

CID REPORT OF INVESTIGATION (Military Police) For use of this form, see AR 195-10; the proponent agency is the Office of the Deputy Chief of Staff for Personnel		
<b>PREPARING CID AGENCY</b> Investigation Element Operations Directorate, USACIDC Washington, DC 20318	<b>TYPE OF REPORT</b> 3d Supplemental	<b>REPORT NUMBER</b> 69-CID011-00016
	<b>PERIOD COVERED</b> 21 May 74	
<b>OFFENSE</b> 1. Conspiracy to Extort 2. Extortion 3. Conspiracy to commit Larceny 4. Larceny		<b>DATE OF REPORT</b>
<b>SUBJECT(S)</b> (Last name - First name - Middle name - Grade - SSAN - Organization or address and ZIP Code) MareDEM LTD., 4301 W. Commonwealth Ave., Fullerton, CA 92633 and 7 others.		
<b>BASIS FOR INVESTIGATION</b> Reference is made to final CID ROI 69-CID011-00016, 16 Jan 70.		
<b>INVESTIGATIVE SUMMARY</b> Attached as Exhibits ZZZZZZZZ thru LLLLLLLLL, are either originals or duplicates of original exhibits retained in the files of this office not previously utilized in preparation of the final CID ROI.		
<b>DISTRIBUTION</b> COMUSACIDC, ATTN: CIDC-J CRD, Ft Holabird, MD file	<b>COPIES</b> 1 (1) 1	<b>DATE OF NOTICE TO CO RESPONSIBLE FOR SUBMISSION OF DA FORM 268</b> <b>INVESTIGATOR (Signature)</b> (b)(6) (b)(7)(C) <b>TYPED NAME, TITLE, AND ORGANIZATION</b> (b)(6) (b)(7)(C), (b)(7)(E) <b>APPROVING OFFICER (Signature)</b> (b)(6) (b)(7)(C) ATC, GS <b>TITLE, AND ORGANIZATION</b> (b)(6) (b)(7)(C) COL, GS, Dir, OPNS

EXHIBITS

1. ATTACHED

ZZZZZZZZ. Envelope with check #1448 and DA Form 19-31 with full description.

AAAAAAAAAA. Envelope with check #510 and DA Form 19-31 with full description.

BBBBBBBBBB. Envelope with checks #246, 255, 294, 295 DA Form 19-31 with full description.

CCCCCCCCCC. Envelope with checks # 103, 016, 144, 1084, 1153, 1155 and DA Form 19-31 with full description.

DDDDDDDDDD. Envelope with check #187 and DA Form 19-31 with full description.

EEEEEEEEEE. Envelope with black bood and DA Form 19-31 with full description.

FFFFFFFFFF. Envelope with checks #028, 060, 095, 219, 21, 166, 250 and DA Form 19-31 with full description.

HHHHHHHHH. Envelope with checks, DA Form 19-31 with full description.

IIIIIIIII. Envelope with 340 MACV Forms and DA Form 19-31 with full description.

JJJJJJJJJ. Envelope with check #360, and DA Form 19-31 with full description.

KKKKKKKKK. Envelope with calendars and check stubs, DA Form 19-31 with full description.

LLLLLLLLL. Envelope with miscellaneous documents and DA Form 19-31 with full description.

CID REPORT OF INVESTIGATION <i>(Military Police)</i> For use of this form, see AR 195-10; the proponent agency is the Office of the Deputy Chief of Staff for Personnel		7#5/2B/5F/8X
PREPARING CID AGENCY Investigations Directorate USACIDC, DA Washington, D.C.	TYPE OF REPORT 2d Supplemental	REPORT NUMBER 69-CID011-00016
	PERIOD COVERED 31 Jul 73	
OFFENSE 1. Conspiracy to Extort 2. Extortion 3. Conspiracy to Commit Larceny 4. Larceny (Contd, see attached sheet)		DATE OF REPORT 8 AUG 1973
SUBJECT(S) (Last name - First name - Middle name - Grade - SSAN - Organization or address and ZIP Code) MAREDEM, LTD., 4301 W. Commonwealth Ave., Fullerton, CA 92633 MARMED, INC., dba MAREDEM, INC., 4301 W. Commonwealth Ave., Fullerton, CA 92633 C.H.S., LTD., aka CLUB HOTEL SUPPLIES, LTD., 1325 Prince's Bldg, Hong Kong, BCC (Continued, see attached sheets) (1&3)		
BASIS FOR INVESTIGATION Reference is made to CID ROI 70-CID011-00016, Completed, 8 Nov 71.		
INVESTIGATIVE SUMMARY  On 31 Jul 73, a Reporter's Partial Transcript of Proceedings was received from the Official Reporter, US District Court, Central District of California, which documented the following:  On 29 May 73, having been found guilty as charged; WOOLDRIDGE, LAZAR, BASS and HIGDON appeared or were duly represented in the above referenced court where they were sentenced as follows:  WOOLDRIDGE was committed to the custody of the Attorney General for four years, sentence suspended; and was placed on probation for a period of five years.  LAZAR was committed to the custody of the Attorney General for a period of five years, sentence suspended; and was placed on probation for a period of five years.  BASS was committed to the custody of the Attorney General for a period of two years, sentence suspended; and was placed on probation for five years.  HIGDON was committed to the custody of the Attorney General for a period of five years, sentence suspended; and was placed on probation for a period of five years. (Continued, see attached sheet)		
DISTRIBUTION	COPIES	DATE OF NOTICE TO CO RESPONSIBLE FOR SUBMISSION OF DA FORM 268
Dir, USACRD (Repos cy) File	1	INVESTIGATOR (Signature) (b)(6) (b)(7)(C)
	1	TYPED NAME, TITLE, AND ORGANIZATION (b)(6) (b)(7)(C), (b) (7)(E)
		APPROVING OFFICER (Signature) (b)(6) (b)(7)(C)
		TYPED NAME, GRADE, TITLE, AND ORGANIZATION (b)(6) (b)(7)(C) LTC, GS Dir, Inves Dir

OFFENSE (Continued)

5. Graft
6. Violation of a Lawful General Regulation (MACV Dir 37-6, Unlawful Currency Transactions).
7. Violation of a Lawful General Regulation (COMSERVPAC Instructions 4200.1, Purchase Responsibilities of Navy Purchasing Department, Hong Kong as Hong Kong Branch Procurement Office).
8. Violation of a Lawful General Regulation (Army Regulation 600-50, Standards of Conduct, DA Personnel).
9. Larceny (Unfounded)

SUBJECTS (Continued)

WOOLDRIDGE, William Orville; (1,2,5,6 and 8); SGM; (b)(6) (b)(7)(C) HQ Co;  
 USAG, White Sands Missile Range, NM 88002

HIGDON, William Ernest; (1,2,3,4,5,7,8 and 9); MSG; (b)(6) (b)(7)(C) HHD, Trp  
 Cmd, USAMICOM, Redstone Arsenal, AL

HATCHER, Narvaez (NMN) (Deceased); (1,2,5,8, and 9); SSG (Ret); (b)(6) (b)(7)(C)  
 (b)(6) (b)(7)(C)

LAZAR, Seymour Terry; (1,2,3,4,5,6,8, and 9); SFC (Ret); (b)(6) (b)(7)(C)  
 (b)(6) (b)(7)(C)

BASS, Theodore Delano; (1 & 2); (b)(6) (b)(7)(C)  
 (b)(6) (b)(7)(C)

INVESTIGATIVE SUMMARY (Continued)

The indictment against HATCHER was dismissed as he expired prior to the date of trial.

EXHIBITS

1. ATTACHED

YYYYYYYY. Transcript of Proceedings, 29 May 73 (cy)

2. NOT ATTACHED

The original of Exhibit XXXXXXXX, not previously appended, is attached to the Repos cy of this report.

The original of Exhibit YYYYYYYY, is retained in the files of US District Court, Central District of California.

FOR OFFICIAL USE ONLY

b

1059  
000005

**FOR OFFICIAL USE ONLY**

<b>CID REPORT OF INVESTIGATION</b> <i>(Military Police)</i> For use of this form, see AR 195-10 - TB PMG 3; the proponent agency is the Office of the Provost Marshal General.		
PREPARING CID AGENCY US Army CID Agency 2d and S Street Washington, D. C. 20315	TYPE OF REPORT 1st Supplemental	REPORT NUMBER  69-CID011-00016
	PERIOD COVERED 20-28 January 1970	
OFFENSE 1. Conspiracy to Extort 2. Extortion 3. Conspiracy to Commit Larceny 4. Larceny (Contd, see attached sheet)		DATE OF REPORT  9 February 1970
SUBJECT(S) <i>(Last name - First name - Middle name - Grade - SSAN - Organization or address and ZIP Code)</i>  MAREDEM, LTD., 4301 W. Commonwealth Ave., Fullerton, CA 92633 MARMED, INC., dba MAREDEM, INC., 4301 W. Commonwealth Ave., Fullerton, CA 92633 C.H.S., LTD., aka CLUB HOTEL SUPPLIES, LTD., 1325 Prince's Bldg, Hong Kong, BCC (Continued, see attached sheets) (1&3)		
BASIS FOR INVESTIGATION  Reference is made to Completed CID Report of Investigation 69-CID011-00016, dated 16 January 1970.		
INVESTIGATIVE SUMMARY  Investigation was conducted to determine if Mr. Pelligrino J. PELLIGRINI, Military Sales Manager, Great West Food Packers, Inc., San Francisco, California, had conspired with LAZAR to steal funds through false freight charges on Sea Land van shipments to the NCO/EM club systems of USARV, 1st Infantry Division, and the 23d Infantry Division (Americal), and whether PELLIGRINI had been paid a commission from the false freight charges. Investigation revealed no evidence that PELLIGRINI had wrongfully conspired with LAZAR to steal funds from the club systems through false freight charges or that PELLIGRINI had personally profited from such freight charges.		
DISTRIBUTION	COPIES	DATE OF NOTICE TO CO RESPONSIBLE FOR SUBMISSION OF DA FORM 268 23 July 1969
CG, AMC, Wash, DC (Info cy)	1	(b)(6) (b)(7)(C)
CG, USA, MICOM, Redstone Arsenal, Huntsville, AL (Action cy)	1	
CO, USAG, White Sands Missile Range, White Sands, NM (Action cy)	1	(b)(6) (b)(7)(C) ORGANIZATION
Dir, Intel Div, IRS, Wash, DC (Info cy)	1	Criminal Investigator
SA, ATTN: Army General Counsel, Wash, DC (Info cy)	1	(b)(6) (b)(7)(C)
Department of Justice, Wash, DC	1	
Dir, USAIRR-CRD (Repos cy)	1	TYPED NAME, GRADE, TITLE, AND ORGANIZATION
TPMG, Wash, DC (Info cy)	1	(b)(6) (b)(7)(C) COL, MPC
FILE	1	CO, USACIDA, Washington, DC

DA FORM 2800  
1 JAN 68

REPLACES DA FORM 1 JAN 68 WHICH IS OBSOLETE.

**FOR OFFICIAL USE ONLY**

000006

FOR OFFICIAL USE ONLY

69-CID011-00016

OFFENSE (Contd)

5. Graft
6. Violation of a Lawful General Regulation (MACV Dir 37-6, Unlawful Currency Transactions).
7. Violation of a Lawful General Regulation (COMSERVPAC Instructions 4200.1, Purchase Responsibilities of Navy Purchasing Department, Hong Kong as Hong Kong Branch Procurement Office).
8. Violation of a Lawful General Regulation (Army Regulation 600-50, Standards of Conduct, DA Personnel).
9. Larceny (Unfounded)

SUBJECTS (Contd)

WOOLDRIDGE, William Orville; (1, 2, 5, 6, and 8); SGM; (b)(6) (b)(7)(C) HQ Co; USAG, White Sands Missile Range, NM 88002

HIGDON, William Ernest; (1, 2, 3, 4, 5, 7, 8, and 9); MSG; (b)(6) (b)(7)(C) HHD, Trp Cmd, USAMICOM, Redstone Arsenal, AL

HATCHER, Narvaez (NMI); (1, 2, 5, 8, and 9); SSG (Ret); (b)(6) (b)(7)(C)  
(b)(6) (b)(7)(C)

LAZAR, Seymour Terry; (1, 2, 3, 4, 5, 6, 8, and 9); SFC (Ret); (b)(6) (b)(7)(C)  
(b)(6) (b)(7)(C)

BASS, Theodore Delano; (1 & 2); (b)(6) (b)(7)(C)

FOR OFFICIAL USE ONLY

8

000007

EXHIBITS

1. ATTACHED

XXXXXXX. Statement of Crim Inves (b)(6) (b)(7)(C) 28 Jan 70 (cy)

2. NOT ATTACHED

The original of Exhibit XXXXXXXX is retained in the files of this organization.

9

FOR OFFICIAL USE ONLY

<b>CID REPORT OF INVESTIGATION</b> <small>(Military Police)</small> For use of this form, see AR 195-10 - TB PMG 3; the proponent agency is the Office of the Provost Marshal General.		7FS/7B/5F/8X
PREPARING CID AGENCY US Army CID Agency Rm 4104, Munitions Building Washington, D. C. 20315	TYPE OF REPORT Completed	REPORT NUMBER 69-CID011-00016
PERIOD COVERED 1 Jul 69 - 9 Jan 70		DATE OF REPORT 16 January 1970
OFFENSE 1. Conspiracy to Extort    2. Extortion    3. Conspiracy to Commit Larceny 4. Larceny (Contd, see attached sheet)		
SUBJECT(S) (Last name - First name - Middle name - Grade - SSAN - Organization or address and ZIP Code) MAREDEM, LTD., 4301 W. Commonwealth Ave., Fullerton, CA 92633 MARMED, INC., dba MAREDEM, INC., 4301 W. Commonwealth Ave., Fullerton, CA 92633 C.H.S., LTD., aka CLUB HOTEL SUPPLIES, LTD., 1325 Prince's Bldg, Hong Kong, BCC (Continued, see attached sheets) (1 & 3)		
BASIS FOR INVESTIGATION On 1 July 1969, TPMG directed that investigation be initiated concerning the involvement of military personnel in the formation, ownership, and business operations of MAREDEM, INC., (MPR #230-1A, 1B, 2A)		
INVESTIGATIVE SUMMARY Investigation disclosed that between 1962 and 1965, HATCHER, HIGDON, LAZAR, BASS, and SFC William Collins BAGBY were employed at various times within the NCO/EM club systems of the 24th Infantry Division in Augsburg and Munich, Germany. From 1 March 1963 to 29 January 1965, WOOLDRIDGE was Division Sergeant Major, and on 3 December 1964 was designated as the personal representative of the Commanding General in activities of the club system. Investigation disclosed evidence that during this period of time, the club system sustained heavy losses through theft, mismanagement, lack of supervision, and unauthorized use of club system funds and merchandise for the personal benefit of WOOLDRIDGE and others. Investigation also indicated that WOOLDRIDGE had wrongfully appropriated furnishings that had been donated by ALCORN for use within the club system. Investigation also indicated that during their association in the 24th Infantry Division, WOOLDRIDGE, HATCHER, HIGDON, LAZAR, and BASS formed a conspiracy to effect assignments of personnel, including themselves, to positions in which they could exercise control of activities within various club systems. (Reference: MPR 2028-65, dated May 1966, Augsburg Field Office, 13th MP Det (CI), APO New York 09178). Further indication of this conspiracy was developed during investigation by the CID, Fort Benning, Georgia, between 1 August 1967, and January of 1968. (Reference: CID ROI AT-(AJ-3A)-67-331, dated 7 March 1968). (continued, see attached sheets)		
DISTRIBUTION	COPIES	DATE OF NOTICE TO CO RESPONSIBLE FOR SUBMISSION OF DA FORM 268 23 July 1969
CG, AMC, Wash, DC (Info cy)	1	(b)(6) (b)(7)(C)
CG, USA, MICOM, Redstone Arsenal, Huntsville, AL (Action cy)	1	
CO, USAG, White Sands Missile Range, White Sands, NM (Action cy)	1	TYPED NAME, TITLE, AND ORGANIZATION (b)(6) (b)(7)(C) Criminal Investigator
Dir, Intel Div, IRS, Wash, DC (Info cy)	1	APPROVING OFFICER (Signature) (b)(6) (b)(7)(C)
SA, ATTN: Army General Counsel, Wash, DC (Info cy)	1	
Department of Justice, Wash, DC	1	TYPED NAME, TITLE, AND ORGANIZATION (b)(6) (b)(7)(C) COL, MPC CO, USACIDA, Washington, DC
Dir, USAIRR-CRD (Repos cy)	1	
TPMG, Wash, DC (Info cy)	1	
FILE	1	

DA FORM 2800  
1 JAN 66

REPLACES EDITION OF 1 JAN 64, WHICH IS OBSOLETE.

FOR OFFICIAL USE ONLY

10 000009

**FOR OFFICIAL USE ONLY**

**CID REPORT OF INVESTIGATION - ADMINISTRATIVE DATA**

REPORT NUMBER  
69-CID011-00016

For use of this form, see AR 195-10; the proponent agency is the Office of The Provost Marshal General.

**SUBJECT(S)** (Show last name and following personal data in order listed: Service number; Security clearance; DOB; POB; Sex; Race; Height; Weight; Hair color; Eye color; Build; Identifying marks; Former name, aliases, or service number; Disposition of subject; Results of repository check.)

MAREDEM, LTD., USAIRR-negative  
 MARMED, INC., dba MAREDEM, INC. USAIRR-negative  
 C. H. S., LTD., aka CLUB HOTEL SUPPLIES, LTD. USAIRR-negative  
 WOOLDRIDGE: RA (b)(6) (b)(7)(C) TS: (b)(6) (b)(7)(C) M; Cauc; 72 in; 190 lbs;  
 brown hair; brown eyes; medium build; on duty with assigned unit; USAIRR- Subject of CID  
 ROI A-6, completed 25 Jan 43, London, England, offense of Larceny (founded); CID ROI 69-  
 CID011-00017, completed 29 Sep 69, Wash, DC, offense US Customs Violation (founded);  
 CID ROI 69-CID011-00020, completed 18 Dec 69, Wash, DC, offense Frauds Against the  
 US Government (founded); (Continued, see attached sheets)

**VICTIM(S)** (Show full name and following personal data in order listed: SSAN; Service number; Organization or address; Position occupied; Grade or title; Sex; Race; DOB; POB; Former military rank or service number; Location of victim.)

United States Government (3, 4, 5, 6, 7, 8, and 9)  
 HAAR, Phillip Morris: (1&2); SSAN: Unk; (b)(6) (b)(7)(C)  
 President, BAR DISPENSERS, FAR EAST, INC.; M; Cauc; 31 Aug 17; Denver, CO

**AGGREGATE DOLLAR VALUE OF PROPERTY**

	STOLEN	LOST	DAMAGED	RECOVERED
US GOVT	\$16,232.39			None
PRIVATE		Unknown		None

**COORDINATION**

INTELLIGENCE	DATE INITIAL NOTIFICATION	NAME OF PERSON RECEIVING NOTIFICATION
	20 Aug 69	S/A (b)(6) (b)(7)(C)
JUDGE ADVOCATE	DATE CASE DISCUSSED	NAME OF PERSON DISCUSSED WITH
	1 Jul - 20 Dec 69	LTC (b)(6) (b)(7)(C)
PROVOST MARSHAL	DATE INITIAL NOTIFICATION	NAME OF PERSON RECEIVING NOTIFICATION
	1 Jul 69	COL (b)(6) (b)(7)(C)
OTHER	DATE COMPLETED	INSTALLATION PROVOST MARSHAL APPROVAL
OTHER	SPECIFY AGENCY, DATE, PERSON NOTIFIED	
	US Internal Revenue Service, Washington, DC, 21 Aug 69, Mr. (b)(6) (b)(7)(C)	

TOTAL AMOUNT OF CID FUNDS EXPENDED ON INVESTIGATION (Enter on repository and file copies only.) \$

REMARKS

REVIEW

FOR OFFICIAL USE ONLY

69-CID011-00016

OFFENSES (Contd)

- 5. Graft.
- 6. Violation of a Lawful General Regulation (MACV Dir 37-6, Unlawful Currency Transactions).
- 7. Violation of a Lawful General Regulation (COMSERVPAC Instructions 4200.1, Purchase Responsibilities of Navy Purchasing Department, Hong Kong as Hong Kong Branch Procurement Office).
- 8. Violation of a Lawful General Regulation (Army Regulation 600-50, Standards of Conduct, DA Personnel).
- 9. Larceny (Unfounded)

SUBJECTS (Contd) (DA Form 2800)

WOOLDRIDGE, William Orville; (1, 2, 5, 6, and 8); SGM; (b)(6) (b)(7)(C) HQ Co; USAG, White Sands Missile Range, NM 88002

HIGDON, William Ernest; (1, 2, 3, 4, 5, 7, 8, and 9); MSG; (b)(6) (b)(7)(C) HHD, Trp Cmd, USAMICOM, Redstone Arsenal, AL

HATCHER, Narvaez (NMI); (1, 2, 5, 8, and 9); SSG (ret); (b)(6) (b)(7)(C)

LAZAR, Seymour Terry; (1, 2, 3, 4, 5, 6, 8, and 9); SFC (Ret); (b)(6) (b)(7)(C)

BASS, Theodore Delano; (1 & 2); (b)(6) (b)(7)(C)

SUBJECTS (Contd) (DA Form 2800-1)

(b)(6) (b)(7)(C)

HIGDON: RA (b)(6) (b)(7)(C) (b)(6) (b)(7)(C) M: Cause 75  
280 lbs; grey hair; blue eyes; large build; alias: (b)(6) (b)(7)(C)  
on duty with unit; USAIRR- Subject of CID ROI 6(C)-59-148, completed 4 Aug 59,

12

000011

69-CID011-00016

SUBJECTS (Contd) (DA Form 2800-1)**(b)(6) (b)(7)(C)**

HATCHER: **(b)(6) (b)(7)(C)** M; Cauc; 72 in; 192 lbs; blond hair; blue eyes; medium build; residing at listed address; SSG, (US Army Retired); RA **(b)(6) (b)(7)(C)**

**(b)(6) (b)(7)(C)** USAIRR- Subject of CID ROI 68-CID058-61495, completed 2 May 69, Republic of Vietnam, offense Blackmarket (founded); MPR #AUGS-2028-65, completed 10 May 66, Augsburg, Germany, offense Larceny, Fraud, Adultery (founded); CID ROI 68-CID448-25494, completed 6 Apr 68, Republic of Vietnam, offense Wrongful Appropriation (founded); CID ROI AT-(AJ-3A)-67-331, completed 7 Mar 68, Fort Benning, GA, offense Larceny, Fraud, Wrongful Disposition, Falsification of Public Documents and Receiving Stolen Property (founded); CID ROI CID-GP-68-150, pending, Republic of Vietnam, offense Larceny.

LAZAR: **(b)(6) (b)(7)(C)** M; Cauc; 72 in; 195 lbs; brown hair; brown eyes; medium build; residing at listed address; SFC (US Army Retired); RA **(b)(6) (b)(7)(C)**

**(b)(6) (b)(7)(C)** USAIRR- Subject of CID ROI GP-(MACV-HSAS)-65-324, completed 17 Mar 66, Republic of Vietnam, offense Wrongful Appropriation (founded); CID ROI GP-(USARV-1st Div)-67-136, completed 14 Apr 68, Republic of Vietnam, offense Violation of a Lawful General Regulation (founded).

BASS: **(b)(6) (b)(7)(C)** M; Cauc; 73 in; 200 lbs; brown hair; grey eyes; medium build; formerly SSG, RA **(b)(6) (b)(7)(C)** USAIRR- Subject of CID ROI AT-(AJ-3A)-67-331, completed 7 Mar 68, Fort Benning, GA, offense of Larceny, Fraud, Wrongful Disposition, Falsification of Public Documents, and Receiving Stolen Property (founded); CID ROI CID-GP-68-150, pending, Republic of Vietnam, offense Larceny.

INVESTIGATIVE SUMMARY (Contd)

Subsequent to assignments with the 24th Infantry Division, WOOLDRIDGE and LAZAR were assigned to the 1st Infantry Division, Fort Riley, Kansas, where WOOLDRIDGE became Division Sergeant Major. HIGDON was also assigned to Fort Riley, Kansas, but was later transferred to Fort McPherson, Georgia, where he became custodian of the NCO club. In late 1965, WOOLDRIDGE and LAZAR moved to Vietnam with the 1st Infantry Division. HATCHER and BAGBY moved from the 24th Infantry Division to Fort Benning, Georgia, where both were assigned duties

13

~~8~~ 10

INVESTIGATIVE SUMMARY (Contd)

within the NCO/EM club system. BASS was discharged from the service in June of 1966, and was subsequently employed as a club manager in the NCO/EM club system at Fort Benning. In late 1967, HATCHER, BAGBY, and BASS were relieved from duties in the club system because of irregularities disclosed by CID investigation. (Reference: CID ROI AT-(AJ-3A)-67-331, dated 8 March 1968).

In 1967, while all were on active duty, WOOLDRIDGE, HATCHER, HIGDON, and LAZAR agreed to form a company to sell supplies and equipment to club systems in Vietnam. About 30 August 1967, LAZAR forwarded a letter to Mr. (b)(6) (b)(7)(C) (b)(6) (b)(7)(C) an attorney in Junction City, Kansas, and requested that (b)(6) (b)(7)(C) form a company to be known as "A" BURG BROTHERS. LAZAR specified that the principals of the company were to remain anonymous unless disclosure of their identities was absolutely necessary to legally form the company. (b)(6) (b)(7)(C) declined to participate in formation of the company.

About 23 November 1967, with the assistance of Mr. (b)(6) (b)(7)(C) LAZAR and HATCHER registered two companies, MAREDEM, LTD. and C. H. S., LTD., with the knowledge, concurrence, and investments of WOOLDRIDGE, HIGDON and themselves. At that time, WOOLDRIDGE was Sergeant Major of the Army while HATCHER, and HIGDON were custodians of the NCO/EM club systems of the 1st Infantry Division and USARV, respectively, and LAZAR was in active duty status in Vietnam. None of the principals disclosed their interests in the companies to appropriate military authorities until about 1 July 1969, when WOOLDRIDGE acknowledged to a MACV-IG team that he owned stock along with HATCHER, HIGDON, and LAZAR. WOOLDRIDGE claimed that his participation in the companies had been reviewed and approved by COI (b)(6) (b)(7)(C) JAGC, which (b)(6) (b)(7)(C) acknowledged, however, (b)(6) (b)(7)(C) said that WOOLDRIDGE had deliberately deceived him into believing that the company principals were all retired Army personnel and had not informed him that HATCHER and HIGDON were on active duty as custodians of club systems with which the companies would be doing business.

In November of 1967, LAZAR went to Mr. Phillip M. HAAR, owner of BAR DISPENSERS, FAR EAST, INC., a company then selling beverage syrups and beverage dispensing equipment to club systems in Vietnam, and told HAAR that HATCHER, HIGDON, and he had formed MAREDEM, LTD., to sell supplies and equipment to club systems. LAZAR said that he had a sizeable sales force organized in Vietnam and suggested that MAREDEM and HAAR engage in business together. HAAR said that he was induced to enter into an agreement with MAREDEM because of LAZAR's comments; his personal knowledge of the influence of LAZAR, HATCHER, and HIGDON with military club custodians; his knowledge that HATCHER and HIGDON

INVESTIGATIVE SUMMARY (Contd)

controlled large club systems; and letters to him from Mr. (b)(6) (b)(7)(C) (b)(6) (b)(7)(C) and Mr. (b)(6) (b)(7)(C) his agents in Vietnam, that some arrangements would have to be made with HATCHER and HIGDON in order to continue in business in Vietnam. HAAR said that the combination of these things made it clear to him that he would be forced out of business unless he did make an agreement with MAREDEM. The initial agreement between HAAR and MAREDEM, dated 4 January 1968, provided that MAREDEM would take over HAAR's sale of beverage syrups and pay HAAR a commission of \$1.00 per case. In keeping with this agreement, HAAR introduced LAZAR to Mr. (b)(6) (b)(7)(C) his supplier of beverage syrups, and arranged for MAREDEM to take over HAAR's syrup business. In addition, HAAR agreed to pay MAREDEM a commission of 10% on sales of beverage dispensing equipment. HAAR also provided office space, facilities, and telephone service to LAZAR without cost. The initial agreement between HAAR and LAZAR required no financial investment by either MAREDEM or its principals.

In February of 1968, WOOLDRIDGE, HATCHER, and HIGDON attended a meeting with LAZAR and HAAR in HAAR's office, Stanton, California, and at the Grand Hotel, Anaheim, California. WOOLDRIDGE was in official TDY status and HIGDON and HATCHER were on authorized leave from Vietnam at the time. Information indicated that WOOLDRIDGE may have arranged for HATCHER to visit CONUS from Vietnam, but this was not positively established, however, it was obvious that WOOLDRIDGE's TDY trip had been arranged so that he could attend the meeting with HATCHER, HIGDON, LAZAR, and HAAR. Rooms 605, 607, 609 and 611 at the Grand Hotel were reserved by HATCHER and HIGDON from 14 February 1968, and they informed Mr. (b)(6) (b)(7)(C) the hotel assistant manager, that WOOLDRIDGE would occupy one of the rooms. During his stay at the hotel, WOOLDRIDGE identified himself to (b)(6) (b)(7)(C) under the alias, (b)(6) (b)(7)(C) and paid a total of \$500.00 on the hotel bill for the group while LAZAR paid the balance.

LAZAR, HATCHER, HIGDON, and HAAR discussed business activities of MAREDEM, and BAR DISPENSERS, FAR EAST, INC. in WOOLDRIDGE's presence at HAAR's office and the Grand Hotel. However, HAAR said that WOOLDRIDGE did not actively participate in the discussions. HATCHER, HIGDON, and LAZAR told HAAR that they controlled a substantial market for liquor dispensing equipment in Vietnam and proposed to form a company for the sale of such equipment. HAAR and LAZAR subsequently incorporated MACAR, INC., doing business as BAR LIQUOR DISPENSERS, FAR EAST, INC., to sell liquor dispensing equipment. HAAR and MAREDEM each invested \$1,000.00 and each loaned the company

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

\$4,000.00. HAAR also agreed to pay BASS a monthly salary of \$1,500.00 plus expenses to represent MAREDEM and HAAR in Vietnam. HAAR said that HATCHER, HIGDON, and LAZAR demanded 50% of his gross income from Vietnam and threatened to make it rough for him to do business in Vietnam if he refused. HAAR refused the demand and insisted upon an equal division of profits from MACAR, INC., but did agree to a reduction of his commission on beverage syrup sales from \$1.00 per case to \$0.50 per case.

HAAR said that his business relationship with MAREDEM existed from about December of 1967, to about June of 1968, during which time he sustained a substantial loss of income. He said that his total profit from the operation of MACAR, INC. was approximately \$617.00 and that he would have realized a much larger income from the sale of liquor dispensing equipment if he had been able to operate independently of MAREDEM. HAAR said that after he turned over the beverage syrup sales, MAREDEM sold a total of 14,520 cases of beverage syrups at a gross profit of \$5.40 per case for which HAAR was paid only \$0.50 per case instead of the \$1.00 per case as had been stipulated in his original agreement with MAREDEM. HAAR pointed out that virtually all of the syrup sales would have been made by his company if he had been able to do business independently of MAREDEM.

On 16 February 1968, WOOLDRIDGE, HIGDON, and HAAR flew to Las Vegas, Nevada, and stayed at the Riviera Hotel until 18 February 1968, when they returned to the Grand Hotel, Anaheim, California. HAAR paid the costs of air travel and hotel expenses, but said that WOOLDRIDGE and HIGDON had reimbursed him in cash for their share of the expenses. Hotel expenses were \$112.49 for WOOLDRIDGE and \$65.32 for HIGDON. The cost of air travel was not determined. HAAR said that while at the Riviera Hotel, HIGDON told him that MAREDEM intended to establish a monopoly on all business with the club systems in Vietnam and explained that this would be accomplished through the influence of MAREDEM principals with club system custodians, influence of WOOLDRIDGE in assigning key personnel to club systems and senior NCOs to influential positions. HAAR said that HIGDON also explained that MAREDEM intended to form other companies, headed by retired senior NCOs to sell club supplies and equipment and that these companies would be favored by club custodians, effectively eliminating competitors. An indication of this intent was reflected by the fact that principals of MAREDEM had organized MAREDEM, LTD. and C. H. S., LTD. in Hong Kong, BCC; formed MAREDEM, INC. in California; had organized MACAR, INC. with HAAR in California; and had attempted to form "A" BURG BROTHERS in Kansas. HAAR said that WOOLDRIDGE was present and heard HIGDON's explanation of MAREDEM's

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

plans and had said nothing in confirmation or rejection of HIGDON's comments. HAAR said that the current investigation of military club systems had caused MAREDEM to refrain from forming other companies.

Investigation to determine if WOOLDRIDGE had participated in business affairs of MAREDEM while on TDY in the Los Angeles area from 13 to 23 February 1968, revealed that in addition to foregoing information, WOOLDRIDGE accompanied LAZAR and HAAR to the Bank of America, Beverly Hills, California, where LAZAR discussed MAREDEM business with a bank official. WOOLDRIDGE did not participate in the business discussion but HAAR introduced him to Mr. (b)(6) (b)(7)(C) a bank official, as either "the top enlisted man in the Army," or "top man in procurement on the west coast," and described WOOLDRIDGE as "the man who takes care of my business overseas and insures that I get my share of the business." HAAR said that at the Grand Hotel, he over heard a discussion between WOOLDRIDGE, HATCHER, HIGDON, and LAZAR in which WOOLDRIDGE said, "By God, Bill, you'd better not be cheating on us." HAAR inferred from the conversation that HIGDON was suspected of cheating or holding out funds from MAREDEM. Telephone records of HAAR's office revealed a total of six phone calls from LAZAR during March and May of 1968 to the Office of the Sergeant Major of the Army (OX5-2150), and HAAR believed that these calls were in connection with WOOLDRIDGE furthering the business interests of MAREDEM.

Investigation to determine WOOLDRIDGE's official functions in the Los Angeles area between 13 and 23 February 1968, disclosed only that on 22 February 1968, he and LAZAR visited (b)(6) (b)(7)(C) SGM of the ROTC unit, The Claremont Colleges, Claremont, California, for about two hours. HAAR said that the visit to (b)(6) (b)(7)(C) was made solely to justify WOOLDRIDGE's TDY status in the Los Angeles area. (Information pertaining to suspected travel frauds by WOOLDRIDGE is reported in CID ROI 69-CID011-00020).

HAAR said that on 18 February 1968, WOOLDRIDGE, HIGDON, and he returned from Las Vegas to the Grand Hotel, Anaheim, California, where WOOLDRIDGE introduced him to (b)(6) (b)(7)(C) and told him that (b)(6) (b)(7)(C) was a (b)(6) (b)(7)(C) and had formerly worked for the Red Cross in Vietnam. HAAR said that (b)(6) (b)(7)(C) had actually arrived at the hotel on the evening or night of 16 February 1968, and was irritated because WOOLDRIDGE had spent the weekend in Las Vegas instead of

INVESTIGATIVE SUMMARY (Contd)

being at the hotel when she arrived. HAAR said that WOOLDRIDGE and (b)(6) (b)(7)(C) occupied the same room at the Grand Hotel. (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) (b)(6) (b)(7)(C)

HAAR stated that in addition to having been "taken for a ride" by MAREDEM, a determined effort was made to put him out of business after he terminated his business relationship with MAREDEM. He said that in May of 1968, he fired BASS as his representative in Vietnam and directed LAZAR to move the MAREDEM operation out of his office. He said that he fired BASS because BASS was devoting all of his time and effort to the interests of MAREDEM even though HAAR was paying his salary and expenses. When HAAR fired BASS, he had a substantial number of beverage dispensing units installed on a lease and/or loan basis at the USARV NCO/EM club system, where HIGDON was custodian, and was owed a considerable amount of money by the NCO/EM club system, 1st Infantry Division, where HATCHER was custodian. HAAR said that his termination of BASS had antagonized HIGDON and HATCHER who terminated his business activity with their club systems and that HATCHER had refused for a long time to pay his accounts in the hope that shortage of operational funds would put HAAR out of business. Mr. (b)(6) (b)(7)(C) who replaced BASS as HAAR's representative in Vietnam, said that about July of 1968, and about June or July of 1969, BASS advised him that he should go to work for MAREDEM because MAREDEM was going to put HAAR out of business.

From about December of 1967 to about June of 1968, MAREDEM did business from HAAR's office in Stanton, California, without having registered as a firm doing business under a fictitious name. After splitting with HAAR, LAZAR located the MAREDEM office at 4301 West Commonwealth Avenue, Fullerton, California, and in July of 1968, obtained a business license for MAREDEM in Fullerton, California. On 3 September 1968, Articles of Incorporation were filed with the California Division of Corporations by an attorney, Mr. (b)(6) (b)(7)(C), in the name of MARMED, INC., doing business as MAREDEM, INC., and authority was requested to issue 10,000 shares of stock at par value of \$10.00 each. On 2 December 1968, LAZAR obtained a business license for MARMED, INC., in Fullerton, California. On 20 February 1969, MARMED, INC. was authorized to issue stock and WOOLDRIDGE, HIGDON, HATCHER, LAZAR, and BASS were identified as the intended recipients of 1,500 shares each. The balance of 2,500 shares of stock have not been issued. Senior Special Investigator (b)(6) (b)(7)(C) California Division of Corporations, advised that doing business in California under a fictitious name without a business license

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

was a violation of registration laws, but that no action would be taken by state authorities because failure to register had not caused injury to the public. The Articles of Incorporation disclosed that MARMED, INC. assumed all assets and liabilities of MAREDEM, LTD., but the incorporation did not change the status of C. H. S., LTD, in Hong Kong, BCC, as a company owned by WOOLDRIDGE, HATCHER, HIGDON, and LAZAR.

As previously stated, investigation indicated that WOOLDRIDGE, HATCHER, HIGDON, LAZAR, and BASS intended to accomplish a substantial monopoly on business with club systems through influence in the selection of key personnel in the club systems. Investigation disclosed that this had been accomplished to a substantial extent within the NCO/EM club systems of the 1st Infantry Division, USARV, and the 23d Infantry Division. Pertinent information concerning assignments of club custodians follows:

a. In December of 1965, LAZAR was designated custodian of the 1st Infantry Division NCO/EM club system at the request of WOOLDRIDGE, who was Division Sergeant Major at that time. WOOLDRIDGE personally made the request to (b)(6) (b)(7)(C) to whom LAZAR was assigned for duty. LAZAR was succeeded as custodian by HATCHER about November of 1967. Assignment records reflected HATCHER as having been assigned first in Vietnam to the 25th Infantry Division and then to Special Troops, Long Binh Post, and about 22 August 1967 was transferred to 1st Infantry Division. The reason for the transfer was not determined, but it was indicated that he was transferred to the division to replace LAZAR because LAZAR had applied for retirement, effective 1 January 1968, in order to operate MAREDEM. It was noted that HATCHER had been relieved from the club system at Fort Benning, Georgia, because of a CID investigation (Reference: CID ROI AT-(AJ-3A)-67-331, dated 8 March 1968), however, this had not precluded his assignment as club custodian at the 1st Infantry Division. About October 1968, HATCHER was succeeded as custodian by SFC (b)(6) (b)(7)(C). Investigation disclosed that (b)(6) (b)(7)(C) had formerly been employed within the club system at the 24th Infantry Division and Fort Benning, Georgia, and that about May 1967, BASS addressed a letter to WOOLDRIDGE enclosing a copy of an application for duty in Vietnam by (b)(6) (b)(7)(C). In November of 1967, (b)(6) (b)(7)(C) arrived in Vietnam and immediately requested duty in a club system but was told at the replacement company that he would have to perform line duty for about six months before he could obtain such an assignment. However, on the night of his arrival, HATCHER took him out of the replacement center to a club for dinner, and on the following day, (b)(6) (b)(7)(C) was assigned to the NCO/EM club system of the 1st Infantry Division. He replaced HATCHER about October of 1968 and remained as custodian until about May of 1969. (b)(6) (b)(7)(C) said that when he became custodian, he noted that the club system had been giving a large majority of its business to MAREDEM, consequently, he started spreading

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

the business among other companies. He was later told by an unidentified source that he would never have another custodian's job if he continued buying from companies other than MAREDEM.

b. From July of 1966 until November of 1967, HIGDON performed duties as the custodian of the NCO/EM club systems at 2d Field Forces and the 90th Replacement Battalion. In November of 1967, (b)(6) (b)(7)(C) was installed as custodian of the USARV NCO/EM club system, but was replaced within a few days by HIGDON over the objections of COL (b)(6) (b)(7)(C) and CW3 (b)(6) (b)(7)(C) the Long Binh Post Commander and Deputy Director of the USARV Open Mess System, respectively. Investigation indicated that the installation of HIGDON had been largely influenced by (b)(6) (b)(7)(C) Command Sergeant Major, HQ, USARV, reportedly a personal friend of WOOLDRIDGE, who apparently had assured HIGDON that he would become the custodian if HIGDON extended his tour in Vietnam. Investigation also indicated that the selection of HIGDON had been directed by General Earl F. COLE, Director of Personnel and Administration, HQ, USARV, on recommendations from (b)(6) (b)(7)(C) and LTC (b)(6) (b)(7)(C) who had served in the 24th Infantry Division as Assistant AG, Chief, Military Personnel Division, when WOOLDRIDGE was Division Sergeant Major. Investigation failed to disclose any direct influence exercised by WOOLDRIDGE in the selection of HIGDON as the custodian of the USARV NCO/EM club system.

c. In November of 1967, BAGBY was relieved from the club system at Fort Benning, Georgia, (Reference: CID ROI AT-3A-67-331, dated 8 March 1968). About February of 1968, (b)(6) (b)(7)(C) selected BAGBY for assignment as custodian of the NCO/EM club system, 23d Infantry Division. (b)(6) (b)(7)(C) telephonically contacted WOOLDRIDGE concerning the selection and assignment, and WOOLDRIDGE endorsed BAGBY as being a good man for the assignment. At that time WOOLDRIDGE knew that BAGBY had been relieved from the Fort Benning club system, but did not inform (b)(6) (b)(7)(C) of this fact. WOOLDRIDGE later informed the MACV IG that he had said nothing about BAGBY's involvement in the Fort Benning investigation because no charges against BAGBY had been proven. BAGBY (b)(6) (b)(7)(C)

d. Further evidence that MAREDEM intended to establish key personnel in club systems through WOOLDRIDGE was disclosed by SFC (b)(6) (b)(7)(C) (b)(6) (b)(7)(C) who was assistant custodian of the 23d Infantry Division NCO/EM club system from June 1968 to June 1969. (b)(6) (b)(7)(C) said that BASS and (b)(6) (b)(7)(C) then working for MAREDEM, told him that WOOLDRIDGE would arrange for him to be assigned as custodian of either the 9th Infantry Division or

FOR OFFICIAL USE ONLY

20

000019

INVESTIGATIVE SUMMARY (Contd)

25th Infantry Division NCO club systems with the understanding that club business would be done almost exclusively with MAREDEM. (b)(6) (b)(7)(C) said that WOOLDRIDGE visited the 23d Infantry Division after WOOLDRIDGE was assigned in September 1968 as Command Sergeant Major, HQ, MACV, and told (b)(6) (b)(7)(C) that he could have the job as custodian of the NCO club systems of either the 9th or 25th Infantry Divisions. (b)(6) (b)(7)(C) declined the offer and was told to contact WOOLDRIDGE if he changed his mind. About January or February 1969, (b)(6) (b)(7)(C) saw WOOLDRIDGE at the Embassy Hotel, Saigon, Vietnam, at which time WOOLDRIDGE asked if (b)(6) (b)(7)(C) had changed his mind about the assignment and was told that he had not. (b)(6) (b)(7)(C) also said that he had been offered a job with MAREDEM upon retirement, and that his job offer had been reiterated to his wife by HATCHER. Interview of Mrs. (b)(6) (b)(7)(C) confirmed that HATCHER had told her that (b)(6) (b)(7)(C) should retire and work for MAREDEM.

Investigation to determine the volume of business done by MAREDEM with club systems in Vietnam revealed that between December 1967 and November 1969, MAREDEM's total dollar volume of business was \$1,436,426.62, of which approximately 85% (\$1,213,956.00) had been done with the NCO/EM club systems of USARV, 1st Infantry Division, and 23d Infantry Division. Dollar volume of business with each club system was as follows:

a. Between December 1967 and June 1969, the USARV NCO/EM club system did a total business of \$611,071.00 with MAREDEM and supplier companies that MAREDEM represented as commission agents. This amount constituted 25% of the total purchases by the club system during that period.

b. Between August 1968 and June 1969, the 1st Infantry Division NCO/EM club system did a total business of \$289,179.00 with MAREDEM and supplier companies that MAREDEM represented as commission agents. This amount constituted 54% of the total purchases by the club system during that period. Volume of business between December 1967 and August 1968 could not be accurately determined because records for that period had been burned by SP5 (b)(6) (b)(7)(C) the club bookkeeper. (b)(6) (b)(7)(C) stated that he had destroyed the records because he thought the destruction had been authorized, however, investigation indicated otherwise. (b)(6) (b)(7)(C) is the subject of CID ROI 69-CID011-00024, concerning the destruction of the records.

c. Between May of 1968 and June of 1969, the 23d Infantry Division NCO/EM club system did a total business of \$313,706.00 with MAREDEM and supplier companies

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

that MAREDEM represented as commission agents. This amount constituted 31% of the total purchases by the club system during that period.

Investigations disclosed that about 18 January 1968, LAZAR informed DUN AND BRADSTREET, INC., that MAREDEM had grossed one million dollars with a gross profit of \$250,000.00 during the last quarter of 1967. In October of 1968, he informed DUN AND BRADSTREET that MAREDEM's annual business volume was about four million dollars. LAZAR and Mr. (b)(6) (b)(7)(C) Secretary/Treasurer of MAREDEM, confirmed that these reports had been made to DUN AND BRADSTREET, but said that the reports had been grossly exaggerated to enhance the appearance of the company. LAZAR denied that MAREDEM had engaged in any business activities during 1967 until after the company was registered in Hong Kong on 23 November 1967. (b)(6) (b)(7)(C) provided figures that MAREDEM's total dollar volume of business between December of 1967 and November of 1969 was approximately \$1,436,426,62.

Records of MAREDEM revealed that between 1 November 1968 and 16 January 1969, MAREDEM issued four checks, totaling \$102,681.52 to ITER COMPANY, Hong Kong, BCC. Investigation disclosed that ITER COMPANY had been registered in Hong Kong by Mrs. (b)(6) (b)(7)(C) the wife of Mr. (b)(6) (b)(7)(C) who had worked for MAREDEM in Vietnam. Mr. (b)(6) (b)(7)(C) said that the checks from MAREDEM had been in payment of commissions to (b)(6) (b)(7)(C) for his work in Vietnam. LAZAR said that the payments to ITER COMPANY were in payment for commissions, management services provided by (b)(6) (b)(7)(C) and funds for payment of employees and expenses in Vietnam. Efforts to determine illegal activity in payment of the checks to ITER COMPANY met with negative results.

In January of 1968, LAZAR began making direct purchases of snack items for MAREDEM from DIAMOND HEAD FOOD COMPANY, a manufacturer of such items in Los Angeles, California. At that time, Mr. Pelligrino J. PELLIGRINI was military sales manager of the company, and company products were being sold in Vietnam on a commission of 12% by two companies, HERMAR CORPORATION of Manila, PI, and SALES AND SERVICE COMPANY, Tokyo, Japan. About May 1968, DIAMOND HEAD decided to discontinue distribution of products on a commission basis and arranged with GREAT WEST FOOD PACKERS, INC., San Francisco, California, to take over the sales commission activity. The accounts of HERMAR CORPORATION and SALES AND SERVICE were transferred to GREAT WEST and PELLIGRINI became military sales manager for GREAT WEST. Direct purchases by MAREDEM from DIAMOND HEAD continued until the end of June 1968, when they were discontinued because DIAMOND HEAD's policies required payment for merchandise within seven days and MAREDEM was unable to meet this requirement. LAZAR subsequently arranged with PELLIGRINI for a commission of 15%

FOR OFFICIAL USE ONLY

000021

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

on all purchase orders obtained for GREAT WEST by MAREDEM. PELLIGRINI said that MAREDEM had not exerted any coercive pressures against GREAT WEST and that the commission percentage had been established through negotiation by LAZAR with the company. He said that HERMAR CORPORATION and SALES AND SERVICE had continued to obtain purchase orders for GREAT WEST at a commission rate of 12%. Mrs. Irene FULLER, General Manager of GREAT WEST, said that GREAT WEST began shipment on 5 July 1968 of purchase orders obtained by MAREDEM and that business was excellent until January of 1969 when there was a drastic reduction in purchase orders obtained by MAREDEM. She determined that the reduction was apparently due to MAREDEM having obtained sufficient funds to resume making direct purchases of merchandise from DIAMOND HEAD. She said that between July 1968 and January of 1969, MAREDEM accounted for approximately 90 to 95 percent of purchase orders received by GREAT WEST from club systems of USARV, 1st Infantry Division, 23d Infantry Division, 101st Airborne Division, and 1st Air Cavalry Division.

Investigation revealed that between 29 October 1968 and 3 March 1969, GREAT WEST FOOD PACKERS, INC., shipped a total of 15 vans of merchandise through SEA LAND of CALIFORNIA, INC., to the NCO/EM club systems of USARV, 1st Infantry Division, and 23d Infantry Division and that the shipments were at government expense, however, GREAT WEST billed the three club systems for a total of \$13,380.00 for freight and handling charges. Of this amount, \$9,901.10 was paid to MAREDEM and \$3,428.90 was retained by GREAT WEST. Mrs. (b)(6) (b)(7)(C) reported that all of the amount retained by GREAT WEST had been used to pay legitimate freight and handling except for \$262.00 which had been paid to PELLIGRINI as commissions. Mr. PELLIGRINI knew that the freight billings to the club systems were excessive but said that the billings had been made at the direction of LAZAR who told him that MAREDEM had bought trucks for the use of the club system custodians in moving the SEA LAND vans in Vietnam. PELLIGRINI said that, according to LAZAR, the club custodians had agreed to pay the excess freight charges so that MAREDEM could recoup the cost of the vehicles. PELLIGRINI said that LAZAR directed him to continue the false billings until approximately \$10,000.00 had been paid over to MAREDEM, which was done. PELLIGRINI said that the false freight charges had been terminated when \$9,901.10 had been paid to MAREDEM.

LAZAR denied that he had instigated the false freight charges. He said that checks had been received from GREAT WEST for more than was due MAREDEM and that he deposited the checks with the thought that, if GREAT WEST had overpaid MAREDEM, GREAT WEST would reclaim the money. LAZAR said that about

23

18  
20

INVESTIGATIVE SUMMARY (Contd)

January of 1969, he learned from Mr. (b)(6) (b)(7)(C) SEA LAND agent in Long Beach, California, that SEA LAND shipments were at government expense and that the only cost to shippers were for loading or packing vans for shipment. LAZAR realized then that the excess payments to MAREDEM from GREAT WEST were derived from false freight and handling charges being paid by the club systems. LAZAR said that he immediately wrote (b)(6) (b)(7)(C) and directed him to terminate the excessive freight charges. LAZAR provided a copy of a letter, dated 17 January 1969, addressed to PELLIGRINI, in support of his statement. PELLIGRINI denied receipt of such a letter and reiterated that the false and excessive freight charges had been initiated solely at the direction of LAZAR. Information was obtained from (b)(6) (b)(7)(C) that SEA LAND made no additional charges on van shipments after arrival in Vietnam.

(b)(6) (b)(7)(C) Secretary/Treasurer of MAREDEM, verbally stated that to his knowledge, MAREDEM had never bought any tractors or trucks to haul SEA LAND vans in Vietnam. He said that about 24 September 1968, four small Ford pickup trucks, Model F100, were sold to the 1st Infantry Division club system by MAREDEM through ALLIED INTERNATIONAL COMPANY and that this was the only sale of vehicles by MAREDEM.

Investigation disclosed that in April of 1968, HIGDON and LAZAR defrauded the USARV NCO club of approximately \$5,523.89 through their companies, MAREDEM, LTD, and C. H. S, LTD. About 4 April 1968, HIGDON, as custodian of the club system went to Hong Kong in TDY status with authorization to purchase merchandise for concession shops being operated by the club system. About 9 April 1968, HIGDON placed an order for souvenir/gift-type merchandise with the RONALD TRADING COMPANY in the name of MAREDEM, LTD. RONALD TRADING COMPANY billed MAREDEM a total of \$14,974.24 for the merchandise and \$1,473.76 for freight charges to Saigon, RVN. LAZAR paid RONALD TRADING COMPANY from the MAREDEM account in Beverly Hills. The USARV NCO club system was subsequently billed for the merchandise and freight charges by C. H. S., LTD., the company registered to HIGDON, LAZAR, WOOLDRIDGE, and HATCHER in Hong Kong. On 12 June 1968, HIGDON paid \$19,998.13 from club funds to C. H. S., LTD. On 24 June 1968, he paid \$1,973.76 to C. H. S., LTD. for freight charges. This was \$500.00 more than freight charges billed to MAREDEM by RONALD TRADING COMPANY. HIGDON's action in making the purchase through MAREDEM and C. H. S., LTD., resulted in a loss to the club system of \$5,523.89. Mr. (b)(6) (b)(7)(C) and Mr. (b)(6) (b)(7)(C) of RONALD TRADING COMPANY said that they would have sold directly to the USARV NCO/EM club if HIGDON had requested it.

24

18

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

It was noted that CINCPAC and MACV regulations directed that custodians of club systems would clear all purchasing activities in Hong Kong with the Navy Purchasing Department, Hong Kong. The transaction with RONALD TRADING COMPANY was not cleared by HIGDON through the Navy Purchasing Department.

Records reflected that HIGDON's check to C. H. S., LTD. for \$19,998.13 was deposited to the C. H. S., LTD. account on 10 July 1968, and on the same day, a withdrawal of \$20,000.00 was made. Efforts to determine the disposition of that money was negative. LAZAR said that since the registration of C. H. S., LTD., there had been only one business transaction made through it. He said that he had been approached by persons, whom he declined to identify, who wanted to use C. H. S., LTD. as a means of illegally moving money out of Vietnam, which he had refused to do.

Investigation disclosed payments of money to MAREDEM, LTD., WOOLDRIDGE, HATCHER, HIGDON; LAZAR and others by persons doing business with club systems in Vietnam, and it was strongly indicated that the payments were for favors and assistance. Pertinent information is as follows:

Investigation disclosed that in October of 1966, WOOLDRIDGE gave character reference letters to (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) all of whom were principals of TOM BROTHERS AND COMPANY, LTD., Hong Kong, BCC, and apparently encouraged the company to do business in Vietnam. WOOLDRIDGE admitted that he had received between six and seven thousand dollars from TOM BROTHERS about 1963 or 1964 in exchange for having assisted the company to obtain clearances to sell Hong Kong-made clothing on military installations in Germany, however, the principals of TOM BROTHERS denied that such payment had been made. Investigation disclosed that in Vietnam, TOM BROTHERS obtained concession agreements to operate clothing sales at the NCO club systems of 1st Infantry Division under LAZAR and HATCHER and at the 23d Infantry Division (Americal), under BAGBY. In addition, TOM BROTHERS sold clothing through the USARV club system at Long Binh Post, under HIGDON. Investigation indicated that WOOLDRIDGE, HATCHER, LAZAR, and HIGDON had influenced the award of these business activities to TOM BROTHERS. Bank records, Bayerische Hypotheken Und Wechsel Bank, Munich, Germany, revealed that between 14 December 1967 and 10 December 1968, (b)(6) (b)(7)(C) paid checks as follows:

25

20  
22

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

<u>CHECK #</u>	<u>PAID TO</u>	<u>AMOUNT</u>	<u>DATE</u>
(b)(6) (b)(7)(C)	(b)(6) (b)(7)(C)	\$1,365.00	14 Dec 67
	MareDEM, Ltd.	1,365.00	23 Jan 68
	Lazar	1,365.00	14 Dec 67
	(b)(6) (b)(7)(C)	1,365.00	14 Dec 67
	MareDEM, Ltd.	1,000.00	23 Jan 68
	MareDEM, Ltd.	2,000.00	14 Dec 67
	MareDEM, Ltd.	1,933.00	20 Apr 68
	SGM Wooldridge	1,933.00	20 Apr 68
	(b)(6) (b)(7)(C)	1,933.00	20 Apr 68
		1,500.00	6 Jul 68
	SGM Wooldridge	1,000.00	10 Dec 68

In addition to the above, (b)(6) (b)(7)(C) issued a check, dated 9 May 1968, for \$2,000.00, drawn against the Dao Heng Bank, Hong Kong, BCC, to (b)(6) (b)(7)(C). On 27 April 1968, 30 April 1968, and 30 May 1968, (b)(6) (b)(7)(C) issued three checks totaling \$4,074.90 against the Bank of America, San Francisco, California, to (b)(6) (b)(7)(C). (b)(6) (b)(7)(C) was assigned as Manager of the Main NCO club, 1st Infantry Division, during HATCHER's tenure as club system custodian. Records of MAREDEM revealed that (b)(6) (b)(7)(C) had apparently loaned MAREDEM a total of \$3,000.00 about December of 1967, which was repaid without interest on 19 November 1968.

Detailed investigation of suspected bribery involving MAREDEM, its principals, and TOM BROTHERS is being reported in CID ROI 69-CID011-00022.

Separate investigation of (b)(6) (b)(7)(C) and his financial transactions is being reported in CID ROI 69-CID011-00035.

Investigation of alleged graft payments to MAJ (b)(6) (b)(7)(C) is reported in CID ROI 69-CID011-00029.

Efforts to establish a business or financial interest of TOM BROTHERS in MAREDEM met with negative results, however, a copy of a letter, dated 12 June 1968, from C. H. S., LTD. to HIGDON, custodian of the USARV NCO club system, reflected a typed signature block of (b)(6) (b)(7)(C) as Director of C. H. S., LTD. The original of the letter could not be found and the reproduction of the signature was insufficient to permit positive identification that it was (b)(6) (b)(7)(C) signature. (b)(6) (b)(7)(C) emphatically denied that he had ever signed correspondence of any

FOR OFFICIAL USE ONLY

26  
  
 000025

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

kind for C. H. S., LTD. or MAREDEM, and insisted that TOM BROTHERS had no financial interests of any kind in either of the companies.

Investigation was conducted concerning a company, AMERICAN INDUSTRIAL SERVICES, INC., Milwaukee, Wisconsin, and its relationship with MAREDEM and MAREDEM principals. AMERICAN INDUSTRIAL SERVICES was identified as a subsidiary of AMERICAN SERVICE SALES, INC., a company legally formed under Wisconsin law. AMERICAN INDUSTRIAL SERVICES operated in Vietnam from about December of 1965 to about February of 1968 in the sale of supplies and equipment to club systems and construction work for club systems. The company was encouraged in the sale of supplies and equipment to the NCO club system of the 1st Infantry Division while LAZAR was custodian and WOOLDRIDGE was Division Sergeant Major. Some time during 1967, the company was awarded a contract for the construction of buildings for the club system. Total amount paid for performance of the contract could not be determined because some club records were burned about 1 August 1968 by (b)(6) (b)(7)(C) the club bookkeeper. (Reference: CID ROI 69-CID011-00024). However, (b)(6) (b)(7)(C) a former employee of AMERICAN INDUSTRIAL SERVICES, said that he thought the total payment was about \$45,000.00. In late 1967, Vietnam customs officials searched the offices of AMERICAN INDUSTRIAL SERVICES and seized numerous documents indicative of illegal currency manipulations and customs violations and imposed a heavy fine on the company. The violations and fines apparently put AMERICAN INDUSTRIAL SERVICES out of business in Vietnam. LAZAR said that the combination of fines and bribes paid to Vietnam customs officials by AMERICAN INDUSTRIAL SERVICES were the factors that terminated the company's business operations in Vietnam.

Investigation revealed evidence of kickbacks to WOOLDRIDGE, LAZAR, and payments to MAREDEM by (b)(6) (b)(7)(C) through bank accounts of AMERICAN SERVICE SALES, INC. and AMERICAN INDUSTRIAL SERVICES, INC. On 22 November 1967, the day before registration of MAREDEM in Hong Kong, BCC, (b)(6) (b)(7)(C) bought a check for \$5,000.00 from DEAK AND COMPANY and paid it to LAZAR who deposited it in the MAREDEM, LTD. account at the Bank of America, Beverly Hills, California.

In November of 1966, WOOLDRIDGE received \$2,764.00 from (b)(6) (b)(7)(C) through the Overseas Development Bank, Geneva, Switzerland.

On 25 November 1966, a check for \$2,280.00 was deposited in WOOLDRIDGE's account at the First National Bank, Arlington, Virginia. The check was drawn on an account code-named (b)(6) (b)(7)(C) at the International Credit Bank, Geneva, Switzerland. Investigation by Mr. Carmine BELLINO, established that funds in the (b)(6) (b)(7)(C) account had originated from bank accounts of AMERICAN SERVICE

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

SALES, INC., Milwaukee, Wisconsin. (b)(6) (b)(7)(C) also developed information that on 14 June 1966, a check for \$1,114.00 from the (b)(6) (b)(7)(C) account was received for deposit to LAZAR's account at the Mechanics National Bank of Burlington, New Jersey. The bank returned the check to the alleged sender, (b)(6) (b)(7)(C) (NFI), Caravelle Depot, Saigon, RVN, but the envelope was undelivered and was returned to the bank. No identification of (b)(6) (b)(7)(C) has been made. Between 23 December 1966 and 26 August 1967, LAZAR paid seven checks to WOOLDRIDGE, totaling \$11,339.00. Two of the checks, each for \$3,000.00, were subsequently deposited to an account at Bank Rohner and Company, Ltd., Zurich, Switzerland. WOOLDRIDGE and LAZAR declined to answer any questions concerning the foregoing transactions. (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) also declined to discuss the transactions.

Investigation disclosed that on 21 October 1966, a deposit of \$2,119.50 from AMERICAN INDUSTRIAL SERVICES was made to the account of (b)(6) (b)(7)(C) at the Zentralkasse Wuerttembergischer Volksbanken, Stuttgart, Germany. MENDLER was identified as the present wife of LAZAR. The bank records reflected a transfer of \$28,000.00 from the (b)(6) (b)(7)(C) account in January of 1968 to the MAREDEM, LTD. account at the Bank of America, Beverly Hills, California. The account also reflected that approximately \$27,500.00 had been paid out of the Stuttgart account by (b)(6) (b)(7)(C) for the purchase of an apartment in Stuttgart, Germany. Records further reflected the transfer of \$20,500.00 from the account to an unidentified account at Bank Rohner and Company, Ltd., Zurich, Switzerland. On 15 February 1968, LAZAR deposited \$6,300.00 in the MAREDEM, LTD. account in Beverly Hills, California. The check originated from an unidentified account at the Foreign Commerce Bank, Zurich, Switzerland. LAZAR said that the money was in payment of investments in MAREDEM, LTD. and had come from either WOOLDRIDGE, HATCHER, or HIGDON, but he could not recall specifically which one. LAZAR also said that the (b)(6) (b)(7)(C) account in Stuttgart, Germany, had been opened so that he would have an account in which to safeguard funds against his first wife whom he was divorcing. LAZAR advised that he had married (b)(6) (b)(7)(C) after the divorce action was final. On 17 May 1968, \$6,220.00 went into the MAREDEM, LTD. account in Beverly Hills, California, by check from the Dao Heng Bank, Hong Kong, BCC. (b)(6) (b)(7)(C) accountant consultant, said that these funds had apparently been transferred from MAREDEM's account in Hong Kong to the Beverly Hills account. Original source of the funds was not determined.

On 28 November 1967, LAZAR opened an account for MAREDEM, LTD. with a deposit of \$2,000.00 in the Crocker-Citizens National Bank, San Francisco, California, and this amount was transferred on 8 December 1967 to the MAREDEM, LTD. account in Beverly Hills, California. Source of the funds was not determined.

INVESTIGATIVE SUMMARY (Contd)

On 29 July 1968, a combination of cash and traveler's checks, totaling \$5,000.00 was deposited to the MAREDEM account by LAZAR. The traveler's checks, totaling \$340.00, had been bought by (b)(6) (b)(7)(C) on 26 April 1968 at the First Virginia Bank, 7202 Arlington Blvd., Falls Church, Virginia. At that time, (b)(6) (b)(7)(C) was enlisted special assistant to WOOLDRIDGE, who was SGM of the Army, and it was thought that WOOLDRIDGE may have been the source of the funds deposited to the MAREDEM account. (b)(6) (b)(7)(C) denied knowing LAZAR's source of the cash contained in the deposit, but explained that the checks had been given by him to LAZAR in reimbursement for money that LAZAR had spent in renting a house for (b)(6) (b)(7)(C) in preparation for (b)(6) (b)(7)(C) moving to California to begin working for MAREDEM.

On 7 January 1968, several checks were deposited to the MAREDEM account at the Bank of America, Beverly Hills, California. One of these checks was a payroll check for \$1,618.42 from PACIFIC ARCHITECTS AND ENGINEERS to Mr. (b)(6) (b)(7)(C). Reason for the check being deposited in the account was not determined, but it is known that (b)(6) (b)(7)(C) was a partner with Mr. (b)(6) (b)(7)(C) in Universal Consultants, Inc., and that (b)(6) (b)(7)(C) had made kickback payments to HIGDON by checks payable to (b)(6) (b)(7)(C) an alias used by HIGDON. Once check for \$9,000.00, dated 1 January 1968, from an account code-named (b)(6) (b)(7)(C) at the Foreign Commerce Bank, Zurich, Switzerland, was also deposited. Records at the Riviera Hotel, Las Vegas, Nevada, revealed that in February 1968 HIGDON had identified the "SEAL" account as belonging to him. Also deposited were two checks, each dated 9 December 1967, for \$1,200.00 each, from Mr. (b)(6) (b)(7)(C) to (b)(6) (b)(7)(C). One check from an unidentified maker to (b)(6) (b)(7)(C) for \$500.00, dated 10 December 1967, was deposited. Investigation disclosed that including the two checks for \$1,200.00, (b)(6) (b)(7)(C) paid a total of \$7,200.00 to HIGDON for use as promotional funds within the USARV NCO/EM club system and obtained receipts from HIGDON for the money. Information concerning payments to HIGDON to (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C)

On 21 February 1968, LAZAR deposited a check for \$7,490.00 to his personal account at the Bank of America, Beverly Hills, California. The check had been issued on 17 December 1967 by Mr. (b)(6) (b)(7)(C) at that time the owner of CONDORMAT CORPORATION, which had done a considerable business in supplying the 1st Infantry Division NCO/EM club system when LAZAR was custodian. Efforts to determine the reason for the check to LAZAR met with negative results. (b)(6) (b)(7)(C) declined to discuss it.

INVESTIGATIVE SUMMARY (Contd)

About July of 1968, HATCHER negotiated an illegal contract with (b)(6) (b)(7)(C) for the operation of a gift shop concession with the 1st Infantry Division NCO/EM club system. (b)(6) (b)(7)(C) was not authorized payment in US dollar instruments, however, between 15 September and 15 October 1968, HATCHER caused dollar checks totaling \$73,369.00 to be issued by the 1st Infantry Division Finance Office for deposit in (b)(6) (b)(7)(C) bank account in San Francisco, California. This was discovered by the Division Finance Officer who recalled all of the checks that had been issued except for a total of \$14,747.00, which had already been deposited into the account. (Reference: CID ROI 68-CID058-61495). Efforts to determine if (b)(6) (b)(7)(C) had made kickback payments to HATCHER or other principals of MAREDEM met with negative results.

Investigation disclosed that in September of 1967, LAZAR had been the subject of an investigation at 1st Infantry Division, (Reference: CID ROI GP-(USARV-1st Div)-67-136), which indicated involvement in moving large sums of money from Vietnam through CONUS banks to bank accounts in Switzerland. Records of the Mechanics National Bank or Burlington, New Jersey, revealed that LAZAR had deposited numerous checks that had been cashed at various 1st Infantry Division NCO clubs. Investigation indicated that LAZAR was removing such checks from daily cash returns and using them as a means of illegally transmitting funds out of Vietnam. Efforts to determine if LAZAR had stolen the checks from the club system met with negative results. Banking records reflected that during 1966 and 1967, while in the 1st Infantry Division NCO club system, LAZAR deposited a total of \$102,616.62 at the Mechanics National Bank of Burlington, New Jersey. LAZAR's financial dealings are under investigation by the US Internal Revenue Service.

On 9 October 1969, (b)(6) (b)(7)(C) a committee consultant, testified before the Permanent Subcommittee on Investigations of the Committee on Government Operations, that a walk-in freezer had been stolen from the NCO club system of the 1st Infantry Division and sold to the USARV NCO club for \$13,415.86. He testified that the theft had been accomplished by LAZAR, HATCHER, and HIGDON, and that payment for the freezer had been made to MAREDEM, LTD. (b)(6) (b)(7)(C) introduced documents which reflected that about 24 March 1967, LAZAR was custodian of the 1st Infantry Division NCO club system and had placed a purchase order with ALLIED INTERNATIONAL COMPANY, San Francisco, California, for a walk-in freezer. The purchase order listed the freezer dimensions as being 10' x 14' x 7'6", exterior metal, 6" insulation, 220 volt and 60 cycle, single phase, with two electric motors, two horsepower each. Total cost was \$7,140.00. On 23 June 1968 ALLIED INTERNATIONAL COMPANY invoiced the club system for \$9,171.75, which included the cost of the freezer and its transportation. On

INVESTIGATIVE SUMMARY (Contd)

26 August 1967, LAZAR issued a check for \$15,599.88 from club funds to ALLIED INTERNATIONAL COMPANY in payment for the freezer and other merchandise. (b)(6) (b)(7)(C) introduced invoices from AMERICAN INDUSTRIAL SERVICES to the USARV NCO club system that reflected charges of a total of \$815.00 for transportation of a walk-in freezer from 1st Infantry Division and installation of it at Annex 14 of the USARV NCO club system. Transportation and installation of the freezer took place in January of 1968. (b)(6) (b)(7)(C) also introduced an invoice from MAREDEM, LTD. to the USARV NCO club, dated 12 December 1967, on a walk-in freezer for \$13,415.86. On 22 January 1968, HIGDON issued a check in that amount to MAREDEM, LTD. in payment for a walk-in freezer. (b)(6) (b)(7)(C) alleged that the freezer sold to HIGDON was the same freezer sold to the 1st Infantry Division club system by ALLIED INTERNATIONAL COMPANY. Investigation by US Army CID Agency failed to substantiate (b)(6) (b)(7)(C) allegation, but reflected that two separate walk-in freezers were involved.

Investigation substantiated (b)(6) (b)(7)(C) testimony, concerning the delivery of a walk-in freezer to 1st Infantry Division by ALLIED INTERNATIONAL COMPANY at a total cost of \$9,171.75, and records of the division club system reflected that the freezer had been listed as a fixed asset on 16 July 1967. Inventory of walk-in freezers within the club system in November of 1969 reflected that the freezer procured from ALLIED INTERNATIONAL COMPANY was physically present and in use within the club system. Investigation at Annex 14 of the USARV NCO club system revealed a large walk-in freezer with dimensions of 22' x 10' x 7', which was larger than the freezer sold to 1st Infantry Division by ALLIED INTERNATIONAL COMPANY. This was the only walk-in freezer at Annex 14 and was listed in the USARV club records as having been bought from MAREDEM, LTD. Inspection revealed that the two cooler units inside the freezer had been manufactured by the RECOLD CORPORATION, Los Angeles, California. The two cooler units bore serial numbers 178510 and 178513. The freezer had two motors on its top, each manufactured by BENDIX-WESTINGHOUSE CORPORATION. The walls, floor, and ceiling had been made by the YAWATA IRON and STEEL COMPANY in Japan. Records of the RECOLD CORPORATION reflected that the cooler units had been sold and shipped about July of 1966, through the ALBERT REBEL EXPORT DIVISION, Los Angeles, California, to SIME DARBY SINGAPORE IMPORTS, LTD., Singapore, Malaysia.

Information was obtained from (b)(6) (b)(7)(C) formerly employed by AMERICAN INDUSTRIAL SERVICES in Vietnam, that the company had bought the freezer in Singapore in 1967 for \$10,000.00 for use in the company's warehouse in Vietnam to store perishables until such time as club systems could pick up the perishables.

31

26

69-CID011-00016

INVESTIGATIVE SUMMARY (Contd)

(b)(6) (b)(7)(C) said that the freezer had been installed but had not been used because Vietnam customs officials padlocked the warehouse. (b)(6) (b)(7)(C) said that he saw the freezer inside the warehouse in November of 1967. In late December 1967 or early January 1968, he went to Hong Kong where he was told by Mr. (b)(6) (b)(7)(C) co-owner of AMERICAN INDUSTRIAL SERVICES, that the freezer had been sold to the 1st Infantry Division NCO club for \$5,000.00. (b)(6) (b)(7)(C) said that the 1st Infantry Division NCO club system bookkeeper, (b)(6) (b)(7)(C) had requested that the freezer be transported from the warehouse to 1st Infantry Division and that this occurred after 15 November 1967. (b)(6) (b)(7)(C) said that after LAZAR was replaced by (b)(6) (b)(7)(C) as club custodian, he saw the freezer in disassembled state behind the division NCO club at Di An, Vietnam. Interview of LAZAR resulted in an oral statement that about the middle of 1967, AMERICAN INDUSTRIAL SERVICES were put out of business by Vietnam customs officials at which time the company had a large walk-in freezer in its warehouse. He said that either (b)(6) (b)(7)(C) the co-owner of AMERICAN INDUSTRIAL SERVICES, subsequently bribed customs officials to release some equipment from their warehouses and that the walk-in freezer was one of the items that was released. LAZAR said that he permitted the freezer to be transported to the 1st Infantry Division where it was stored in disassembled state at the NCO club. LAZAR said that in November 1967 he went to Hong Kong where he saw (b)(6) (b)(7)(C) who offered to sell him the freezer. He offered \$5,000.00 for the freezer which (b)(6) (b)(7)(C) accepted. LAZAR said that he paid \$2,000.00 in cash to FURCI and about January of 1968, gave (b)(6) (b)(7)(C) a personal check for the balance of \$3,000.00. LAZAR said that the reverse side of the check reflected that it had been deposited to the account of AMERICAN INDUSTRIAL SERVICES in Wisconsin and that the original was presently in the hands of his attorney. LAZAR said that he sold the freezer to the MAREDEM account in California. LAZAR emphatically denied that the freezer sold by him to USARV NCO club system had ever been paid for by the 1st Infantry Division club system or recorded on their books. LAZAR provided an invoice to MAREDEM, dated 15 November 1967, from AMERICAN INDUSTRIAL SERVICES on the freezer for \$5,000.00. Interview of LUMM, bookkeeper of the 1st Infantry Division club system, resulted in a statement that the freezer sold to USARV NCO club system had not been paid for by the club system or entered on its books. Efforts to determine if LAZAR stole the money used in payment for the freezer were negative, however, minutes of the 1st Infantry Division NCO club Board of Governors, dated 11 September 1967, reflected that the club safe was short a total of \$5,009.64, and that an investigation had been initiated. LAZAR was club custodian at that time. The shortage apparently was not reported to the CID for investigation. Efforts to determine who conducted the investigation and its results met with negative results.

32

~~27~~

FOR OFFICIAL USE ONLY

69-CID011-00016

SUBSTANTIATION

Assignment information pertaining to WOOLDRIDGE, HATCHER, HIGDON, LAZAR, BASS, BAGBY, (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) was extracted from official military records.

General information pertaining to offenses and irregularities within the 24th Infantry Division NCO/EM club system, involving WOOLDRIDGE, HATCHER, HIGDON, LAZAR, and BASS is reflected in statements of (b)(6) (b)(7)(C) (b)(6) (b)(7)(C) and abstract of information from CID investigation pertaining to the 24th Infantry Division club system. General information concerning offenses and irregularities within the Fort Benning NCO/EM club system, involving WOOLDRIDGE, HATCHER, BAGBY, and BASS is reflected in abstract from CID Report of Investigation pertaining to the club system.

Information pertaining to attempted formation of "A" BURG BROTHERS by LAZAR and HIGDON is reflected in statement of (b)(6) (b)(7)(C) and a letter to (b)(6) (b)(7)(C) from LAZAR.

Information pertaining to formation and registration of MAREDEM, LTD, and C.H.S. LTD in Hong Kong, BCC, by WOOLDRIDGE, HATCHER, HIGDON, and LAZAR is reflected in statements of (b)(6) (b)(7)(C) LAZAR, testimony of (b)(6) (b)(7)(C) WOOLDRIDGE's testimony before the MACV-IG, and Memorandums of Trust and Indemnity identifying WOOLDRIDGE, HATCHER, HIGDON, and LAZAR as the principals of MAREDEM, LTD, and C.H.S., LTD.

Information pertaining to WOOLDRIDGE's deception of (b)(6) (b)(7)(C) concerning his involvement in MAREDEM, LTD and C.H.S., LTD is reflected in correspondence between WOOLDRIDGE and (b)(6) (b)(7)(C) correspondence between (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) statement of (b)(6) (b)(7)(C) and MACV-IG testimony of WOOLDRIDGE.

Information pertaining to intention of MAREDEM and its principals to establish a monopoly in sales to military club systems, conspiracy to extort, and extortion is reflected in initial agreement of HAAR with MAREDEM, addendum to the initial agreement between HAAR and MAREDEM, in corporation documents of MACAR, INC (dba BAR LIQUOR DISPENSERS, FAR EAST, INC), correspondence to HAAR from (b)(6) (b)(7)(C) and statement of HAAR.

Information pertaining to activities of WOOLDRIDGE between 14 and 23 Feb 68, while in official TDY status, is reflected in statements of HAAR, (b)(6) (b)(7)(C) and records of the Grand Hotel, Anaheim CA, and the Riviera Hotel, Las Vegas, NV.

Information pertaining to registration and incorporation of MARMED, INC (dba MAREDEM, INC) in California, and identification of WOOLDRIDGE, HATCHER, HIGDON, LAZAR and BASS as stockholders, is reflected in documents filed with the County Clerk, Orange County, CA and the California Division of Corporations, Los Angeles, CA.

FOR OFFICIAL USE ONLY

33

~~28~~

000032

FOR OFFICIAL USE ONLY

69-CID011-00016

SUBSTANTIATION (Contd)

Information indicating influence of WOOLDRIDGE, HATCHER, HIGDON, LAZAR and BASS in assignments of personnel to club systems to benefit MAREDEM, excessive purchases from MAREDEM and favoritism to MAREDEM by club cutodians, is reflected in statements of (b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

and (b)(6) (b)(7)(C)

Influence of WOOLDRIDGE in assignments of personnel to club systems is indicated in an unmailed letter to WOOLDRIDGE from BASS requesting assignment in Vietnam and (b)(6) (b)(7)(C) subsequent assignment to the 1st Infantry Division NCO/EM club system. Percentage of business done by MAREDEM with club systems under the control of HATCHER, (b)(6) (b)(7)(C) HIGDON, and BAGBY is reflected in a chart prepared from club system records by an audit team with MACV-IG.

Information concerning MAREDEM's business relationship with DIAMOND HEAD FOOD COMPANY and GREAT WEST FOOD PACKERS, INC is reflected in statements of PELLIGRINI and (b)(6) (b)(7)(C)

Information pertaining to theft of funds from NCO/EM club systems of USARV, 1st Infantry Division, and 23d Infantry Division through falsification of freight charges is reflected in records of GREAT WEST FOOD PACKERS, INC and statements of PELLIGRINI, LAZAR, (b)(6) (b)(7)(C) LIND- (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C)

Information that HIGDON and LAZAR stole funds from the USARV NCO/EM club system by purchasing merchandise for the club system from (b)(6) (b)(7)(C) TRADING COMPANY through MAREDEM, LTD and C.H.S. LTD, is reflected in TDY orders of HIGDON, statements of (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) invoices of (b)(6) (b)(7)(C) TRADING COMPANY, correspondence between RONALD TRADING COMPANY and MAREDEM, LTD, an invoice of C.H.S. LTD to the USARV NCO/EM club system, correspondence between C.H.S. LTD and HIGDON, and checks paid to C.H.S. LTD from club funds by HIGDON.

Information that HIGDON violated regulations in not clearing the purchase from RONALD TRADING COMPANY with the Navy Purchasing Department, Hong Kong, BCC is reflected in regulations directing that such purchases be cleared and statements of (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) that HIGDON had not obtained clearance.

Information that WOOLDRIDGE had accepted a graft payment between six and seven thousand dollars in 1963 or 1964 from TOM BROTHERS and COMPANY, LTD for assistance in obtaining clearance for the company to do business on military installations is reflected in WOOLDRIDGE's testimony to the MACV-IG.

FOR OFFICIAL USE ONLY

34

29

000033

FOR OFFICIAL USE ONLY

69-CID011-00016

SUBSTANTIATION (Contd)

Information that WOOLDRIDGE, HATCHER, HIGDON, LAZAR, (b)(6) (b)(7)(C) and MAREDEM, LTD had received graft payments from TOM BROTHERS and COMPANY, LTD, AMERICAN INDUSTRIAL SERVICES, INC, Mr. (b)(6) (b)(7)(C) and Mr. (b)(6) (b)(7)(C) is reflected in reference letters written by WOOLDRIDGE for members of TOM BROTHERS and COMPANY, statements of WOOD, HATCHER, (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) and in records of various banking facilities.

Information that HIGDON controlled a bank account, code-named (b)(6) (b)(7)(C) in Zurich, Switzerland is reflected in a credit application of HIGDON at the Riviera Hotel, Las Vegas, NV.

Information pertaining to ITER COMPANY and payments to the company by MAREDEM, INC is reflected in statements of Mr. (b)(6) (b)(7)(C) Mrs. (b)(6) (b)(7)(C) LAZAR, and testimony of (b)(6) (b)(7)(C)

Voluminous information pertaining to organization, financial transactions, and business activities of MAREDEM and financial transactions of WOOLDRIDGE, HATCHER, HIGDON, LAZAR and BASS is reflected in transcripts of (b)(6) (b)(7)(C) testimony before the United States Senate Permanent Subcommittee for Investigation.

Information that LAZAR had illegally transmitted a large amount of money from Vietnam to the United States is reflected in records of various banking facilities and CID ROI GP-(USARV-1st Div)-67-136.

Records of the 1st Infantry Division and USARV NCO/EM club systems, records of ALLIED INTERNATIONAL COMPANY, AMERICAN INDUSTRIAL SERVICES, INC, MAREDEM, INC and statements of (b)(6) (b)(7)(C) and LAZAR failed to substantiate that HATCHER, HIGDON and LAZAR had stolen a walk-in freezer from the 1st Infantry Division NCO/EM club system.

FOR OFFICIAL USE ONLY

35

30  
32

000034

INVESTIGATOR'S CONCLUSIONS

a. HATCHER, HIGDON, BASS, and WOOLDRIDGE did, at Stanton, California, during February 1968, conspire with LAZAR to commit an offense under the Uniform Code of Military Justice, to wit: extortion of income derived in Vietnam by BAR DISPENSERS, FAR EAST, INC., the property of HAAR, and in order to effect the conspiracy, the said HATCHER, HIGDON, BASS, WOOLDRIDGE and LAZAR did threaten harm to HAAR's business (BAR DISPENSERS, FAR EAST, INC.), in Vietnam.

b. HATCHER, HIGDON, BASS, WOOLDRIDGE, and LAZAR did, at Stanton, California, in February 1968, with intent to unlawfully obtain an undetermined dollar value of business, communicate a threat to force BAR DISPENSERS, FAR EAST, INC. out of business in Vietnam.

c. LAZAR did, at Fullerton, California, during the period 1 November 1968 and 22 March 1969, steal monies of a value of \$4,476.10, the property of the USARV NCO/EM Open Mess System.

d. LAZAR did, at Fullerton, California, during the period 12 August and 20 December 1968, steal monies of a value of about \$3,405.00, the property of the 1st Infantry Division NCO/EM Open Mess System.

e. LAZAR did, at Fullerton, California, during the period 1 November 1968 through 22 March 1968, steal monies of a value of \$3,450.00, the property of the 23d Infantry Division (Americal) NCO/EM Open Mess System.

f. HIGDON did, at Long Binh, RVN, during April 1968, conspire with LAZAR to commit an offense under the Uniform Code of Military Justice, to wit: larceny of monies of a value of about \$5,523.89, the property of the USARV NCO/EM Open Mess System, and in order to effect the object of the conspiracy, the said HIGDON, while secretary/custodian of the USARV NCO/EM Open Mess System and on official orders to represent the said NCO/EM Open Mess System, purchased merchandise valued at \$14,974.24 with a freight charge of \$1,473.46 from the RONALD TRADING COMPANY, a company authorized to deal directly with the said mess system, and in the name of MAREDEM, INC., a company formed and owned by the said HIGDON and LAZAR in partnership with WOOLDRIDGE and HATCHER; the said LAZAR, president of MAREDEM, INC., paid the RONALD TRADING COMPANY \$16,000.00 from the MAREDEM, INC. bank account in Beverly Hills, California; and subsequently C. H. S. LTD., a second company owned by HIGDON, LAZAR, HATCHER, and WOOLDRIDGE, was paid \$19,998.13 by HIGDON, who was acting in his capacity as secretary/custodian of the USARV NCO/EM Open Mess System, for the merchandise and \$1,973.76

INVESTIGATOR'S CONCLUSIONS (Contd)

for freight charges; HIGDON and LAZAR's action in making the purchase through MAREDEM, INC., and C.H.S., LTD., thereby resulting in a loss of \$5,523.89 to the USARV NCO/EM Open Mess System.

g. HIGDON and LAZAR, through MAREDEM, INC., and C.H.S., LTD, did, at Hong Kong, BCC, during April 1968, steal monies of a value of \$5,523.89, the property of the USARV NCO/EM Open Mess System.

h. HIGDON did, at Hong Kong, BCC, on or about 9 April 1968, violate a lawful general regulation, to wit: paragraph 5g, CONSERVPAC Instruction 4200.1, dated 26 January 1967, with inclosure, and Headquarters MACV Letter, MACJ 42-GP, dated 8 February 1967, by effecting the purchase of merchandise from the RONALD TRADING COMPANY, in the amount of \$14,974.24, with funds of the USARV NCO/EM Open Mess System, without clearing the proposed purchase through the Navy Purchasing Department, Hong Kong, BCC, prior to the solicitation.

i. WOOLDRIDGE, being at the time, Sergeant Major of the 24th Infantry Division, did, at Augsburg, Germany, during about 1963 or 1964, by his own admission, wrongfully and unlawfully accept between \$6,000.00 and \$7,000.00 from the TOM BROTHERS AND COMPANY, LTD., as compensation for services rendered by the said WOOLDRIDGE, in relation to an official matter in which the United States was and is interested, to wit: assistance rendered TOM BROTHERS AND COMPANY, LTD., in obtaining clearances to solicit business within the 24th Infantry Division, Augsburg, Germany.

j. HIGDON, HATCHER, LAZAR, and WOOLDRIDGE did, at Hong Kong, BCC, on or about 23 November 1967, violate a lawful general regulation, to wit: paragraph 3, Army Regulation 600-50, dated 26 June 1966, by forming two companies (MAREDEM, LTD. and C.H.S., LTD.) for the purpose of conducting business with the Open Mess Systems of the United States Army within the Republic of Vietnam; that they did fail to disclose the identities of the principals of the said companies and their active duty status in the United States Army at the time; and HIGDON, HATCHER, and LAZAR conducted business with and for the said companies while they were on active duty with the United States Army assigned to Open Mess Systems as secretary/custodian.

k. There is insufficient evidence to prove or disprove that seven checks amounting to a transfer of funds in the amount of \$11,339.00, paid to WOOLDRIDGE by LAZAR, between 23 December 1966 and 26 August 1967, two of which were deposited in an account at the Bank Rohner and Company, Ltd., Zurich, Switzerland, were in violation of a lawful regulation.

FOR OFFICIAL USE ONLY

69-CID011-00016

INVESTIGATOR's CONCLUSIONS (Contd)

l. There is insufficient evidence to prove or disprove that two checks amounting to \$2,730.00, received by HATCHER from TOM BROTHERS and COMPANY, LTD., during December 1967 were graft or bribes.

m. There is insufficient evidence to prove or disprove that one check in the amount of \$1,365.00, received by LAZAR from TOM BROTHERS and COMPANY, LTD., during December 1967 was graft or a bribe.

n. There is insufficient evidence to prove or disprove that four checks amounting to \$6,298.00, received by MAREDEM, INC., from TOM BROTHERS and COMPANY, LTD., between 14 December 1967 and 20 April 1968 were graft or bribes.

o. There is insufficient evidence to prove or disprove that three checks amounting to \$4,433.00, received by WOOLDRIDGE from TOM BROTHERS and COMPANY, LTD., between 20 April and 10 December 1968 were graft or bribes.

p. There is insufficient evidence to prove or disprove that one check in the amount of \$5,000.00, received by LAZAR from (b)(6) (b)(7)(C) on or about 22 November 1967 was graft or a bribe.

q. There is insufficient evidence to prove or disprove that one check in the amount of \$3,764.00, received by WOOLDRIDGE from (b)(6) (b)(7)(C) during November 1966 was graft or a bribe.

r. There is insufficient evidence to prove or disprove that one check in the amount of \$2,280.00, received by WOOLDRIDGE from AMERICAN SERVICE SALES, INC., on or about 25 November 1966 was graft or a bribe.

s. There is insufficient evidence to prove or disprove that one check in the amount of \$1,114.00, received by LAZAR from the AMERICAN SERVICE SALES COMPANY, INC., on or about 14 June 1966 was graft or a bribe.

t. There is insufficient evidence to prove or disprove that one check in the amount of \$2,119.50, received by LAZAR from AMERICAN INDUSTRIAL SERVICES, on or about 21 October 1966 was graft or a bribe.

FOR OFFICIAL USE ONLY

38

35

000037

INVESTIGATOR'S CONCLUSIONS (Contd)

u. There is insufficient evidence to prove or disprove that one check in the amount of \$7,490.00, received by LAZAR from (b)(6) (b)(7)(C) on or about 17 December 1967 was graft or bribe.

v. Investigation failed to substantiate that LAZAR, HIGDON, and HATCHER stole a walk-in freezer from the 1st Infantry Division NCO/EM Open Mess System, about January 1968; as alleged.

EXHIBITS

## 1. ATTACHED

- A. Chart depicting assignment locations of SGM WOOLDRIDGE, Mr. LAZAR, MSG HIGDON, Mr. HATCHER, Mr. BASS, SFC BAGBY, SFC (b)(6) (b)(7)(C) and SFC (b)(6) (b)(7)(C) (cy)
- B. Statement of LTC (b)(6) (b)(7)(C) 8 Jul 69 (cy)
- C. Statement of Mr. (b)(6) (b)(7)(C) before the US Senate Subcommittee, 30 Sep 69 (cy)
- D. Statement of Mr. (b)(6) (b)(7)(C) 9 Oct 69 (cy)
- E. Statement of Mr. (b)(6) (b)(7)(C) before the US Senate Subcommittee, 1 Oct 69 (cy)
- F. Statement of SGM (b)(6) (b)(7)(C) 10 Jul 69 (cy)
- G. Abstract of MPR #2028-65, 13th MP Det (CI), dated May 1966 (cy)
- H. Abstract of CID ROI AT-(AJ-3A)-67-331, dated 8 Mar 68, pertaining to the Fort Benning, Georgia, NCO/EM Open Mess System, 4 Aug 69 (cy)
- I. Letter from Mr. LAZAR to Mr. (b)(6) (b)(7)(C) about formation of "A" BURG BROTHERS, 30 Aug 67 (cy)
- J. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C) 14 Jul 69 (cy)
- K. Statement of Crim Inves CRISP, (Interview of Mr. (b)(6) (b)(7)(C) 2 Aug 69 (cy)
- L. (1) Memorandum and Articles of Association of MAREDEM, LTD., Incorporated, Hong Kong, BCC, 23 Nov 67 (cy)  
(2) Declaration of Trust and Indemnity, naming Mr. LAZAR, MSG HIGDON, Mr. HATCHER, and SGM WOOLDRIDGE as beneficiaries of MAREDEM, LTD., 23 Nov 67 (cy)
- M. (1) Memorandum and Articles of Association of C. H. S., LTD., Incorporated, Hong Kong, BCC, 23 Nov 67 (cy)  
(2) Declaration of Trust and Indemnity, naming Mr. LAZAR, MSG HIGDON, Mr. HATCHER, and SGM WOOLDRIDGE as beneficiaries of C. H. S., LTD., 23 Nov 67 (cy)
- N. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C) 28 Nov 69 (cy)
- O. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of (b)(6) (b)(7)(C) 13 Dec 69 (cy)
- P. Statement of (b)(6) (b)(7)(C) 13 Dec 69 (cy)
- Q. Statement of SGM WOOLDRIDGE before the MACV IG on 1 and 26 Jul 69 (cy)
- R. Letter to COL (b)(6) (b)(7)(C) from SGM WOOLDRIDGE, 2 May 68 (cy)
- S. Letter to SGM WOOLDRIDGE from COL (b)(6) (b)(7)(C) 9 May 68 (cy)
- T. Letter to Mr. (b)(6) (b)(7)(C) from COL (b)(6) (b)(7)(C) 25 Jun 68 (cy)

69-CID011-00016

EXHIBITS (Contd)

- U. Letter to Mr. (b)(6) (b)(7)(C) from COL (b)(6) (b)(7)(C) 7 Aug 68 (cy)
- V. Letter to COL (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 8 Nov 68 (cy)
- W. Letter to COL (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 2 Dec 68 (cy)
- X. Letter to SGM WOOLDRIDGE from COL (b)(6) (b)(7)(C) 11 Dec 68 (cy)
- Y. Letter to COL (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 7 Feb 69 (cy)
- Z. Statement of COL (b)(6) (b)(7)(C) 4 Sep 69 (cy)
- AA. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. HAAR), 9 Jan 70 (cy)
- BB. Affidavit of Mr. (b)(6) (b)(7)(C) 11 Sep 69 (cy)
- CC. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON's statement that the custodians would have to be given something if Mr. HAAR wanted to sell anything), 27 Nov 67 (cy)
- DD. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: 15 percent kickback offered by Mr. HAAR's competitors), undated (cy)
- EE. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON to give (b)(6) (b)(7)(C) a push), 3 Dec 67 (cy)
- FF. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: payoffs and Mr. HATCHER's health), 6 Dec 67 (cy)
- GG. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON stating that (b)(6) (b)(7)(C) will buy Bar Dispensing Units), 18 Dec 67 (cy)
- HH. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON stating he would order more Bar Dispensing Units than Mr. (b)(6) (b)(7)(C) could produce), 19 Dec 67 (cy)
- II. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HATCHER's intent to visit Mr. HAAR next month), 17 Jan 68 (cy)
- JJ. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HATCHER, MSG HIGDON, and Mr. LAZAR would have to be dealt with), 26 Jan 68 (cy)
- KK. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HAAR must make some arrangements with MSG HIGDON and Mr. HATCHER), undated (cy)
- LL. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON to come to the United States on 5 Feb 68 to see Mr. HAAR), undated (cy)
- MM. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: MSG HIGDON's and Mr. HATCHER's control of the clubs), 3 Feb 68 (cy)
- NN. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HAAR's making arrangements with Mr. HATCHER and MSG HIGDON), 11 Feb 68 (cy)
- OO. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HAAR reaching an agreement with MSG HIGDON and the others), undated (cy)
- PP. Letter to Mr. HAAR from Mr. (b)(6) (b)(7)(C) (re: Mr. HATCHER's failure to annex certain clubs), 21 Aug 68 (cy)
- QQ. Agreement between MAREDEM, LTD. and BAR DISPENSERS, FAR EAST, INC., signed by Mr. LAZAR and Mr. HAAR, 4 Jan 68 (cy)
- RR. Addendum to Agreement between MAREDEM, LTD. and BAR DISPENSERS, FAR EAST, INC., signed by Mr. LAZAR and Mr. HAAR, 15 Feb 68 (cy)

FOR OFFICIAL USE ONLY

69-CID011-00016

- SS. Letter to MAREDEM, LTD, and MR. HAAR from Mr. (b)(6) (b)(7)(C)  
14 Feb 68 (cy)
- TT. California State Notice of Issuance of Securities of MACAR CORPORATION, signed by Mr. LAZAR and Mr. HAAR, undated (cy)
- UU. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C)  
10 Nov 69 (cy)
- VV. Affidavit of Mr. (b)(6) (b)(7)(C) 10 Oct 69 (cy)
- WW. Hotel Registrations of Mr. HAAR, SGM WOOLDRIDGE, and MSG HIGDON, Riviera Hotel, Las Vegas, Nevada, 16 Feb 68 (cy)
- XX. Statement of account of SGM WOOLDRIDGE, Riviera Hotel, (re: account to be paid by Mr. HAAR), 8 Mar 68 (cy)
- YY. Statement of account of MSG HIGDON, Riviera Hotel, (re: account to be paid by Mr. HAAR), 8 Mar 68 (cy)
- ZZ. Statement of account of Mr. HAAR, Riviera Hotel, (re: payment of accounts of SGM WOOLDRIDGE and MSG HIGDON), 8 Mar 68 (cy)
- AAA. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of SGM (b)(6) (b)(7)(C)  
19 Dec 69 (cy)
- BBB. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of (b)(6) (b)(7)(C) 9 Jan 70 (cy)
- CCC. Statement of Mr. BASS before the MACV IG, 26 Jul 69 (cy)
- DDD. Business License Application, City of Fullerton, CA, pertaining to MAREDEM, LTD., 25 Jul 68 (cy)
- EEE. Articles of Incorporation of MARMED, INC., 3 Sep 68 (cy)
- FFF. Application for Permit to Issue and Sell Shares in MARMED, INC., undated, (cy)
- GGG. Business License Application, City of Fullerton, CA, pertaining to MAREDEM, INC., 27 Nov 68 (cy)
- HHH. Notice of Issuance of Securities, State of California, MARMED, INC.,  
20 Feb 69 (cy)
- III. Stockholders Purchase and Sale Agreement of Mr. LAZAR, Mr. HATCHER, MSG HIGDON, SGM WOOLDRIDGE, and Mr. BASS, undated (cy)
- JJJ. Statement of LTC (b)(6) (b)(7)(C) 20 Aug 69 (cy)
- KKK. Statement of CW3 (b)(6) (b)(7)(C) 8 Jul 69 (cy)
- LLL. Statement of COL (b)(6) (b)(7)(C) 6 Aug 69 (cy)
- MMM. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C) 21 Jul 69 (cy)
- NNN. Statement of LTC (b)(6) (b)(7)(C) 29 Sep 69 (cy)
- OOO. Statement of BG COLE, 14 Oct 69 (cy)
- PPP. Statement of CSM (b)(6) (b)(7)(C) 28 Jul 69 (cy)
- QQQ. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of CSM (b)(6) (b)(7)(C)  
18 Dec 69 (cy)
- RRR. Statement of MAJ (b)(6) (b)(7)(C) 29 Jul 69 (cy)
- SSS. Statement of CSM (b)(6) (b)(7)(C) 26 Jul 69 (cy)
- TTT. Statement of 1LT (b)(6) (b)(7)(C) 1 Aug 69 (cy)

FOR OFFICIAL USE ONLY

42 ~~31~~  
000041

## FOR OFFICIAL USE ONLY

60-CID011-00016

EXHIBITS (Contd)

- UUU. Statement of 1LT (b)(6) (b)(7)(C) 20 Aug 69 (cy)  
 VVV. Statement of SFC (b)(6) (b)(7)(C) 8 Aug 69 (cy)  
 WWW. Statement of SSG (b)(6) (b)(7)(C) 22 Jul 69 (cy)  
 XXX. Statement of Mr. (b)(6) (b)(7)(C) 19 Jul 69 (cy)  
 YYY. Statement of SFC (b)(6) (b)(7)(C) 6 Nov 69 (cy)  
 ZZZ. Statement of SP4 (b)(6) (b)(7)(C) 10 Nov 69 (cy)  
 AAAA. Statement of SFC (b)(6) (b)(7)(C) 14 Jul 69 (cy)  
 BBBB. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of SFC (b)(6) (b)(7)(C) 22 Oct 69 (cy)  
 CCCC. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of SFC (b)(6) (b)(7)(C) 19 Dec 69 (cy)  
 DDDD. Letter to SGM WOOLDRIDGE from Mr. BASS with attached DA Form 1049, Volunteer for Overseas Assignment, pertaining to SFC (b)(6) (b)(7)(C) 19 May 67 (cy)  
 EEEE. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mrs. (b)(6) (b)(7)(C) 9 Dec 69 (cy)  
 FFFF. Chart prepared by MACV IG auditors depicting volume of sales by MAREDEM, INC. to US Military Clubs in RVN, undated (cy)  
 GGGG. Chart prepared by Mr. (b)(6) (b)(7)(C) depicting volume of purchases by MAREDEM and commissions received, undated (cy)  
 HHHH. Statement of Mr. (b)(6) (b)(7)(C) 21 Oct 69 (cy)  
 IIII. Letter pertaining to the establishment of MAREDEM, signed by Mr. (b)(6) (b)(7)(C) 1 Oct 69 (cy)  
 JJJJ. Dun & Bradstreet Business Information Report pertaining to MAREDEM, INC., 22 Jan 68 (cy)  
 KKKK. Dun & Bradstreet Business Information Report pertaining to MAREDEM, INC., 18 Oct 68 (cy)  
 LLLL. Business Registration Document, ITER COMPANY, Hong Kong, BCC, 7 Aug 68 (cy)  
 MMMM. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C) 2 Aug 69 (cy)  
 NNNN. Checks numbered 355, 509, 520, and 527 drawn on the MAREDEM account, totaling \$102,681.52 payable to ITER COMPANY, 1 Nov 68 - 16 Jan 69 (cy)  
 OOOO. Statement of Crim Inves (b)(6) (b)(7)(C) (Interviews of Mr. LAZAR, Mrs. (b)(6) (b)(7)(C) and Mr. (b)(6) (b)(7)(C) 9 Jan 70 (cy)  
 PPPP. Statement of Mr. PELLEGRINI, 4 Dec 69 (cy)  
 QQQQ. Letter to Mr. LAZAR from Mr. PELLEGRINI, 16 May 68 (cy)  
 RRRR. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mrs. (b)(6) (b)(7)(C) 2 Aug 69 (cy)  
 SSSS. Statement of Mr. PELLEGRINI, 10 Nov 69 (cy)  
 TTTT. Statement of Crim Inves (b)(6) (b)(7)(C) (Interviews of Mr. LAZAR, and Mr. (b)(6) (b)(7)(C) 9 Jan 70 (cy)

FOR OFFICIAL USE ONLY

43

~~28~~

000042

69-CID011-00016

EXHIBITS (Contd)

- UUUU. Letter to Mr. PELLEGRINI from Mr. LAZAR, 17 Jan 69 (cy)  
 VVVV. Statement of Mr. PELLEGRINI, 21 Nov 69 (cy)  
 WWW. Statement of Mr. (b)(6) (b)(7)(C) 9 Dec 69 (cy)  
 XXX. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C)  
 18 Dec 69 (cy)  
 YYY. Statement of Crim Inves (b)(6) (b)(7)(C) Interview of Mrs. (b)(6) (b)(7)(C)  
 6 Jan 70 (cy)  
 ZZZ. Chart prepared by Mrs. (b)(6) (b)(7)(C) depicting shipments to USARV  
 Clubs by SEA LAND from GREAT WEST FOOD PACKERS, INC., reflecting  
 excessive freight charges by GREAT WEST FOOD PACKERS, INC., and amounts  
 paid to MAREDEM, INC. from the excessive freight charges, undated (cy)  
 AAAAA. Letter Order Number 3-15 pertaining to MSG HIGDON, 24 Mar 68 (cy)  
 BBBB. Statement of Mr. (b)(6) (b)(7)(C) 4 Nov 69 (cy)  
 CCCC. Statement of Mr. (b)(6) (b)(7)(C) 4 Nov 69 (cy)  
 DDDD. Statement of Crim Inves ADKINS, (re: RONALD TRADING COMPANY,  
 28 Nov 69), (cy)  
 EEEEE. Invoice from RONALD TRADING COMPANY for shipment of  
 miscellaneous merchandise to USARV NCO Open Mess, signed by Mr. (b)(6) (b)(7)(C)  
 9 Apr 68 (cy)  
 FFFFF. Shipment Advices, RONALD TRADING COMPANY, LTD.,  
 19 Apr 68 (cy)  
 GGGG. Letter to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with invoice, shipping  
 documents, and freight bill attached, 30 Apr 68 (cy)  
 HHHH. Memorandum to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with invoice and  
 freight bill attached, 7 May 68 (cy)  
 IIII. Memorandum to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with invoice and  
 documents attached, 20 May 68 (cy)  
 JJJJ. Letter to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with CATHAY PACIFIC  
 AIRWAYS correspondence attached, 22 May 68 (cy)  
 KKKK. Memorandum to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with invoice and  
 freight bill attached, 29 May 68 (cy)  
 LLLL. Letter to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with breakout of shipments,  
 30 May 68 (cy)  
 MMMM. Letter to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) with invoice and freight  
 bill attached, 5 Jun 68 (cy)  
 NNNN. Letter to MSG HIGDON from Mr. (b)(6) (b)(7)(C) 25 Jun 68 (cy)  
 OOOO. Letter from Mr. LAZAR to Mr. (b)(6) (b)(7)(C) dated 26 June 1968.  
 PPPP. Letter to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) 3 Jul 68 (cy)  
 QQQQ. Invoice, C. H. S. to USARV NCO & EM Open Mess, (cy)  
 RRRR. Letter to USARV NCO & EM Open Mess from C. H. S., LTD.,  
 12 Jun 68 (cy)

FOR OFFICIAL USE ONLY

69-CID011-00016

EXHIBITS (Contd)

SSSSS. Checks #189 and #190 for a total of \$21, 971. 89 from USARV NCO/  
EM Open Mess to C. H. S. signed by MSG HIGDON, 12 & 24 Jun 68 (cy)  
TTTTT. Letter to CLUB HOTEL SUPPLIES from MSG HIGDON, 27 Jun 68 (cy)  
UUUUU. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. LAZAR),  
9 Jan 70 (cy)  
VVVVV. Statement of Crim Inves (b)(6) (b)(7)(C) 9 Jan 70 (cy)  
WWWWW. Extract of MACV IG Report, Page 95 through 100, pertaining to  
testimony of SGM WOOLDRIDGE that he was paid \$6, 000. 00 to \$7, 000. 00 for  
assistance to TOM BROTHERS AND COMPANY, LTD, 26 Jul 69 (cy)  
XXXXX. Statement of Mr. (b)(6) (b)(7)(C) 5 Aug 69 (cy)  
YYYYY. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mrs. (b)(6) (b)(7)(C) 31 Jul  
69 (cy)  
ZZZZZ. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C)  
9 Aug 69 (cy)  
AAAAA. Character reference letter in behalf of Mr. (b)(6) (b)(7)(C) signed by  
SGM WOOLDRIDGE, 28 Oct 66 (cy)  
BBBBB. Character reference letter in behalf of Mr. (b)(6) (b)(7)(C) signed by  
SGM WOOLDRIDGE, 28 Oct 66 (cy)  
CCCCC. Character reference letter in behalf of Mr. (b)(6) (b)(7)(C) signed by SGM  
WOOLDRIDGE, 28 Oct 66 (cy)  
DDDDD. Character reference letter in behalf of Mr. (b)(6) (b)(7)(C) signed by  
SGM WOOLDRIDGE, 12 Jan 67 (cy)  
EEEEE. Check #004444 for \$1, 365. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to Mrs. (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 14 Dec 67 (cy)  
FFFFFF. Check #004447 for \$1, 365. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to Mrs. (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 14 Dec 67 (cy)  
GGGGG. Check #004446 for \$1, 365. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) 14 Dec 67 (cy)  
HHHHH. Check #004445 for \$1, 365. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to MAREDEM, LTD. from Mr. (b)(6) (b)(7)(C) 23 Jan 68 (cy)  
IIIII. Check #004448 for \$1, 000. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to MAREDEM, LTD. from (b)(6) (b)(7)(C) 23 Jan 68 (cy)  
JJJJJ. Check #004449 for \$2, 000 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to MAREDEM, LTD. from Mr. (b)(6) (b)(7)(C) 14 Dec 67 (cy)  
KKKKK. Check #004455 for \$1, 933. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to MAREDEM, LTD. from Mr. (b)(6) (b)(7)(C) 20 Apr 68 (cy)  
LLLLL. Check #004456 for \$1, 933. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to SGM WOOLDRIDGE from Mr. (b)(6) (b)(7)(C) 20 Apr 68 (cy)  
MMMMM. Check #004471 for \$1, 500. 00 drawn on the Bayerische Hypotheken  
Und Wechsel Bank to Mrs. B. WOOLDRIDGE from Mr. (b)(6) (b)(7)(C) 6 Jul 68 (cy)

FOR OFFICIAL USE ONLY

45   
000044

FOR OFFICIAL USE ONLY

69-CID011-00016

EXHIBITS (Contd)

NNNNNN. Check #004976 for \$1,000.00 drawn on the Bayerische Hypotheken Und Wechsel Bank to SGM WOOLDRIDGE from Mr. (b)(6) (b)(7)(C) 10 Dec 68 (cy)  
OOOOOO. Check #004457 for \$1,933.00 drawn on the Bayerische Hypotheken Und Wechsel Bank to SFC (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 20 Apr 68 (cy)  
PPPPPP. Check #B51165 for \$2,000.00 drawn on the Dao Heng Bank, Ltd., to SFC (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 9 May 68 (cy)  
QOOOOO. Check #189 for \$2,174.90 drawn on the Bank of America to SFC (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 27 Apr 68 (cy)  
RRRRRR. Check #191 for \$1,000.00 drawn on the Bank of America to SFC (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 30 Apr 68 (cy)  
SSSSSS. Check # Unknown for \$900.00 drawn on the Bank of America to SFC (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 30 Apr 68 (cy)  
TTTTTT. Check #386 for \$3,000.00 drawn on the Bank of America to SFC (b)(6) (b)(7)(C) from Mr. LAZAR, 19 Nov 68 (attached to office file copy only)  
UUUUUU. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of SFC (b)(6) (b)(7)(C) 9 Jan 70 (cy)  
VVVVVV. Statement of Mr. (b)(6) (b)(7)(C) 23 Oct 69 (cy)  
WWWWWW. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. HATCHER), 15 Sep 69 (cy)  
XXXXXX. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of informant), 7 Aug 69 (cy)  
YYYYYY. Statement of Mr. (b)(6) (b)(7)(C) 8 Aug 69 (cy)  
ZZZZZZ. Testimony of Mr. (b)(6) (b)(7)(C) before the US Senate Subcommittee, Volume #7, 8 Oct 69 (cy)  
AAAAAAA. Testimony of SGM WOOLDRIDGE, MSG HIGDON, Mr. HATCHER, and Mr. LAZAR before the US Senate Subcommittee, Volume #11, 23 Oct 69 (cy)  
BBBBBBB. Check #19301 from Mr. (b)(6) (b)(7)(C) for \$5,000.00 drawn on the Wells Fargo Bank, San Francisco, CA, payable to and indorsed by Mr. LAZAR, 22 Nov 67 (cy)  
CCCCCC. Letter from DEAK & COMPANY, reference Exhibit BBBBBBBB, 26 Sep 69 (cy)  
DDDDDDD. New account deposit ticket, Bank of America, Beverly Hills, CA, depicting deposit of Exhibit YYYYYY in MAREDEM, LTD. account, 8 Dec 67 (cy)  
EEEEEEE. Credit deposit ticket, First National Bank of Arlington, Arlington, Virginia, depicting a deposit of two checks, (\$2,764.00) from Mr. (b)(6) (b)(7)(C) to SGM WOOLDRIDGE, 2 Sep 66 (cy)  
FFFFFFF. Credit deposit ticket, First National Bank of Arlington, Arlington, Virginia, depicting a deposit from AMERICAN SERVICE SALES, INC., for \$2,280.00, drawn on the "FISH HEAD" account, International Credit Bank, Geneva, Switzerland, 2 Nov 66 (cy)

FOR OFFICIAL USE ONLY

46 ~~47~~

000045

EXHIBITS (Contd)

- GGGGGGG. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. LAZAR concerning banking activities and sale of freezer), 9 Jan 70 (cy)
- HHHHHHH. Deposit ticket and message depicting a \$28,000.00 transfer to the MAREDEM, LTD. account, Bank of America, Beverly Hills, CA, from Mrs. (b)(6) (b)(7)(C) account (cy)
- IIIIIII. Deposit ticket and bank message, Bank of America, Beverly Hills, CA, depicting a deposit of \$6,300.00 in MAREDEM, LTD. account from Foreign Commerce Bank, Zurich, Switzerland, 15 Feb 68 (cy)
- JJJJJJJ. Check #68/5370 for \$6,220.00 drawn on the Dao Heng Bank, Ltd., and deposit ticket depicting the deposit into the MAREDEM, LTD. account, Bank of America, Beverly Hills, CA, 11 May 68 (according to Mr. (b)(6) (b)(7)(C) a transfer of funds from MAREDEM's Hong Kong account) (cy)
- KKKKKKK. Signature card of Mr. LAZAR and deposit ticket depicting a deposit of \$2,000.00 in the MAREDEM, LTD. account, Crockers Citizens National Bank, San Francisco, CA, 5 Dec 67 (cy)
- LLLLLLL. Deposit ticket depicting a \$2,000.00 transfer from MAREDEM, LTD. account, Crockers Citizens National Bank, to MAREDEM, LTD. account, Bank of America, Beverly Hills, CA, 13 Dec 67 (cy)
- MMMMMMM. Deposit ticket for \$5,000.00 in the MAREDEM, LTD. account, Bank of America, Beverly Hills, CA, 29 Jul 68 (cy)
- NNNNNNN. Traveler's checks totaling \$340.00 deposited to MAREDEM, LTD., signed by Mr. (b)(6) (b)(7)(C) (cy)
- OOOOOOO. Statement of Crim Inves (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C) 9 Jan 70 (cy)
- PPPPPPP. Deposit ticket for \$13,764.03, MAREDEM, LTD, account, Bank of America, Beverly Hills, CA, 7 Jan 68 (cy)
- QQQQQQQ. PA&E Payroll check for \$1,618.42 to Mr. BAKER, 8 Dec 67 (cy)
- RRRRRRR. Check for \$9,000.00 to MAREDEM, LTD. from the (b)(6) (b)(7)(C) account, Foreign Commerce Bank, Zurich, Switzerland, 1 Jan 68 (cy)
- SSSSSSS. Document signed by MSG HIGDON identifying (b)(6) (b)(7)(C) account as his, furnished to the Riviera Hotel, Las Vegas, NV, 18 Feb 68 (cy)
- TTTTTTT. Check #129 for \$1,200.00 drawn on the First National Bank of Miami, Miami, FL, to (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C), 9 Dec 67 (cy)
- UUUUUUU. Check #130 for \$1,200.00 drawn on the First National Bank of Miami, Miami, FL, to (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C), 9 Dec 67 (cy)
- VVVVVVV. Check #281 for \$4,800.00 drawn on the First National Bank of Miami, Miami, FL, to (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C), 29 Apr 68 (cy)
- WWWWWWW. Receipt for \$1,200.00 rendered to Mr. (b)(6) (b)(7)(C) signed by MSG HIGDON, 9 Dec 67 (cy)

47

~~40~~

FOR OFFICIAL USE ONLY

69-CID011-00016

EXHIBITS (Contd)

XXXXXXX. Receipt for \$6,000.00 rendered to Mr. (b)(6) (b)(7)(C) signed by  
MSG HIGDON, 15 Mar 68 (cy)  
YYYYYYY. Letter to Mr (b)(6) (b)(7)(C) from Mr. (b)(6) (b)(7)(C) 7 Nov 69 (cy)  
ZZZZZZZ. Check #14331 for \$500.00 drawn on the Foreign Commerce  
Bank, Zurich, Switzerland, to (b)(6) (b)(7)(C) from (b)(6) (b)(7)(C) (NFI),  
10 Dec 67 (cy)  
AAAAAAA. Affidavit of Mr. (b)(6) (b)(7)(C) 4 Dec 69 (cy)  
BBBBBBB. Statement of Mr. (b)(6) (b)(7)(C) 29 Jul 69 (cy)  
CCCCCCC. Statement of Crim Invest (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C)  
24 Jul 69 (cy)  
DDDDDDD. Statement of Crim Invest (b)(6) (b)(7)(C) (Interview of Mr. (b)(6) (b)(7)(C)  
25 Jul 69 (cy)  
EEEEEEE. Check for \$7,490.00 drawn on the Bank of Delaware, Wilmington,  
DL, to Mr. LAZAR from Mr. (b)(6) (b)(7)(C) 17 Dec 67 (cy)  
FFFFFFF. Statement of Crim Invest (b)(6) (b)(7)(C) (Interview of (b)(6) (b)(7)(C)  
22 Jul 69 (cy)  
GGGGGGG. Certificate of LTC (b)(6) (b)(7)(C) 28 Nov 68 (cy)  
HHHHHHH. Checks, ledgers, and statements depicting a total of \$102,616.62  
deposited by Mr. LAZAR in his account, Mechanics National Bank, Burlington, NJ,  
1966-1967, (attached to office file copy only)  
IIIIIII. Minutes of Board of Governors Meeting, 1st Inf Div NCO Open  
Mess, 30 Mar 67 (cy)  
JJJJJJJ. Purchase Order #A-312 for one walk-in freezer, to Allied  
International Company, from NCO Open Mess, 1st Inf Div, 24 Mar 67 (cy)  
KKKKKKK. Consolidated invoice for \$9,171.75 from ALLIED INTERNATIONAL  
COMPANY to NCO Open Mess, 1st Inf Div for walk-in freezer, 23 Jun 67 (cy)  
LLLLLLL. Check #177 for \$15,599.88 to ALLIED INTERNATIONAL  
COMPANY from 1st Infantry Division NCO/EM Open Mess, 26 Aug 67 (cy)  
MMMMMMM. Invoice for \$13,415.86 from MAREDEM, LTD. to NCO & EM  
Open Mess, Long Binh Post, APO San Francisco 96491 for Metal Walk-in freezer  
(20 ton), 12 Dec 67 (cy)  
NNNNNNN. Invoices #0741 & 0762 from AMERICAN INDUSTRIAL SERVICE  
to USARV NCO & EM Open Mess, APO San Francisco 96491, totaling \$815.00 for  
transportation and installation of walk-in freezer, 15-23 Jan 68 (cy)  
OOOOOOO. Check #318 for \$13,415.86 to MAREDEM, LTD., from USARV  
NCO & EM Open Mess, signed by MSG HIGDON, 22 Jan 68 (cy)  
PPPPPPP. Certificate of SFC (b)(6) (b)(7)(C) with attached fixed asset records  
pertaining to walk-in freezers, 10 Nov 69 (cy)  
QQQQQQQ. Photographs of interior and exterior of walk-in freezer, Annex 14,  
USARV NCO & EM Open Mess, Long Binh Post, RVN, exposed on 5 Nov 69.

FOR OFFICIAL USE ONLY

48

43

000047

EXHIBITS (Contd)

- RRRRRRRR. Statement of 1LT (b)(6) (b)(7)(C) undated (cy)
- SSSSSSSS. RECOLD CORPORATION Invoice #16170, 29 Aug 66 (cy)
- TTTTTTTT. Statement of Crim Inves (b)(6) (b)(7)(C), (Interview of (b)(6) (b)(7)(C) 16 Dec 69 (cy)
- UUUUUUUU. Statement of Mr. (b)(6) (b)(7)(C) 3 Dec 69 (cy)
- VVVVVVVV. AMERICAN INDUSTRIAL SERVICES Invoice #1086 for \$5,000.00 to MAREDEM, LTD. for 20 ton walk-in freezer, 15 Nov 67 (cy)
- WWWWWWW. Minutes of Board of Governors Meeting, 1st Inf Div NCO & EM Open Mess, 11 Sep 67 (cy)

2. NOT ATTACHED

None.

The originals of Exhibits A, B, D, F through H, J, K, N through P, Z, AA, UU, AAA, BBB, JJJ through EEEE, GGGG, HHHH, MMMM, OOOO, PPPP, RRRR through TTTT, VVVV through ZZZZ, BBBB through DDDDD, UUUUU, VVVVV, XXXXX through ZZZZZ, UUUUUU through YYYYYY, GGGGGG, OOOOOO, BBBB through DDDDDDD, FFFFFFFF, PPPPPPP, RRRRRRR, TTTTTTTT, UUUUUUU and the negative of Exhibit QQQQQQQ are retained in the files of this office.

The originals of Exhibits C, E, BB, VV, ZZZZZZ, and AAAAAA are retained in the files of the US Senate Permanent Subcommittee on Investigations, Washington, D. C.

The originals of Exhibits I, R through Y, CC, through PP, LLLL, NNNN, QQQQ, UUUU, EEEEE through TTTTT, AAAAA through TTTTTT, BBBB through FFFFFFF, HHHHHH through MMMMMM, PPPPP through RRRRRR, TTTTTT through ZZZZZZ, EEEEEEE, HHHHHHH, JJJJJJ through OOOOOO, SSSSSS and VVVVVVV are presumed to be in the possession of the intended recipients and/or originators.

The originals of Exhibits L, M, QQ through TT, DDD through III, and III are presumed to be in the files of MAREDEM CORPORATION, Fullerton, California.

The originals of Exhibits Q, CCC, FFFF and WWWW are retained in the files of the Inspector General's Office, Washington, D. C.

44  
46

FOR OFFICIAL USE ONLY

69-CID011-00016

EXHIBITS (Contd)

The originals of Exhibits WW, XX, YY, ZZ and SSSSSSS are retained in the files of the Riviera Hotel, Las Vegas, NV.

The originals of Exhibits AAAAA, IIIIIII, and WWWWWWWW are retained in the files of the office of record, Department of the Army.

The original of Exhibit NNNNNNN is presumed to be in the files of the AMERICAN EXPRESS COMPANY, New York, NY.

The original of Exhibit AAAAAAAA is presumed to be in the files of the Department of Internal Revenue, Washington, D. C.

The originals of Exhibits JJJJ and KKKK are retained in the files of DUN AND BRADSTREET, INC., Los Angeles, CA.

The original of GGGGGGGG is retained in the files of the USAIRR, Ft. Holabird, MD.

FOR OFFICIAL USE ONLY

30

~~J~~

000049



FOR OFFICIAL USE ONLY

69-CID011-00016

WITNESSES (Contd)

Mrs

Mr.

Mr.

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Mr.

Mr.

LTC

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Mr.

Mr.

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

SGM

(b)(6) (b)(7)(C)

Mis

Mr.

MAJ

(b)(6) (b)(7)(C)

SGM

1LT

(b)(6) (b)(7)(C)

1LT

(b)(6) (b)(7)(C)

SSG

SFC

(b)(6) (b)(7)(C)

Mr.

SP4

SFC

SSG

SFC

Mr.

Crim Inves

Crim Inves

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Crim Inves

(b)(6) (b)(7)(C)

Mr.

(b)(6) (b)(7)(C)

Crim Inves

(b)(6) (b)(7)(C)

Crim Inves

(b)(6) (b)(7)(C)

Inves

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Crim Inves

Crim Inves

Crim Inves

Crim Inves

Mrs.

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

52 (4)

WITNESSES (Contd)

Crim Inves

(b)(6) (b)(7)(C)

Mr.

MSG

LTC

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Mr.

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

Mr. PELLIGRINI, Pelligrino J., GREAT WEST FOOD PACKERS, INC., 324  
Fifth St., San Francisco, CA

UNDEVELOPED LEADS

None

53

~~48~~

~~52~~

VOLUME I

TABLE OF CONTENTS

- EXHIBIT:
- A. Chart of assignment locations.
  - B. Statement of LTC (b)(6) (b)(7)(C) 8 Jul 69
  - C. Statement of Mr. (b)(6) (b)(7)(C) (US Senate), 30 Sep 69
  - D. Statement of Mr. (b)(6) (b)(7)(C) 9 Oct 69
  - E. Statement of Mr. (b)(6) (b)(7)(C) (US Senate), 1 Oct 69
  - F. Statement of SGM (b)(6) (b)(7)(C) 10 Jul 69
  - G. Abstract of MPR #2028-65, May 1966
  - H. Abstract of CID ROI AT-(AJ-3A)-67-331
  - I. Letter from Mr. LAZAR to Mr. (b)(6) (b)(7)(C) 30 Aug 67
  - J. Statement of Crim Inves (b)(6) (b)(7)(C) (re: Mr. (b)(6) (b)(7)(C)) 14 Jul 69
  - K. Statement of Crim Inves (b)(6) (b)(7)(C) (re: Mr. (b)(6) (b)(7)(C)) 2 Aug 69
  - L. (1) Memorandum and Articles of Association of MAREDEM, LTD., Incorporated, Hong Kong, BCC, 23 Nov 67  
(2) Declaration of Trust and Indemnity naming principals as beneficiaries of MAREDEM, LTD., 23 Nov 67
  - M. (1) Memorandum and Articles of Association of C. H. S, LTD., Incorporated, 23 Nov 67  
(2) Declaration of Trust and Indemnity naming the principals as beneficiaries of C. H. S., LTD, 23 Nov 67
  - N. Statement of Crim Inves (b)(6) (b)(7)(C) (re: Mr. (b)(6) (b)(7)(C)) 28 Nov 69
  - O. Statement of Crim Inves (b)(6) (b)(7)(C) (re: Miss (b)(6) (b)(7)(C)) 13 Dec 69
  - P. Statement of Miss (b)(6) (b)(7)(C) 13 Dec 69

54  
74  
54