

ALAN CRANSTON
CALIFORNIA

United States Senate

OFFICE OF
THE DEMOCRATIC WHIP
WASHINGTON, D.C. 20510

June 7, 1989

Mr. Edwin Gray
Chase Federal Savings Bank
7300 North Kendall Drive
Miami, FL 33156

Dear Mr. Gray,

I have read your curious response of May 30 to Senator McCain about the substance of a discussion involving Lincoln Savings you allege took place with a group of Senators including myself. Frankly, I'm astonished. I did not participate in any discussion with you which even remotely resembles what you describe.

What I said to you about Lincoln Savings when you were chairman of the FHLBB was clear and simple: Do something to end the inordinate delay in the examination of Lincoln. If Lincoln was violating regulations, take appropriate action against it. If Charles Keating had broken any laws, bring charges. But if a case could not be made against Lincoln, then bring a halt to what appeared to be the harassment to which Lincoln was being subjected by your regulators. Don't keep Keating twisting in the limbo of your bureaucrats' malicious indecision.

In any conversations I had with you about Lincoln, that was my sole message.

Sincerely,


Alan CranstonEXHIBIT
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