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DOC NO	Doc Type	Document Description	No of Pages	Doc Date	Restrictions	
1	LETTER	G.L. MIHLBACHLER TO JOANN MARIE STANCZYK RE TAX ASSESSMENT (W/ATTACHMENTS)	5	8/30/1985	B6	951

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]
B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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C. Closed in accordance with restrictions contained in donor's deed of gift.

THE WHITE HOUSE

WASHINGTON

February 12, 1986

MEMORANDUM FOR D. LOWELL JENSEN
DEPUTY ATTORNEY GENERAL
DEPARTMENT OF JUSTICE

FROM: JOHN G. ROBERTS
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Correspondence to the President from Richard Stanczyk

In the attached letter to the President, Richard Stanczyk contends that the Federal Bureau of Investigation seized his tax records and now cannot locate them, thereby prejudicing his defense against Internal Revenue Service assessments. This correspondence is referred to the Department of Justice for whatever review and direct response you consider appropriate. This office has not responded to Mr. Stanczyk.

Many thanks.

Enclosure

ID # 379943 CU

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

FI010-02

☐ O - OUTGOING
☐ H - INTERNAL
☐ I - INCOMING
Date Correspondence Received (YY/MM/DD) / /

JOR

Name of Correspondent: Richard Stanczyk

☐ **MI Mail Report** **User Codes:** (A) ______ (B) ______ (C) ______

Subject: IRS problems

ROUTE TO: Office/Agency (Staff Name)	ACTION: Action Code	Tracking Date YY/MM/DD	DISPOSITION: Type of Response	Code	Completion Date YY/MM/DD
CUHOLL	ORIGINATOR	86/01/27			/ /
	Referral Note:				
CUAT 18	R	86/01/28		S	86/02/08
	Referral Note:				
		/ /			/ /
	Referral Note:				
		/ /			/ /
	Referral Note:				
		/ /			/ /
	Referral Note:				

ACTION CODES:
- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure
- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:
- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments:

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

25 R

January 15, 1986

379943

President Ronald Reagan
The White House
Washington, D.C.

Dear Mr. President:

I know you are busy with the situation in the world today, but I hope you would take the time to read my letter, along with the enclosers, and reply.

I am a United States Citizen who, since February 4, 1982 has experienced an ongoing nightmare. I could go into a long story but I have enclosed my Congressional Testimony for you to read.

Since my testimony, I have been assessed over $600,000 in taxes by the Internal Revenue Service (see enclosers) for income I did not receive.

I cannot defend myself because my income tax records were seized by the F.B.I., and now they cannot find them.

In order to defend myself, I have had to hire attorney's, which are going to cost me upwards of $15,000 in fees. I, and my family, have almost exhausted all are savings. We need help.

I would like to know how an ordinary, innocent U.S. citizen can be put in the position of having to be held accountable and guilty, for something he did not do, and the F.B.I. be allowed to have immunity and not be held accountable for it's acts?

I don't want anything other than consideration as a human being. I have been going for medical help in keeping myself from having a nervous breakdown and I don't know how much more I can take.

Please Mr. President, respond.

Sincerely,

Richard Stanczyk, P.O. Box 12572, La Jolla, CA. 92037

OVERSIGHT HEARING ON FEDERAL BUREAU OF INVESTIGATION UNDERCOVER OPERATIONS

THURSDAY, FEBRUARY 4, 1982

U.S. House of Representatives

Committee on the Judiciary

Subcommittee on Civil and Constitutional Rights

Washington, D.C.

Committee Hearings

of the

U.S. HOUSE OF REPRESENTATIVES

OFFICE OF THE CLERK
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OVERSIGHT HEARING ON FEDERAL BUREAU OF INVESTIGATION UNDERCOVER OPERATIONS

THURSDAY, FEBRUARY 4, 1982

U.S. House of Representatives

Committee on the Judiciary

Subcommittee on Civil and Constitutional Rights

Washington, D.C.

The Subcommittee met, pursuant to notice, at 9:35 a.m. in room 2237 Rayburn House Office Building, the Hon. Don Edwards [Chairman of the Subcommittee], presiding.

Present: Representatives Edwards, Hyde, Sensenbrenner, and Schroeder.

Also present: Michael Tucevich, counsel; and Thomas Boyd, counsel.

Mr. FLYNN. Thank you very much, sir.

In the interest of brevity at this stage we would turn the proceedings over to Mr. Richard Stanczyk to provide an extemporaneous statement to the committee and render whatever further assistance he is able to give.

Mr. EDWARDS. Mr. Stanczyk.

STATEMENT OF RICHARD W. STANCZYK, OF DILLON, COLORADO ACCOMPANIED BY; ROBERT FLYNN, ESQ. AND DAVID DIR, ESQ.

Mr. STANCZYK. Mr. Chairman, my name is Richard W. Stanczyk. My last name is spelled S-t-a-n-c-z-y-k. I am 39 years of age and was born on 10/7/42. My marital status is divorced as of 12/4/1981. I have three children, ages 14, 13, and 9. I am a college graduate. I have a bachelor of science degree in accounting.

My career history from June of 1979 until the present time is that I am unemployed. From June of 1975 through March of 1979, I had my own tax and accounting practice in Denver, Colorado.

And from February 1965 through February of 1975 I was a field agent for the Internal Revenue Service both in Detroit, Michigan, and Denver, Colorado. I specialized in tax fraud. I was a liaison to the district director. I was an instructor and had various other duties, one of which included heading up the taxpayer assistance program in the Michigan area.

As a result of the story that I am about to tell you, I would like to let you know that directly what I am about to outline has resulted from this story, the causes have. One, I have lost my tax and accounting practice in Colorado. I have lost a salary from a company called Intersea Fisheries, which I will go into detail on, in San Diego, California, due to the fact that they had not received their anticipated funding. That salary was to be $200,000 a year plus expenses as well as profit percentages in income and equity built up.

I have incurred at least $5000 in travel expenses related to this venture. And to date, in view of the fact that the necessary funding for this project did not come in, I have incurred $212,000 in liabilities. I have lost friends. I have lost my own reputation and clients who have invested at my advice that they should change investments to loan $150,000 in the Intersea program.

Lastly, but most importantly, I have lost my marriage of fifteen years. It had emotional effects on my son, which almost resulted in his nervous breakdown, and myself. I almost committed suicide in November of 1979.

What I would like to relate to you, I want to tell you that this story and events that I am about to explain are true and accurate, to the best of my memory and the records I have kept.

Let me begin, please. In February of 1979 a client of mine by the name of Jim Bess in Boulder, Colorado, asked me to meet a gentleman named Fred Lehrman concerning a project that was being developed in San Diego, California, called Intersea Fisheries.

Intersea Fisheries was to build tuna seiners at a cost $30 million each. And they were undercapitalized. They needed money, and they were securing it or trying to secure it through the form of personal loans either through banks or corporations or individuals. And he was interested in going into this program and sought my advice.

I met with Mr. Lehrman in the Red Carpet Room of United Airlines in Denver, Colorado, to discuss the aspects of the Intersea program. After having a brief meeting with him, due to the fact that he had to fly back to San Diego, I flew to San Diego myself.

And I met with the officers of Intersea Fisheries, Mr. Robert W. Jackman and Mr. Robert Dilks, and Donald Vaughn, and Dr. J. P. Cole, who I found later was a former personal physician to J. Edgar Hoover.

Subsequent meetings that resulted from my initial meeti also brought me in contact with Jean Michel Coustesau, who was on the board of directors of Intersea Fisheries. And

Jean Michel Cousteau is the son of undersea explorer Jacques Cousteau.

During our meetings the technical aspects of the program were in fact discussed. And after two or three meetings between myself and the individuals I mentioned, I requested that an attorney friend of mine named Ronald Warner, from the law firm of Troy, Malin, and Pottinger, come down to Los Angeles, California, to be part of these meetings.

During the meeting with Mr. Warner, myself and the officers and directors of Intersea Fisheries, we reviewed various aspects of the technology and also reviewed the contractual obligations that they had. And these contractual obligations were with a company called Abdul Enterprises, Foreign Investment Groups. Ltd., and a Mr. Joseph Meltzer. Having requested the assistance of Mr. Warner, we maintained contact with Mr. Jackman and Intersea Fisheries for about a two-week initial period.

At the conclusion of our meetings, I asked Mr. Warner wha he really thought about the Intersea program, what he felt about the contractual obligations that he had been presented. And his statement to me was that on a scale of 1 to 10 he found this program to be a 9.

I flew back to Colorado.

Due to the fact that the funding for this project that wa supposed to come in from Abdul Enterprises and Mr. Meltzer was delayed for a short time, interim capital was needed in some form to keep the company going because they were in fact undercapitalized. During that time, I proceeded to raise $150,000 from clients of mine in Colorado and took it out to California and allowed Intersea to operate, hoping that it would be a very short time that we would secure the financing.

Mr. Jackman requested after about two or three trips tha I had made that I try to devote more and more time to the Intersea program, even so far as to offer me a position with the company, a position related to a salary. And he asked me to come on at a full-time basis and that my salary plus my expenses would be paid from the time that the funding came in.

I turned over my accounting and tax practice in Colorad to various other accountants and CPAs in the Denver area. I continued to stay in San Diego and waited for the anticipated funding in this program and lived off of my own savings and whatever other money I had, hoping that the funding would come in.

I stayed close to the situation and was able to be on ha for various calls from Mr. Meltzer, the sheik, the emir, and various other people related to the funding that was coming from the Foreign Investment Groups, Ltd. and Abdul Enterprises.

In May, approximately May 1979, after delays from abou January and February, I had been told that the funding was in fact coming in. We had received a call from Mr. Meltzer telling us that the delays were over, the banking instructions were in, and that we could get ready to anticipate a transfer through the Chase Manhattan Bank.

At that point I discussed with Mr. Jackman the repayme of the loans to all the individuals that we had borrowed money from. I readied the checks for everyone who had loaned money to the company, to pay back all of their loans which was right around May 15. But the funding did not com in.

We then got calls from Mr. Meltzer, and later on you w hear that Mr. Gulve got calls from the sheik and the emir telling us that problems had arisen and new banking instructions were to be forwarded and that there was also a problem because the sheik had been picked up, according to Mr. Meltzer, by the FBI and he was being questioned and tha whoever was making the complaints could cause an international incident.

We had received some telex numbers also from Mr. Meltze concerning new banking instructions, and those telex numbers related to funds that were to go into the Chase Manhattan Bank and find their way into the Intersea bank account. I called the Chase Manhattan Bank to check out those telex numbers and could not get verification on them at all.

During this time, myself and Mr. Gulve made a number of calls to the Chase Manhattan Bank, not only to the wire transfer section but to a Mr. Michael Elzay, the vice president in charge of Middle Eastern accounts. When we called the bank, Mr. Elzay's office would confirm the fact that Abdul Enterprises Foreign Investment Groups, Ltd. and Mr. Meltzer did in fact have sufficient funds on hand to fund our program and that we should not worry about it.

We started, myself and Mr. Gulve, calling Mr. Meltzer more and more. And the calls to Chase Manhattan Bank, we did not call on a regular basis, but we tried to maintain contact to see what their association was with this program. Again, we did not get any response other than the fact that there were enough facts on hand to fund this program.

In June of 1979 I was asked by Mr. Gulve to meet with a Special Agent Van Davis, FBI, who was located and was out of the San Diego office, concerning complaints that he had received from Mr. Joseph Meltzer. That first meeting was a very superficial meeting. The delays continued, and everyone became increasingly nervous.

In June of 1979, right after the initial meeting that I had with Agent Van Davis, I decided to call the FBI office in San Diego and speak to Mr. Davis directly. In calling him in June of '79 I asked him specifically because we had not received the funding that we were supposed to get and even though there were follow-up letters postponing the funding.

I asked Mr. Davis if Joseph Meltzer was real, had he ever been convicted of a crime in any way by any federal agency. I asked him if the sheik was real or the emir was real. I asked him if Abdul Enterprises was real. I asked him if Foreign Investment Groups, Ltd. was real. And I asked him if the association with Chase Manhattan Bank had any difficulties whatsoever.

After a long delay on the phone, the Agent Davis returned, saying that he could not locate the file on Mr. Meltzer, but as far as he could remember there was absolutely nothing that should stop us from dealing with Mr. Meltzer and/or any of the other parties I asked about.

He wanted me specifically to keep him informed on the phone conversations that I had with Mr. Meltzer and to let him know when the funding did in fact come in to Intersea Fisheries for their program.

After that phone conversation with Special Agent Davis, Mr. Gulve and I made additional phone calls to Mr. Meltzer, at which time I started trying something a little different. I told Mr. Meltzer that the FBI was very concerned about his activities and that Mr. Davis was visiting our office regularly. His comment to me was, if that so-and-so doesn't watch himself, I have my own FBI agent who will cause him all kinds of problems, get him transfered, better yet, lay him off. It made no sense to me at all.

In July of 1979, after the excuses continued and the delays continued, I personally received a call from a gentleman who said that his name was Aaron Alonzo, who I later found out was FBI Agent Aaron Sanchez. He stated to me that he heard about the Intersea Fisheries project and that he was an attorney for a wealthy Mexican family. He represented a lot of their wealth and was seeking to bring it out of Mexico and bring it into the United States and became very interested in the Intersea project.

He wanted to have a meeting, and I scheduled a meeting for him to come in to the San Diego office. We sat down again with the officers of Intersea, and this time Mr. Alonzo brought with him Mr. Gene Browning, whom he introduced as an attorney--I later found out his name was FBI Agent Gene Real--and a Mr. Luis Aguirre, who was also a part of their staff. I still do not know who Mr. Aguirre is.

They stated they were part of a number in the United States known as Pan American Associates, who was located at 3235 Hancock Street, Number 2, San Diego, California. We had at least three meetings after that relating directly to the Intersea project. And during that time Mr. Alonzo also said that he was interested in Colorado real estate.

One thing I would like to point out is, after the first meeting we had with Mr. Alonzo, he along with Mr. Browning and Mr. Aguirre asked me to come out into the hallway, which I did. He said that he had heard at that time Vice President Mondale was interested in the Intersea Fisheries program. I do not know where that rumor ever got started or how it got started. And it was left at that time. Nothing further was ever discussed about it.

We still did not have the funding for our program from Mr Meltzer and/or any of the companies that I have discussed. So I went back to Colorado. And my home at that time was in Dillon, Colorado. And I was playing tennis at the club where I played tennis. I got a call from Mr. Alonzo, requesting that he would like to ask additional questions concerning the Intersea program and would like to come and meet with me.

I suggested that he come up to my home in the wilderness area and invited him to come and have the meeting directly there. He arrived early, around 1:00 o'clock in the afternoon. And he brought with him his girlfriend, his supposed girlfriend, who he introduced as Kim Percy. Later I found out that Kim Percy was Special Agent Kim Neuboldt of the FBI office in Denver, Colorado.

Kim Percy was introduced to me as being the niece of Senator Charles Percy and represented a family fortune and could in fact invest in Colorado real estate and that was the reason she was there. She said that she had managed the Percy money for about the last three years and then asked specifically about some homes that she saw on the way to my personal home, one costing $250,000 and one costing $500,000.

In my home the questions ranged around Intersea Fisheries: does the program work, what do I think about it, what do I think about the officers related to it, and had the funding come in at this time? At that time it still had not come in.

Mr. Alonzo became very concerned about how I earned my money and wanted to know what I did other than working for Intersea Fisheries. And during that time, we started discussing the--the conversation changed and I started discussing various aspects about traveling to Mexico. I had conveyed to Mr. Alonzo that I had been to Mexico during the last year. I said that I enjoyed the country and enjoyed shopping.

At that point, in front of my wife and children, he brought up the fact that whenever I was in Mexico they had a back room that you could go into and make American Express cards and spend in Mexico and run up a bill and then leave the country and never have any problems.

After Mr. Alonzo and Ms. Percy left, my wife was very upset about that comment, because she does not lie, she does not do anything. A comment like that upset her very much, and she wanted to know what kind of people I was dealing with. My wife made dinner for them, and they stayed at our home until approximately 10:00 o'clock at night.

About a week later I received another call from Mr. Alonzo requesting that I set up an appointment with Mr. Donald Vaughn, who was going to build the ships directly. I set up the meeting again at the Red Carpet Room in Denver, United Airlines, when Mr. Vaughn flew in from Takoma, Washington. We had the meeting, and again Kim Percy came along to the meeting.

During the course of the meeting Mr. Alonzo tried to tell Mr. Vaughn how to build ships and tried to convey to him that the technology related to the ships left a lot of questions. He said the tuna were deaf, and Mr. Vaughn became very excited and the conversation became very heated. It ended with everyone shaking hands and with Mr. Alonzo stating that he would in fact get back to us.

About a week later I had another call from Aaron Alonzo, and he wanted a meeting with Jean Michel Cousteau. While during the course of my time working with Intersea Fisheries, Jean Michel and I became very good friends, so I called him at his office in Los Angeles and I requested that he meet Mr. Alonzo and Ms. Percy.

They both flew out to have a meeting with Jean Michel in Los Angeles. And Mr. Alonzo called me after that meeting, stating that Jean Michel did not believe in the program, he did not believe in the Intersea technology. I could not understand what was going on, because approximately the next day after that meeting I had received a letter from Jean Michel, stating that he was interested in working with the program, he enjoyed the meeting and he was looking forward to a successful venture.

As I told you, Mr. Alonzo called and said that Jean Michel did not believe in the project, but the letter stated otherwise. I kept trying to reach Mr. Alonzo by telephone at Pan American Associates in San Diego, and I was leaving a number of messages. And those messages, I was not getting return calls on.

I finally got a return call from Mr. Alonzo, and he said he was traveling throughout the country, but he was very upset again relating to the technology aspects of Intersea Fisheries, saying that they do not work. He was not interested in the program anymore. He said that he had checked with experts and that there is just no way the technology can work. He said it is not a state-of-the-art.

My comment to him, to the best of my memory, was that I did not have the luxury to travel all over the country with my expenses being paid by an employer who had unlimited funds. I did as much possible checking into the Intersea project as I could through attorneys and other experts that were related to the technology that they were trying to introduce.

I later believed that my statement about his travel expenses could have caused problems, because I did not know at that time that he was working for the FBI or any other governmental agency.

The period now is around September of 1979, beginning October 1979. I had gone back to San Diego for a very short time and then back to my home in Dillon, Colorado. Nothing still happened as far as funding goes, and everyone was trying to contact Meltzer and everyone related to it.

Halloween night of 1979 I got a call from Mr. Robert Jackman, president of Intersea Fisheries, while I was in Colorado. That night he said that FBI agents, in his words, 20 of them had surrounded the offices at the Fifth Avenue Financial Center and that they were taking all the documents. He did not know why.

He requested that--he asked for something to show the reason they were there for. To this date we have not received, or I have not received, the document to show why that raid was made.

Having worked with the Internal Revenue Service, I know that when you take documents from a taxpayer or a United

States citizen, you have to detail that list. The list that we received from the agents that had conducted this raid said 27 boxes of various documents. In those documents were my own personal income tax records, which I will relate to later, as well as clients' records, which I still to this date have never received.

During the course of the raid in San Diego, Mr. Moose Miller was supposed to be in charge of the raid. He again was an FBI agent, and as every one was, every other agent was packing the boxes up with the documents, he would answer the telephone, saying that everyone in the office was under arrest.

To this date no one has been arrested, no one has been charged of any crime. And the statements at that point were very damaging to clients and lenders and other people related to the project. A lot of people called to find out if anyone was in fact under arrest. And as I stated, no one has been.

I became very upset and requested the help of Ronald Warner again and went back to San Diego to look at the documents and to look at the offices, and they were completely bare. Everything was taken except a Yellow Pages phone book. As I stated, all my tax records were taken, all my tax receipts for 1979 were taken, my clients' records were taken.

I became very depressed, and I went back to Colorado, not knowing what was happening with this project. And in November of 1979, as I stated earlier, I almost committed suicide and my wife stopped me.

Right around the first part of November 1979 all the clients that I had in fact requested that they loan money to Intersea Fisheries were being interviewed by the Federal Bureau of Investigation. The FBI was calling and contacting them, telling them that the Intersea project was a fraud and in fact relating to them that everyone at the Intersea program was under FBI investigation.

I personally was called by an agent named Dennis Smith in the Denver field office, requesting that he wanted to interview me. I went down to the Denver office of the FBI and consented to the interview without an attorney. He asked me questions about the Intersea program and wanted to know if he could have any and all documents that I had that pertained to the project.

During the course of this interview, he made a statement, and the statement was, is this technology of Intersea Fisheries a state-of-the-art? At that point I got up and I hit my fist on the desk that he was at, and I told him that only one person had ever used those exact words in my presence before, is this a state-of-the-art, and that man's name was Aaron Alonzo. I asked him if he in fact, Aaron

Alonzo, was an FBI agent, and Mr. Smith said that he was an FBI agent. I asked him if Kim Percy was in fact an FBI agent, and he said yes.

Mr. Smith then told me that he did not really want to conduct this interview and that Agent Alonzo told Mr. Smith to convey to me that he apologized for what he had to do.

I had a call from a client in December 1979, and he had been interviewed by two FBI agents, one a man and one a woman. And fortunately, she had asked for their cards. She kept the cards, and I asked what the names were on those cards, and she said Aaron Sanchez and Kim Neuboldt. I kept those for reference, and I later found out those were the true names of the agents who came to my home.

In December 1979 Mr. Jackman as well as myself, being in San Diego, were receiving a number of calls. Our program was directly related to the Matsui Corporation, located in Japan, as well as some companies located in Somoa, the Japanese Central Market Totosan, and engineering companies throughout the United.States.

They were very upset that due to the FBI either directly or through various agencies comparable to the FBI in other countries had contacted them, discrediting the Intersea Fisheries program.

We still in December of 1979 had not received the funding from Mr. Meltzer and Abdul Enterprises or anything else.

In January of 1980 Tom Snyder had a TV show, and he commented on the fact that he was going to expose some type of government investigation. I stayed up and listened to the program and heard about something called Abscam related to Senators and congressmen and fictitious sheiks and Arab funding. None of our names were mentioned in that program, and I really wondered whether or not we were even part of or in any way associated to the Abscam governmental operation.

I called the Tom Snyder show to try to talk to someone, and they referred me to a reporter named Leslie Maitlin for the New York Times. They said that Ms. Maitlin broke the story and that I ought to talk to her.

I did call Ms. Maitlin twice. She finally returned my call and came to Colorado and San Diego to interview us and did in fact do a story on the Intersea operation, relating it to Abscam and relating it to Mr. Meltzer.

I continued to work at nothing and my life continued to go on. I had clients threatening me with lawsuits and my home life was falling apart. In May of 1980 my son started beating his head on the back of the car and almost had a nervous breakdown, not knowing what was happening to our family or anything else. At that point my wife said she couldn't take it anymore and she wanted a separation. So I decided to go to San Diego and spend some time there and maybe find out what the FBI was doing and why it was doing what it was doing.

Before I went to San Diego, I called Mr. Jackman and asked him if he would please have the courtesy to call the FBI office and set up a meeting. I also called Mr. Warner at Troy, Malin and Pottinger, and requested that an attorney be present.

In June of 1980 myself, Mr. Jackman, and Mr. Jeffrey Kramer, attorney for Troy, Malin, went to the FBI office in San Diego, specifically to the office of Mr. Robert Rose, who I later found out was an assistant United States attorney.

As I walked in the door, Mr. Rose greeted me, and he says, ah, finally, I get to meet the famous Mr. Stanczyk. My comment to him was, if I am famous, it is only because of you.

We proceeded to Mr. Rose's office, and in the office was Mr. Gene Browning. He was seated there along with Mr. Rose. I then found out that Mr. Browning's name was Gene Real, FBI agent. A lot of questions went on concerning the technology, why the records were seized. No straight answers really came out.

Finally, I got upset and I turned to Mr. Rose and I asked him if I could have time to ask some specific questions. And he said yes. He kept asking me if Mr. Kramer was my attorney, and I said no, I was there without an attorney. I kept asking him why he wanted to find out if I had my attorney there and I wanted to know if I in fact needed one. He said no.

My specific questions to Mr. Rose were: is Intersea Fisheries, myself, Robert Jackman, or anyone that has ever been connected with the company subject of an FBI investigation, an ongoing investigation; have we ever committed any criminal act; and are we currently subject of an investigation? Mr. Rose said, absolutely not.

I asked Mr. Rose specifically if he could tell me what were the real names of the FBI agents that came to my home in Dillon, Colorado. Mr. Rose's comment to me was, I forget and it would be best if you forget this whole thing, too.

The meeting ended. We had all gotten up, and we started out. And Gene Browning, Special Agent Gene Real, turned to Mr. Jackman and said, I hope your program succeeds because if it does I will mortgage my home and invest in your company.

The story that I have related to you has been a very damaging one. Since the events up until the time of June 1980 I have gone through a divorce, which was finalized 12/4/1981. I have incurred numerous debts. The Internal Revenue Service in Denver has requested to audit my tax returns. I told them that I could not present my records for the years in question because they had been seized by the U.S. attorney's office. They have never taken the time to try to request my records or try to get help during the course of my examination. I have had numerous instances with the IRS that related to comparable actions on their part which parallel those of the FBI.

In conclusion, I would just like to say that I have worked for the United States Government, I have worked as an Internal Revenue agent, and I really could never have believed that an institution like the Chase Manhattan Bank or the FBI could ever cause this form of deception and ruination of both businsss and personal lives.

Thank you.

Mr. EDWARDS. Thank you very much, Mr. Stanczyk.

Mr. Maturo.

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name
ROBERTS, JOHN: FILES

Withdrawer
MJD 8/7/2005

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DOC NO	*Document Type* *Document Description*	*No of pages*	*Doc Date*	*Restrictions*	
1	LETTER G.L. MIHLBACHLER TO JOANN MARIE STANCZYK RE TAX ASSESSMENT (W/ATTACHMENTS)	5	8/30/1985	B6	951

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]
B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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C. Closed in accordance with restrictions contained in donor's deed of gift.

pay up to $9 a day for boarding:

luxury!

... The Main Line Animal Inn — with a ... holiday menu that included a ... appetizer and people crackers for des... with sheepskin beds and rawhide treats, stockings hung with care on cages and ... the Pooh decals decorating doors — the sort of place a dog owner would feel ... about ...

... if you think you've ever seen a dog ... like this, take a look at the wording of ... brochure that Marcia Wolpert believes is ... anteed to lure you and your pet from ... she describes as the "slop houses" of ... kennels to the subdued luxury of the ...

(See DOGS on 8-A)

would prohibit federal judges ... dling desegregation cases from ordering busing for students who live more than five miles or 15 minutes from their schools.

"Long-distance busing is a leech on the educational system of this country," said Sen. J. Bennett Johnston (D., La.), the principal supporter of the proposal.

The amendment "is a pernicious precedent," said Sen. Carl Levin (D., Mich.), who voted against the measure. "The courts are going to be hobbled by this kind of approach."

Further action on the overall bill was not expected until next week.

Levin said that if judges are restricted on how they can enforce minority rights, there is nothing to prevent Congress from intruding on other constitutional rights such as free speech.

Senate conservatives have been pushing proposals to strip federal judges of authority to rule in busing, school prayer and abortion cases.

A companion anti-busing amendment, sponsored by Sen. Jesse Helms (R., N.C.), would bar Justice Depart-

(See BUSING on 8-A)

Amendment's sponsor ...

Businessmen say Abscam conned them

By Aaron Epstein
Inquirer Washington Bureau

WASHINGTON — Two of the four businessmen said they tried to kill themselves. One man's marriage ended in divorce. The businesses of all four are now deeply in debt.

They had big plans in 1979 when they decided to invest in ventures that included acoustical fishing lures that would catch tuna while repelling dolphins, a science-fiction movie with an international cast, a real-estate development in the Virgin Islands, an automatic ore-processing plant.

Yesterday, though, the men told a House Judiciary subcommittee that they wound up as innocent victims of the FBI's undercover operation called Abscam, the big plans shattered and their lives profoundly altered.

The embittered witnesses said Joseph Meltzer, an FBI informer who had a record of a conviction in confidence schemes, had swindled them while representing the FBI's phony Abdul Enterprises. They also blamed Chase Manhattan Bank, which assured them of the financial solvency of the nonexistent Arab buusinessman, Abdul, running Abdul Enterprises. And they blamed the FBI agents whom they said covered up Meltzer's activities.

The four businessmen are Richard Stanczyk, a Denver-area tax consultant; Sam Maturo, a film producer and Kai Gulve, a financial consultant, both of San Diego; and James ...

(See ABSCAM on 11-A)

red

...ky size is burglar's giveaway

... Super... the ring of Yancey ... was easy ... burglar, had ... longed to ... burglary ... Klein... out his ... said. "It ... to return

the ring to Mary Randolph Robbins, 83, of Commercial Township. She said the ring was among $178,000 worth of items taken last year in a burglary at her home.

Coursey, a Commercial Township man serving time at Rahway State Prison for the burglary, contended that the ring and $1,867 in cash confiscated when he was arrested belonged to him before the crime. He went before Kleiner Wednesday to ask for the items back.

Mrs. Robbins said she thought that the ring belonged to her late husband, a Delaware Bay oysterman, and thus should be returned to her.

That was when Kleiner ordered Coursey to produce his finger.

"You could tell by looking at it that it wasn't new," Kleiner said. "It's reasonable to believe that a person would have bought a new ring and the ring would have fit."

The judge used similar logic in the case of the cash.

"Mr. Coursey had been convicted of burglary," he said, "and the court could conceive, without any question, that the money he had was Mrs. Robbins' money."

...ion plan seen for riverfront revival

... all to trans... of the city's ... of unused ... ustry into a ... orhood was ... City Plan... ... provide ... eded for the ... to the plan ... create 3,900

permanent jobs and would contribute about 7 percent of the city's total real estate tax base, the commission's staff said.

According to the plan, the central section, which stretches for two miles from Spring Garden Street south to Reed Street, could be developed during the next 15 years into a neighborhood containing between 4,700 and 6,000 housing units, substantial retail space and three marinas.

The plan, intended as a framework for city decisions about the central waterfront, is a statement of long-term policy, not a legally enforceable development plan, G. Craig Schelter, the commission's executive director, said yesterday.

"The waterfront is a whole new market, and we really do not know how it will develop," he said.

"But in most other cities where the waterfront has been developed in this way, it goes much faster than anyone ever anticipates."

Nevertheless, the city will have a lot of control about how the plans go forward, because it owns 16 of the 20 piers along the two-mile stretch and much of the other land in the area as well. Many of the most dramatic aspects of the plan are five to 15 year into the future, Schelter told th commission at its regular meeting i City Hall Annex.

However, work will proceed imm...

(See WATERFRONT on 8-A)

Philadelphia Inquirer
2.5.82

Four businessmen say Abscam cheated them

ABSCAM, from 1-A

Buderus, a real-estate investor in the Santa Cruz, Calif., area.

Rep. Don Edwards (D., Calif.), a former FBI agent who is chairman of the subcommittee on civil and constitutional rights, and Rep. Henry J. Hyde of Illinois, the panel's top Republican, said they were "very disturbed" by the testimony.

"The relevant question is — and where have I heard this before? — 'What did the FBI know and when did they know it?' " Hyde remarked.

Edwards, a frequent critic of the FBI and its undercover activities, told the businessmen:

"We're very sorry that the federal involvement in your lives has been so devastating."

He promised that the subcommittee would continue to explore the abuses of the FBI's "very new" practice of "hiring hoodlums" to participate in "sting" operations without adequate supervision.

"We were told that there would be strict controls on these middlemen and that they would be supervised on an hour-by-hour, day-by-day basis so they can't do the things they're now accused of doing," Edwards said.

Edwards added that lack of supervision in the Abscam operation "resulted in literally ruining the lives and dreams of many innocent persons."

At various times and places, Meltzer assured the four businessmen that they would get large loans on attractive terms from the Arab "emir" he represented. As a precondition, they paid Meltzer tens of thousands of dollars in "up front" money, they said.

Their doubts about Meltzer were dispelled, they said, by others who turned out to be FBI agents and by the Chase Manhattan Bank, where an Abscam account reportedly was set up.

"If a giant in the banking industry cannot be trusted, whom can we trust?" Buderus asked.

"It was totally impossible for me to find any negative aspects of this Arab investment firm," Gulve added.

Washington lawyers Robert Flynn and David Dir theorized that Meltzer used his Abdul Enterprises connection to entice at least $150,000 out of investors and that the FBI, after discovering Meltzer's extra-curricular con game, covered it up to protect the secrecy of Abscam in late 1979 and early 1980.

Flynn and Dir represent the four businessmen as well as Sen. Harrison A. Williams Jr., (D., N.J.), one of seven members of Congress convicted of corruption in Abscam.

Meltzer, 56, is serving federal prison terms for stealing $100,000 worth of McDonald's Corp. securities and for swindling numerous Abscam victims.

Unlike Meltzer, the four businessmen have never been in trouble with the law, subcommittee lawyers said.

Stanczyk, 39, a former IRS fraud specialist in Detroit and Denver, said he collected $150,000 from Colorado clients for a tuna-fishing venture of Intersea Fisheries Inc. of San Diego.

When he consulted a lawyer about the viability of the fishing project, Stanczyk said he was told that "on a scale from 1 to 10, it's a 9."

He said he had expected to earn $200,000 a year plus expenses and other income if everything worked out. A promised Meltzer investment of $100 million did not arrive, though, despite assurances from Chase Manhattan that Meltzer's group was "a substantial client with sufficient assets."

Growing suspicious by June 1979, seven months before the Abscam investigation became public, Stanczyk said he asked an FBI agent in San Diego about Meltzer and was assured that there were no problems.

His hopes were further shored up in succeeding months by Aaron Sanchez, who said he was a lawyer for a wealthy Mexican family interested in the tuna project, and by Kim Percy, who identified herself as the niece of Sen. Charles Percy (R., Ill.), another purported investor.

Glumly, Stanczyk said Sanchez turned out to be FBI agent Aaron Alonzo and Kim Percy was FBI agent Kim Neuboldt.

On Halloween 1979, the FBI raided Intersea offices in San Diego and seized 27 boxes of documents, including the tax records of Stanczyk and his clients, who were questioned by federal agents.

"To this date, I don't know why that raid was made," Stanczyk told the subcommittee. "No one has been arrested. No one has been charged with any crime."

Stanczyk said his business was lost, his family split by divorce and his large debts unpaid. Furthermore, he said, he is unable to defend himself in an IRS audit because the FBI still has his tax records.

"I never believed," he said sadly, "that institutions such as Chase Manhattan or the FBI would ever take part in deceptions and ruin the personal and business lives of innocent persons."

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ARMED SERVICES COMMITTEE
POST OFFICE AND CIVIL SERVICE COMMITTEE
JUDICIARY

March 22, 1982

Richard Stanczyk
P. O. Box 2695
Dillon, CO 80435

Dear Mr. Stanczyk:

Thanks for testifying before the House Judiciary Subcommittee on Civil and Constitutional Rights. We appreciated your retelling your ordeal.

I saw the article in the Denver Post. I'm glad that you finally got to tell your story to the homefolks.

Sincerely,

Patricia Schroeder
Congresswoman

PS/ap

Congress of the United States
House of Representatives
Washington, D.C. 20515

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M.C.