

Re: Testimony before the grand jury

Dear Mr. Harney:

The attached subpoena requires you to be present in the United States District Court for the Northern district of Ohio on the date, time and place stated to testify before the grand jury.

While it is not possible to predict with certainty the exact date and time of your testimony, we will make every effort to accommodate you.

Please contact the following to arrange transportation for your appearance, Paralegal Angela C. Rasoletti at 216/622-3923.

Very truly yours,

Craig S. Morford /gs

Craig S. Morford
Assistant United States Attorney
216/622-3921

Enclosure

FD-302 (Rev. 10-6-95)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/21/2001

JAMES JOHN HARNEY, aka JAY HARNEY, born 05/27/1946 at Jersey City, New Jersey, Social Security Account Number 229-66-4500, was interviewed at his place of employment. HARNEY is an Attorney at Law, working at Hale, Hassan, Carlson & Penn, PLC, 10511 Judicial Drive, Fairfax, Virginia, Telephone (703) 591-4900. After being advised of the identity of the interviewing agent and the nature of the interview, HARNEY voluntarily provided the following information:

HARNEY provides legal advice and litigation services to business clients. HARNEY is the Registered Agent for U.S. Aerospace Group (USAG) of Manassas, Virginia. HARNEY learned of USAG through a client, Richard Detore. HARNEY met Detore in December 1997. At the time, HARNEY's law firm was defending Detore in the case of Avionics Technology Corporation v Richard Detore and Laserline. When the associate attorney working on Detore's case left the law firm, HARNEY was assigned to litigate the matter in the Prince William County General District Court. Avionics was suing Laserline for collection $7,000. HARNEY successfully argued before the Court that Detore was wrongly named to the suit because the $7,000 debt was a corporate, not individual, liability.

Following the lawsuit, Detore periodically contacted HARNEY with updates on his professional developments. Eventually, Detore left his employment at Laserline in New Jersey and relocated to Northern Virginia in order to serve as Chief Operating Officer for USAG. Shortly thereafter, Detore asked HARNEY to handle USAG's legal matters. HARNEY described USAG as an "advice client." He started under a retainer agreement but, once the retainer was expended, he continued under a billable hours arrangement.

Early on, HARNEY learned that USAG had not incorporated its operations. HARNEY filed the proper papers to render USAG a legal entity in the State of Virginia. HARNEY also represented Detore in the settlement of Detore's $800,000 home purchase. HARNEY described Detore as both a client and a friend, describing Detore as intelligent, technically-competent, and good with people. HARNEY believed that Detore had always been honest and above-board in their professional relationship.

Investigation on 03/21/2001 at Fairfax, Virginia

File # 58C-CV-60877 — 1462 Date dictated 03/21/2001

by SA Michael A. Carroll AMC

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency;

Cafaro Corporation, headed by J.J. Cafaro, funded USAG operations. USAG rented its office space from Jackarosa, a company operated by Zeke Jackson. Jackson operated NAVCOM, an aviation research firm that occupied the same building with USAG. NAVCOM and USAG collaborated on several projects because Jackson's connections to the Federal Aviation Administration (FAA) made NAVCOM an attractive partner. When NAVCOM experienced cashflow problems, J.J. Cafaro wanted to help NAVCOM stay afloat until it could realize profits on pending contracts.

HARNEY helped both USAG and NAVCOM to handle litigation by creditors. HARNEY told J.J. Cafaro that bankruptcy was a real possibility for NAVCOM. Cafaro offered to purchase Jackarosa's building in order to provide the cash to support NAVCOM. After HARNEY arranged for a formal proposal to Jackarosa, Cafaro withdrew his offer. HARNEY described J.J. Cafaro as big on plans, but short on action. Since USAG owed $110,000 in back rent, Jackarosa sued USAG in the General District Court of Prince William County, Virginia. When the court ruled in USAG's favor, Jackarosa appealed to the Prince William County Circuit Court. Eventually, USAG and Jackarosa arrived at an out-of-court settlement and renegotiated a new lease agreement.

Cafaro promised to provide money for USAG and NAVCOM debts, but rarely did so. Richard Detore kept in touch with creditors in order to demonstrate that USAG wanted to make good on its financial obligations. At one point, Detore used his personal finances to pay employee wages. HARNEY advised that Detore used his credit card to pay for business expenses because Cafaro failed to provide funds in a timely fashion. HARNEY could not recall any such incident that involved the rental of a Corvette.

Albert Lange, USAG's managing engineer, had enjoyed a ten-year working relationship with Richard Detore. Although Lange was influential in bringing Detore into USAG operations, their relationship appeared to become strained as they worked together. For example, at one point, Lange wanted to buy Congressman James Traficant's boat, which was being offered to him at a significant discount. Lange enrolled in a class to become a Skipper, arranged for a slip to store the boat, and spent time away from the office to work on the boat, sometimes leaving work as early as 2 p.m. and not returning until the next day. Detore confronted Lange about his letting the boat affect his work at USAG. Detore felt that the boat was affecting Lange's productivity.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 3

Lange regularly discounted advice offered to him. During a lunch with Detore and HARNEY, Lange mentioned that J.J. Cafaro wanted him to sign a note concerning the purchase of Traficant's boat. Detore warned against Lange entering into any legal obligations with J.J. Cafaro and HARNEY counseled Lange to make sure that he knew what he was doing. Lange did not appear to be phased by these warnings.

When Detore's employment was terminated, Detore told HARNEY that he had been fired by USAG President, Capri Cafaro. Detore later forwarded to HARNEY an electronic mail message sent by Albert Lange to Detore's daughter, Katelyn. The e-mail was a letter of apology wherein Lange explained to Detore that J.J. Cafaro would have fired him if he (Lange) hadn't fired Detore. HARNEY printed this e-mail message and retained it in his files. HARNEY furnished this document and it is being maintained in the 1A section of this file.

Upon Detore's departure, Lange assumed the role of Chief Operating Officer. Lange wanted to sell USAG to a large company that had the financial capital necessary to develop USAG's technology. J.J. Cafaro gave the impression that he supported Lange's ideas; however, Cafaro eventually proved to be leading on Lange, just as he did with Detore, with no real intent to advance USAG interests.

HARNEY characterized Lange as a big talker with a big ego who became increasingly critical of Detore as they continued to work together. Lange also complained openly about J.J. Cafaro owing him money, but HARNEY never saw Lange confront J.J. Cafaro about these concerns. Lange was readily subordinate when speaking with J.J. Cafaro by telephone or in J.J. Cafaro's presence. HARNEY opined that Lange appeared to be controlled by J.J. Cafaro.

HARNEY believes that J.J. Cafaro viewed Detore as disloyal because Detore did not succumb to his every demand. For instance, Cafaro wanted Detore to facilitate the sale of an Avanti automobile. HARNEY once saw the Avanti parked behind USAG's office building. Detore told HARNEY that the car belonged to Cafaro, that Cafaro wanted to sell it, and that Traficant wanted to buy it. Detore had met with Traficant on at least one occasion to discuss the Avanti. Cafaro wanted Detore to give Traficant the Avanti and to accept payment from Traficant, but Detore refused to cooperate. HARNEY was present in Detore's office when Detore engaged in a telephone conversation with Cafaro about the Avanti. Detore told

Cafaro that he wanted no involvement in the Avanti. HARNEY paraphrased Detore's memorable comments: "If you don't have title to the car, then how are you going to sell it to him?" "You've told me things that weren't true." "I don't want to get involved in your deal with the Congressman regarding this Avanti."

Another example of Cafaro's perception of Detore surrounds Cafaro's daughter, Capri. HARNEY described Capri Cafaro as a figurehead; she was young, inexperienced, maintained a busy social life, and devoted little time and energy to managing USAG. HARNEY was told by Detore that Capri Cafaro was an embarrassment to the company because she failed to present a professional image and was unable to intelligently discuss USAG's technology in meetings with interested government officials. J.J. Cafaro tasked Capri to develop USAG's business plan; however, the document was so lacking in substantive content that Detore rewrote it in order to ensure proper presentation of USAG before Congress, government officials, and lending institutions. Detore attached his name to the document to identify himself as the author. J.J. Cafaro was upset that Detore had authored the business plan and thus viewed Detore as disloyal.

HARNEY recalled that Cafaro Laser owned the technology that USAG was trying to further develop. Detore and Lange own the patents on the improvements they engineered at USAG. Detore has spoken of advancing these improvements, but HARNEY is not aware of any current efforts by Detore or other parties.

HARNEY currently represents Accounting and Business Services, L.L.C., an accounting firm started in November 2000 by Albert Lange, Ruth Nilsson, and Tracey Sloan, former employees of USAG. On 11/15/2000, HARNEY had a lunch meeting with all three to discuss the business. During their conversation, Nilsson mentioned that Detore had stolen money from USAG, specifically that he had pocketed money from a cashed check. Lange did not contribute to the discussion except to nod his head in agreement. HARNEY was surprised to hear such charges and later called Detore to discuss the matter. HARNEY asked Detore directly, "Did you ever take any money from USAG?" He further clarified the context of pocketing money from a cashed check. Detore labored to remember when he would have handled company cash, then recalled one incident where HARNEY himself had been a witness to Detore trying to cash a check.

FD-302a (Rev. 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 5

HARNEY related his memory of the incident. One afternoon, HARNEY was at the USAG office to join Detore and Lange for lunch. As they were preparing to leave the office, Detore indicated that he needed to go to the bank first. Detore said, "Capri wants money from this check but they wouldn't cash it. She needs it like yesterday." HARNEY understood Detore to mean that USAG's bank wouldn't cash the check because Cafaro Corporation had bounced previous checks issued to USAG. HARNEY also understood Detore to indicate that Capri Cafaro was very anxious about her inability to acquire the cash.

At approximately 1:00 p.m., HARNEY, Detore, and Lange drove in Lange's Chevrolet Suburban to a First Union Bank branch located on Route 28 in Centreville, Virginia. Detore mentioned "Sarah" as his contact person at the bank. HARNEY and Lange waited while Detore and Sarah discussed the check. After forty minutes, the bank still had not cashed the check for Detore. HARNEY was due to appear before Fairfax County District Court at 2:00 p.m. that day, so he told Detore that he had to leave. Detore stayed at the bank while Lange drove HARNEY to the courthouse.

After his court appearance, HARNEY exited the courthouse to find Detore and Lange waiting in the courthouse parking lot. HARNEY boarded the Suburban and all three proceeded toward the USAG office where HARNEY had left his vehicle. During the ride back to USAG, Detore said that the bank finally cashed the check and that he had to practically personally guarantee the funds. Detore indicated that his relationship with Sarah was instrumental, saying "only because of Sarah's help was I able to cash the check." Detore showed HARNEY the cash which he was holding in an envelope. Upon returning to USAG, Detore gave Capri Cafaro the cash and Capri immediately left the office with the cash. Capri appeared anxious and departed in a rush. HARNEY had no information concerning USAG bank accounts or banking activity.

Reflecting back on his lunch conversation on 11/15/2000, HARNEY was surprised by Nilsson's accusations that Detore had stolen money and he was confused as to why Lange did not speak up to clarify what actually happened. HARNEY does not recall Detore indicating why the cash was needed, nor does he know what Capri Cafaro did with the cash. HARNEY had no knowledge of the rental of a Chevrolet Corvette.

FD-302a (Rev 10-6-95)

58C-CV-60877

Continuation of FD-302 of JAMES J. HARNEY , On 03/21/2001 , Page 6

HARNEY advised that, following Detore's firing, J.J. Cafaro threatened Albert Lange, Ruth Nilsson, and Tracey Sloan with termination of their employment. Cafaro forbade them to discuss Detore's firing and prohibited them from talking to Detore. Both Lange and Detore told HARNEY of these threats; Detore learned of the threats from Lange. HARNEY knew of no threats or prohibitions against USAG employees discussing Congressman James Traficant.

USAG has ceased to operate; however, HARNEY continues to represent the firm in pending litigation. Currently, USAG is party to one lawsuit, Amanda Symonds v USAerospace Group. Symonds is suing USAG for $17,500 in lost wages due to USAG's breach of her employment contract. The case is pending before the Prince William County Circuit Court, Case Number 52289. Symonds is represented by McCandlish, Kaine & Grant, 1111 East Main Street, Suite 1500, P.O. Box 796, Richmond, Virginia, 23218, Telephone (804) 775-3100. The attorneys handling Symonds' case are Thomas M. Wolfe and David J. Sensenig.

Richard Detore is presently suing J.J. Cafaro for $1.5 million in a suit alleging breach of Detore's employment contract. Detore alleges that Cafaro promised to pay Detore's second home mortgage, plus Detore's tax liability.

Statement of Lawrence D. Huntsman, Esq. and supporting documents.

Immunity agreement with government for Detore is included with includes changes by the prosecutor in response to Huntsman's request that there be a clear understanding that Detore had immunity for both direct and indirect use of statements, documents or other information being provided by Detore and his attorney to the government. For comparison the agreement with Capri Cafaro is included, which was honored by the government, showing that there was a change made by the government to the "third" term on Detore's protecting Detore from indirect use against him in addition to direct use immunity.

LAWRENCE D. HUNTSMAN
ATTORNEY AND COUNSELLOR AT LAW
10368-B DEMOCRACY LANE
FAIRFAX, VIRGINIA 22030

703-591-2921
FAX: 703-591-0922
E-MAIL: ldhuntsman@earthlink.net

D.C. OFFICE
SUITE 406
1101 17TH ST. N.W.
WASHINGTON, D.C. 20036

202-296-0555

August 1, 2001

Richard E. Detore
13303 Balmoral Greens Avenue
Clifton, Virginia 20124

FOR PROFESSIONAL SERVICES RENDERED

Re: Richard E. Detore v. The Cafaro Company v. John J. Cafaro

July 3, 2001	Return phone call to Rick re: U.S. Prosecution	0.8 Hrs.	$200.00
July 18, 2001	Phone conferences with P. Cacheris and Rick Re: Appt. for conference on 7/20/01	0.5 Hrs	$125.00
July 20, 2001	Conference with Rick, Janet, Plato, and Butler in Plato's Office re defense of possible Criminal Charges.	5.0 Hrs	$1250.00
July 23, 2001	Phone Conferences with Rick re: Report from Nassikas, and retaining Plato	0.6 Hrs	$150.00
July 29, 2001	Phone with Rick re: Nassikas' disclosure to Cafaro Co. of plan to Nonsuit civil case	0.5 Hrs	$125.00
July 31, 2001	Phone Conference with Rick re: Nassikas-Mearnes conversations, and Jay Harney Threats to Janet, and his contacts with Nassikas.	2.5 Hrs	$625.00
	Total Current Billing for July, 2001	9.9 Hrs	$2,425.00
	PAST DUE AMOUNT AS OF AUGUST 1, 2001		$71,823.47

U.S. Department of Justice

United States Attorney
Northern District of Ohio
Organized Crime Strike Force Unit

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

November 15, 2000

Geoffrey S. Mearns, Esq.
Thompson, Hine & Flory
3900 Key Center
127 Public Square
Cleveland, Ohio 44114-1216

Re: Capri Cafaro Proffer

Dear Mr. Mearns:

I have advised you that the government is interested in obtaining any information that your client, Capri Cafaro, has that may be relevant to the government's investigation. I have also advised you that Capri Cafaro is not a target of the government's investigation of Congressman James A. Traficant, Jr. and that if Miss Cafaro is truthful and forthright during a proffer interview, the government intends to have her testify under a grant of statutory use immunity. In light of these representations, you have advised me that Miss Cafaro is willing to participate in a proffer and intends to be forthright, candid and truthful regarding her dealings with Congressman Traficant, Rick Detore, Al Lange, her father John J. Cafaro and U.S. Aerospace. The purpose of this letter is to memorialize the terms and conditions of such a proffer.

First, your client must be completely truthful, candid and forthright at all times during the proffer; failure to do so could subject her to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by your client during the proffer will be offered in evidence in any criminal proceeding against your client. Third, the government may make derivative use of any statement or other information provided by your client during the proffer and may pursue any investigative leads suggested by any such statements or information. Fourth, in the event your client ever becomes a witness in any judicial proceeding, including but not limited to testimony before a grand jury or trial, and offers testimony materially different from any statement made or other information provided

during the proffer, the attorney for the government may cross-examine your client with, and introduce rebuttal evidence concerning, the statements she made and the information she provided under the terms of this proffer agreement. The government may also introduce against your client any statements made and information provided during the proffer in the event your client is ever charged with providing false information during the proffer or is charged with committing perjury in any subsequent judicial proceeding. These provisions are necessary to assure that your client does not abuse the opportunity for a proffer, does not make materially false statements to government agents and does not commit perjury while testifying in any subsequent proceedings.

We trust that you will find these ground rules fair and reasonable. Please sign and have your client sign this letter where indicated below. Signing this letter will confirm that you and your client agree with the terms of this letter and that you have advised your client of her rights under the Fifth and Sixth Amendments of the United States Constitution.

Please do not hesitate to call me at (216) 622-3921 if you have any questions regarding this matter.

Very truly yours,

Craig S. Morford
Assistant U.S. Attorney

APPROVED:

Capri Cafaro

Geoffrey Mearns, Esq.

16 Nov. 2000
Date

U.S. Department of Justice

United States Attorney
Northern District of Ohio
Organized Crime Strike Force Unit

1800 Bank One Center
600 Superior Avenue, East
Cleveland, Ohio 44114-2600

August 18, 2000

Lawrence D. Huntsman, Esq.
10368 Democracy Lane
Fairfax, VA 22030
Fax No. (703) 591-0922

Re: Richard Detore

Dear Mr. Huntsman:

I write to confirm matters about which we spoke during our telephone conversation today. As I previously advised you, we are investigating the extent and nature of relationship between your client's former employer, U.S. Aerospace, and Congressman James A. Traficant, Jr. I advised you that although your client is not a target of this investigation, we believe he may have information relevant to this inquiry. I further advised you that the government is interested in obtaining any information Mr. Detore may regarding this investigation. You advised me that you are willing to provide to me a written proffer describing Mr. Detore's knowledge of any and all dealings between Congressman Traficant and persons associated with U.S. Areospace and its related entities. The purpose of this letter is to memorialize the terms and conditions of such a proffer.

First, your client must be completely truthful, candid and forthright at all times during the proffer process; failure to do so could subject him to felony charges for making false statements. Second, except as expressly provided below, no statements made or other information provided by you or your client will be offered in evidence in any proceeding involving your client. Third, the government may make derivative use of any statement or other information provided by you and your client under the terms of this proffer letter and may pursue any investigative leads suggested by any such statements or information. Fourth, in the event your client ever becomes a witness in any judicial proceeding, including but not limited to testimony before a grand jury or trial, and offers testimony materially different from any statement made or other information provided during the proffer, an attorney for the government may cross-examine your client with, and introduce rebuttal evidence concerning, the statements he made and the information he

provided during the proffer. The government may also introduce against your client any statements made and information provided during the proffer in the event your client is ever charged with providing false information during the course of this proffer or is ever charged with committing perjury in any subsequent judicial proceeding. These provisions are necessary to ensure that your client does not abuse the opportunity for a proffer, does not make materially false statements during the course of the proffer and does not commit perjury while testifying in subsequent proceedings.

We trust that you will find these ground rules fair and reasonable. Please sign and have your client sign this letter where indicated below. Signing this letter will confirm that you and your client agree with and accept the terms of this letter and that you have advised your client of his rights under the Fifth and Sixth Amendments of the United States Constitution.

Please do not hesitate to call me at (216) 622-3921 if you have any questions regarding this matter.

Very truly yours,

Craig S. Morford
Assistant U.S. Attorney

APPROVED:

Richard Detore

Lawrence D. Huntsman, Esq., ATTORNEY FOR RICHARD DETORE

8/29/00
Date

07/10/02 WED 03:49 FAX 023

Rental Company:

MILLENNIUM luxury car rentals exc. 1998

RENTAL AGREEMENT

NO DRIVER UNDER THE AGE OF 21

EXPIRATION OF CONTRACT

DATE DUE: 12/10/99 10:00 AM PM EXTENDED TO:

NO. 707346

RENTER NAME: Richard Detore HOME PHONE: 703-365-8000 VERIFIED

HOME ADDRESS: 13303 Balmoral Greens Ave

CITY: Clifton STATE: VA ZIP CODE: 20124

DRIVER'S LICENSE #: T-627 1625 STATE: VA EXP. DATE: 8/28/05

DATE OF BIRTH: 2-3-66 SOCIAL SECURITY # VERIFIED

LOCAL CONTACT ADDRESS PHONE

EMPLOYER: US Aerospace POSITION: COO VERIFIED

EMPLOYER'S ADDRESS: 9811 Godwin Drive PHONE: 703-365-8000

INSURANCE CO. POLICY # PHONE

INSURANCE AGENT CLAIM # OTHER

ONLY THE BELOW-NAMED PERSONS ARE AUTHORIZED AS ADDITIONAL DRIVERS. IF NONE, PRINT "NONE" ACROSS THIS SECTION AND HAVE SIGNED BY RENTER.

JAMES A TRAFICANT 05/08/41

NAME: R.M. 983095 DATE OF BIRTH: EXP. DATE:

DRIVER'S LICENSE #:

NAME DATE OF BIRTH

DRIVER'S LICENSE # EXP. DATE

FUEL

OUT	IN
E	E
1/4	1/4
1/2	1/2
3/4	3/4
F	F

$1000 Deductible VEHICLE DAMAGE WAIVER ACCEPTS: X

RATES: $ 20 PER DAY, $ PER WEEK. BY INITIALING A BOX, RENTER ACCEPTS OR DECLINES VEHICLE DAMAGE WAIVER FOR RATES LISTED ABOVE AND FOR DAMAGE ORTION BELOW. BY ACCEPTING WAIVER, RENTER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO THE RENTED VEHICLE UP TO/OVER (circle one) $ AMOUNT REPORTED/KNOWN REGARDLESS OF FAULT. NOTICE: WAIVER DOES NOT COVER LOSS OR DAMAGE RESULTING FROM ANY VIOLATION OF PARAGRAPHS 1 OR 2 OF THIS AGREEMENT, FOR MISSING VEHICLE PARTS OR INTERIOR VEHICLE DAMAGE O HER THAN NORMAL WEAR AND TEAR CAUSED BY OCCUPANTS. BY BECOMING WAIVER, CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR ALL LOSS/DAMAGE TO RENTAL VEHICLE. DECLINES: X

VEHICLE DAMAGE WAIVER IS NOT INSURANCE

Supplemental Liability Insurance (SLI)
Personal Accident Insurance (PAI) and Personal Effects Insurance (PEI)

"I have read and understand the material which describes these benefits and conditions, the material which is available at this rental office.

I accept at the rate shown on the rental contract, or decline, SLI, PAI, PEI and/or, as indicated below by my initials. I understand that I will be charged a rate per rental day for each full or partial day. Acceptance is proof of coverage.

SLI		PAI		PEI	
ACCEPTS	DECLINES	ACCEPTS	DECLINES	ACCEPTS	DECLINES
X	X	X	X	X	X

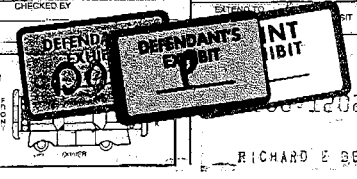
VEHICLE CONDITION OUT OPERATED BY

VEHICLE CONDITION IN CHECKED BY

CREDIT CARD: 4800 1502 6112 2626 EXP. DATE: 10/02

ATTENTION LAW ENFORCEMENT
IF THIS AUTO IS STOPPED FOR ANY REASON AND THE DRIVER IS NOT AUTHORIZED ON THIS RENTAL AGREEMENT, CONSIDER THIS AUTO STOLEN. PLEASE IMPOUND AUTO, TAKE NECESSARY ACTION AGAINST THE DRIVER AND CALL OUR RENTAL OFFICE.

x = Dent
0 = Missing
- - Scratch



VEH # 3 LICENSE # 769555K VIN 1G1YY32G9XS124[illegible]

YEAR-CAR LINE 1999 Chevrolet MODEL/COLOR Corvette / Black

ODOMETER OUT DATE & TIME OUT 11 / 10,99 AM PM 10:00

ODOMETER IN DATE & TIME IN / / AM PM

MILES DRIVEN MILES ALLOWED 100 per day MILES CHARGED

RENTAL RATES DO NOT INCLUDE FUEL — CHARGES

HOURS @ $	PER HOUR	$	
DAYS 30 @ $	PER DAY	$	
1 Month @ $ 5000	Unlimited Mileage	$	5000.00
MILES @ $	PER MILE	$	
VOLUNTARY DAMAGE WAIVER @ $		$	
FUEL CAGS @ $		$	
VEHICLE DAMAGE WAIVER @ $ 20	PER DAY	$	
SLI @ $	PER DAY	$	
PAI @ $	PER DAY	$	
PEI @ $	PER DAY	$	
SUB TOTAL Additional Driver $10/day		$	30.00
SALES TAX 8%		$	
OTHER Delivery Mileage		$	Waived
SUB TOTAL		$	
LESS CREDIT/DEPOSIT/OTHER		$	
Breezeher Discount 10%		$	
TOTAL CHARGES		$	
CASH REFUND / CUSTOMER INITIAL		$	

RENTER HAS READ BOTH SIDES OF THIS AGREEMENT AND AGREES TO THIS TERMS AND CONDITIONS THEREOF. RENTER AUTHORIZES RENTOR TO PRECHARGE CREDIT CARD VOUCHER. IF ANY, IN RENTOR'S NAME. RENTER MAKES PROSECUTED IF VEHICLE IS NOT RETURNED WHEN DUE BACK. THIS AGREEMENT SHOULD NOT EXCEED A 30 DAY PERIOD.

RENTER SIGNATURE

EXTENDED TO DATE INITIALS

4800 1502 6112 2626

10/02

RICHARD E DETORE

WALTER & HAVERFIELD

Ralph E. Cascarilla
internet:rec@walterhav.com

December 22, 1997

DEFENDANT'S EXHIBIT 12

VIA FACSIMILE AND REGULAR MAIL

Congressman James Traficant
125 Market Street, Room 311
Youngstown, Ohio 44503

Re: Charles P. O'Nesti

Dear Congressman Traficant:

I write on behalf of and at the request of my client, Mr. Charles P. O'Nesti, regarding recent public disclosures alleging Mr. O'Nesti to be a member of the Pittsburgh La Cosa Nostra ("LCN") or organized crime family.

I have received explicit clarifications from Assistant United States Attorney Craig S. Morford that the Government does not contend nor has it alleged in any filing to the Court that Mr. O'Nesti is a member of the Pittsburgh LCN or any other organized crime family.

I trust this information will be of assistance to you in assessing the statements made about Mr. O'Nesti in the local media. If you desire any further information concerning this matter, please do not hesitate to contact me.

Very truly yours,

Ralph E. Cascarilla

Ralph E. Cascarilla

REC:skm

cc: Mr. Charles P. O'Nesti

101861-1



IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	Case No. 4:01 CR 207
Plaintiff	)	
	)	JUDGE LESLEY WELLS
V.	)	
	)	**MOTION TO REMOVE AUSA**
JAMES A. TRAFICANT, JR.	)	**CRAIG S. MORFORD & SANCTIONS**
	)	**WITH SUPPORTING MEMORANDUM**
Defendant	)	**FOR PROSECUTORIAL**
	)	**MISCONDUCT;**
	)	**REQUEST FOR HEARING**

Now comes Defendant, James A. Traficant, Jr., Pro Se, and pursuant to **Fed.R.Crim.P. 12,** respectfully requests the Court order that AUSA Craig S. Morford be barred from representing the government in the instant action for the following reasons:

1) AUSA Morford has repeatedly *intimidated witnesses* throughout the investigation and indictment-stages of these proceedings in violation of 42 U.S.C. SEC. 1985, and ORC SEC. 2921.03 and SEC. 2921.04;

2) AUSA Morford has repeatedly *obstructed justice* in violation of 18 U.S.C. SEC. 1503, and ORC SEC. 2921.32;

3) AUSA Morford has *suborned perjury* of various government witnesses throughout these proceedings in violation of 18 U.S.C. SEC. 1622, and ORC SEC. 2921.11 and SEC. 2923.03;

4) AUSA Morford has repeatedly *violated the Canons of Ethics* of an Ohio Attorney throughout these proceedings;

5) AUSA Morford has violated the provisions of the *federal ethics statute*, 28 U.S.C SEC. 53OB(a);

6) AUSA Morford has violated the provisions of the *federal bribery & gratuity statute*, 18 U.S.C. SEC. 201(b)(c) & SEC. (2), and has violated ORC. SEC. 2921.02(c);

7) AUSA Morford was, otherwise, guilty of mammoth misconduct.

A Memorandum of the specific issues and law is set forth below.

WHEREFORE, Defendant James A. Traficant, Jr., Pro Se, respectfully requests the Court to remove and/or sanction AUSA Craig S. Morford as attorney for the Plaintiff government, and, further, requests an evidentiary hearing.

Respectfully submitted,

James A. Traficant, Jr., Pro Se
129 North Main Street
Poland, Ohio 44514

MEMORANDUM IN SUPPORT THEREOF

U.S. Congressman James A. Traficant, Jr., representing the 17th Congressional District in the State of Ohio, is charged in an indictment filed on May 4, 2001, with: Conspiracy to Violate the Federal Bribery Statute [Count 1, in violation of 18 U.S.C. SEC. 201(b)(2)(a) & SEC. 371]; Conspiracy to Violate the Federal Bribery Statute [Counts 2 and 3, in violation of 18 U.S.C. SEC. 201(c) & SEC. 371]; alleged related violations of 18 U.S.C. SEC. 1503, & SEC. 1962(c), and 2; and alleged related violations of 26 U.S.C. SEC.7206(1).

Congressman Traficant elected to proceed Pro Se and, on May 11, 2001,

entered pleas of not guilty to all Counts. The government is represented by AUSA Craig Morford. The matter is set for trial on February 4, 2002. Mr. Traficant complains of the following misconduct of AUSA Craig S. Morford:

a) AUSA Morford has repeatedly intimidated witnesses throughout the investigation and indictment-stages of these proceedings in violation of 42 U.S.C. SEC. 1985 and ORC SEC. 2921.03 & SEC. 2921.04---these witnesses include, but not limited to: Arthur David Sugar, John J. Cafaro, James R. Sabatine, Henry Nemenz, Peter Bucheit, Attorney Allen Sinclaire, Thad Broad, Attorney Henry DiBlasio, Attorney Mark Colucci, and/or others.

A typical line of questioning by AUSA Morford and his team was, *'Tell us what we want to hear, the way we want to hear it, or we will indict you too!'*

b) AUSA Morford has repeatedly *obstructed justice* in violation of 18 U.S.C. SEC. 1503; this obstruction includes intimidation of witnesses including, but not limited to Arthur David Sugar, John J. Cafaro, James R. Sabatine, Henry Nemenz, Peter Bucheit, Attorney Allen Sinclaire, Thad Broad, Attorney Henry DiBlasio, Attorney Mark Colucci, and/or others.

A typical line of questioning by AUSA Morford and his team was, *'Tell us what we want to hear, the way we want to hear it, or we will indict you too!'* Moreover, AUSA Morford would only grant prosecutorial immunity to those individuals who were willing to testify according to the AUSA's agenda and script.

c) AUSA Morford has *suborned perjury* of various government witnesses throughout these proceedings including government witnesses including, but not limited to Arthur David Sugar, John J. Cafaro, James R. Sabatine, Henry Nemenz, Peter Bucheit, Attorney Allen Sinclaire, Thad Broad, Attorney Henry DiBlasio, Attorney Mark Colucci, and/or others.

d) AUSA Morford, an Ohio attorney, has repeatedly violated Ohio's Canons of Ethics throughout these proceedings.

On October 21, 1998, **SEC. 530B(a), of Title 28**, became law. It is entitled, *"Ethical standards for attorneys for the Government"* and mandates:

> "An attorney for the Government *shall be subject to State laws* and rules, and local Federal court rules, *governing attorneys in each State* where such attorney engages in that attorney's duties, *to the same extent and in the same manner as other attorneys of that State, " (emphasis added).*

This selection applies to *all* U.S. Attorneys and their assistants [AUSA's]. These ethical standards protect both the accused and the criminal justice system. *As per* Judge Burciaga:

> "[W]e must understand ethical standards are not merely a guide for the lawyer's conduct, but are an integral part of the administration of justice. Recognizing a Government lawyer's role as a shepherd of justice, we must not forget that the authority of the Government lawyer does not arise from any *right* of the Government, but from *power* entrusted to the Government. When a Government lawyer, with enormous resources at his or her disposal, abuses this power and ignores ethical standards, he or she not only undermines the public trust, but inflicts damage beyond calculation to our system of justice. This alone compels the responsible and ethical exercise of power," *Matter of Doe*, 801 F. Supp. At 479-80.

Attorneys are officers of the court and are bound by rules of ethics, disciplinary rules, and canons of conduct. AUSA Morford is an Ohio attorney and bound by *Ohio's Code of Professional Responsibility* as are Ohio's Criminal Defense attorneys, which include:

CANON 7: A LAWYER SHOULD REPRESENT A CLIENT ZEALOUSLY WITHIN THE BOUNDS OF THE LAW

DR7-102, REPRESENTING A CLIENT WITHIN THE BOUNDS OF THE LAW.
DR 7-102(A) in his representation of a client, a lawyer shall not:

(3) Conceal or knowingly fail to disclose that which he is required by law to reveal.
(4) Knowingly use perjured testimony or false evidence.
(5) Knowingly make a false statement of law or fact.
(6) Participate in the creation of, or preservation of evidence when he knows or it is obvious that the evidence is false.

Ethical Consideration [EC] 7-26 states that, "The law and the Disciplinary Rules prohibit the use of fraudulent, false, or perjured testimony or evidence."

EC 7-27 states that, "Because it interferes with the proper administration of justice, a lawyer should not suppress evidence that he or his client has a legal obligation to reveal or produce.

DR 7-103 PERFORMING THE DUTY OF PUBLIC PROSECUTOR
DR 7-103(B) A public prosecutor or other government lawyer in criminal litigation shall make timely disclosure to counsel for the defendant, or to the defendant if he has no counsel, of the existence of evidence, known to the prosecutor or other government lawyer, that tends to negate the guilt of the accused, mitigate the degree of the offense, or reduce the punishment.

Under Ethical Consideration [EC] 7-13, the Code of Professional Responsibility stresses,

"The Responsibility of a public prosecutor differs from that of the usual advocate; his duty is to seek justice, not merely to convict....With respect to evidence and witnesses, the prosecutor has responsibilities different from those of a lawyer in a private practice]In fact, the standard is higher than the standard for a Criminal Defense attorney.]: the prosecutor should make timely disclosure to the defense of available evidence, known to him, that tends to negate the guilt of the accused, mitigate the degree of the offense, or reduce the punishment. Further, a prosecutor should not intentionally avoid pursuit of evidence merely because he believes it will damage the prosecution's case or aid the accused."

EC 7-14 states that, "A government lawyer...should not use his position or the economic power of the government to harass parties or to bring about unjust settlements or results."

DR 7-105, THREATENING CRIMINAL PROSECUTION

DR 7-105(A) A lawyer shall not present, participate in presenting, or threaten to present criminal charges solely to obtain an advantage in a civil matter.

Numerous individuals interviewed by AUSA Morford and his Task Force were threatened with loss of property as well as liberty if they did not testify in line with the AUSA Prosecutorial Agenda. Even Defendant's indictment includes forfeiture allegations [pages 40-41 of the indictment].

DR 7-109 CONTACT WITH WITNESSES

DR 7-109 (A) A lawyer shall not suppress any evidence that he or his client has a legal obligation to reveal or produce.

DR 7-109 (C) A lawyer shall not pay, offer to pay, or acquiesce in the payment of compensation to a witness contingent upon the content of his testimony or the outcome of the case.

EC 7-28 states that "Witnesses should always testify truthfully and should be free from any financial inducements that might tempt them to do otherwise".

According to a lead story entitled, *"Less Time Recommended for Cooperation,"* that was published in the August 7, 2001, *The Vindicator,* numerous government witnesses are being given considerations for their *cooperative* testimony, to wit: *James R. Sabatine*, a Canfield contractor, "would

get a reduced sentence...for cooperating with federal officials...and for testifying against *U.S. Rep. James A. Traficant, Jr.*"

The story reports that Sabatine's plea "agreement says the U.S. Attorney's office recommends a reduced sentence [from a 37-to 46-months original guideline range to a 10-to 16-month range] for Sabatine in exchange for his continuous cooperation with its investigative efforts." These efforts include testimony against Defendant. According to *The Vindicator*, this "agreement was inadvertently faxed to The Vindicator and other news outlets by the U.S. Department of Labor, which was part of the Task Force involved in the indictment. This story concludes:

> "*Sabatine* would become the third local businessman to accept a plea agreement in exchange for their *testimony* against *Traficant*, whose case is set for trial in February. *A. David Sugar* of Honey Creek Contracting in New Middletown and *J.J. Cafaro* of Libery, whose family develops shopping malls, are the others."

For the reasons set forth in *U.S. v. Singleton*, 144F.3d 1343 (10th Cir. 1998), providing consideration to at least three witnesses by AUSA Morford is unethical-it violates the aforementioned canon of ethics and disciplinary rules. It also violates **18 U.S.C. SEC. 201(C)(2)**. While *Singleton, supra*, was replaced with a 10th Circuit *en banc* decision at 165 F.3d 1297 (10th Cir. 1999) relative to these issues, it should be noted that *Singleton I* was decided *before* the enactment of the federal **statute 28 U.S.C. SEC. 530(B)(a)**, which clearly mandates that U.S. Prosecutors, such as AUSA Morford, are bound by Ohio's Canons of Ethics and Disciplinary Rules. In *U.S. v. Ware*, 161 F.3d 414 (6th Cir. 1998), the 6th U.S.

Circuit U.S. Court Appeals held that a prosecutor did not violate 18 U.S.C. SEC. 201(c)(2) for offering a defendant's accomplice leniency in exchange for testimony-however, the testimony must be *truthful*. Moreover, *Ware* was argued prior to the enactment of 28 U.S.C. SEC. 530(B)(a).

e) AUSA Morford has violated the provisions of the federal bribery and gratuity statutes, **18 U.S.C. SEC. 201(b) & SEC(c) & SEC. (2).**

As argued above, AUSA Morford is violating *18 U.S.C. SEC. 201(b) & SEC.(c) & SEC.(2)* by the use of plea agreements that offer considerations to an individual in exchange for his testimony. Moreover, AUSA Morford is violating the Defendant's *14th Amendment Rights* concerning equal protection of the law. If the prosecutor is able to purchase testimony, then so should the accused.

e) AUSA Morford has been guilty of mammoth misconduct, all of which will be developed at an evidentiary hearing, wherein the Defendant will direct the following line of inquiry to AUSA Morford.

QUESTIONS REGARDING ATTORNEY MARK COLUCCI:

1) Did you inform Attorney Mark Colucci that he "could not represent Mr. Thad Broad, Pro Bono"?
2) Did you inform Attorney Mark Colucci that "he was an associate of Jim Traficant and thus could not represent Mr. Broad"?
3) Did you inform Attorney Mark Colucci that if he pursued the Pro Bono representation of Mr. Broad, "the Court appointed counsel would still have to remain a part of Mr. Broad's legal representation"?

QUESTIONS REGARDING JOHN J. CAFARO:

1)Did you suggest and/or threaten to indict Mr. Cafaro for "having committed perjury" in the trial of former Mahoning County Sheriff Phil Chance, if he did not "come up with a crime" on Traficant?
2)Did you suggest and/or threaten to indict Mr. Cafaro's daughter, Capri, as President of U.S. Aerospace Company unless Mr. Cafaro "said what we wanted to hear", about Traficant?
3) Did you suggest and/or threaten the Cafaro Company with an IRS audit?
4) Did you suggest and/or threaten staff members of U.S. Aerospace Company with indictment and tax audits if they did not "lie about issues and matters concerning James Traficant"?
5) Did you offer "no jail time" and/or "minimum or reduced jail time" for coerced, false statements against Mr. Traficant?
6) Did you suggest or state to Mr. Cafaro that "all your problems will vanish if you give us what we want on Jim Traficant"?
7) As a condition for Mr. Cafaro's false testimony, did you promise to "stop lawsuits" that were filed against him?
8) Did you label or refer to Mr. Cafaro as a "liar" during the trial of former Mahoning County Sheriff Phil Chance?

QUESTIONS REGARDING CHARLES O'NESTI:

1) Did you coach Charles O'Nesti's testimony in the trial of former Mahoning County Sheriff Phil Chance, knowingly omitting exculpatory evidence?
2) Did you persuade Charles O'Nesti to make false statements against James Traficant?
3) Did you make a deal with Charles O'Nesti to "allow him to die at home and postpone sentencing" for known false statements against James Traficant?
4) Did you make a deal with Mr. O'Nesti to send a letter clearing Mr. O'Nesti of ties to organized crime, if Mr. O'Nesti would "give us what we want to hear, in a way we can use it against Jim Traficant"?
5) Did you knowingly withhold audio tapes of Charles O'Nesti which were exculpatory for the Defendant, Mr. Traficant?
6) Did you pressure and threaten Charles O'Nesti, knowing he was near death and being treated for Terminal Cancer?

QUESTIONS REGARDING ATTORENY ALLEN SINCLAIRE:

1) Did you suggest and/or threaten Attorney Allen Sinclaire with indictment for "fraud involving ownership of property on Overhill Road" unless he said "what we want to hear, the way we want to hear it, concerning James Traficant"?
2) Did you suggest and/or threaten Attorney Allen Sinclaire with disbarment and loss of his law license, of which he was already on probation for past violations, if he did not testify that "those were not loans, those were kickbacks to Jim Traficant"?
3) Did you suggest and/or threaten to prosecute Attorney Allen Sinclaire's wife in connection with the property ownership on Overhill Road?
4) Did you withhold and/or have cause to alter audio tapes made by Allen Sinclaire?
5) Did you suggest and/or threaten to have Attorney Allen Sinclaire audited by the IRS, including his vending company?
6) Did you shield and/or protect Attorney Allen Sinclaire from a $500,000.00 law suit as a condition to secure his false testimony?

QUESTIONS REGARDING ATTORNEY HENRY DIBLASIO:

1)Did you suggest and/or threaten Mr. DiBlasio that he would be indicted if "you do no not recant and change your Grand Jury testimony which exonerates James Traficant"?
2) Did you suggest and/or threaten Mr. DiBlasio with tax audits if he did not recant and change his Grand Jury testimony?
3) Did you pressure and attempt to coerce Mr. DiBlasio with threats while knowing he was of serious ill health and under the care of a Cardiologist Specialist?
4) Did you suggest and/or threaten Mr. DiBlasio that if he sued Attorney Allen Sinclaire for the half million dollars Sinclaire owed DiBlasio, that he would be "charged with intimidating a federal witness".

QUESTIONS REGARDING PETER BUCHEIT:

1)Did you suggest and/or threaten Mr. Bucheit with an IRS investigation if he did not agree with the "government's position on his dealings with Jim Traficant"?
2) Did you suggest and/or threaten Mr. Bucheit with a phone conversation instructing him to "get an attorney" because Mr. Bucheit would not testify according to the government's position?

QUESTIONS REGARDING HENRY NEMENZ:

1)Did you suggest and/or threaten Mr. Nemenz to distort the truth concerning the defendant?
2)Did you inform Mr. Nemenz that " if you don't say what we want to hear, the way we want to hear it regarding Jim Traficant, you will be indicted"?
3)Did you suggest and/or threaten Mr. Nemenz with IRS audits and investigations into all of his "many businesses"?

QUESTIONS REGARDING JAMES SABATINE:

1)Did you suggest and/or threaten Mr. Sabatine with absolute imprisonment for bribing former Mahoning County Engineer William Fergus, if he did not "say something we want to hear about Traficant in a way we can use it"?
2)Did you suggest and/or threaten Mr. Sabatine with harsh treatment in the sentencing of his two relatives indicted for RICO offenses, in the event they were convicted, if Mr. Sabatine did not "say what the government needs you to say against Jim Traficant"?

QUESTIONS REGARDING THE BUCCI BROTHERS:

1) Did you suggest and/or threaten prosecution of family members of the Bucci brothers if they did not make false statements against the Defendant?

QUESTIONS REGARDING PHIL CHANCE:

1)Did you cause or have knowledge of the government's attempt to gain a conviction against former Mahoning County Sheriff Phil Chance, by initiating an IRS investigation into one of Sheriff Chance's Defense Attorneys?
2)Did you make, or did you cause an offer to be made, to Sheriff Chance, that if he "gave us anything on Jim Traficant, we'll fill in the blanks, and you will get no jail time and will only wear a wrist bracelet and be confined to House Arrest for twelve months?"

QUESTIONS REGARDING SANDY FERRANTE:

1) Did you have knowledge of or did you cause Agents of the government to fraudulently convince Mrs. Ferrante that "the Defendant was attempting to cause her physical harm"?
2) Did you attempt to manipulate or have knowledge of the manipulation of Mrs. Ferrante in an effort to make her make false statements about the Defendant?
3) Did you have knowledge of audio tapes that were played for Mrs. Ferrante suggesting threats by the Defendant?
4) Did you cause or did you have knowledge of government pressure placed on Mrs. Ferrante while she was in poor health and was further experiencing crises within her family?

QUESTIONS REGARDING THAD BROAD:

1) Did you arrest Thad Broad under secret indictment, secret arraignment, and imprison him to elicit false statements against the Defendant?
2) Did you suggest and/or threaten Mr. Broad with long term imprisonment pursuant to his past criminal record if he did not "say what the government wanted to hear about Jim Traficant"?
3)Did you have knowledge of Mr. Broad's psychological problems and knowingly, with intent, apply extreme pressure to elicit false statements against the Defendant?
4) Did you direct the psychological testing and evaluation of Mr. Broad?
5) Did you force Mr. Broad or deceive Mr. Broad into believing that he must "keep his court appointed attorney", even though he wanted another attorney and "did not trust the court appointed Attorney"?

GENERAL QUESTIONING:

1) Did you authorize or have knowledge of any government surveillance on Defendant?
2) Did you ever learn of any such surveillance, and if so, did you take any official action regarding same?
3) Did you authorize or have knowledge of surveillance performed on the Defendant in cooperation with the Mahoning County Sheriff's Department, and if so, did you take any official action regarding same?

4) Did you authorize or have knowledge of seizure of Defendant's property, and if so, did you take any official action regarding same?
5) Did you direct or did you have knowledge that electronic surveillance, both warrantless, and those authorized by warrant, were conducted on the defendant?
6) Did you direct an investigation or have knowledge of same regarding seized property of the Defendant and its determination?
7) Did you authorize or have knowledge of government's attempts to return seized property?
8) Did you ever initiate an investigation into the legality of said seizure?
9) Did you knowingly and deliberately misrepresent to the Defendant through disclosure that no electronic surveillance had been requested by any government entities, which was a specific request by the Defendant in his Motion for Discovery?
10) Did you direct and/or have knowledge of the government's consent search of a Company in North Lima, Ohio.
11) Did you authorize and/or approve a search warrant of certain facilities at the North Lima Company that was needed because a consent search was not granted for the particular building that the government wanted to search?
12) Did you have cause to participate in the process of having a closed, secret court hearing, into the alleged criminal behavior of FBI Agent Anthony Speranza?
13) Did you recommend, or participate in a recommendation to the Federal Judge presiding, that no action be taken against Mr. Speranza "until after the Traficant matter is disposed of"?
14) Did you direct or participate in the recommendation, that all court matters regarding Agent Speranza be kept under seal, and hidden from public scrutiny?
15) Did you inform a law enforcement agent that you "do not trust the Youngstown FBI Office, and have placed Agent Sedlack in the office to keep an eye on that place"?
16) Did you "leak", or have knowledge of government "leaks", of Grand Jury testimony, or the dates of Grand Jury appearances, of witnesses involved in the Defendant's case?

Defendant, James A. Traficant, Jr., Pro Se, requests a hearing on the prosecutorial misconduct of AUSA Craig Morford, and requests permission of the Court to

allow the Defendant to subpoena witnesses in regards to said allegations.

Respectfully submitted,

James A. Traficant, Jr., Pro Se

CERTIFICATION

A copy of the above motion was this 17 TH day of August, 2001, ~~mailed~~ FAXED to the U.S. Attorney's Office, at: FAX #216 522-7358.

James A. Traficant, Jr.
Defendant Pro Se

(Rev. 2/17/95)

EXC

SPECIAL OPERATIONS GROUP + REQUEST FOR TECHNICAL ASSISTANCE
SURVEILLANCE REQUEST FORM

Case Caption: HIJACKED TRUST

Date: 11/19/99

Case Agent: OENHOLM

Squad/RA: 15/YOUNGSTOWN

File #: 58C-CV-60877

Supervisor's Approval/Comments XXX

****

Subject of Surveillance: CHARLES ONEST I AND JAMES TRAFICANT

Synopsis of Investigation: PUBLIC CORRUPTION INVESTIGATION - TRAFICANT HAS ACCEPTED BRIBES FROM LOCAL CONTRACTORS IN EXCHANGE FOR HIS HELP WITH GOVERNMENT CONTRACTS AND BANK LOANS

Purpose of Surveillance: TO RECORD MEETING BETWEEN CHARLES ONEST I, JAMES TRAFICANT, AND SAM TRAFICANT I AND TO FOLLOW SUBJECTS AFTER MEETING. PHOTOS ARE REQUESTED

Period (Dates) Surveillance Required: 11/20/99

Shift Desired: 8 AM TO 4 PM

City where surveillance is to begin: YOUNGSTOWN, OHIO

Type of Surveillance: (✓) Ground (✓) Aerial (✓) Photo ( ) Video

1 - 66I-CV-52121 Sub G
1 - Case File
1 - SOG Supervisor
1 - SA _____
(4) Route all four copies to SOG

REQUEST IS ALSO MADE FOR RECORDING EQUIPMENT PER DISCUSSION W/ SSA DILLEMENTE

Date received at SOG _____

DEFENDANT'S EXHIBIT 6

057143

It is the responsibility of the requesting Agent to review all office resources such as OCIS, ISIS, LEADS, SITC, BITC, indices and appropriate files to insure that the most current information is set forth below.

Subject's Background:

Name: JAMES A. TRAFICANT JR Alias: JIM

DOB: _____ Sex: M POB: _____

Race: C Eyes: GRN Hair: GRY

Height: 6'1" Weight: 215 Build: _____

Misc: SSN 280 38 7600

Subject's Residence:

6908 SOUTH RANGE RD,
GREENFORD, OHIO (THE FARM)
429 N. MAIN ST, POLAND, OHIO

Subject's Known Vehicles:

Subject's Employment:

UNITED STATES CONGRESS

Subject's Hangouts:

TRUCK STOPS
THE FARM - 6908 SOUTH RANGE RD

Known Associates:

1. Name: CHARLES ONEST
   Address: 2982 ELDORA DR.
   YOUNGSTOWN, OHIO
   PHONE 330/799-8073
   Vehicle: 98 OLDS 1993 PURPLE

2. Name: GT EXPRESS (TRAFICANT)
   Address: 400 MILEY RD
   NORTH LIMA, OHIO
   Vehicle: _____

3. Name: SALVADORE TRAFICANT
   Address: aka SAM TRAFICANT
   2817 POLAND VILLAGE BLVD
   POLAND, OHIO 44514
   Vehicle: 1999 LINCOLN CONTINENTAL

4. Name: _____
   Address: _____
   Vehicle: _____

057144

MAR 26 2002 AVIJT 1007(BB)

Dear Jim, 3-20-02

DEFENDANT'S EXHIBIT 1



I can blow up the case against you.

You are right about this being a vendetta against you because of the last trial. Kramer admitted as much, to me, in the presence of two lawyers and Morford.

Kramer is dirty. There are FBI tapes, that I have heard, to that effect.

If you want me to testify, come and see me. I'm sure your jury would be

1)

07/10/02 WED 08:04 FAX

interested in hearing why I have a six year sentence for something I didn't do because of your last trial and the fact I wouldn't hand you over to them.

J

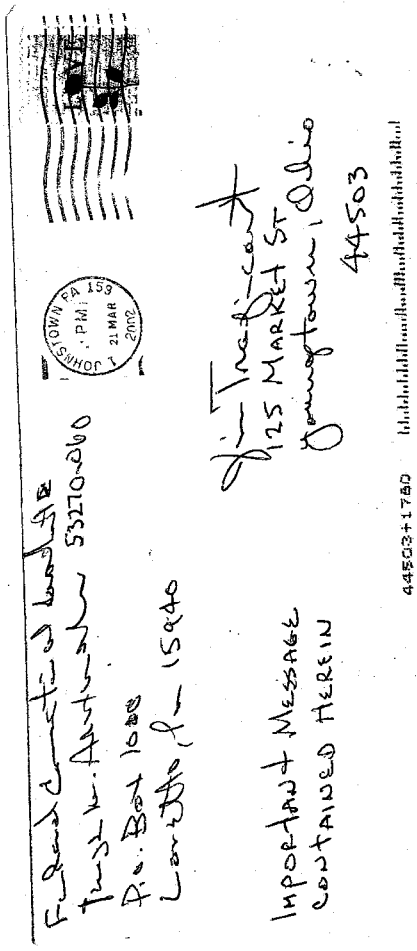
P.S. You can come here by calling JOHN MARDERNESS and telling him you want to come to depose me as a potential witness.

P.P.S. Do not summons me to testify without first coming here.

GEORGE M. ALEXANDER 53270-060
FCI LORETTO
P.O. Box 1000
LORETTO, PA 15940

2)

07/10/02 WED 08:04 FAX 037


JOHNSTOWN PA 159
21 MAR 2002
IMPORTANT MESSAGE
CONTAINED HEREIN
44503-1785

Signed across
the tape to
show integrity
of contents

DEFENDANT'S
EXHIBIT

To: James Trafficant
His eyes only

-John Vogel
652-8426, 716-1763

Discredit any part of an arguement and you taint the entire arguement

People to confirm this with
Chief of Police Sam Pagano, Weathersfield Twp.
Trustee James Price, Withrow Twp
Administrator David Pugh, "
Chelmer Swaney (spelling) Mineral Ridge business owner

About 5 ~~to~~ to 7 yrs ago George Buccella may have acted as a liason between Swaney and individuals who claimed influence with Austintown Court to get a DWI charge against Swaney's adult son taken care of.

Supposedly Buccella was to carry about $2,500.00 to the people with influence. Swaney supposedly gave the money to Buccella and that was the end of the story from Swaney's view.

A ~~cou~~ple time later Swaney's son was picked up again on a DWI and was arrested on the spot based on some kind of warrant from the previous incident regarding failure to appear.

Swaney went to Pagano and emphatically related the story to him.

Pagano told me last fall that he passed the information to Coyegum (spelling) who was still

an Assistant Prosecutor. Gyseghem wanted Swaney to get additional evidence by wearing a recorder. Swaney refused.

Price told me that Buccella came to him with the story shortly after it originally happened playing the role of the guy who could fix anything.

Pagano told me that he gave FBI agents his notes on the incident

Pugh claimed to me that he had been questioned by "investigators" regarding his first hand knowledge based on the fact that he was there when Swaney confronted Pagano.

After I talked to Pagano, Price & Pugh, I thought the story was factual. I met with Buccella and told him he needed to resign his Trustee's seat to avoid embarrassment. He refused, swearing on his dead parents' memories that he did nothing wrong. He claimed he never transfered or kept money from Swaney.

I took this matter to an open Trustee's Meeting and asked a series of questions during the Public Comment session. The response to all questions was that no one would answer because it was still part of an active investigation.

APPENDIX 4

AKIN GUMP
STRAUSS HAUER & FELD LLP
Attorneys at Law

John M. Dowd
(202) 887-4386/Fax: (202) 833-2292
jdowd@akingump.com

July 17, 2002

The Honorable Joel Hefley
Chairman
Committee on Standards of Official Conduct
HT-2 Capitol Building
Washington, D.C. 20515-6328

Re: Testimony of Richard Detore

Dear Mr. Chairman:

It has come to my attention that Mr. Detore testified that this firm did not notify him of its intention to withdraw from our representation of him with regard to the criminal indictment against him before the United States District Court for the Northern District of Ohio. I would appreciate this opportunity to correct the record of his testimony.

I have attached hereto copies of three letters dated May 20, 2002 addressed to Mr. Detore, the Clerk of the Court and Judge Wells, with copies to Mr. Detore containing the Motion to Withdraw and the Memorandum in support of the Motion filed under seal with Judge Wells. Mr. Detore never opposed the Motion and on May 23, 2002 the Court granted our motion and entered an order directing Mr. Detore to obtain other counsel. In addition, our files reflect that Mr. Detore was first advised in writing by this firm on April 12, 2002 of our intention to withdraw and again on May 16, 17, 18, 20 and 24, 2002.

Thank you for courtesy.

Sincerely,

John M. Dowd

Enclosures
cc: Richard Detore

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.

ATTORNEYS AT LAW
ROBERT S. STRAUSS BUILDING
1333 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036
(202) 887-4000
FAX (202) 887-4288
www.akingump.com

AUSTIN
BRUSSELS
CHICAGO
DALLAS
DENVER
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NORTHERN VIRGINIA
PHILADELPHIA
SAN ANTONIO
WASHINGTON, D.C.

RIYADH (AFFILIATE)

DIRECT DIAL NUMBER 202-887-4209
E-MAIL ADDRESS epeterson@akingump.com

May 20, 2002

VIA HAND DELIVERY
Richard E. Detore
13303 Balmoral Green Avenue
Clifton, VA 20124

Dear Mr. Detore:

Enclosed please find the following: copy of 1) Akin, Gump, Strauss, Hauer & Feld, L.L.P.'S Motion And Memorandum In Support Thereof To File The Memorandum Of Points And Authorities In Support Of Their Motion To Withdraw Their Appearance As Counsel *In Camera* And Under Seal; and 2) Motion Of Akin, Gump, Strauss, Hauer & Feld To Withdraw Appearance As Counsel For Richard E. Detore; and 3) the *In Camera* Memorandum Of Points And Authorities In Support Of The Motion Of Akin, Gump, Strauss, Hauer & Feld To Withdraw Appearance As Counsel For Richard E. Detore.

For your information, the two motions, but not the *in camera* memorandum, are being sent to the Clerk's Office via overnight courier and therefore will be filed with the Clerk's Office tomorrow, May 21, 2002. The memorandum in support of our motion to withdraw is being submitted *in camera* and under seal and thus only Judge Wells will receive a copy.

Sincerely,

Elizabeth C. L. Peterson

Enclosures

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.

ATTORNEYS AT LAW

AUSTIN
BRUSSELS
DALLAS
DENVER
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NORTHERN VIRGINIA
PHILADELPHIA
SAN ANTONIO
WASHINGTON, D.C.

RIYADH (AFFILIATE)

ROBERT S. STRAUSS BUILDING
1333 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036
(202) 887-4000
FAX (202) 887-4288
www.akingump.com

DIRECT DIAL NUMBER (202) 887-4209
E-MAIL ADDRESS epeterson@akingump.com

May 20, 2002

VIA OVERNIGHT DELIVERY

Clerk of the Court
United States District Court for
the Northern District of Ohio
201 Superior Avenue
Cleveland, OH 44114

Re: *United States of America v. Richard Detore*
(Criminal No. 4:01 CR 207) Judge Lesley Wells

Dear Clerk:

Enclosed for filing in the above-referenced case is the original and one copy of 1) Akin, Gump, Strauss, Hauer & Feld, L.L.P.'S Motion And Memorandum In Support Thereof To File The Memorandum Of Points And Authorities In Support Of Their Motion To Withdraw Their Appearance As Counsel *In Camera* And Under Seal; and 2) Motion Of Akin, Gump, Strauss, Hauer & Feld To Withdraw Appearance As Counsel For Richard E. Detore.

Please date-stamp the copies and return to us in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Sincerely,

Elizabeth C. L. Peterson

Enclosures
cc: Mr. Richard E. Detore
Craig S. Morford, Esq.

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.

AUSTIN
BRUSSELS
DALLAS
DENVER
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NORTHERN VIRGINIA
PHILADELPHIA
SAN ANTONIO
WASHINGTON, D.C.

RIYADH (AFFILIATE)

ATTORNEYS AT LAW
ROBERT S. STRAUSS BUILDING
1333 NEW HAMPSHIRE AVENUE, N.W.
WASHINGTON, D.C. 20036
(202) 887-4000
FAX (202) 887-4288
www.akingump.com

DIRECT DIAL NUMBER 202-887-4386
E-MAIL ADDRESS epeterson@akingump.com

May 20, 2002

VIA OVERNIGHT COURIER

The Honorable Lesley Wells
338 United States Courthouse
201 Superior Avenue
Cleveland, Ohio 44114-1201

Re: *United States v. Richard E. Detore*
Case No. 4:01 CR 207

Dear Judge Wells:

Please find attached hereto a courtesy copy of 1) Akin, Gump, Strauss, Hauer & Feld, L.L.P.'S Motion And Memorandum In Support Thereof To File The Memorandum Of Points And Authorities In Support Of Their Motion To Withdraw Their Appearance As Counsel *In Camera* And Under Seal; and 2) Motion Of Akin, Gump, Strauss, Hauer & Feld To Withdraw Appearance As Counsel For Richard E. Detore; and 3) the *In Camera* Memorandum Of Points And Authorities In Support Of The Motion Of Akin, Gump, Strauss, Hauer & Feld To Withdraw Appearance As Counsel For Richard E. Detore.

For your information, the two motions, but not the *in camera* memorandum, are being sent to the Clerk's Office via overnight courier and therefore will be filed with the Clerk's Office tomorrow, May 21, 2002. We will, of course, file the memorandum in accordance with your ruling on the motion to file *in camera* and under seal.

Sincerely,

Elizabeth C. L. Peterson

Enclosures

cc: Mr. Richard E. Detore
Craig S. Morford, Esq.

APPENDIX 5

RPTS BULKLEY

DCMN MAYER

SANCTION HEARING IN THE MATTER OF

REP. JAMES A. TRAFICANT, JR.

Thursday, July 18, 2002

House of Representatives,

Committee on Standards

of Official Conduct,

Washington, D.C.

The committee met, pursuant to call, at 2:24 p.m., in Room 2118, Rayburn House Office Building, Hon. Joel Hefley [chairman of the committee] presiding.

Present: Representatives Hefley, Hastings, Biggert, Hulshof, LaTourette, Berman, Pastor, Lofgren, Tubbs Jones, and Green.

Staff present: Robert Walker, Staff Director/Chief Counsel; Paul Lewis, Counsel; Ken Kellner, Counsel; Bernadette Sargent, Counsel; Preston Johnson, Staff Assistant; Bari Schwartz, Counsel to the Ranking Minority Member; and Joanne White, Administrative Assistant.

The Chairman. The committee will come to order. This sanction hearing of the Committee on Standards of Official Conduct in the matter of Representative James A. Traficant, Jr., will come to order.

Late last night the Adjudicatory Subcommittee of the Committee on Standards of Official Conduct held, pursuant to the code requirements of committee rule 10 that nine of the ten counts contained in the statement of alleged violations in the matter of Representative James A. Traficant, Jr., had been proved by clear and convincing evidence. The Committee on Standards of Official Conduct will manage this sanction hearing pursuant to rule 25 of the rules of the committee.

The purpose of this hearing is to determine what sanction, if any, the committee should recommend to the House of Representatives with respect to the nine counts; the statement of alleged violations have been proven by clear and convincing evidence in the matter of Representative James A. Traficant, Jr.

The order of the sanction hearing will be as follows:

Upon completion of my opening statement and the opening statement of Mr. Berman, I will recognize Robert Walker, Staff Director and Chief Counsel to the committee, and Mr. Traficant, who is representing himself. Each party will have 30 minutes to present any oral submission for the committee's consideration as to the sanction the Committee on

Standards should recommend to the House of Representatives.

Upon completion of these proceedings, the committee will meet in Executive Session to consider and vote on a motion to recommend to the House of Representatives that the House take disciplinary action.

The committee will also by majority vote issue a letter of reproval or take other appropriate committee action.

With respect to any proved counts against Representative Traficant, the committee may recommend to the House one or more of the following sanctions: expulsion from the House of Representatives, censure, reprimand, fine, denial or limitation of any right, power, privilege or immunity of Mr. Traficant as permitted under the U.S. Constitution, any other sanction determined by the committee to be appropriate.

With respect to the sanctions that the committee may recommend, reprimand is appropriate for serious violations.

Censure is appropriate for more serious violations, and expulsion is appropriate for the most serious violations.

A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a personal financial benefit.

A recommendation of a denial or limitation of a right, power, privilege or immunity of a member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege or immunity.

These are standards contained in the rules of the committee, but they are intended as guidelines and do not limit the authority of the committee to recommend other sanctions.

Before we proceed, I would call on Mr. Berman for any statement he might want to make.

Mr. Berman. Well, thank you very much, Mr. Chairman. Just before we begin with the presentations, I just wanted to say a couple of words.

Mr. Traficant. Could you please speak up, Mr. Berman, I have a hard time hearing you.

Mr. Berman. The work of the Adjudicatory Subcommittee has concluded and our decision has been announced. Before we embark on the sanction phase of this matter, I just wanted to take a moment to compliment you, Mr. Chairman, for your stewardship of these proceedings, your patience, your forbearance, your steadfast commitment to fairness, your good judgment have been a credit to the committee and to this institution; and it continues to be an honor and a pleasure to work with you.

And I also want to note that while this assignment is one that none of us have sought, it has given me the opportunity to work closely with members I have previously not known well; and for that, I am grateful. It has been an honor to work with the members who, to a person, have been extraordinarily

diligent and conscientious in their work on this matter.

The public and, in fact, our colleagues outside this committee, doubtless do not realize the many long hours the members have devoted to this matter individually and collectively. I salute my colleagues for the seriousness of purpose and the thoughtfulness they have brought to this assignment.

While I did not, of course, serve on the Investigative Subcommittee in this matter. I am confident that the same could be said of the four members who served on that body, as well, two of whom now rejoin us for this afternoon's proceeding.

And finally I want to commend with great sincerity the staff of this committee, particularly Paul Lewis and Ken Kellner, who are counsel for the Investigative Subcommittee; the staff director, Rob Walker; and Bernadette Sargeant, who served as counsel to the Adjudicatory Subcommittee, who will -- who all performed so well their assigned tasks.

I also want to make a special note both of the chairman's counsel, Ginny Johnson and my own counsel, who has been with me since the time I -- on this committee since the time I took the post of ranking member 5-1/2 years ago, Bari Schwartz. And I certainly don't want to make light of our dear clerk, Joanne White, who helps us in so many ways.

And to all of you and others on the staff I haven't

mentioned, thank you for your long hours of work and for the jobs well done.

Thank you, Mr. Chairman.

Mr. Traficant. Can I have a check inquiry at this point?

The Chairman. What is your inquiry?

Mr. Traficant. Do you have anything nice to say about me, Mr. Berman?

Mr. Berman. I do.

Mr. Traficant. You didn't say it. Thank you.

The Chairman. But he hasn't.

Mr. LaTourette. Mr. Chairman, may I make a parliamentary inquiry before we proceed?

The Chairman. You may.

Mr. LaTourette. I understand the counsel is going to talk for up to half an hour and the respondent, likewise. Will there be the opportunity in this open session, if any member of the committee has a question as to why that recommendation is being made? Or if there is a precedent, will that opportunity be afforded during this session?

The Chairman. If you or any member would like that opportunity, we will afford that. This is a hearing and we are happy to do that.

Mr. LaTourette. I would respectfully request the opportunity to do that, if needed, and I thank you.

The Chairman. So noted.

Mr. Walker.

Mr. Walker. Thank you, sir.

Mr. Chairman, Mr. Berman, members of the Committee on Standards of Official Conduct, the Adjudicatory --

The Chairman. Your mike is not on, I believe.

Mr. Walker. -- the Adjudicatory Subcommittee in the matter of Representative James A. Traficant, Jr., has adopted and transmitted to the committee its report.

The Adjudicatory Subcommittee determined that nine counts of the statement of alleged violations were proven by clear and convincing evidence. Under committee rules, as you are so much aware, it is now your role to determine the sanction to recommend to the House of Representatives regarding those violations.

These proven violations include repeated breaches of the public trust, acts that undermine the integrity of the governmental process and directly dishonor and discredit this institution.

Each of these violations is of the most serious nature, and I submit that each could, therefore, call for the most serious sanction. Taken together, as they are before you, these violations unequivocally call for only one response from you, a recommendation that the House expel Representative Traficant.

The authority of the House to sanction its members is

grounded in the Constitution. Article I, section 5, provides that each House of Congress may punish its Members for disorderly behavior and with a concurrence of two-thirds, expel a member. In addition to expulsion, as you have noted, Mr. Chairman, the principal sanctions that may be imposed by the House include reprimand and censure, both of which require the concurrence of a majority.

Precedents of the House state that the power of the House to expel, quote, "seems to be a matter purely of discretion," unquote. However, as evidenced by the need for the two-thirds concurrence, expulsion is an extraordinary measure appropriate, as the committee rules provide, only for the most serious violations.

In its 213-year history, the House has expelled only four of its members. Three of those expulsions occurred during the Civil War and were based on charges of treason. The fourth expulsion was that of Representative Michael J. Myers in 1980 and was based on Representative Myers' conviction on Federal bribery and conspiracy charges arising from the ABSCAM investigation.

It is important to note, however, that the number of actual expulsions from the House needs to be considered and regarded in light of the fact that a number of Members who committed violations of the most serious nature resigned their seats or lost in election before any formal action could be

taken.

In the case of Representative Mario Biaggi, the committee unanimously voted to expel the Member, who, however, resigned before the House took up the matter. Representative Biaggi had been convicted on illegal gratuity and obstruction of justice charges.

Representative Raymond Lederer, in 1981, resigned his seat the day after the committee recommended expulsion. Representative Lederer had been convicted on bribery charges in connection with the ABSCAM case.

Representative John Jenrette, also convicted in the ABSCAM bribery matter, resigned before completion of disciplinary hearings being held by the committee.

And in 1857, expulsion resolutions were also reported for three members on bribery charges. All of these three members resigned during House consideration of the expulsion resolutions.

As the precedents I cited from the modern era show, expulsion has been imposed and, I submit, should be imposed in cases involving the trading of official actions and influence for money and other things of value.

Those eight of you who constituted the Adjudicatory Subcommittee found by clear and convincing evidence that Representative Traficant engaged in such trading of his official office and powers repeatedly, in several different

ways and with several different people or companies.

This corrupt trading and misuse of his office for personal gain is at the heart of Representative Traficant's conduct in count 1 with the Bucci brothers, in count 2 with Arthur David Sugar, in count 3 with John J. Cafaro and others, in counts 4 and 5 with Raymond Allen Sinclair.

But Representative Traficant's proven misconduct goes beyond the repeated use of his office in connection with receiving personal benefits from others. It also includes in count 7 the misuse of the public's money, monies through his conduct in receiving congressional salary kickbacks from employees and receiving personal labor and services from congressional employees when these employees were being paid for and should have been doing the work of the public.

Beyond even these grave offenses, the Adjudicatory Subcommittee found, in effect, in count 6 that through his efforts to persuade Raymond Allen Sinclair to destroy evidence and provide false testimony to a Federal grand jury, Representative Traficant attempted to conceal his abuse of office from the Federal agents, attorneys and other entities whose daily charge it is to enforce and uphold the laws made by this body for the protection of the people.

It is one thing for me, as your counsel, to sit before you and suggest that you recommend imposition of the ultimate sanction on one of your peers. It is another far more

exacting matter for you who bear the power and burden to make that recommendation to the House as a whole.

In the case of Representative Whaley in 1913, the committee that conducted that investigation concluded that the extraordinary power to expel, quote, "must be fairly intelligently and conscientiously made with due regard to the propriety, honor and integrity of the House and the rights of the individual Member affected," unquote.

I respectfully submit that throughout the process leading to this sanction phase, the committee and its subcommittees have met this difficult test.

I also respectfully submit that in light of the long train of abuses of his office for personal gain, through which he reflected great discredit on the House, violated the spirit and the letter of the rules and acted to evade the laws and legal regulations of the United States, this committee should recommend to the House that Representative James A. Traficant, Jr., be expelled.

The Chairman. Mr. Traficant.

Mr. Traficant. I ask unanimous consent that Mr. Walker's recommendation be removed from the record and denied in total.

The Chairman. I think there would be an objection to that.

Let me deal with one matter before you get started. I have before me a request that we dismiss or stay these

proceedings, your latest request.

Mr. Traficant. There is more than that, and I would like to take it up in my statement; since the 10 o'clock meeting I had this morning, I got more information, and I would like it not to come out of my 30 minutes.

The Chairman. Proceed.

Mr. Traficant. I have been notified by staff that the Cafaro Company has made a statement that they did have a relationship with the husband of Judge Wells, and that fees had been paid.

Now, there is a mishmash since John J. Cafaro was to be tried by Judge Oliver, but the prosecution that prosecuted me moved that the Cafaro case be moved to Judge Wells. Supposedly, Judge Wells made some contacts. I had signed no waiver and had no knowledge that the Cafaro family had a relationship with a member of the household of the judge.

Now, USC, section 28.455, clearly states, it is not the burden of a defendant to discover this. This should have been provided to me on discovery and, in fact, should not even be a discoverable item if anybody is familiar with the law.

She should have recused herself.

Now, let me say this, because I know you are saying and you are getting from counsel, this isn't relevant. This is very relevant, because this judge should not have presided over this jury, in addition to the writ of mandamus that

exists on the jury selection plan.

Now, having said that, it is not a question of notifying the defendant. The judge must inform themselves if there is a conflict and must remove themselves. Having not done that, and further being amplified and embellished by the fact that she allowed Cafaro to pay for Al Lange's testimony, throws this matter into the legal courts in Cleveland.

I will file the following motions tomorrow in Federal court: number one, the prosecutorial misconduct that came out as evidenced by Mr. Detore seeking a privacy waiver from a Clarence Broad, who confided in attorney Mark Colucci, that I wanted you to subpoena, because Colucci will not violate an attorney-client privilege. But Broad told Colucci he was asked to lie in the Traficant case.

Now he came up with a second one. You look at the Innella -- hear me.

The Chairman. Mr. Traficant, are you going to wind this up, or we are going to take this out of your time, your summation time?

Mr. Traficant. I think this is important for you to hear, because it deals with what you are voting on here and what Walker has recommended. And he is only dealing with a transcript on hearsay presided over by a judge who should have been removed. That was an illegal trial that may, in fact, have to be revisited.

The Chairman. If you would like to use your 30 minutes for this, that is fine.

Mr. Traficant. I didn't want to use it for that.

The Chairman. Well, I don't think you did, and I think we need to move on to your -- the committee has acted on the charges against you. Now this is --

Mr. Traficant. This is new, Chairman.

The Chairman. -- to deal with the sanction, if any, and I want you to deal with that. Basically, your motion is very similar to what we have --

Mr. Traficant. It is not a motion. It is information, Chairman.

The Chairman. Well, you are giving information, but I have before me a request that we stay our proceedings, and I need to act on that request. And that request is denied, because it is very similar to the circumstances that you have --

Mr. Traficant. Even with this new information, you are not going to deliberate?

The Chairman. Even with this new information, I think you may have an excellent point for an appeal, to try and appeal, but that is not for this particular setting.

Mr. Traficant. Tell me when the meter starts running.

The Chairman. Mr. Traficant, if you would proceed -- we won't take that out of your time, but if you would, proceed

with your 30 minutes to deal with the sanctions.

Mr. Traficant. Mr. Walker talked about a number of members. I think there were four. Biaggi, they had videotapes, they had admissions and recordings, they had the transfer of stocks of hundreds of thousands of dollars in his name.

The ABSCAM people were all captured on videotape.

Representative Myers was captured on videotape from FBI undercover agents posing as Arab sheiks.

Ladies and gentlemen, there is no physical evidence. The only tapes in this case came from me. Bucci, his own sister-in-law, his own partners, his fourth plea agreement. Sugar, Manganaro, he lied in court so his son and daughter wouldn't be indicted.

Now, the one who gets me is Cafaro. You heard Mr. Richard Detore. This man was subject to great jeopardy, and he told it exactly the way it was. If you will recall, in the trial transcript, I urged the Cafaros not to fire him because he was the only hope for U.S. Aerospace. He was the only qualified person, and quite frankly, they paraded the 20-year-old daughter out with mini-skirts in front of people that I was visiting with, and even advised the Cafaros not to do that because they said the company lacked credibility. And they got mad at me for it.

Then we find out they have meetings and she is going to

run for Congress against me.

I find it incomprehensible that you would throw out count 10, that dealing with the RICO, but leave in count 3, which is the substance and predicate that leads to the RICO. What are we going to do here? Is there going to be RICO charges on Kiwanis members for colluding to send their money to the March of Dimes instead of the Red Cross? I, for God's name -- if this is funny, Mr. Berman, I advise you listen very carefully.

The Chairman. Mr. Traficant, the committee is not commenting on your demeanor, and I want you to stop commenting on the demeanor of the committee. You have done that several times. I have let it pass. But enough of that is enough.

Now go on with your statement.

Mr. Traficant. The nonverbal demeanor of a member of the committee has a reflection on the gallery, is a reflection on me, and I resent it.

I expected to come down here to be expelled, because I think Congress doesn't like difficult positions, but this committee has been made up of people who have some understanding of law enforcement, an adjudicator.

You didn't allow most of my witnesses that I didn't subpoena, and the only subpoenaed witness you allowed was Detore. None of the tapes I gave you, or transcripts I gave you, were introduced as evidence in court. I was even prohibited from discussing a vendetta against me. I was able

to present no defense.

Now, this 2001 business with the indictment is a facade. When the government clearly stated they started an investigation in 1996, well, they started the investigation in 1983, if you listen to Kerchum, as soon as I beat him in the RICO case.

'96 through 2000 was Janet Reno. Mr. Detore alluded to the fact that Janet Reno's name was brought up and that I was the target of the administration. I have been the target of the administration for a long time, because I disagreed with President Clinton.

I think he should have welcomed an urge to Congress to investigate that Chinese money. Now, I can't prove this, but it is evident that quite the contrary happened, and I was the only Member that was brazenly outspoken, because I thought it was an affront to America and a danger to our future. And because of my big mouth, I have been targeted.

But, you know, when you put somebody in jail for the rest of their life, and he is a fellow Member of Congress who had been targeted, no less, you should have some evidence. Now, you can provide all the paper trail you want, and you can derive all of the insinuation you want, and you can have people come in there and parade in there and say this was the reason and that was the reason. There are only several key witnesses in this case, and they have either lost their

livelihood and freedom, or their family. That is what I faced in Cleveland.

Now, as prudent people that have an understanding of law enforcement, and let us assume that you have this crook and you really want to get him, are you trying to tell me they couldn't get an admission? Now, the American people throughout the country are resonating disgust over these hearings, because they watch television. They have wiretaps, video cameras, hidden microphones, a microphone that you can disguise in your ballpoint pen. They could pick up a conversation 2,500 feet.

But I was a quote, unquote, "touchy-feelly guy." I had a superintellect and was so smart, they would never catch me. They are afraid to tape me. I might discover the tape.

Come on. No FBI investigator out of 60-plus took the stand. Only a rookie who took so-called physical evidence to a lab that came out and said out of a thousand documents, no prints. The judge almost swallowed her tongue when she heard that.

The only IRS investigator wasn't an investigator. He simply took the numbers the prosecutor gave him, added them up, and said I violated the law. I didn't even have a chance to cross-examine the investigators who brought my adversarial witnesses against me.

Now, you members laugh. You have staffs. They put in 40

hours a week. Technically, it is 32. If you look at the trial transcripts, all of my staff worked the hours they were to work. The one key issue was Bucella, and I didn't even ask him the question at trial, because I didn't want to hurt him and his family.

Now I am facing about 12 years with an upward departure in jail. And George Bucella has told me by, Jim Price, a former fellow, Weathersford Township trustee, that George Bucella told him in the parking lot that he had taken $2,500 to give to Judge Bailey, later convicted for fixing cases, to fix a DUI case for a family I will leave unnamed unless you request it, and I will give it to you in writing, from Mineral Ridge, Ohio.

The problem happened when the case seemed to be dropped, but the young man was picked up a year later and found there was an outstanding warrant for DUI. Evidently what the judge did is just threw it in file 13, hoping they would never see it again. I am talking about even a staff member friend of mine. I love him and his family. He was subject to harm.

I never forced anybody to work on my farm, my family's farm. It was my business at that farm. And if you don't farm farm property, you pay much higher taxes. And I have a love for the American Saddlehorse, and I lost money on them. They are not like racehorses.

So the point I am trying to make is, Anthony Traficanti

testified that Rovnak, when he got hired, was in the office every day. Rovnak, who is a friend, tried to get the jury to disbelieve him by saying he spent 16 days straight, 16 hours a day, and even slept there, hoping the jury wouldn't believe him, not wanting to hurt me but afraid to lose his disability.

Sandy Ferrante was there. I gave a figure of $3-, $4,000 on the Buccis, because they did begin to bring in a big grader to do that one grading thing. I don't know how much it cost, how long it was there, and I tried to be fair. They owed me money. They are on their fourth plea agreement.

But now let us come down to the facts. I was tried by a jury that was not only not of my peers, but not even of the peers of the people who testified against me. The judge had a responsibility under law to remove herself, and she did. The prosecutor moved that the Cafaro case be moved from another judge to my judge.

Now, if you could throw out count 10, how could you leave in count 3? Why didn't you bring Susan Bucci in? Why didn't you bring her and her family, whether he stole her money. He took her husband to Florida, and the next thing you know, the count was missing. Where is it?

What about the circumstantial evidence of a guy who supposedly makes a total of $100,000, but all of a sudden over a 2-year period spends $300,000 on a house, two new cars and $60,000 for media advertising, buys a building and remodels

it, an office building to boot.

Now, where is the circumstantial aspect of a body of intellectual people, as yourself, to review these aspects?

You are not here to try me. You were here to look at the elements of that trial which led to these proceedings, and you have a responsibility to do two things: number one, set politics aside. Yes, I have been a big critic of Democrats. I know there are a lot of Democrats who want me the hell out of here. I hope there is some hope for the Democrats, but I want to say this isn't a matter of Democrats and Republicans. Forget that I am a Congressman, and I was Joe Six Pack.

How in God's name can you find these counts? Some of you were prosecutors, had run for State supreme court. One thing we know that the target, as such, is Jim Traficant. They would want that admission. Now, you are either naive or you are politically afraid to stand there, because they had tapes, they had wiretaps, and they had nothing.

Quite frankly, I even question the propriety of that jury, and one of my motions will be, Mr. LaTourette, that all I got was a trial transcript. They failed to deliver to me the process of the jury and the jury selection. There were two jurors I was going to strike with my alternate strikes, but was told I was prohibited to strike below 42 and raised a complaint at that time.

Now, look, I am continued in an embroiled legal

situation. You can possibly expel a Member that gets a new trial and makes you look like a bunch of fools. And quite frankly, if I don't get a new trial, there is a travesty of justice that occurred.

Now, I am here, and I am sure as hell not resigning, because there was never any intent to break any law. I didn't break any law, and there was no proof to substantiate I broke that law; and I am not going to stand for it.

Now, if this is happening to me, how many Americans does this happen to, and why are they beginning to even knock Congress down for letting the FBI and the Justice Department and IRS prey upon them? You get mail. They get screwed regularly.

Well, this guy is not. I am prepared for your expulsion, and I truly expected it. But I think if there was a modicum of common sense, if there was a balance and temperance of justice in the last resort that the American people could appeal to, that being the Congress, especially the People's House, that you should allow the meter to run for me to seek those issues of justice that concern me as an American citizen that affect, as a microcosm, all of these people and citizens of the United States.

I want to go on record as commending Chairman Burton. Thirty years Mr. Salvati was in prison for murder. He was convicted with a second fellow who died of old age in prison,

and FBI documents surfaced that the FBI knew he didn't kill the subject, but had their informant, who did the killing, lie.

What do we need here? Do we go on the words of people?

See, I think there should be some corroborative physical proof, and failing that, I don't see how you can really rule on a hearsay transcript. You didn't even get nor would you listen to the learned scholar handling my appeal on Congress' own 1967 jury selective service plan. The courts have turned that into their own particular ball game. I wonder if Members of this committee know what the 1967 jury service and selection plan says, and if you don't, you'd better rewrite it and reform it.

Now, for legal purposes, all of these alleged acts that Mr. Walker says were so grievously committed, of which he has absolutely no knowledge other than a transcript, were purportedly committed in Youngstown, Ohio. There is a Federal district court in Youngstown, Ohio.

Now, on the jury service and selection plan, are we tried by peers or tried by lottery? It is not that I wasn't tried by peers. That jury plan that didn't even allow one member from the Youngstown district, one of my peers who would have known Cafaro or known Sinclair or known Bucci, they were excluded.

What is the basic tenet of America's freedoms? Innocent

till proven guilty, right to a speedy trial, to be tried by a jury of your peers.

This jury lied when they said they didn't know of me. They know of me. The Freudian slip was after it was all over and they said, we knew he was flamboyant, but most of those Members are crooks, and he got caught; we don't like the way he treated the judge.

The common thread was they said they didn't know me. Come on. Mr. LaTourette is familiar, Ms. Jones is familiar with my popularity in the general Cleveland area.

You are going to expel a Member on no physical evidence. How much time do I have, and who is running that?

The Chairman. Mr. Traficant, you have 10 minutes left.

Mr. Traficant. How much?

The Chairman. Ten minutes.

Mr. Traficant. There is widespread evidence of prosecutorial conduct to get their target. I have placed on the record absolute crimes of convictions and associations of organized crime figures in my area in the FBI. I have put together evidence handled in Judge O'Malley's court that one of my constituents was raped on a felony 1, one Anthony Speranza, who threatened they would get me, and the FBI agents, who threatened they would get me, for jacking them around.

Well, let me tell you what. I investigated them, because

Youngstown has carried a bad reputation for a long time. It is been called Mobtown USA. And you know what? I wouldn't live anywhere else. It is as good a town as you come from, and the Youngstown mobsters pay tribute to Cleveland and Pittsburg who control them. But because they had total acquiescence with the IRS and FBI in Youngstown, much of the important business from Cleveland and Pittsburg was conducted in the general Youngstown area, and as sheriff, I broke that up. And I went to trial.

And you could look back at the evidence. I had a false confession that was proven by forensic science offered as evidence against me, or I wouldn't be sitting here. And I had a glass table put underneath, and guess what we found out. The last four lines contained 33 percent more spaces, 20 percent more words, and any word that was repeated from the first 13 sentences and rewritten in the last four was 3-16th of an inch smaller. So they had orchestrated a confession.

And then when they found out that this guy was going to trial, representing himself, they even put on an addition, and their own expert who testified before the Warren Commission had to admit it.

I have had it. Don't push me around. I will go to jail. I will have Members of Congress put me in jail, but I am going to tell you this. This isn't Jim Traficant talking now. This is the United States citizens, and you are the Congress of the

United States, and you have allowed this to happen in our country.

I am a trophy. They said they had a course down at Quantico called the Traficant course -- nicknamed, of course -- called the Traficant course. They have built a monument to get me, Reno and the administration, get the guy.

I told the advisers that if Al Gore and Democrats hear it, if he comes to my district and campaigns, I will endorse President Bush on the courthouse steps.

Now, look, I will be damned if I will be targeted, I will be convicted on no physical evidence, I will be brought into a hearing like this and expelled from Congress without even having an opportunity to contest the salient points of judicial misconduct and prosecutorial misconduct, and a violation of the 1967 jury service and selection plan of the United States Congress; and if necessary, appeal it to the Supreme Court.

I think this committee has a responsibility, irregardless of what the committee unanimously decided upon, that there should be a stay, pending my rights for appeal, my rights to seek justice, my right to look these people in the eye. And I think if you rush to judgment, you will fail America, because the only reason I am even getting an opportunity for this forum is, I happen to be a Member of Congress.

How about all those people out there, like Russell Sadey,

Jr.? He didn't have that same chance, where I know now that there was perjury that convicted Russell Sadey, Jr. My God, what have we come to?

In closing, I make 1-minute speeches. When Federal judges removed God from the pledge of allegiance, Federal judges welcomed Satan. We have an aristocratic judiciary who is only concerned about it being investigated by the FBI and the IRS. They cater to them. They are scared to death of them. And you'd better put that in order.

I broke no laws. You expel me, I will go down in history as an expelled Member. But you know what? I have a very clear conscience. I am proud to be an American. I hate the government and love America, and the part of the government I hate is what I told you earlier, that executive branch that scares the American people.

And let me close by saying, no American should be afraid of our government. It is our government, and you should help take it back. I think the Republicans can do that. I think the Democrats want to do that, and I think they are going to take back the House, and somebody better sure as hell do that, because the American people are beginning to distrust, not just fear. From fear and distrust comes hate and, God almighty, where are we going to end up? Very few people vote in America as it is.

I commend you for listening to me. I know it is tough

for you to make these decisions you made. There's some of you Members that I know very personally, and I know that it was unanimous.

And I want to say one last thing in closing, again. Mr. LaTourette, I want to thank you for being my friend. You have been objective. I want to thank you for helping my district, and if I am out of here, I want you to work with whoever succeeds me and help my people. I want all of you to do that.

And, Mr. Hefley, I want you to authorize military housing at the Reserve air force base in my district. I can get the appropriation, and anybody will get it, but you must authorize it; and it is desperately needed. And it will also help Mr. LaTourette and Ms. Jones, because it will bring and coordinate jobs to northern Ohio.

With that, I am going to ask you to reconsider. I am going to ask you to look at the salient points of law, which I face in the motions of which I will be submitting; and the decisions will be coming from the writ of mandamus and those motions for new trial, subject to the revelations that have recently occurred since recent testimony, and stay your decision, at least until we get some action from either the courts or the Sixth Circuit. And then you can just go ahead and throw me the hell out, and I will accept it.

If I have offended anybody -- Mr. Berman, if I have

offended you; Chairman -- and this isn't patronizing -- you already threatened to throw me out, you Coors drinker, I want to apologize. And I want to say that I think that Doc Hastings -- I just read through the documents, and I guess he was a key figure in the beginning. Doc Hastings is a very fair man.

Thank you for any consideration you have given me.

The Chairman. Thank you, Mr. Traficant.

Any Members who have questions -- Mr. LaTourette, I think you may have a question or two.

Mr. LaTourette. I do. Thank you very much, Mr. Chairman.

Mr. Walker, at the beginning of this hearing, the chairman mentioned the standards, or the three types of offenses -- serious, more serious and most serious -- and in your presentation to us, you talked about those who were actually expelled, or that there had been a vote or a proceeding to expel, or then resigned and lost an election before expulsion, and so I assume that the discussion there relative to those convictions -- for bribery, I think, in most instances -- were found by those committees to be the most serious.

Do you have, just for my edification, examples over the last 20 years of cases that were reported out of this committee for which the committee found the conduct of the

Members to be more serious rather than most serious?

And then, lastly, the same question: For the last 20 years in which there was a reprimand and the conduct upon which the Member stood, by clear and convincing evidence, to have committed that, would have led those committees to have concluded that that was serious violation of the rules of the House?

Mr. Walker. I have some information to that effect, sir. By the charges or violations considered more serious, that would involve -- it would have involved the sanction of censure for the House. And since 1967, in effect the modern era, there have been four censures. They were the matters -- two of them arising from what was known as the House page scandal, and there was the matter of Representative Charles Wilson, which did involve receiving somewhat over $10,000 from a person with direct interest in legislation.

That was found to discredit the House -- to be discredit to the House and to be a violation of the gift rule. There was not -- in that case, it was not found that Representative Wilson was actually influenced by receipt of that --

Mr. LaTourette. Can I ask you to back up just for a minute? I don't need you to name the names of the Members informed if you don't feel that is appropriate, but I am not familiar with the House page scandal. Could you tell me what conduct there was found by the committee to have violated the

rules of the House?

RPTS STUART

DCMN BURRELL

Mr. Walker. Well, there were two members who were censured arising from that matter. And they were found to have had -- one was found to have had a sexual relationship with a 17-year-old female page, and another was found to have had a sexual relationship with a 17-year-old male page.

These matters were both in 1993.

Mr. LaTourette. Thank you.

Mr. Walker. There was also a censure imposed in the matter of Representative Charles Diggs in 1979. He had been convicted in Federal Court of mail fraud and false statements. He admitted to the House to personally benefitting by misusing approximately $40,000 in Clerk-hire funds. That was found to be a discredit to the House, basically in violation of clause 1 of the Code of Official Conduct.

There was somewhat of a twist in that matter in that the full extent of the conviction or the information about Mr. Diggs had already come out at trial prior to, I believe, the primary election in which he was running unopposed. It may have been the actual election, I think it was the primary.

And so therefore after, in fact, the public knew all of the matter that had come out in the trial, he was reelected, basically because he unopposed, and the investigative and sanction proceedings did not occur until after that fact.

So I think it is arguable that that was conduct which under other circumstances may well have and likely would have, although who can say, led to at least the recommendation of expulsion in that matter.

Mr. LaTourette. Relative to the issue of reprimand, which I believe the rules call serious conduct.

Mr. Walker. There have been since 1967 eight reprimands, and the most recent of which was the former Speaker of the House in 1997, which involved certain conduct involving misleading statements to the Standards Committee and failure to seek advice -- to follow legal advice in certain tax issues related to entities with which he was associated.

There was a matter involving Representative Frank in 1990 involving allegations that he acted improperly in -- involving a series of contacts which resulted in a letter bearing his signature being received by a prosecutor and reviewing the probation of Representative Frank's assistant, and some other matters.

There was the matter of Representative Austin Murphy in 1987 who had allowed another person to cast his House votes and permitted his law firm access to official resources, and he maintained an employee on the committee payroll who was not performing duties commensurate with pay.

In 1984, there was the case of Representative George Hansen, who filed false financial disclosure statements

between 1979 and 1982.

In 1978, there was the matter of Representative Edward Roybal, who failed to report a $1,000 contribution from a Korean lobbyist and who had converted the same contribution to his own personal use and gave false testimony concerning that contribution.

There was the matter of Representative John McFall in 1978, who received $3,000 from a Korean lobbyist and failed to report it as a campaign contribution. There was another matter of Representative Charles Wilson in 1978, who made false statements to the committee concerning the receipt of moneys from a Korean lobbyist, and there was the matter of Representative Sikes in 1976, who used his office to further personal financial interests and failed to disclose stock holdings on his financial disclosure statement.

Mr. LaTourette. With the Chair's indulgence, has there been any Member convicted of a felony in State or Federal court for which an ethics investigation was launched and that the committee did not find the sanction of expulsion?

Mr. Walker. There have been a number or some. Let me get some materials from Mr. Lewis.

Mr. Traficant. Mr. Chairman, can I make a request? It is personal. I have to go to the rest room. I don't need to talk to anybody. I would like a 5-minute break.

The Chairman. The committee will grant a 5-minute break.

[Recess.]

The Chairman. The committee will come back to order. Mr. Walker or Mr. LaTourette, who was speaking when we recessed, would you -- I think you were, Mr. Walker. Would you continue?

Mr. Walker. Yes. And, Mr. Chairman, I just want to correct something I said. The censures arising from the House page scandal were in 1983. I think I said 1993.

Paul Lewis and I are able to think of three principal cases that meet the description you are talking about, about Members who were convicted of crimes and who remained, at least for some time, in the House.

There was the case of Representative John Dowdy in 1971, who was convicted on charges arising from acceptance of a bribe, and he was sentenced in 1972 to 18 months in prison and fined. He acquiesced to a resolution, approved by the Standards Committee, preventing him from voting in committee or on the floor. He did not seek reelection after that.

The case of Representative Hansen is another case that fits that description, and he was defeated for reelection.

And then there is also the case of Representative Diggs that I believe I outlined earlier. And in that case, again, although there was not a specific dispositive finding, the fact that he was reelected after the conduct was fully known but before the action was taken, although there was not a

finding that that was the reason why or a sufficient basis not to seek expulsion in that matter, it certainly was. And the reports on this matter consider it to be and described as a factor in the decision to censure there.

And so those are matters that I can think of that meet that description, all of which I submit can be readily distinguished from the case before you here, both in scope, in duration, and seriousness.

Mr. LaTourette. I appreciate your answer and your comment.

The last question I would have, I am familiar within the criminal justice system that a person deciding upon a penalty or a sanction considering not only the seriousness of the event that has been proven beyond a reasonable doubt in the courtroom or here by clear and convincing evidence, but there are also other factors contemplated by the Rules of Criminal Procedure that a judge may take into consideration in arriving at a sanction.

And my question to you is, do the Rules of the House or the rules relative to this committee contemplate things such as remorse, previous bad acts, other times that a Member may have run afoul of ethics rules? Are those included in the rules?

Mr. Walker. No. Those factors are not included in the rules, per se. But certainly there have been matters where a

Member's response to the fact of an investigation, willingness to come forward, admission of involvement in the charges, and true remorse, that meaning where the offenses are admitted to and there is remorse in that case, there is certainly nothing to prevent those being factors, and they have been factors in connection with the investigations and sanctions.

And also I should point out that, you know, what I am describing and what you are asking about are certainly precedents. But the underlying authority of the committee to make a recommendation and that has to impose a sanction is really kind of, you know, at least theoretically, wide open and ultimately discretionary. I think it is important to pay attention quite closely to the precedents, and they have been traditionally adhered to.

In this case, again, I would submit that the clear outcome of the hearing to them would be a recommendation of expulsion.

Mr. LaTourette. The very last question -- I deceived the chair -- is, is quality of evidence a consideration that is contemplated under the rules?

Mr. Walker. Again, not in the rules, per se. And I would argue that it really ought not to be, both as a theoretical and practical matter ought not to be a consideration at all.

The standard of proof for an alleged violation, or a

proven violation, to go on to the next phase, the sanction phase, is proof by clear and convincing evidence. It doesn't say it must be clear and convincing tape evidence or clear and convincing fingerprint evidence or clear and convincing testimonial evidence. It is clear and convincing evidence, looking at the evidence taken as a whole, in the judgment of the particular Adjudicatory Subcommittee meeting to review that evidence.

And I would simply say again, clear and convincing evidence is clear and convincing evidence, and ought not to be -- and the so-called quality of evidence is decided at that point when that decision and that determination is made by the eight members of an Investigative Subcommittee.

Mr. LaTourette. I thank you very much.

Mr. Traficant. Mr. Chairman, can I have one quick question before we break for your vote?

The Chairman. No, we are still asking members if they have questions. Any other members have questions?

If there is no questions, what is your quick question?

Mr. Traficant. I want to know if the sex involved with the two pages 17 years old ultimately resulted in expulsion.

Mr. Walker. As I indicated, those were cases leading to the sanction of censure.

Mr. Traficant. They were not expelled?

Mr. Walker. They were censured.

Mr. Traficant. Under D.C. law is sex with a minor 17 years old a rape?

Mr. Walker. Well, at this point, Mr. Chairman --

Mr. Traficant. And a felony I, sir?

The Chairman. Mr. Traficant, this is the wrong line of questioning. The committee stands --

Mr. Traficant. Mr. Chairman, I think it is important. I want to know if they were -- a rape falls in the felony range.

The Chairman. Look it up, Mr. Traficant.

The committee will now recess and reconvene in Executive Session to deliberate about the sanction.

Mrs. Tubbs Jones. Mr. Chairman, just for the record, all of the offenses of which Mr. Traficant were convicted of, as well as -- in this instance were all felonies, were they not? Mr. Walker?

Mr. Walker. Yes, they were, although the committee found violations of House rules based on the same facts that were the basis for the 10 felony convictions in Mr. Traficant's trial.

Mrs. Tubbs Jones. Thank you.

Mr. Traficant. Were there other members --

The Chairman. We will now deliberate and determine what the sanction should be. We will release the results of that in the written report to the House, through the media, and to Mr. Traficant.

The committee stands in recess.

[Whereupon, at 3:40 p.m., the committee was adjourned.]