

FEDERAL BUREAU OF INVESTIGATION

Who can be interviewed by the FBI and not give their true name?

Date of transcription 4/22/94

M. Morgan Cherry, Investigator, M. Morgan Cherry & Associates, Ltd., came to the Office of the Independent Counsel, Washington, D.C. to provide information possibly related to the Whitewater investigation. Cherry asked to be interviewed in the presence of a white male individual who would only identify himself as Mr. Walters (not his true name). Walters described himself as an attorney and business acquaintance of Cherry for years. Walters said he did not wish to be further identified as he is a lobbyist on Capitol Hill. Cherry declined to be interviewed without Mr. Walters present. Cherry provided the following information:

He is a licensed investigator in the State of Virginia and for more than twenty years has performed White Collar Crime investigations throughout the United States. He said that perhaps 5% of his business was in the Washington, D.C. area. His company assists business and non-law enforcement investigators with matters having an interstate nature. He advised his company's network of sources has also provided information which has generally been accurate to Federal law enforcement, such as the FBI and Customs in the past. He named FBI agents [redacted] (while assigned to the Brooklyn/Queens office), [redacted] (WMFO) and [redacted] (now retired - Atlanta) as individuals who could speak to his reliability in the past.

Both Cherry and Walters advised they were not looking for anything in return for providing this information. They were not "brokering" for the source of the information or employed as his agents. Their motivation was described as "just to get the story out." Walters further commented that he doesn't want to participate beyond this meeting.

The source's motivation to have Cherry contact law enforcement was to "clean" or "seal" source's record. Cherry explained his introduction to the source. About two weeks ago, an "asset" of Cherry's called and advised Cherry that a long-term friend (the Source) had called him and advised that he was in Broward County Jail (Florida) on a probation violation in

Investigation on 4/21/94 at Washington, D.C. File # 29D-LR-35063

by SA [redacted] Date dictated 4/22/94
SA Russell T. Bransford

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connection with bad checks. This source also needed to post bond in two other jurisdictions on similar bad check pending matters: a \$3,500 check written to a car dealership being prosecuted in Hillsboro County, Florida and a \$1,000 bad check matter being prosecuted in Pinellas County, Florida. Appearance dates for these two matters were uncertain. The source's worry was that he would have to do actual time for one or both of these offenses. His situation relative to the probation violation in Broward County was most likely going to result in a house detention deal.

Cherry's asset, who Cherry described as reliable in the past, said that he had trained the source and that whenever the source gets in trouble, the Source calls him (Cherry's asset).

The source was identified as [REDACTED] DOB: [REDACTED] now incarcerated in the North Broward (County) Detention Complex, Pompano Beach, Florida, arrest number [REDACTED] attorney in the Broward County probation violation matter was identified as [REDACTED] from the Miami/Ft. Lauderdale area, telephone [REDACTED]. Cherry also indicated that [REDACTED] has another attorney from a "big firm" in the Miami area whom Cherry understood had contact with such media outlets as "Current Affair," "Geraldo" and perhaps "20/20" concerning the information [REDACTED] has in his possession. However, while such programs as these can, perhaps, pay [REDACTED] they can't deliver what he wants, i.e., his record cleared.

The information available through [REDACTED] was described as follows:

Approximately two months ago, [REDACTED] was hired to track Vincent Foster bank accounts/financial transactions/flow of funds. [REDACTED] was paid for the completion of his work by an individual named Mike from New Jersey. This Mike operates a company with the word [REDACTED] in its name. Cherry cannot recall Mike's last name, but believes [REDACTED] knows the name. The last transaction identified by [REDACTED] was four days before Foster's death on July 20, 1993. [REDACTED] has identified bank transactions concerning Gennifer Flowers, an Arkansas Highway Patrolman who bowed out of the allegations against President Clinton, and a number of other individuals.

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A Swiss Bank Account in
Vincent Foster's name?
What is this about?
Who is talking to the FBI?

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linked to [redacted] identified an Arkansas bank account which can be
Arkansas held by [redacted] and another joint account in
account has also been identified in Vincent Foster's name and the
original signatory on this account is [redacted]. A Swiss bank
[redacted] alleges he has traced routing from the Arkansas bank
accounts to Safra Bank in New York City, a subsidiary of Republic
Bank to a Vincent Foster account in The Cayman Bank, Cayman
Islands, and then to the Swiss bank account in Foster's name.
The last known balance in this Swiss account was \$550,000 -
\$575,000. [redacted] has traced a money flow through these accounts
over several months totaling \$1 million. [redacted] has represented
to Cherry that he has bank names, signatories, amount of
transactions, dates, etc. and can document this information. In
addition, [redacted] says he has a copy of a fax from the Rose Law
Firm which provided instructions to an intermediary investigator
working for Rose, which in turn had been faxed to [redacted].
[redacted] also has documentation of a Western Union payment by the Rose Law
Firm, which he can provide. Cherry has not viewed the fax or the
Western Union payment, and has no further details on these items.

[redacted] also has phone conversation tapes which can
corroborate some of his documentation.

[redacted] says that the documentation concerning this
information is in a briefcase now located at a collection agency
named Spencer & Lacy (phonetic) in the Broward County area.
[redacted] said prior to his arrest, he was using space at this
business. At Cherry's request, he attempted to send a courier to
Spencer & Lacy to pick up this information, but was advised by
them that since he [redacted] owes them money, he could not do
this.

[redacted]

Cherry indicated that [redacted] was dealing exclusively
with him (Cherry) now. Cherry cautioned that [redacted] "lives by
his wits." He is smooth, and as such, nobody questions him.
Cherry had heard [redacted] name before as an information broker.

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Cherry believes [redacted] is not involved in felonies, drugs or violent crimes. Cherry has heard that the source of [redacted] problems is women. As indicated above, [redacted] has talked with someone else about this information. [redacted] has also indicated his phone calls to Cherry may have been monitored.

Cherry provided his business card and other telephone information as follows:

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|-----------------|---|
| Name: | M. Morgan Cherry |
| Title: | Investigator |
| Company: | M. Morgan Cherry & Associates, Ltd. |
| Address: | Suite 1600, 5203 Leesburg Pike, Falls Church, Virginia 22041 |
| Telephone: | (703) 941-0066 or (800) 800-8593 |
| Fax Number: | (703) 824-7860 |
| Home Telephone: | [redacted] FOIA(b) 6 |