

Mr. E. J. O'Malley

8/12/80

R. T. Castonguay

WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY
FARA - LIBYA

PURPOSE:

To provide copy of Washington Field Office Letterhead memorandum (LHM) dated 6/10/80, to recipients of material furnished to House Permanent Select Committee on Intelligence (HPSCI) and Senate Select Committee on Intelligence (SSCI). This LHM sets forth results of 6/4/80, interview of Philip J. Wise, Jr., Appointments Secretary to the President of the United States.

RECOMMENDATION:

1. [REDACTED] Office of Congressional Affairs furnish copies of instant LHM dated 6/10/80, to HPSCI and SSCI and Assistant Attorney General, Office of Legislative Affairs with instructions it be inserted into unclassified section as item 10a. b7c

2. Copy will be inserted into appropriate files.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/16/89 BY SP-5RG/SM

1 - Mr. E. J. O'Malley b7c
(1) - [REDACTED] ENC-4
1 - [REDACTED]

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(4)

97-5696-84X CONTINUED - OVER

ENCLOSURE

Memorandum to Mr. E. J. O'Malley
Re: WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY

DETAILS:

Review of Bufile (97-5696) indicated Washington Field LHM dated 6/10/80, sent as an enclosure to Washington Field airtel to Bureau dated 6/10/80, was never entered into the file. Therefore, it was not disseminated in FBI response to SSCI and HPSCI. It will be entered into the file and copies should be disseminated to recipients of previous disseminations and entered as item 10a in the unclassified section. Copies should be forwarded to the SSCI, the Assistant Attorney General (AAG), Office of Legislative Affairs (OLA), Buletter dated 8/1/80; HPSCI, AAG, OLA, Buletter dated 8/5/80; [REDACTED] b7c
[REDACTED], Executive Assistant Director
F. M. Muller, SA [REDACTED] Office of Professional Responsibility Staff and appropriate file copies.

- 1 - Mr. E. J. O'Malley
(Attn: [REDACTED])
- 1 - Mr. J. A. Mintz
(Attn: [REDACTED])
- 1 - [REDACTED]

August 19, 1980

B7C

OUTSIDE SOURCE

Stein, Mitchell and Maxines
1800 M Street, Northwest
Washington, D. C. 20036

William A. Carter III

Dear Sirs:

Pursuant to your request dated August 15, 1980, I am forwarding two copies of form FD 302 setting forth results of July 8 and 23, 1980, interviews of Mr. Henry Randolph (Randy) Coleman.

Very truly yours,

Edward J. O'Malley
 Assistant Director
 Intelligence Division

Enclosures - 2

ALL INFORMATION CONTAINED
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 DATE 10/16/80 BY SP5/CE/SM

(DC)

DC
 3. ENCLOSURE

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DE-6Z

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17 SEP 10 1980

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 law firm called
 re: [unclear]

FEDERAL BUREAU OF INVESTIGATION

1 ALL INFORMATION CONTAINED
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DATE 10/16/80 BY SP-5/BJM

Date of transcription 7/10/80

Henry Randolph (Randy) Coleman, self-employed, after being advised as to the identity of the interviewing Agent and as to the nature of the interview, voluntarily furnished the following information:

Coleman stated that during January and February, 1979, Billy Carter had received much adverse publicity in connection with his hosting of the Libyan delegation to the United States and Atlanta, Georgia, in early January, 1979. As a result of this, Carter began to suffer financial difficulties, due to the decline in the number of personal appearances he was asked to make. In February or March, 1979, during the course of his and Carter's telephonic contacts with Mohamed Burki of the Libyan Embassy in Washington, D.C., Burki suggested that the Libyan Government would be willing to help Carter financially, making the remark at one time to the effect that they, the Libyan Government, had seven billion American dollars to spend at any rate.

During the latter part of February, 1979, Carter was hospitalized in Sumter County, Georgia. When Burki, in March, 1979, suggested that Carter meet with Ahmed Al-Shahat of the Libyan Government in Rome, Italy, Carter, being hospitalized, told Coleman that he would have to go to meet with Al-Shahati. Coleman stated that in March, 1979, he, accompanied by Arthur Cheokas, a businessman in Americus, Georgia, of Greek descent, traveled to Rome, where Coleman met with Al-Shahati. Coleman stated that the discussion with Al-Shahati had to do with what he and Carter could supply the Libyan Government with, such as food stuffs and grains, but Coleman stated he realized that they did not have the necessary experience in international trade to handle such matters, and that he informed Al-Shahati that they would rather be "brokers" for an American oil company. Coleman stated that at the time, he had two or three oil companies in mind. Coleman stated that Al-Shahati was only accompanied by his personal aide, the name of whom he does not recall. He advised that Al-Shahati informed him that he saw no problem

Investigation on 7/8/80 at Plains, Georgia File # AT 97
by SA [REDACTED] Date dictated 7/9/80
b7c

with regard to the matter, but that he would have to discuss the matter with the Libyan Minister of Oil.

Coleman stated that the meeting with Al-Shahati only lasted approximately 20 minutes, at what he believes was in the Grand Hotel in Rome. He stated that prior to his return to the United States, he and Cheokas toured Greece.

Upon Coleman's return to the United States, Burki again contacted him and Carter, informing them that Al-Shahati would be back in Rome, Italy, the latter part of May, 1979, and that they should again meet with him. Coleman stated that he and Carter departed for Rome and met with Al-Shahati on what he believes was the last Saturday of May, 1979, in Rome, Italy. At this meeting with Al-Shahati was Ali Al Houderi, who was then head of the Libyan Embassy in Washington, D.C. Coleman stated that he and Carter were informed that all oil contracts were handled by the Libyan Government during December of each year, and further, that the Libyan Government dealt directly with the oil companies, not ever dealing with any commission men or third parties. Coleman advised that they were informed that he and Carter would have to negotiate their own commission contracts with the oil company, but further assured them that they saw no problem with obtaining an increase in the oil quota for the particular oil company with which he and Carter might be dealing. Coleman advised he was given to understand by Shahati that what ever oil company they were dealing with would be made aware that the increase in the quota was being given because of the Libyans relationship with Billy Carter.

It was during this same meeting that Carter also suggested the possibility of a \$500,000 loan from the Libyan Government, to which they were informed by Al-Shahati and Houderi that they would discuss the matter with their Government and would let them know the results when he and Carter returned to the United States.

Coleman stated that in June, 1979, Burki contacted Carter and informed him that someone from the Embassy in Washington, D.C. wished to discuss the matter of specifics to work out the details of the \$500,000.00 loan. He stated that in July, 1979, Carter had a personal appearance engagement in New York City, and that Carter, his wife Sybil, Donny Roland, a certified public accountant from Americus, Georgia,

and a female attorney by the name of Helen, whose last name Coleman could not recall, traveled to New York City where they were met by Burki. Coleman, Roland and Helen (Last Name Unknown) subsequently met in Washington, D.C., with the head of the Libyan Foreign or International Bank, whose name he believes was Saudi, to iron out the details of the \$500,000.00 loan. Coleman stated that Carter's residence in Buena Vista, Georgia, outside of Plains, Georgia, was mortgaged at the time, but part of the deal was that from the proceeds, the mortgage would be paid off and the residence would be part of the collateral for the loan, along with other property in Plains, Georgia, such as Billy's Service Station and two acres in Plains, as well as an additional 240 acres, located in Plains. Coleman stated that there were no papers signed or passed during the meeting with Saudi, but he took the information which he was to relay, or take with him, back to the Libyan Government.

Subsequently, Burki informed Carter, in August of 1979, that Al-Shahati was extending a formal invitation to him, as well as any guests he wished to bring, to attend the tenth anniversary of Quaddafi's Rule in Libya. Coleman stated that the last week of August, 1979, Carter, accompanied by his wife, Sybil, and son, Buddy, as well as Norman Mallard of Atlanta, Georgia, Clarence Gibbons, out of Atlanta, Georgia, and his wife, Faye, as well as Jimmy Murray and his wife, Lorraine, manager of the Best Western Motel in Americus, Georgia, departed for Libya, where they remained approximately two weeks. Coleman stated that he was unable to accompany Carter at that time, but that when the others returned to the United States, Carter contacted him and told him to come to Libya. He stated that Carter and he remained in Libya for approximately two weeks, as they had intended to further discuss the matter of the loan, as well as the probability of an oil increase allotment for a particular oil company. They were unable to make any contacts, inasmuch as Al-Shahati had been called away due to a death in his family, and it seemed that Burki was merely putting them off as to any type of negotiations. He stated that subsequently, at the end of the two-week period, Carter stated that they should return home.

Coleman stated that following his return to Plains, he was in telephonic contact with Houderi at the Libyan Embassy probably once a week concerning the loan. Houderi continued to assure him that the loan had been approved, but did not know what the hold up was with regards to the disbursement of the funds. Coleman stated that this went on until December 27, 1979, when Houderi informed Carter that they needed to go to Libya to discuss the matter and complete additional details and specifics on the loan. Coleman stated that he recalled Carter coming to him to inform him that he would not be able to make the trip, but that Houderi was going to Libya and that he (Coleman) should accompany him with regards to the \$500,000.00 loan.

Coleman stated that he left for Libya, accompanied by Houderi on December 27, 1979, and that upon their arrival, he met with Al-Shahati, who subsequently had to leave the country, and was turned over to a Libyan official by the name of Muktar, possibly Muktar Al Jamal. Coleman stated that he subsequently dealt through Muktar as interpreter and contact with the Libyan officials.

At this time, Coleman interjected that by September of 1979, he and Carter already had a commission contract with Charter Oil Company, which had been negotiated with Lou Nasife, who was Executive Vice-President of Charter and President of Procurement for Charter Oil out of Jacksonville, Florida. Coleman stated that as far back as February or March, 1979, when he and Carter began thinking of dealing with oil and Libya, inasmuch as this was the period of time when the oil situation was first becoming critical, Carter had contacted a Mr. Jack McGregor in New York City, who was an oil broker and Carter's former Captain in the Marine Corps. Coleman stated that McGregor had formerly been Executive Vice-President of Carey Oil Company and that Charter Oil had subsequently bought out Carey Oil. It was through McGregor that they were put in contact with Nasife.

Coleman continued that his stay in Libya from December through January 10, 1980, accomplished nothing of substance, due the fact that at that period, Quadatti was purging his Government and had fired numerous ministers in the Government,

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among which was the Minister of Oil. He added that Houderi had likewise been sent back to the United States.

Coleman stated that on March 19, 1980, he again returned to Libya at the request of Houderi to again furnish additional details with regard to the loan to Billy. He stated that when he arrived in Washington, Houderi had a check for him in the amount of \$20,000.00, payable to Billy Carter, which he gave to Coleman, who then in turn mailed it directly to Billy at Plains, Georgia, from Washington, D.C. Coleman stated that he subsequently traveled to Libya where he met with the Executive Vice-President of the Libyan Bank, whose name he cannot recall, who informed him that he understood the generalities of the loan requested by Billy, but now wished to know what terms.

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Coleman stated that the terms he set forth with regards to the loan was for a two year grace period at interest only, and that at the end of three years, a principal plus interest payment with the payoff to be at the end of five years at 10 percent interest. He stated that he informed the man that collateral would be Billy's residence in Buena Vista, Georgia, which had been appraised at \$400,000.00, as well as 35 acres in Plains, Billy's Service Station, as well as another 60 acres. Coleman stated that no papers or documents passed between he and the banking officials, and neither did he sign any papers on his own or on Billy Carter's behalf. He advised that this information was given to the bank apparently for their information and approval. He stated that before he left Libya, Al-Shahati informed him that the loan had been approved, but not for the original request of \$500,000.00. He stated that Al-Shahati informed him that it was a "substantial amount," and that in approximately a week upon his return to the United States he or Billy should contact Houderi in Washington who would have the money.

Coleman stated that he remained in Libya for approximately three or four weeks, returning to the United States in April of 1980.

Following his return to Plains, he placed a call to Houderi at the Libyan Embassy, sometime in April, 1980, who informed him to come to the Embassy with regard to the money. Coleman stated that he traveled to Washington, where he met with a Libyan official of the Libyan Bank, whom he believes was called

"Al Ran Ram." Coleman stated that he was handed a check in the amount of \$200,000.00, made out to Billy Carter, and in the portion near the bottom of the check for the purpose of the check was written "loan."

Coleman stated there were no loan papers at the time of receiving the check, and that he signed a receipt in his name, acknowledging receipt of the \$200,000.00 for Billy Carter. He stated that he returned to Plains, Georgia, with the check, where he met with Billy at his residence in Buena Vista, and gave it to him. The next day, he and Billy traveled to LaGrange, Georgia, where Billy opened up a new account in Billy's name only, depositing the full amount of \$200,000.00 at the Peoples Bank of LaGrange, LaGrange, Georgia. This was in April of 1980.

Coleman stated that he has, at no time, had any general power of attorney from Billy Carter, and the only special power of attorney has to do with another business entirely that has nothing to do, whatsoever, with the present matter concerning the Libyans. This goes back a long ways and pertains to some property in Tena.

With regard to Charter Oil Company, Coleman added that during the negotiations in August of 1979, Nasife of Charter Oil had told him that if he and Billy did receive an increase for an oil allotment for Charter Oil, that they would be able to get an advance on their commissions. While he and Billy were in Libya, during December, 1979, and January, 1980, he (Coleman) received a Telex from Charter Oil, advising what type of crude oil they were interested in, and that they were still firm in their contract with Billy and himself.

Further, Coleman added that in March, 1980, Al-Shahati had told him that he had discussed the matter of the oil allotment with the Libyan Oil Minister, and Al-Shahati informed Coleman that the increase had been approved for Charter Oil, but just what amount the increase would be was still before the Libyan Council.

Coleman stated that with regard to the commission contract with Charter Oil Company, Billy is the only one that signed any papers pertaining to same, Coleman not having signed any instruments. Coleman further added that he has no documents pertaining to the matter of the commission

contract, and that to his knowledge, other than Charter Oil, such documents would be in Billy Carter's possession. He also stated he has no papers or documents pertaining to the \$220,000.00 received by Billy from the Libyan Government.

Coleman added that the only formal agreement other than the special power of attorney pertaining to some land in Tennessee, between he and Billy, is an employer/employee contract between he and Billy Carter Incorporated, which was signed in September of 1977. He stated that this was a standard contract form and came about as a result of President Jimmy Carter placing the peanut warehouse in Plains, Georgia, along with other property, in trust with Attorney Charles Kirbo of Atlanta, Georgia. Kirbo subsequently leased the peanut warehouse to the Gold Kist Company of Atlanta, Georgia. Billy had been manager of the warehouse and he (Coleman) had been assistant manager. When the warehouse was placed in trusteeship, Billy was relieved as manager, and Coleman stated that he (Coleman) did not wish to remain on with the warehouse under Gold Kist Company's control. He advised that this was due to his past dealings with Gold Kist in their agricultural commodities and just felt that he did not wish to remain with the warehouse. Coleman stated that this was in the summer of 1977, and he was therefore looking for other employment, at which time Billy, who was then beginning to make personal appearances, suggested that he work for him, and they had the contract drawn up in which Coleman was to receive a salary of \$250.00 per week, plus expenses. Coleman stated that since approximately September of 1978, when Billy began to encounter his financial problems, he has received nothing of the \$250.00 per week, although Billy has been handling his expenses. He stated that Donny Roland, his accountant in Americus, Georgia, has a copy of the contract, which he would try to make available.

With regard to Billy Carter Incorporated, Coleman stated he has no idea as to when or why Billy formed the corporation, and has no idea whether it has been recorded with the Georgia State Corporation Commission or not. He added that Billy Carter Incorporated has not been a party to any of the matters pertaining to Billy Carter, and the Libyan Government, to his knowledge.

AT 97-106

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Further, Coleman stated that to his knowledge the property owned by Billy Carter, which had initially been offered as collateral to negotiate the loan for Billy, has not been signed over to the Libyans, nor to his knowledge has any collateral been given for the loan.

FEDERAL BUREAU OF INVESTIGATION

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 DATE 10/16/80 BY SP-5 RST/m

Date of transcription 7/23/80

Henry Randolph (Randy) Coleman was telephonically contacted at his residence in Plains, Georgia, telephone number 912-824-7483, and advised as to the identity of the interviewing Agent. Coleman was asked if he had an attorney and if he would be willing to continue the discussion of the matter which we had previously undertaken on July 8, 1980. He advised that he had no attorney and would be willing to discuss the matter further, thereafter furnishing the following information:

With regards to the \$20,000.00 check which he stated had been given to him by Houderi, this had been on his trip to Washington, D.C., December 27, 1979, when he met with Houderi to travel to Libya to discuss the matter of additional details and specifics pertaining to the \$500,000.00 loan. Coleman stated that they were running late for their departure from Washington, and he recalls that Houderi had handed him the check for \$20,000.00, although he does not recall if or what the notation for the purpose of the check may have indicated. He recalled that Houderi had stated something to the effect that the loan had been approved and that, "Here you can have this, and reimburse us as soon as you get the full amount." He then asked Houderi for an envelope and recalls mailing the check to Billy from the airport. He does not recall having signed a receipt for the check.

Coleman stated that this trip was paid for by Houderi, and that to his knowledge all of the trips had been paid by Libya except for the one that he and Arthur Cheokas made in March of 1979, and that Cheokas had paid for that one. Another trip was paid by himself which he and Billy made in May of 1979 when they flew to Rome to meet with Al-Shahati, leaving the United States on a Friday, and returning that following Sunday. He added that he was subsequently reimbursed for this trip by Billy.

With regards to the return trip of Billy to the United States, from that first trip to Libya in 1978, Billy was to have met with the Pope prior to their departure from Italy, but the Pope had passed away, and Miss Lillian was

Investigation on 7/23/80 at Atlanta, Georgia File # AT 97-106

by SA [REDACTED] Date dictated 7/23/80

AT 97-106

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to arrive in Rome for the funeral. Billy had requested that he remain to meet Miss Lillian and that Billy and others in the original party departed from Rome without him. He stated that he has no idea as to what airlines they utilized or where they landed upon their arrival back in the United States. He added that he has no idea as to what airlines he was on and also that on his returns to the United States he either landed at Boston or New York, but could not recall which cities coincided with which flight. He stated that he believes the flight that he and Cheokas returned on was one of the first from London to Atlanta, Georgia.

He stated that with regards to any discussions or conversations pertaining to Lockheed aircraft, he recalls no such conversations or discussions having been brought up in his presence during that first trip to Libya in 1978. He stated that there were numerous groups of people conversing at all times, but does not recall any discussions pertaining to that matter. He said that it seems the first time he knew of any discussion pertaining to aircraft would have been sometime shortly prior to the arrival of the Libyan delegation in Atlanta in January of 1979. This would have been in connection with his meeting with Burki, Gabreel Shaloof, and another Libyan individual whose name he cannot recall. He met with these men at the Marriott Hotel in Atlanta, Georgia, and the next day he took them to meet with Attorney David Gambrel in Atlanta, Georgia. He recalls that Burki and Shaloof referred to the other individual as having known Atlanta, and that the man had informed him that he was merely a private businessman in Libya. Coleman stated that he was surprised as to the age of the man, approximately 48 to 52 years of age, as he felt that there was no one of that age left in Khadafy's Regime. Coleman stated that he recalls that gentleman making the statement in Gambrel's office to the effect that, "This would certainly be a nice present," referring to the aircraft at Lockheed in Marietta, Georgia. When the matter of the aircraft at Lockheed in Marietta, Georgia, came up, he recalls that Gambrel informed him that they would have to contact the State Department and that he did not know why they had not been released.

With regards to the State Department, Coleman (although not indicating whether this was before or after the meeting with Gambrel) stated that he had contacted the United States State Department to ascertain information

about Libya, and that to his recollection he had just placed a call to the State Department offices in Washington, D.C., requesting to talk to someone about Libya, and cannot recall to whom he eventually spoke. He stated he felt it may have been the individual that he had received a letter from, dated December 12, 1978, (previously furnished by Coleman in his interview of May 8, 1979) but he simply cannot recall. He added at this time that Billy's attorneys, Pollak and Ruth in Washington, D.C., had asked him the same question. In response to whether he had ever talked to a William Quant or a Morris Draper he stated that Pollak and Ruth had likewise asked him this and he has no idea whether it is one of those gentlemen or not. He further added that he does not even really recall at this time the conversations themselves.

Coleman stated that to his knowledge, Gold-kist Incorporated of Atlanta, Georgia, has made no arrangements with the Libyan Government adding that if so there would have been no meetings arranged between them by Billy as Billy does not wish to have anything to do with Gold-kist, and further that, "Nobody down here likes Gold-kist." He added that if there had been any meetings between Gold-kist and the Libyan representatives, it would probably have been during the time the delegation was in the United States in January, 1979, when a number of companies and their representatives were meeting with the Libyans. He stated that prior to the delegation's arrival, he had informed the Georgia State Industry and Trade Department that the Libyans were coming and had expressed a desire to purchase from the United States. He recalled that the Industry and Trade Department hosted the delegation to a dinner at which there were numerous companies present which he was sure would have included Gold-kist. An acquaintance of his, a Mr. Warren Young, of the Department of Industry and Trade, had been his contact with that department.

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FM WASHINGTON FIELD

TO DIRECTOR, FBI ROUTINE

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WILLIAM A. (BILLY) CARTER, III; FARA-LIBYA

RE TELETYPE TO BUREAU DATED AUGUST 12, 1980. (U)

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Memorandum

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- Director's Sec'y _____

TO : Mr. E. J. O'Malley

DATE: 8/20/80

FROM : R. T. Castonguay *RTE/HE*

SUBJECT: WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY
FARA - LIBYA

CLASSIFIED AND EXTENDED BY *SP5 R/BAK 10/1/80*
REASON FOR EXTENSION FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION *9/20/2000*

This memorandum is classified "Secret" in its entirety.

PURPOSE:

To record 8/19/80, meeting with Messrs. Michael Epstein and David Shaw, representatives of the Senate Select Committee on Intelligence (SSCI).

RECOMENDATION:

Classified by *8209 jhelweb-lmw*
Declassify on: OADR *5/22/84*

Mr. Epstein, SSCI be advised that FBIHQ concurs with the procedures and identification of exhibits to be utilized in open testimony as set forth.

yes
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EXCEPT WHERE SHOWN
OTHERWISE.

APPROVED:

Director _____
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Exec. AD-Adm. _____
Exec. AD-LES _____

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APPROVED BY CUTTING
ADVISED BY CUTTING
DATE
8/20/80

DETAILS:

[REDACTED]

ENCLOSURE

- Mr. E. J. O'Malley
- 1 - Mr. O. B. Revell
- (Attn: [REDACTED])
- 1 - [REDACTED]
- 1 - [REDACTED]

97-5696-87

97-5696 *B7C*

SECRET

17 SEP 10 1980

Classified and Extended by 7053
Reason for Extension FCIM, II, 1-2.4.2 (2 and 3)
(5) Date of Review for Declassification August 30, 2000

Enclosure

6 SEP 22 1980

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FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

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- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
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For your information: _____

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Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, AUGUST 6, 1980

AG
(202) 633-2014

Attorney General Benjamin R. Civiletti today issued the following statement:

I plan to include a detailed statement concerning my knowledge of payments to Billy Carter from the Government of Libya in my testimony to Congress regarding the Billy Carter matter. In essence, in April of this year, I saw information from a confidential, lawful, intelligence source indicating that a transfer of money might be made by the Libyan Government to Billy Carter. The information did not indicate that the money had been requested by Billy Carter; nor did it indicate any undertaking by Billy Carter as consideration for the payment.

Since it was important that the source not be revealed and since it was unclear whether any transaction would in fact take place, I made the decision to await developments before disclosing the intelligence information. My two most basic concerns were that in the absence of other sources any disclosure of the information could compromise the intelligence source; and, second, I did not want to abort the transaction, which might constitute substantial evidence of a duty to register under the Foreign Agents Registration Act. I believed that if we waited the transaction might be completed, and the Department would learn of the actual transfer of funds which would enable the Criminal Division to proceed without the risk of identifying an important intelligence source.

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DATE 9/20/84 BY 8509jhel/web-lmw

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ENCLOSURE

CONFIDENTIAL



Accordingly, I advised Philip Heymann, Assistant Attorney General in charge of the Criminal Division, that I had learned of highly sensitive intelligence information as a result of which we should be certain the Billy Carter investigation was not closed.

The investigation did continue and shortly after May 29, 1980 the Criminal Division received information that Billy Carter had in fact received and/or was receiving monies from the Government of Libya. There were now multiple sources which diminished the risk of compromising any particular source. It also appeared that the transaction had been completed. Therefore, I promptly requested that the intelligence documents I had seen in April be given to the Department so that the Criminal Division would have access to the contents of the reports. This was done.

On June 10, as has been previously explained, Billy Carter contacted the Department of Justice and the next day met with Joel Lisker and others. In that meeting Mr. Carter confirmed for the first time the actual fact of a loan to him by the Government of Libya. That statement provided the Criminal Division with usable evidence for any subsequent legal proceeding, without compromising intelligence sources.

I am confident that the entire Billy Carter matter was handled independently and properly by the Department of Justice.

CONFIDENTIAL

7

UNITED STATES GOVERNMENT

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Memorandum

TO : Mr. E. J. O'Malley

SECRET

DATE: 8/26/80

FROM : R. T. Castonguay

SUBJECT: WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY
FARA - LIBYA

| | |
|-------------------|-----|
| Exec AD Inv. | ___ |
| Exec AD Adm. | ___ |
| Exec AD LES | ___ |
| Asst. Dir.: | |
| Adm. Servs. | ___ |
| Crim. Inv. | ___ |
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| Laboratory | ___ |
| Legal Coun. | ___ |
| Plan. & Insp. | ___ |
| Rec. Mgnt. | ___ |
| Tech. Servs. | ___ |
| Training | ___ |
| Public Affs. Off. | ___ |
| Telephone Rm. | ___ |
| Director's Sec'y | ___ |

PURPOSE:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

To record review of attached pages 23 through 33 of deposition of Mr. Joel S. Lisker, Department of Justice (DOJ), dated 8/19/80.

RECOMMENDATION:

Attached pages 23 through 33 of Mr. Lisker's deposition dated 8/19/80, with requested changes be forwarded to Mr. John Tipton, Senate Judiciary Committee.

Jug

| | | | | |
|--------------------------|------------|------------|------------------------------|-----|
| APPROVED: SEE | Adm. Serv. | ___ | Legal Coun. | ___ |
| | Crim. Inv. | ___ | Plan. & Insp. | ___ |
| Director | ___ | | Rec. Mgnt. | ___ |
| Asst. AD-Adm. | ___ | Ident. | Tech. Servs. | ___ |
| Exec. AD-Inv. | ___ | Intell. | Training | ___ |
| Exec. AD-LES | ___ | Laboratory | Off. of Cong. & Public Affs. | ___ |

Classified by 8009jhl/web-lm
Declassify on: OADR 01/03/84

DETAILS:

[REDACTED SECTION]

1 - Mr. E. J. O'Malley

1 - [REDACTED]

1 - [REDACTED] *67c*
(4) *nc*

Enclosure
97-5696

97-5696-88

ENCLOSURE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/11/80 BY SP-5 R6/SN

17 SEP 10 1980

CLASSIFIED INFORMATION ENCLOSED

SECRET

6 SEP 22 1980

FAB
by comm 8/27/80

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For your information: _____

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SECRET

8/29/80

From: Director, FBI (97-5696)
To: SAC, Washington Field (97-2204)
WILLIAM A. (BILLY) Carter, III
FARA - LIBYA

Enclosed is copy of Department of Justice memorandum dated 8/29/80, classified, "Secret," which is self-explanatory.

Washington Field should conduct requested investigation and submit results in LHM form, noting deadline of 9/13/80.

Enclosure

80LAJhel/nub-1mw
Declassify on: OADR *2/23/84*

~~CLASSIFIED AND EXTENDED BY *SP-5 RGP/1d/80*~~
REASON FOR EXTENSION
FCIM, II, 1-2.4.2
DATE OF REVIEW FOR
DECLASSIFICATION *8/29/2000*

NOTE:

WFO cognizant per secure telephone call, 8/29/80, Relief Supervisor [REDACTED] WFO.

[REDACTED] *67c*
(4)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE.

WFO by Carter
8/29/80
OW

ce b Adkins
LABW, 1985
8/29/80

Negative 9/4/80
all furnished on
8/28/80

SECRET MATERIAL ATTACHED

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY SLIP(S) DATE *9/10/80*

97-5696

17 SEP 10 1980

- ___ noc AD Inv.
- ___ noc AD Adm.
- ___ noc AD LES
- ___ Asst. Dir.:
- ___ Adm. Servs.
- ___ Crim. Inv.
- ___ Ident.
- ___ Intell.
- ___ Laboratory
- ___ Legal Coun.
- ___ Plan. & Insp.
- ___ Rec. Mgnt.
- ___ Tech. Servs.
- ___ Training
- ___ Public Affs. Off.
- ___ Telephone Rm.
- ___ Director's Sec'y

5 SEP 10 1980

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For your information: _____

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For your information: _____

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SECRET
SECRET

- 1 - Mr. F. M. Mullen, Jr.
- 1 - Mr. E. J. O'Malley
- 1 - Mr. J. E. Otto
- 1 - [REDACTED] b7c

From: Director, FBI (97-5696)

To: SAC, Washington Field (97-2204) PERSONAL ATTENTION: SAC

WILLIAM A. (BILLY) CARTER, III
FARA - LIBYA

8069, hel
Declassify on: OADR web-1m
2/24/84

Re WFOtel 9/2/80, and Department of Justice (DOJ) memorandum dated 9/2/80 (attached). (U)

[REDACTED]

b1

[REDACTED]

b1

The issue of furnishing results of FBI investigation directly to the DOJ, was addressed in Butel dated 8/6/80, and WFOtel dated 8/7/80, instant matter, which established that information should be furnished to FBIHQ in disseminable form for forwarding to the Department. (U)

MAILED 8
SEP 8 1980

[REDACTED]

b1

Mr. Joel Lisker, DOJ, has been advised not to accept or act on any oral information received from FBI, without consultation with FBIHQ in this case. (U)

97-5696-93

SAC, WFO, should submit explanations by COB 9/9/80. (U)

Enclosure

- Exec AD Inv.
- Exec AD Adm.
- Exec AD LES
- Asst. Dir.:
- Adm. Servs.
- Crim. Inv.
- Ident.
- Intell.
- Laboratory
- Legal Coun.
- Plan. & Insp.
- Rec. Mgnt.
- Tech. Servs.
- Training
- Public Affs. Off.
- Telephone Rm.
- Director's Sec'y

ENCLOSURE

Classified and Extended by 1053
Reasons for Extension PCIM II, 1-2.4.2 (2, 3)
Date of Review for Declassification September 5, 2000

SEP 9 1980

SECRET

SEE NOTE PAGE 2

32 BK 80

MAIL ROOM

SECRET

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE.

SECRET
T3032

SECRET

Airtel to Washington Field
Re: William A. (Billy) Carter, III
97-5696

NOTE:

SAC, WFO requested to furnish explanation as to why source information was furnished orally to DOJ representative on 8/30/80, and by teletype to FBIHQ 9/2/80. Butel dated 8/6/80, and WFOtel 8/7/80, addressed the same problem of direct dissemination to DOJ without knowledge of FBIHQ. *(S) X*

OK
PLC/HK
Jug

| | | |
|------------------------------|----------------------------|------------------------------------|
| APPROVED: <i>[Signature]</i> | Adm. Serv. _____ | Legal Coun. _____ |
| Director _____ | Crim. Inv. _____ | Plan. & Insp. _____ |
| Exec. AD-Adm. _____ | Ident. _____ | Rec. Mgnt. _____ |
| Exec. AD-Inv. _____ | Intell. <i>[Signature]</i> | Tech. Servs. _____ |
| Exec. AD-LES _____ | Laboratory _____ | Training _____ |
| | | Off. of Cong. & Public Affs. _____ |

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HW

9/12/80 SECRET IMMEDIATE

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FM DIRECTOR FBI (97-5696)
TO FBI WASHINGTON FIELD IMMEDIATE
BT

CLASSIFIED AND EXTENDED BY *SA/RC/SA 10/1/80*
REASON FOR EXTENSION FCIM, II, 1-2.4.2 *2.3*
DATE OF REVIEW FOR DECLASSIFICATION *9/2/2000*

SECRET

WILLIAM A. (BILLY) CARTER, III, LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY; FARA - LIBYA

REFERENCE WASHINGTON FIELD AIRTEL AND LHM DATED SEPTEMBER 4,

1980. (U)

Classified by: *8264 Jhe/web-lmw*
Declassify on: OADR *5/21/84* 81

[REDACTED]

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY SLIP(S) *10/5/80*

~~C AND E 2053, REASON 2 AND 3, DED SEPTEMBER 12, 2000~~

[REDACTED] (3) 9/12/80 4427/5 4587

1 - MR. D. G. FLANDERS
1 - [REDACTED] *67c*

SEE NOTE PAGE 3
97-5696-94
ROUTE IN ENVELOPE

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

FEDERAL BUREAU OF INVESTIGATION COMMUNICATIONS CENTER
19/5 EPH
SEP 12 1980

15 SEP 15 1980

6 SEP 24 1980

~~97 SEP 24 1980~~

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The following number is to be used for reference regarding these pages:
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9/18/80

SECRET

IMMEDIATE

*F#H300 WFEDE HQ H0177 #H3YS20 182207Z SEP 80

FM DIRECTOR FBI (97-5696)
TO FBI WASHINGTON FIELD IMMEDIATE

CLASSIFIED AND EXTENDED BY *SP-5 R/brn 10/16/80*
REASON FOR EXTENSION *2.3*
FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION *9/18/2000*

BT
SECRET

WILLIAM A. (BILLY) CARTER, III; LIBYAN-ARAB-GEORGIA FRIENDSHIP SOCIETY, FARA - LIBYA

Classified by *8269 jhd/web*
Declassify on: OADR *3/24/84*

REFERENCE WASHINGTON FIELD TELETYPE SEPTEMBER 17, 1980. (U)

[REDACTED]

B1

| | | | |
|-------------|---------|--------|-----------|
| APPROVED BY | DATE | TIME | EXTENSION |
| [REDACTED] | 9/18/80 | 4427/5 | 4587 |

- 1 - MR. R. J. BRUEMMER *b7c*
- 1 - MR. D. G. FLANDERS
- 1 - [REDACTED]

SEE NOTE PAGE 3

97-5696-95
ROUTE IN ENVELOPE

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

FEDERAL BUREAU OF INVESTIGATION COMMUNICATIONS CENTER

SEP 18 1980
SECRET

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY SLIP/...
DATE *10/22/80*

3 OCT 7 1980

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For your information: _____

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97-5696-95 pg 2

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NOTE:

The above investigation approved and coordinated by Mr. Robert L. Kauch, Associate Deputy Attorney General, DOJ and Deputy Assistant Director James E. Nolan pursuant to a request of the COJ, U. S. Senate. *ASU*

July

APPROVED:

Director _____
Exec. AD-Adm. _____
Exec. AD-Inv. _____
Exec. AD-LES _____

Adm. Serv. _____
Crim. Inv. _____
Ident. _____
Intell. *N/E* _____
Laboratory _____

Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Off. of Cong. & Public Affs. *4/7/98*

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For your information: _____

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ENCLOSURE

12-6X

- 1 - Mr. Colwell
- 1 - Mr. Mullen
- 1 - Mr. O'Malley

1 - [REDACTED] b7c
 1 - [REDACTED]

August 22, 1980

BY LIAISON

2 - [REDACTED] b7c

R

FEDERAL GOVERNMENT

Honorable Birch Bayh
 Chairman
 Committee on the Judiciary
 United States Senate
 Washington, D. C.

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 10/16/80 BY SP3 R/SLM

Dear Mr. Chairman:

In further response to your letter of July 29, 1980, I am enclosing copies of two informal notes concerning our Foreign Agents Registration Act investigation of William (Billy) Carter. These two notes are not part of the official case file but should be added to the material we previously transmitted to your Subcommittee. Both of these notes are unclassified. *pc*

I am also enclosing a copy of the handwritten interview notes taken by Special Agent [REDACTED] of our Atlanta office at the time he and Department of Justice Attorney Joel S. Lisker interviewed Mr. Carter on January 15, 1980. These notes, consisting of 33 pages, formed the basis for his interview report, FD302, which is dated January 28, 1980, and was part of our earlier transmittal to the Committee. *b7c*

Sincerely yours, 17-5676-96

84 AUG 27 1980

William H. Webster
 Director

*hand delivered
 8/22/80*

- Exec AD Inv. _____
- Exec AD Adm. _____
- Exec AD LES _____
- Asst. Dir.:
- Adm. Servs. _____
- Crim. Inv. _____
- Ident. _____
- Intell. _____
- Laboratory _____
- Legal Coun. _____
- Plan. & Insp. _____
- Rec. Mgnt. _____
- Tech. Servs. _____
- Training _____
- Public Affs. Off. _____
- Telephone Rm. _____
- Director's Sec'y _____

Enclosures (3)

- 1 - Honorable Strom Thurmond
 United States Senate
- 1 - Assistant Attorney General
 Office of Legislative Affairs

NOTE: This letter responds to specific requests from the Subcommittee Staff for this material. It follows the initial response on 8/1/80, and a subsequent response on 8/18/80. Response coordinated with SA [REDACTED] *b7c*

APPROVED: _____
 Director *W.H.W.*
 Exec. AD-Inv. *AM*
 Exec. AD-Adm. _____
 Exec. AD-LES _____

Adm. Serv. _____
 Crim. Inv. _____
 Ident. _____
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 Laboratory _____

Legal Coun. _____
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 Tech. Servs. _____
 Training _____
 Public Affs. Off. _____

FBI

~~CONFIDENTIAL~~

TRANSMIT VIA:

- Teletype
- Facsimile
- Airtel

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- ~~CONFIDENTIAL~~
- UNCLAS E F T O
- UNCLAS

Date 8/28/80

TO: DIRECTOR, FBI (97-5696)

FROM: SAC, ATLANTA (97-106) (P) (SQUAD 3)

SUBJECT: WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA
FRIENDSHIP SOCIETY
FARA-LIBYA

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

Carroll

Re Bureau and WFO airtels to Atlanta, dated 8/15/80.

Enclosed for the Bureau are three copies, and for
WFO two copies of an LHM, dated and captioned as above.

ATLANTA DIVISION

AT PLAINS, GEORGIA

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 8-28-88 BY SP4 [signature]~~

Reinterview Randy Coleman per referenced Bureau airtel.
Also clarify attorney-client relationship between himself, Billy
Carter and Attorney Robert L. Schwind in connection with Worldwide
Trading Corporation (Robert Schwind Enterprises, Inc.).

AT MARIETTA, GEORGIA

[Redacted]

(C) B1

97-5616-96X

- 2-Bureau (Enc. 3)
- 2-WFO (97-2204) (Info.) (Enc. 2)
- 2-Atlanta

DEC 23 1980

1-cc to D3, Joel [unclear], 8/27/80
b7c

1 cc folder

Hand delivered
by SA [unclear] Atlanta
8/29/80 JWS
b7c

Classified by SP4 jh/wub-lmw
Declassify on: OADR 3/15/84
per release 3/15/84
190-19710-22

[Redacted]

Approved: _____ Transmitted _____ Per _____

(Number) (Time)

97 JAN 13 1981

~~CONFIDENTIAL~~



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Atlanta, Georgia

August 28, 1980

WILLIAM A. (BILLY) CARTER, III
LIBYAN-ARAB-GEORGIA
FRIENDSHIP SOCIETY
FOREIGN AGENTS REGISTRATION ACT-LIBYA

The following is the results of interview conducted
at Atlanta, Georgia:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 8/20/82 BY SP4Hlw/rpm

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.

97-~~5696~~ - 96X
ENCLOSURE

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/28/80

[REDACTED] was contacted concerning the possible relationship between the lease of the Carter Warehouse (CW) to Goldkist, Incorporated (GK) and Billy Carter or GK's association with the Libyan Government. b7c

[REDACTED] stated that when the President was elected, he formed a blind trust to handle his affairs at CW. [REDACTED] stated that he was unhappy about the operation of the warehouse. Billy Carter was managing CW at the time, however, was busy with other activities and could not devote the attention to CW which was needed. Billy Carter indicated an interest in buying CW but did not have the financial ability to make the purchase. b7c

[REDACTED] originally talked to D. W. Brooks, Chairman of the Board of GK (possibly retired) about managing or buying the warehouse. [REDACTED] took bids from a couple of other corporations on a lease agreement and settled with GK on an annual rental of CW for \$180,000. b7c

The only part that Billy Carter played in the negotiations was [REDACTED] asked Carter what the warehouse should rent for, and Carter quoted a figure of about two hundred thousand dollars. [REDACTED] said that this figure was not realistic. b7c

In September, 1977, GK took over management of CW; and in October a lease with GK was executed. [REDACTED] dealt with [REDACTED] and a Mr. (First Name Unknown-FNU) [REDACTED] of GK in working out the lease agreement. b7c

No payment was made to Billy Carter by GK in connection with the lease. There is absolutely no relationship between Billy Carter's association with the Libyans and the agreement between GK and CW.

[REDACTED] unaware of any meetings arranged or sponsored by Billy Carter between GK and any representative b7c

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of Libya. In fact, [REDACTED] stated that he would be very surprised if, in fact, Billy Carter arranged any meetings for GK.

b7c

There has been no infusion of capital from GK or anyone else into CW. Anyone wanting to buy Billy Carter's approximate fourteen percent interest in CW would have had to buy Carter's negative capital balance of about one hundred forty-eight thousand dollars as of December 3, 1976. [REDACTED] said that he purchased real estate from Billy Carter and eliminated this deficit. However, since January 1, 1977, an additional deficit of \$121,000 has accumulated in Billy Carter's capital account due to losses suffered by CW.

b7c

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/27/80

[REDACTED] Gold Kist, Incorporated (Inc.), 244 Perimeter Parkway, was interviewed concerning his company's association with Billy Carter, brother of President Carter; and the Libyan government. b7c

In October, 1977, Gold Kist (GK) leased the Carter warehouse in Plains, Georgia. b7c

[REDACTED]

GK has done no business with the Libyan government either directly or through intermediaries. No fees have been paid to Billy Carter or anyone else to represent, introduce or in any way intercede with the Libyans on behalf of Gold Kist.

The law firm of Austin, Miller and Gaines represents GK. The lead attorney is Hewitt Covington.

[REDACTED] has attended no trade meetings with representatives from Libya, nor has he attended any meetings with Billy Carter. b7c

[REDACTED] stated that GK was approached by the Atlanta law firm of Levine and Meltz with a proposal for an agency agreement between GK and the law firm. Levine and Meltz allegedly represented the Libyans and possibly Billy Carter. b7c

[REDACTED] International Division of GK, can provide the details of this proposal.

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FEDERAL BUREAU OF INVESTIGATION

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Date of transcription 8/27/80

[REDACTED]
Gold Kist (GK), Incorporated (Inc.), 244 Perimeter Center Parkway, telephone 404-393-5000, was contacted concerning GK's association with Billy Carter and the Libyan government. b7c

[REDACTED] said that he negotiated the lease agreement between GK and Carter Warehouse (CW) in October, 1977. He dealt exclusively with [REDACTED], in the lease negotiations. GK took over management of CW in September, 1977, and actually leased the warehouse in October, 1977. b7c

[REDACTED] said that he had several conversations with Billy Carter in 1977, however, he has never had any conversation with Carter about Libya or any trade agreement between GK and the Libyan government. His conversation with Carter were about the warehouse, peanut market and farmers, etc. He stated that Billy Carter was helpful in the transition period when GK was taking over the warehouse, however, the relationship with Billy Carter was less than cordial. [REDACTED] also had conversations with Randy Coleman, Carter's assistant, about the warehouse but again no conversation ever took place about trade with Libya. [REDACTED] has had no contact with Billy Carter since 1977. b7c

No monies in the form of fees, commissions, or otherwise have ever been paid by GK to Billy Carter. The only monies paid to the warehouse have been in the form of lease payments.

There is absolutely no connection between the lease agreement with CW and any trade relationship that Billy Carter may have had with the Libyan government.

After the lease agreement was completed, [REDACTED] had no further contact with Billy Carter or Randy Coleman. The actual execution of the agreement was turned over to b7c

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[REDACTED] Peanut Division of Gold Kist.
[REDACTED] was appointed GK's Manager of CW. To [REDACTED]
knowledge, no executive level people in Gold Kist had any
contact with Billy Carter after the fall of 1977. No
attorney for GK, to [REDACTED] knowledge, engaged in any
negotiations on behalf of GK to promote trade relations
with Libya.

b7c

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 8/27/80

[REDACTED] Goldkist Inc., 244 Perimeter Center, Atlanta, Georgia, telephone number (404) 393-5469, was contacted concerning Goldkist Inc.'s relationship with Billy Carter and the Government of Libya. b7c

[REDACTED] stated that he has been [REDACTED] the International Division of Goldkist Inc. for [REDACTED] and, as part of the International Division of Goldkist Inc., he would have supervision of all Goldkist Inc. business with foreign governments. b7c

[REDACTED] stated that Goldkist has never sold any commodities to the Libyan Government, either directly or through an intermediary. Goldkist has had no trade dealings with Libya at all. b7c

In view of the fact that Goldkist has sold nothing to Libya, there has been no fees paid to anyone, including Billy Carter, for setting up any trade relations with the Libyans. To the best of his knowledge, no discussions have ever been held with Carter about Libya by officials of Goldkist.

He has no knowledge of any Goldkist employee, nor has he attended any meetings where Libyan trade with Goldkist have been discussed. [REDACTED] has never, in fact, met Billy Carter. b7c

In late 1978 or early 1979, he was approached by Jeffry Levine and David Meltz of the law firm of Levine and Meltz. They asked about the export of Agri products to various countries. They came back to Goldkist shortly thereafter with a proposal to become Goldkist's Agent with the Libyan Government, purporting to have contact with Billy Carter and projecting huge sales of Agri products to Libya.

The use of Billy Carter's name made no impact on [REDACTED] since it is typical for sales promoters to "name drop" contacts with important or well-known people. b7c

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by SA [REDACTED] b7c
SA [REDACTED] Date dictated 8/27/80

[redacted] explained that he was not particularly impressed with Levine and Meltz as Goldkist is often approached by various people offering to deliver huge sales to Goldkist in exchange for an agency relationship. Goldkist, with only a couple of exceptions, does not become involved in these agency relationships and certainly not before some demonstration is made that the persons proposing the agency relationship can deliver. b7c

Goldkist attorneys examined an "Exclusive Agency Agreement" offered by Levine and Meltz, setting up Worldwide Trading Corporation as the Agent of Goldkist. The agreement has the title Worldwide Trading Corporation marked through and inserted the title "Robert Schwint Enterprises, Inc., a Caymen Island Corporation to be founded" written in. Goldkist attorneys found several problems with the agreement and it was never executed. No sales were generated by Levine and Meltz to the Libyans on behalf of Goldkist.

[redacted] stated that Goldkist also had contact with Levine and Meltz in two other proposed deals where Levine and Meltz were attempting to sell Agri products to Taiwan and Germany. Neither of these deals materialized. b7c

[redacted] made available the Goldkist file on Levine and Meltz. Correspondence in the file started in October, 1978, and related primarily to proposals by Levine and Meltz in relation to possible sales to Taiwan and Germany. b7c

Copies of the Exclusive Agency Agreement; a memo from [redacted] to [redacted] dated January 10, 1979, and an attached itinerary; handwritten notes by [redacted] relating to the Libyan proposal made by Levine and Meltz; two memorandums, dated January 26, 1979, and January 31, 1979, relating to the analysis of the Libyan agreement; and a letter, dated March 20, 1979, from [redacted] to the [redacted] which served as a letter of introduction for Worldwide Trading Corporation, were obtained from the file. b7c

[redacted] stated that although the letter does not appear in the file, he vaguely recalls preparing a letter similar to the copy of the letter to the [redacted] for Levine and Meltz to the Libyan Government. [redacted] said that the preparation of this type of letter is common practice for Goldkist. He pointed out that the letter does not bind Goldkist in any manner, and if the bearer of the letter actually makes b7c

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sales of Goldkist products, then, and only then, will Goldkist pay a commission.

[REDACTED] also recalls that he received an invitation from Levine and Meltz to attend a Libyan Trade Delegation meeting, however, he did not attend. From the memorandum, dated January 10, 1979, it appears that [REDACTED] a Goldkist [REDACTED] attended the Libyan Delegation tour, however, [REDACTED] does not know any of the details of [REDACTED] attendance of this meeting. b7c

[REDACTED] concluded by stating that Robert L. Schwind, or others from the law firm of Levine and Meltz, may have indicated that they were Agents for Goldkist, however, the fact remains that no agreement was executed, no sales were made to Libya by Goldkist, and no fees or commissions were paid to anyone, including Billy Carter, to assist Goldkist in making sales to Libya. b7c

The aforementioned documents obtained from the file are attached hereto:

EXCLUSIVE AGENCY AGREEMENT

THIS AGREEMENT made, this day of , 1979,
Robert Schmitt Enterprises Inc, a Cayman Island Corporation to be formed
between ~~WORLDWIDE TRADING CORPORATION~~, a Georgia corporation
("Agent") and THE GOLD KIST CORPORATION OF GEORGIA
("Principal").

For and in consideration of the promises and mutual
covenants hereinafter set forth and for other good and valuable
consideration the parties do hereby agree as follows:

1. AGENCY.

Principal hereby appoints Agent it's exclusive sales
representative to Socialist People's Libyan Arab Jamahiriya for
a period of one (1) year from date, subject to the renewal
provisions provided for in paragraph 5 below. The scope of this
agreement covers any and all sales of commodities and other
items from principal to Socialist People's Libyan Arab
Jamahiriya, including, but not limited to, soybeans, soybean
meal, soybean oil, cotton, cotton seed oil, peanuts, peanut oil,
peanut meal, ground nuts, Moslem killed chickens, sorgham,
wheat, eggs, beans, peas, corn and corn products and other
grains and commodities that from time to time may be sold
("Products").

2. COVENANTS OF THE PRINCIPAL.

A. Principal shall make available to Agent samples of all
the above stated products as well as other products reasonably
similar to those which Agent may, from time to time, request.

B. Principal shall pay Agent a commission from between
1-1/2% and 2-1/2% on any and all such commodity sales to the
Socialist People's Libyan Arab Jamahiriya, whether arranged by
the efforts of Agent or not. Said commission shall be

negotiated on a sale by sale basis but in the event that no commission is negotiated, Agent shall be entitled to no less than 1-1/2% of the total sales prices, as evidenced by the letters of credit issued pursuant to any sale.

2. COVENANTS OF THE AGENT.

A. Agent shall use it's best efforts to market and promote Principal's products to Socialist People's Libyan Arab Jamahiriya.

B. Agent agrees that it shall provide Principal with a right of first refusal on any and all such orders from Socialist People's Libyan Arab Jamahiriya from American sources with respect to which Socialist People's Arab Jamahiriya has contacted Agent for purposes of arranging a sale. Agent shall not seek other sources until and unless either Principal's tender offer to Socialist People's Libyan Arab Jamahiriya is rejected, or Principal informs Agent it does not wish to participate further.

3. FURTHER COVENANTS.

It will be Principal's responsibility to:

A. Promptly forward to Agent all inquiries and offers it receives from or sends to any source whatsoever concerning anticipated or actual sales to Socialist People's Libyan Arab Jamahiriya.

B. Principal further agrees to provide Agent with any and all technical information and data which may be requested or which significantly relates to the marketing and/or utilization of Principal's products.

4. TERM.

The term of this agreement shall be one (1) year from the date of execution.

5. RENEWAL.

This agreement shall renew automatically on an annual basis for ten (10) years, provided that the minimum quantity ("Minimum") specified below shall be realized. For years two to five, the "Minimum" shall be \$100,000,000.00 in gross bona-fide offers from Socialist People's Libyan Arab Jamahiriya. For years six through ten the "Minimum" shall be \$150,000,000.00 for purposes of this provision the term "bona-fide offer" refers to any purchase orders placed with principal from Socialist People's Libyan Arab Jamahiriya^{for} any "Product", whether or not accepted by Principal. In the event, that in any year the "Minimum" is not realized, Principal may cancel this agreement upon thirty (30) days written notice to Agent.

6. WAIVER.

The failure of either party to enforce at any time any of the provisions hereof shall not be construed to be a waiver of said provisions or of the right of such party thereafter to enforce any such provisions.

7. ORAL MODIFICATION INEFFECTIVE.

No renewal or termination hereof or modification or waiver of any of the provisions herein contained, or any future representation, promise, or condition in connection with the subject matter hereof shall be binding upon the Principal or the Agent unless made in writing and signed or counter-signed on its behalf by the respective duly authorized agents of either party. A mere acknowledgement or acceptance of any order inconsistent with the terms of this agreement or the making of deliveries pursuant thereto, shall not be deemed an acceptance or approval of such inconsistent provisions.

8. RESTRICTIONS ON ASSIGNMENT.

Principal agrees that Agent has the right to assign this contract at any time to R.L.S. Enterprises, Inc., a Cayman Island corporation to be formed. Agent agrees to notify

Principal promptly in the event it so assigns. No other assignments or delegations by Principal or Agent shall be made by either party without the express written consent of the other.

9. MERGER.

This instrument contains the entire agreement between the parties. There are merged herein all prior and collateral representations, promises, and conditions in connection with the subject matter hereof. Any representation, promise or condition not incorporated herein shall not be binding upon either party. This agreement supercedes and is in lieu of all existing agreements or arrangements between the parties relating to the products listed herein.

10. This agreement shall bind and inure to the benefit of the parties, their successors and assigns.

11. This agreement, in all respects, shall be construed in accordance with the laws of the State of Georgia.

IN WITNESS WHEREOF, the undersigned have set their hands and seals the day and year above written.

Robert Schwab Enterprises Inc
WORLDWIDE TRADING CORPORATION

By: _____
President *Robert Schwab*

Attested:

Secretary

(CORPORATE SEAL)

GOLD KIST CORPORATION OF GA.

By: _____

Attested:

(CORPORATE SEAL)

If either party states formally or otherwise to end termination is challenged by the other party. Submit dispute to the Arbitration of cost divided by parties