

## House Calendar No. 273

105TH CONGRESS }  
*2d Session*

HOUSE OF REPRESENTATIVES

{ REPORT  
105-797

IN THE MATTER OF  
REPRESENTATIVE JAY KIM

---

R E P O R T

OF THE

COMMITTEE ON  
STANDARDS OF OFFICIAL CONDUCT



OCTOBER 8, 1998.—Referred to the House Calendar  
and ordered to be printed

IN THE MATTER OF REPRESENTATIVE JAY KIM

**House Calendar No. 273**105TH CONGRESS }  
*2d Session*

HOUSE OF REPRESENTATIVES

{ REPORT  
105-797IN THE MATTER OF  
REPRESENTATIVE JAY KIM

## R E P O R T

OF THE

COMMITTEE ON  
STANDARDS OF OFFICIAL CONDUCTOCTOBER 8, 1998.—Referred to the House Calendar  
and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

51-428

WASHINGTON : 1998

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

JAMES V. HANSEN, Utah, *Chairman*

LAMAR S. SMITH, Texas

JOEL HEFLEY, Colorado

BOB GOODLATTE, Virginia

JOE KNOLLENBERG, Michigan

HOWARD L. BERMAN, California,

*Ranking Minority Member*

MARTIN OLAV SABO, Minnesota

ED PASTOR, Arizona

CHAKA FATTAH, Pennsylvania

ZOE LOFGREN, California

THEODORE J. VAN DER MEID, *Chief Counsel*

BARI SCHWARTZ, *Counsel to the Ranking Minority Member*

JULIAN A. HAYWOOD, *Counsel*

VIRGINIA H. JOHNSON, *Counsel*

DAVID H. LAUFMAN, *Counsel*

PAUL M. LEWIS, *Counsel*

REED D. SLACK, *Counsel*

JOHN E. VARGO, *Counsel*

DEBBIE BLOCKINGER, *Staff Assistant*

CHRISTINE WEINSTEIN, *Staff Assistant*

JOANNE WHITE, *Staff Assistant*

## CONTENTS

---

	Page
I. Executive Summary .....	1
II. Introduction .....	4
III. Relevant Standards of Conduct .....	7
IV. Evidence Relating to Statement of Alleged Violation .....	8
A. Count I: Violation of House Rule 43, Clause 1 (Causing In-Kind Contributions from a Corporation) .....	8
1. Guilty Plea and Acceptance of Responsibility by Representative Kim .....	8
2. Investigation by the Investigative Subcommittee .....	10
a. Representative Kim's Knowledge of Federal Election Campaign Laws .....	10
b. Causation of In-Kind Contributions by JayKim Engineers, Inc. ....	12
B. Count II: Violations of House Rule 43, Clause 1; House Rule 44, Clause 2; and Ethics in Government Act of 1978 (Acceptance and Receipt of a Contribution from a Foreign National; False Statements on Financial Disclosure Statement; and False Statements to Investigative Subcommittee) .....	13
1. Guilty Plea and Acceptance of Responsibility by Representative Kim .....	14
2. Investigation by Investigative Subcommittee .....	14
3. False Statements on Financial Disclosure Statements .....	15
4. False Statements to the Investigative Subcommittee .....	16
C. Count III: Violations of House Rule 43, Clause 1 (Acceptance and Receipt of an Excessive Corporate Contribution from Nikko Enterprises, Inc., and False Statements to the Investigative Subcommittee) .....	17
1. Guilty Plea and Acceptance of Responsibility by Representative Kim .....	17
2. Investigation by the Investigative Subcommittee .....	18
3. False Statements to the Investigative Subcommittee .....	20
D. Count IV: Violations of House Rule 44, Clause 2 (False Statements on Financial Disclosure Statements Related to the Contribution by Nikko Enterprises, Inc.) .....	22
E. Count V: Violations of Then-House Rule 43, Clause 4; House Rule 43, Clause 1; Ethics in Government Act of 1978; and House Rule 44, Clause 2 (Improper Gifts from Hanbo Steel and General Construction; Failure to Disclose Gifts on Financial Disclosure Statement; Attempt to Influence Statements to Investigators; and False Statements to Investigative Subcommittee) .....	23
1. Gifts of Travel Expenses and Golf Equipment from Hanbo Steel .....	24
2. Failure to Disclose Gifts of Travel Expenses and Golf Equipment .....	27
3. Receipt of \$30,000 Check from Dobum Kim .....	28
4. Failure to Report Gift of \$30,000 on Financial Disclosure Statement .....	33
5. Attempt to Influence Statements by Dobum Kim to Investigators .....	34
6. False Statements to Investigative Subcommittee Regarding Dobum Kim .....	35

IV

	Page
F. Count VI: Violations of House Rule 51 and House Rule 43, Clause 1 (Receipt of Improper Gifts to Pay Partial Reimbursement to House of Representatives for Excess Outside Earned Income from Book) .....	38
V. Results of Inquiry Regarding Other Issues .....	46
A. Violations of Federal Election Campaign Laws by Representative Kim's Campaign Committee .....	46
1. Guilty Plea by Representative Kim's Campaign Committee and Knowledge by Representative Kim of False Statements by His Campaign Committee to the FEC Regarding Contributions by Jaycee Kim, Song Nien Yeh, and Robert Yu .....	46
2. Guilty Plea by Representative Kim's Campaign Committee and Knowledge by Representative Kim of False Statements by His Campaign Committee to the FEC Regarding In-Kind Corporate Contributions by JayKim Engineers, Inc. ....	48
B. Transfer of \$86,000 in Funds from June Kim's Bank Account in South Korea to the United States in August 1994 .....	50
C. Reimbursement of Excess Earned Income from Representative Kim's Book .....	56
D. Legal Defense Fund for June Kim .....	66
E. June Kim's Autobiography .....	71
VI. Conduct of the Inquiry .....	77
A. Investigative Methodology .....	77
B. Expansions of Jurisdiction .....	78
C. Assistance from U.S. Attorney's Office .....	79
D. Witness Immunity .....	81
E. Alleged Mistreatment of Witness .....	81
F. Exculpatory Information .....	83
G. Assertion of Marital Privileges .....	84
H. June Kim's Fifth Amendment Rights .....	89
I. Deferral of Rulings on Procedural Objections .....	90
J. Compelled Testimony in Absence of Two-Member Quorum .....	91
K. Cooperation Requirements of Plea Agreements .....	91
L. Appeals of Evidentiary Rulings .....	93
M. Adoption of Statement of Alleged Violation .....	94

APPENDIX OF DOCUMENTARY EXHIBITS

1. July 1997 Plea Agreement of Jay Kim (with amended Statement of Facts) ..	100
2. Transcript of Aug. 11, 1997 court proceeding where guilty pleas entered by Representative Kim, June O. Kim, and Jay Kim for Congress Committee .....	116
3. July 1997 Plea Agreement of Jay Kim for Congress Committee (with amended Statement of Facts) .....	163
4. July 1997 Plea Agreement of June O. Kim (with Statement of Facts) .....	178
5. Friedly, Kim's Office Aided Wife's Partner, The Hill, Aug. 6, 1997 .....	186
6. Friedly, Senate Democrats Urge New Probe of Rep. Kim, The Hill, Sept. 10, 1997 .....	189
7. Sept. 11, 1997, press announcement by the Hon. James V. Hansen and the Hon. Howard L. Berman .....	191
8. Pincus, House Panel May Probe Kim Financial Reports, Washington Post, Sept. 13, 1997 .....	192
9. Letter from the Hon. James V. Hansen and the Hon. Howard L. Berman to the Hon. Nora Manella, United States Attorney for the Central District of California, Sept. 25, 1997 .....	194
10. Information, <i>United States v. Kim</i> , No. 97-726-RAP (C.D. Cal. filed July 31, 1997) .....	196
11. Letter from the Hon. James V. Hansen and the Hon. Howard L. Berman to the Hon. Jay Kim, Dec. 17, 1997 .....	210
12. Dec. 18, 1997, press announcement by the Hon. James V. Hansen and the Hon. Howard L. Berman .....	214
13. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph L. Lotkin, Sept. 16, 1998 .....	215
14. Notice of Filing Plea Agreements, <i>United States v. Jay C. Kim</i> , No. 97-726-RAP (C.D. Cal. filed July 31, 1997) .....	220
15. Sentencing Hearing, <i>United States v. Kim</i> , No. 97-726-RAP (C.D. Cal. March 9, 1998). .....	222
16. Judgment and Probation/Commitment Order, <i>United States v. Jay C. Kim</i> , No. CR97-726 (C.D. Cal. filed March 10, 1998) .....	281

	Page
17. Letter from the Hon. Jay Kim to the Hon. Lamar Smith and the Hon. Ed Pastor, Jan. 29, 1998 .....	282
18. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to the Hon. Jay Kim, Apr. 2, 1998 .....	292
19. Letter from the Hon. Jay Kim to the Hon. Lamar Smith and the Hon. Ed Pastor, May 21, 1998 (signed and approved by the Hon. Jay Kim) .....	296
20. Memorandum from Jay Kim to All Staff at JayKim Engineers, Inc., March 9, 1992 .....	309
21. Memorandum from Jay Kim to All Diamond Bar Staff at JayKim Engineers, Inc., March 18, 1992 .....	310
22. \$50,000 promissory note between Jay Kim and Song Nien Yeh, May 13, 1992; \$50,000 cashier's check corresponding to promissory note; documents regarding a \$50,000 deposit into Jay Kim's personal account; and a \$50,000 check written by Jay Kim to his campaign committee .....	311
23. Letter from the Hon. Jay Kim to the Hon. Richard A. Paez, Feb. 25, 1998 .....	317
24. Financial Disclosure Statement of Jay Kim for 1992 (candidate filing for period of January 1–May 15, 1998, filed on May 28, 1992) .....	319
25. Amended Financial Disclosure Statement of Jay Kim for 1992 (candidate filing for period of January 1–May 15, 1998, filed on Aug. 4, 1992) .....	324
26. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1992 (Member's annual FDS filed May 17, 1993) .....	329
27. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1993 (Member's annual FDS filed May 16, 1994) (and amendments thereto) .....	335
28. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1994 (Member's annual FDS filed Aug. 3, 1995) .....	346
29. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1995 (Member's annual FDS filed May 15, 1996) .....	353
30. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1996 (Member's annual FDS filed May 15, 1997) (and amendment thereto) .	361
31. Financial Disclosure Statement of the Hon. Jay Kim for calendar year 1997 (partial Member's annual FDS filed May 22, 1998) .....	369
32. Federal Bureau of Investigation Memorandum of Interview of Song Nien Yeh, Feb. 13, 1995 .....	375
33. Memorandum from Michael Li to "Congressman," Aug. 10, 1993 .....	380
34. \$12,000 check from Nikko Enterprises, Inc. dated Sept. 28, 1992 (identity of payee left blank), and copy of check subsequently made payable to, and endorsed by, June O. Kim .....	381
35. Federal Bureau of Investigation Memorandum of Interview with David Chang, Dec. 5, 1994 .....	383
36. Letter from June O. Kim to Yung Soo Yoo, Dec. 17, 1994 (Korean-language original and English translation by FBI) .....	385
37. \$2,000 check drawn on joint account of Jay Kim and June Kim, payable to David Chang, dated Dec. 17, 1994 .....	386
38. Voucher for \$12,000 payment by Nikko Enterprises, Inc., dated Sept. 28, 1992 .....	387
39. Federal Bureau of Investigation Memorandum of Interview of Yung Soo Yoo, March 22, 1995 .....	388
40. Federal Bureau of Investigation Memorandum of Interview of Yung Soo Yoo, April 5, 1995 .....	390
41. Facsimile transmission from Yung Soo Yoo to Representative Jay Kim, Dec. 15, 1994 .....	400
42. Letter from Ben Quincy Limb to Jay Kim, Sept. 29, 1992 .....	401
43. Credit card purchase form for Aloha Airlines ticket indicating travel from Honolulu to Maui by Representative Jay Kim on Jan. 16, 1994 .....	402
44. Letter from Stephanie C. Ackerman, Staff Vice President, Corporate and Government Affairs, Aloha Airlines, to David H. Laufman, July 16, 1998 ....	403
45. American Express statement for corporate account in name of Dobum Kim, dated Jan. 8, 1994 .....	404
46. Records of Grand Wailea Resort indicating stay by Tae Soo Chung in Jan. 1994 (registration and guest history) .....	405
47. Registration records from Grand Wailea Resort regarding Jan. 1994 stay by Jay Kim and Dobum Kim .....	407
48. American Express receipt relating to Dobum Kim's purchase of golf equipment for Representative Kim on Jan. 16, 1994, and corresponding sales receipt .....	409

	Page
49. American Express statement showing personal account number of Dobum Kim matching account number on credit card receipt for purchase record of golf equipment .....	411
50. Guest history records from Grand Wailea Resort for Jay Kim and Dobum Kim .....	412
51. Letter from Ronald A. Gray, Managing Counsel, American Express, to David Laufman, July 27, 1998 .....	414
52. Letter from Gregory A. Koesterling, Managing Director, Grand Wailea Resort, to Paul Lewis, July 23, 1998 .....	415
53. Imprints of VISA cards in connection with registration of Jay Kim, Tae Soo Chung, and In Kyu Mok at Grand Wailea Resort in Jan. 1994 .....	417
54. Grand Wailea Resort record of Representative Kim's room charges .....	420
55. Cash register tape relating to purchases at golf pro shop on Jan. 16, 1994 .....	421
56. Letter from Ralph Lotkin to the Hon. Lamar Smith and the Hon. Ed Pastor, Sept. 25, 1998 .....	422
57. SKU descriptions of items purchased at golf pro shop on Jan. 16, 1994 .....	428
58. Sample of account statement for Dobum Kim's money market account at Bank of America .....	430
59. Bank of America statement for money market account showing \$100,000 transfer to Dobum Kim's account .....	431
60. Bank of America statement for money market account showing \$200,000 transfer to Dobum Kim's account .....	435
61. \$30,000 check from Dobum Kim made payable to June Kim, dated Jan. 29, 1994 .....	439
62. Bank of America statement dated March 22, 1994, showing debit of \$30,000 from Dobum Kim's account .....	441
63. Deposit slip dated March 2, 1994, indicating deposit of \$30,000 into joint savings account of Representative and Mrs. Kim at Union Bank .....	445
64. Statement from Union Bank indicating \$30,000 deposit on March 2, 1994, to Kims' joint savings account .....	446
65. Bank statements showing three withdrawals of \$10,000 each from Kims' joint savings account at Union Bank during period of March 3–June 2, 1994 .....	447
66. Union Bank records showing three deposits of \$10,000 each to Kims' joint checking account during period of Feb. 24–May 25, 1994 .....	450
67. Pages of Representative Kim's personal calendar for late Jan. 1994 .....	453
68. Korean-language newspaper article dated Feb. 3, 1994 (and English translation) .....	454
69. American Airlines records indicating travel by Representative Kim in Jan. 1994 in which he earned frequent flier miles .....	457
70. Letter from Ralph Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Sept. 30, 1998 .....	458
71. Letter from Gary R. Doernhoefer, Senior Counsel, American Airlines, to David Laufman, Sept. 28, 1998 .....	461
72. Passenger name records indicating travel by Representative Kim on American Airlines during period of Jan. 28–30, 1994 .....	463
73. FBI notes regarding interview of Dobum Kim, dated June 3, 1997 .....	464
74. American Express charge receipts relating to Dobum Kim's Oct. 1993 stay at Key Bridge Marriott Hotel in Arlington, Virginia and restaurant charges .....	468
75. Records from Ritz Carlton in Arlington, Virginia indicating stay by Tae Soo Chung in Oct. 1993 .....	469
76. Feb. 1994 contract between Jay Kim and Sungmoon Publishing Company .....	471
77. Letter from the Hon. Jay Kim to the Hon. Nancy L. Johnson, Feb. 21, 1995 .....	477
78. Letter from Chairman Nancy L. Johnson and Ranking Democratic Member Jim McDermott to the Hon. Jay Kim, May 15, 1995 .....	479
79. Letter from the Hon. Jay Kim to the Hon. Nancy Johnson, Mar. 17, 1995 .....	481
80. Letter from the Hon. Jay Kim to the Hon. Nancy L. Johnson, Aug. 4, 1995 .....	483
81. Letter from Committee Chairman Nancy L. Johnson and Ranking Democratic Member Jim McDermott to the Hon. Jay Kim, Oct. 26, 1995 .....	485
82. Letter from the Hon. Jay Kim to the Hon. James V. Hansen, Dec. 31, 1997 (and enclosed copies of checks) .....	487
83. Letter from Hon. Jay Kim to Hon. James V. Hansen and Hon. Howard L. Berman, Jan. 23, 1998 (and enclosed copy of \$20,000 cashier's check) .....	489

VII

	Page
84. Disclosure reports filed by Representative Kim's campaign committee with Federal Election Commission during period of 1994-1996 .....	491
85. Report of Receipts and Disbursement filed with FEC by Jay Kim for Congress (July 31 Mid-Year Report dated July 28, 1997) .....	529
86. Letter from Committee Counsel David H. Laufman to Chul Song, July 10, 1998 (and accompanying Korean translation) .....	540
87. Letter (in Korean) from Chul Song to David H. Laufman, July 14, 1998 (and accompanying English translation) .....	543
88. "Notarial Certificate" and accompanying letter from Heon Kim, dated Aug. 20, 1998 .....	545
89. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated May 20, 1992 .....	548
90. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated May 21, 1992 .....	550
91. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated July 14, 1992 .....	552
92. Wire transfers of Aug. 2, 1994, relating to transfer of \$86,000 from June Kim's account at Cho Hung Bank in Seoul, South Korea to the United States .....	555
93. Receipt for payment of 20 million won by Sungmoon Publishing Company to June Kim on Feb. 15, 1994 .....	557
94. Letter from June O. Kim to David H. Laufman, June 8, 1998; Cho Hung Bank records indicating deposit of 20 million won into account of June Kim on February 15, 1994; English translation of bank records .....	558
95. Printing and sales information from Sungmoon Book Publishing Company regarding Representative Kim's book, I'm Conservative, and English translation .....	563
96. Bank of California statement regarding joint equity line of credit account of Jay Kim and June Kim, dated Aug. 15, 1994 .....	569
97. Letter from Bong U. Yoo to David H. Laufman, May 8, 1998; excerpt from amended joint federal income tax of Jay Kim and June Kim for 1994 (with redactions) .....	570
98. Letter from Jennifer Ahn to Representative Jay Kim, Oct. 27, 1994 (with copy of \$5,000 check from book sales in United States) .....	573
99. Memorandum from Ellen Weintraub to Committee on Standards of Official Conduct, May 4, 1995 .....	575
100. Memorandum from Matt Reynolds, Office of Rep. Jay Kim, to Ellen Weintraub, Counsel, Committee on Standards of Official Conduct, March 21, 1995 .....	580
101. Memorandum from Matt Reynolds to Ellen Weintraub, March 31, 1995 ..	581
102. Letter from the Hon. Jay Kim to the Hon. Nancy Johnson, Sept. 8, 1995 .....	582
103. Letter from Committee Chairman Nancy L. Johnson and Ranking Democratic Member Jim McDermott, Sept. 20, 1995 .....	583
104. Letter from the Hon. Jay Kim, Sept. 21, 1995, to the Hon. Nancy Johnson .....	584
105. Letter from Chairman James V. Hansen and Ranking Democratic Member Howard L. Berman to the Hon. Jay Kim, Feb. 27, 1997 .....	585
106. Disclosure report filed by Representative Kim's campaign committee with FEC, dated Oct. 9, 1996 .....	587
107. Disclosure report filed by Representative Kim's campaign committee with FEC, dated Jan. 24, 1997 .....	590
108. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated July 28, 1997 .....	592
109. \$10,000 cashier's check purchased by Representative Kim, dated May 28, 1997 .....	594
110. Letter from the Hon. Jay Kim to the Hon. James V. Hansen, June 3, 1997 .....	595
111. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated Jan. 22, 1998 .....	596
112. Letter from the Hon. Jay Kim to the Hon. James V. Hansen, Sept. 16, 1997 .....	598
113. Letter from the Hon. James V. Hansen and the Hon. Howard L. Berman to the Hon. Jay Kim, Oct. 22, 1997 .....	599
114. Letter from Chairman James V. Hansen and Ranking Democratic Member Howard L. Berman to the Hon. Jay Kim, Jan. 7, 1998 .....	601
115. Letter from the Hon. Jay Kim to the Hon. James V. Hansen and Howard L. Berman, Jan. 23, 1998 (and enclosed cashier's check) .....	602

VIII

	Page
116. Disclosure report filed by Representative Kim's campaign committee with the FEC, dated April 13, 1998 .....	604
117. \$50,000 cashier's check dated March 30, 1998, provided by Representative Kim to his campaign committee .....	606
118. Letter from Representative Kim to the Hon. James V. Hansen, July 11, 1997 .....	607
119. Letter from the Hon. James V. Hansen and the Hon. Howard L. Berman to the Hon. Jay Kim, July 28, 1997 .....	608
120. Passport records of Young Jack Lee (with redactions) .....	609
121. Deposit slip and record from Cho Hung Bank indicating deposit by Young Jack Lee of 100 million won into June Kim's account on Dec. 23, 1997, and English translation of bank record .....	611
122. Korean-language copy of Dec. 1995 book publishing agreement between June Kim and Handut Publishing Company .....	615
123. English-language copy of Dec. 1995 book publishing agreement between June Kim and Handut Publishing Company .....	617
124. Receipt for 15 million won paid to June Kim by Handut Publishing Company on Dec. 19, 1995 .....	620
125. Handwritten notes of accountant Bong U. Yoo and June Kim relating to income from June Kim's book .....	621
126. Korean-language record from Cho Hung Bank relating to account of June Kim (with annotations by translator) .....	622
127. English translation of Cho Hung Bank document relating to account of June Kim .....	624
128. Excerpt of joint federal income tax return of Jay Kim and June Kim for 1995 (signed and certified, with redactions) .....	625
129. Handwritten notes of June Kim regarding income from her book .....	629
130. Excerpt of joint federal income tax return of Jay Kim and June Kim for 1996 (signed and certified, with redactions) .....	630
131. Handwritten notes given by June Kim to accountant regarding book income received in 1997 .....	634
132. Cho Hung Bank records regarding account of June Kim for period of Nov. 1996 through Jan. 1998 .....	635
133. Handwritten ledger prepared by accountant Bong U. Yoo for Representative Kim and June Kim analyzing foreign bank statements .....	638
134. Letter from June Kim to Bong Yoo dated April 12, 1998 .....	639
135. Certificates of Remittance reflecting transfers of funds from California branch of Cho Hung Bank to June Kim's checking account at California Korea Bank in Rowland Heights, California .....	640
136. Excerpt of joint federal income tax return of Jay Kim and June Kim for 1997 (signed and certified, with redactions) .....	649
137. Letter from Jay Kim to Bong U. Yoo, May 8, 1998 .....	653
138. Letters from Investigative Subcommittee to the Hon. Jay Kim advising him of expansion of inquiry .....	654
139. Letter from Adam H. Kurland to the Hon. Lamar S. Smith and the Hon. Ed Pastor, June 18, 1998 .....	658
140. Letter from the Hon. Lamar Smith to Ralph Lotkin, July 2, 1998 .....	661
141. Letter from Michael J. Madigan to David H. Laufman, May 1, 1998 .....	687
142. Letter from Ann M. Harkins, Acting Assistant Attorney General, to Ms. Geraldine R. Gennet, General Counsel, U.S. House of Representatives, April 30, 1998 .....	688
143. Application of the Committee on Standards of Official Conduct of the U.S. House of Representatives for an Order Immunizing the Testimony of, and Other Information Provided by, Dobum Kim, and Memorandum of Points and Authorities in Support Thereof .....	689
144. Order, Committee on Standards of Official Conduct, Misc. No. 98-170 (D.D.C. filed May 4, 1998) .....	696
145. Order, Committee on Standards of Official Conduct, Misc. No. 98-170 (D.D.C. filed Sept. 21, 1998) .....	697
146. Letter from Ralph L. Lotkin and Adam H. Kurland to the Hon. Lamar S. Smith, July 14, 1998 .....	698
147. Written statement by Jennifer Ahn submitted at deposition on May 28, 1998 .....	707
148. Letters from Investigative Subcommittee to Representative Kim's counsel disclosing exculpatory information .....	709
149. Letter from June O. Kim to David H. Laufman and Paul M. Lewis, July 14, 1998 .....	715
150. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, June 26, 1998 .....	717

## IX

	Page
151. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, July 28, 1998 .....	721
152. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph L. Lotkin, July 31, 1998 .....	724
153. Letter from the Hon. Lamar S. Smith and the Hon. Ed Pastor to June Kim, Aug. 4, 1998 .....	726
154. Letter from June O. Kim to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Aug. 24, 1998 .....	729
155. Letter from David H. Laufman to Ralph L. Lotkin, July 7, 1998 .....	730
156. Letter from the Hon. Lamar S. Smith and the Hon. Ed Pastor to the Hon. Jay Kim, July 28, 1998 .....	732
157. Letter from David H. Laufman to Ralph L. Lotkin, July 29, 1998 .....	733
158. Letter from Ralph L. Lotkin to the Hon. Lamar Smith and the Hon. Ed Pastor, Aug. 3, 1998 .....	734
159. Letter from David H. Laufman to Ralph L. Lotkin, Aug. 3, 1998 .....	735
160. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Aug. 4, 1998 .....	736
161. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph Lotkin, Aug. 6, 1998 .....	738
162. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Aug. 6, 1998 .....	740
163. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph L. Lotkin, Aug. 6, 1998 .....	742
164. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to the Hon. Jay Kim, Aug. 7, 1998, and accompanying Statement of Alleged Violation .....	743
165. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Aug. 24, 1998, and accompanying Motion for a Bill of Particulars and Memorandum of Points and Authorities .....	795
166. Letter from the Hon. Lamar Smith to Ralph Lotkin, Aug. 25, 1998 .....	806
167. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith, Aug. 27, 1998 .....	809
168. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor, Sept. 2, 1998 .....	814
169. Letter from Ralph L. Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Sept. 9, 1998, and accompanying Motion to Dismiss and Memorandum of Points and Authorities .....	816
170. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph L. Lotkin, Sept. 10, 1998 .....	836
171. Representative Kim's Answer to the Statement of Alleged Violation, Sept. 25, 1998 .....	837
172. Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph Lotkin, Sept. 29, 1998. ....	848

## House Calendar No. 273

105TH CONGRESS }  
2d Session } HOUSE OF REPRESENTATIVES { REPORT  
105-797

---

---

### IN THE MATTER OF REPRESENTATIVE JAY C. KIM

\_\_\_\_\_

OCTOBER 8, 1998.—Referred to the House Calendar and ordered to be printed

\_\_\_\_\_

Mr. HANSEN, from the Committee on Standards of Official Conduct,  
submitted the following

### REPORT

The Committee on Standards of Official Conduct (“Committee”) submits this report pursuant to House Rule 10, Clause 4(e)(1)(A), which authorizes the Committee to recommend to the House from time to time such administrative actions as it may deem appropriate to establish or enforce standards of official conduct for Members, officers, and employees of the House.

#### I. EXECUTIVE SUMMARY

The Investigative Subcommittee conducted a nine-month inquiry regarding Representative Jay Kim in which the scope of its investigation was expanded four times. The inquiry encompassed the conduct at issue in the criminal prosecution of Representative Kim by the Department of Justice, as well as additional matters that the Subcommittee discovered during the course of the inquiry.

At the conclusion of the inquiry, the Subcommittee found substantial reason to believe that Representative Kim committed violations of laws and House rules within the Committee’s jurisdiction, and it unanimously adopted a Statement of Alleged Violation (“SAV”). The charges set forth in the SAV concern not only conduct to which Representative Kim pleaded guilty in 1997, but also matters outside the scope of the criminal investigation by the Department of Justice.

The SAV contains six counts of alleged violations of laws and House rules. Counts I through IV are based on statutory violations to which Representative Kim previously pleaded guilty, although they also include additional alleged violations:

Count I charges Representative Kim with causing in-kind corporate contributions in 1992 and 1993 to his campaign committee by JayKim Engineers, Inc. in violation of Clause 1 of

House Rule 43, which states that “[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

Count II charges Representative Kim with the acceptance and receipt of a campaign contribution in 1992 by a Taiwanese national in violation of Clause 1 of House Rule 43. In addition, this count charges Representative Kim with (1) making false statements on his Financial Disclosure Statements regarding the illegal foreign contribution in violation of the Ethics in Government Act of 1978 and Clause 2 of House Rule 44; and (2) making false statements to the Investigative Subcommittee regarding the illegal foreign contribution, in violation of Clause 1 of House Rule 43.

Count III charges Representative Kim with the acceptance and receipt of a corporate and excessive corporate contribution by Nikko Enterprises, Inc. (“Nikko”) totaling \$12,000 in October 1992, in violation of Clause 1 of House Rule 43. This count also charges Representative Kim with making false statements to the Investigative Subcommittee regarding the illegal contribution by Nikko.

Count IV charges Representative Kim with making false statements on his Financial Disclosure Statements regarding the illegal Nikko contribution in violation of Clause 2 of House Rule 44.

Counts V and VI of the Statement of Alleged Violation are based on conduct revealed by the Subcommittee’s investigation:

Count V charges Representative Kim with receiving a gift of \$30,000 in January 1994 from Dobum Kim, then an employee of Hanbo Steel and General Construction, a company headquartered in South Korea, in violation of Clause 4 of then-House Rule 43 and Clause 1 of House Rule 43. This count also charges Representative Kim with (1) attempting to influence statements by Dobum Kim to investigators regarding the \$30,000 payment, in violation of Clause 1 of House Rule 43; (2) failing to report the \$30,000 gift on his Financial Disclosure Statement for calendar year 1994, in violation of the Ethics in Government Act and Clause 2 of House Rule 44; (3) receiving gifts of travel expenses and golf equipment from Hanbo Steel and General Construction in 1994 totaling approximately \$3,640, in violation of Clause 4 of then-House Rule and Clause 1 of House Rule 43; (4) failing to disclose the gifts of travel expenses and golf equipment on his Financial Disclosure Statement for 1994, in violation of the Ethics in Government Act of 1978 and Clause 2 of House Rule 44; and (5) making false statements to the Investigative Subcommittee regarding Dobum Kim.

Count VI charges Representative Kim with violations of House Rule 51 and Clause 1 of House Rule 43 by receiving gifts in 1997 and 1998 consisting of two cashier’s checks totaling \$30,000, which he used to pay partial reimbursement to the U.S. Treasury for excess outside earned income from his 1994 autobiography, “I’m Conservative”.

Representative Kim filed an Answer to the Statement of Alleged Violation in which he admitted only the statutory violations to which he pleaded guilty in 1997 (not charged by the Investigative Subcommittee)<sup>1</sup> but denied all other charges, including alleged violations of House Rules based on those statutory violations.

The Investigative Subcommittee also found evidence of other possible misconduct meriting public disclosure that did not result in charges against Representative Kim. Particularly noteworthy is evidence indicating that:

Representative Kim had contemporaneous knowledge of false statements by his campaign committee to the Federal Election Commission ("FEC") in disclosure reports filed from 1992 through early 1997 regarding contributions by Jaycee Kim, Song Nien Yeh, and Robert Yu, which resulted in a guilty plea in 1997 by Representative Kim on behalf of his campaign to felony violations of 18 U.S.C. § 1001.

Representative Kim had contemporaneous knowledge of false statements by his campaign committee to the FEC in disclosure reports filed in 1992 and 1993 regarding in-kind corporate contributions to his campaign by JayKim Engineers, Inc., which resulted in a guilty plea in 1997 by Representative Kim on behalf of his campaign to a felony violation of 18 U.S.C. § 1001.

Representative Kim did not act in good faith with respect to a directive by the Committee, and his own agreement with the Committee, to repay \$112,258 in excess earned income from his book, "I'm Conservative", which was published in South Korea in 1994. The record indicates that funds were available to Representative Kim during the last few years that he could have used to make timely and more substantial reimbursement payments, and that he directed some of those funds (including \$50,000 in March 1998) to his campaign committee instead.

Approximately \$51,000 was raised in South Korea in late 1997, and deposited into a bank account there in the name of Representative Kim's wife, June Kim, by a person acting at Representative Kim's request to help defray June Kim's legal expenses in the United States, under circumstances that appear to conflict with express written conditions previously imposed by the Committee in July 1997 concerning such fundraising. The record indicates that the persons who contributed to Mrs. Kim's legal defense fund did so primarily to benefit Representative Kim, and that June Kim therefore did not receive or acquire the funds independent of her relationship to Representative Kim as a Member of the House of Representatives.

In connection with its investigation of Representative Kim's book, the Investigative Subcommittee found credible evidence that his wife, June Kim, transferred approximately \$86,000 in August 1994 from a South Korean bank account in her name to the United States, at least \$75,000 of which was deposited into a joint equity line of credit account in California in the name of Representative

<sup>1</sup>The Investigative Subcommittee charged Representative Kim only with violations of House Rules in connection with the statutory violations of the Federal Election Campaign Act to which he had pleaded guilty; it did not charge him with violations of the statutes themselves.

Kim and June Kim. Representative Kim testified that he had no knowledge of the \$86,000 transfer, assumed the money derived from sales of his book in South Korea, but had no actual knowledge that the money related to book sales. The Subcommittee was concerned about whether the money in fact related to book sales, as bank records indicated that the bulk of the funds apparently comprising the \$86,000 was deposited into Mrs. Kim's South Korean bank account substantially before the book was published in August 1994. Ultimately, the Subcommittee was unable to confirm that the funds transferred from Mrs. Kim's bank account in South Korea constituted proceeds from the sale of Representative Kim's book.

On October 6, 1998, the full Committee unanimously adopted the Investigative Subcommittee's report. Pursuant to a recommendation by the Subcommittee, the full Committee also unanimously voted that no further action be taken in this matter.

## II. INTRODUCTION

During the period of 1993–1997, Representative Jay Kim and his campaign committee were the subject of a criminal investigation by the U.S. Attorney's Office for the Central District of California in connection with possible violations of federal election campaign laws. In July 1997, Representative Kim entered into a plea agreement with the U.S. Attorney's Office pursuant to which he pleaded guilty to three misdemeanor violations of Federal election campaign laws.<sup>2</sup> Specifically, Representative Kim pleaded guilty to: (1) knowingly accepting an illegal \$50,000 contribution to his 1992 campaign from a Taiwanese national; (2) knowingly contributing more than \$83,000 in illegal corporate contributions from JayKim Engineers, Inc. ("JKE") to his 1992 campaign; and (3) knowingly accepting an illegal \$12,000 corporate contribution to his 1992 campaign from Nikko Enterprises, Inc.

In addition to the misdemeanors to which he personally pleaded guilty, Representative Kim also entered guilty pleas on behalf of his campaign committee to five felony counts of concealing illegal contributions in reports that his campaign committee filed with the Federal Election Commission ("FEC") during the period of 1992 to 1997.<sup>3</sup> Through Representative Kim, the campaign committee pleaded guilty to concealing from the FEC: \$98,000 in illegal loan contributions; \$83,248 in illegal corporate contributions from JayKim Engineers, Inc.; \$19,000 in illegal corporate contributions made by individuals who were reimbursed by corporations; thousands of dollars in illegal corporate contributions; and an illegal \$1,000 corporate contribution from Korean Air.<sup>4</sup>

<sup>2</sup>Plea Agreement, *United States v. Kim*, No. 97-726-RAP (C.D. Cal. filed July 31, 1997) (hereinafter "Plea Agreement") (Exh. 1); Exh. 2 (transcript of August 1997 court proceeding where Representative Kim entered guilty pleas). The U.S. Attorney's Office subsequently amended the statements of facts incorporated within the plea agreements of Representative Jay Kim and the Jay Kim for Congress Committee to revise certain references to Representative Kim's wife, June Kim. The copies of the plea agreements of Representative Kim and his campaign committee that are included in the documentary appendix to this Report contain the amended statements of facts.

<sup>3</sup>Representative Kim's entry of a plea on behalf of his campaign committee was required by the terms of his own plea agreement.

<sup>4</sup>Exh. 3 (plea agreement of Jay Kim for Congress Committee).

Representative Kim's wife, June Kim, also pleaded guilty to two misdemeanor counts charging her with knowingly accepting more than \$19,000 in illegal corporate contributions in violation of federal election campaign laws.<sup>5</sup>

On August 6, 1997, The Hill published an article raising questions about whether Representative Kim might have benefited financially from a contract awarded by his congressional office to Image Media Services, Inc. to perform news clipping and translation services.<sup>6</sup> The article reported that June Kim had been a business partner of Jennifer Ahn, the owner of Image Media Services, Inc.

On September 10, 1997, The Hill published another article raising questions about whether Representative Kim had falsely reported campaign contributions as personal loans on Financial Disclosure Statements filed with the Clerk of the House of Representatives.<sup>7</sup>

On September 11, 1997, full Committee Chairman James V. Hansen and Ranking Democratic Member Howard L. Berman publicly announced their intention to recommend an investigation concerning Representative Kim.<sup>8</sup> They also announced that they had "instructed Committee staff to meet with Department of Justice officials in Washington, DC and Los Angeles to gather additional information."<sup>9</sup>

On September 13, 1997, the Washington Post published an article raising questions about whether income from June Kim's autobiography, "There Are Opportunities," had been accurately reported on Representative Kim's Financial Disclosure Statements.<sup>10</sup> The article also raised questions about whether Representative Kim accurately had reported a liability on his Financial Disclosure Statements that he had described as a personal loan.

On or about September 25, 1997, the Committee asked the United States Attorney for the Central District of California to provide copies of plea agreements and other documents relating to the prosecution of Jay Kim and June Kim, as well as reports of witness interviews conducted by the Federal Bureau of Investigation ("FBI").<sup>11</sup> The Committee also asked the U.S. Attorney to arrange a meeting in Los Angeles between Committee staff attorneys and government attorneys and investigators who worked on the criminal investigation of Representative Kim and related cases.

On or about October 30, 1997, the Committee received copies from the Department of Justice of documents the Committee had requested in its letter of September 25, 1997, including plea agreements regarding Jay Kim, June Kim, and the Jay Kim for Congress Committee.<sup>12</sup>

<sup>5</sup> Exh. 4 (plea agreement of June O. Kim).

<sup>6</sup> Exh. 5.

<sup>7</sup> Exh. 6.

<sup>8</sup> Exh. 7.

<sup>9</sup> *Id.*

<sup>10</sup> Exh. 8.

<sup>11</sup> Exh. 9.

<sup>12</sup> The U.S. Attorney's Office did not indict Representative Kim because he entered into a plea agreement in which he admitted to committing criminal violations. Instead, the U.S. Attorney's Office filed an "information" with the U.S. District Court for the Central District of California, in which the charges that were the subject of the plea agreements were set forth. See Exh. 10.

In December 1997, the House Parliamentarian advised the Chairman and Ranking Democratic Member that copies of charging documents and plea agreements transmitted to the Committee by the Department of Justice met the requirements of House and Committee rules for what constitutes a complaint, and that they could file such a complaint as constructive complainants. The Parliamentarian also advised the Chairman and Ranking Democratic Member that the Committee had jurisdiction under House Rule 10, Clause 4(e), to investigate allegations of misconduct relating to a successful campaign for election to the House.

Consequently, the Chairman and Ranking Democratic Member exercised their authority under Committee Rule 17(c) to establish an investigative subcommittee to conduct an inquiry concerning Representative Kim. In a letter to Representative Kim dated December 17, 1997, the Chairman and Ranking Democratic Member notified Representative Kim of the establishment of the investigative subcommittee and of the scope of the subcommittee's inquiry.<sup>13</sup>

In their letter of December 17, 1997, the Committee Chairman and Ranking Democratic Member advised Representative Kim that they had established an investigative subcommittee "to examine matters related to plea agreements that you and June Kim entered into with the Department of Justice in July 1997." The letter further stated that the investigative subcommittee would

have authority to investigate: (1) alleged improprieties concerning Financial Disclosure Statements that you have filed pursuant to the Ethics in Government Act; (2) whether the facts relating to the publication of a book by June Kim entitled "There Are Opportunities," and any royalties or other payments tendered in connection with that book, complied with House rules and applicable laws; (3) your failure to comply with an agreement with the Committee to return outside income from the publication of your book, "I'm Conservative," which exceeded the statutory limit of \$20,040; and (4) your knowledge, if any, regarding illegal contributions made to your 1992 congressional campaign by Korean Airlines, Co., Ltd. and other companies.

Representative Lamar Smith was appointed Chairman of the investigative subcommittee, and Representative Ed Pastor was appointed the Ranking Democratic Member. Representative Ed Bryant and Representative Robert C. Scott also were appointed to the investigative subcommittee pursuant to Clause 6(a)(3) of House Rule 10, which provides for non-Committee Members of the House of Representatives to serve on investigative subcommittees. The Committee publicly announced the establishment of the investigative subcommittee on December 18, 1997.<sup>14</sup>

On February 5, 1998, the Committee considered the action taken on the Kim case by the Chairman and Ranking Democratic Member in December 1997 and affirmed that it "has jurisdiction to investigate allegations of misconduct relating to a successful campaign for election to the House," thereby ratifying the previous action taken by the Chairman and Ranking Democratic Member.

---

<sup>13</sup> Exh. 11.

<sup>14</sup> Exh. 12.

### III. RELEVANT STANDARDS OF CONDUCT

#### *Federal election campaign laws*

2 U.S.C. § 441b: It is illegal for a corporation to make a contribution of any amount to a candidate for federal election.

2 U.S.C. § 441e: It is illegal for a foreign national to make a contribution of any amount to a candidate for federal election.

2 U.S.C. § 437g(d)(1)(A): Any person who knowingly and willfully commits a violation of any provision of the Federal Election Campaign Act which involves the making, receiving, or reporting of any contribution or expenditure aggregating \$2,000 or more during a calendar year shall be fined, or imprisoned for not more than one year, or both. The amount of this fine shall not exceed the greater of \$25,000 or 300 percent of any contribution or expenditure involved in such violation.

#### *Law regarding financial disclosure by candidates and House Members*

*Section 104(a) of the Ethics in Government Act:* “The Attorney General may bring a civil action in any appropriate United States district court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to report any information that such individual is required to report pursuant to section 102 [of the Act]. The court in which such action is brought may assess against such individual a civil penalty in any amount, not to exceed \$10,000.”

#### *House rules*

*House Rule 43, Clause 1:* “A Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

*Former House Rule 43, Clause 4:* “A Member \* \* \* of the House of Representatives shall not accept gifts (other than personal hospitality of an individual or with a fair market value of \$100 or less \* \* \* in any calendar year aggregating more than \* \* \* \$250, \* \* \* directly or indirectly, from any person (other than a relative) except to the extent permitted by written waiver granted in exceptional circumstances by the Committee on Standards of Official Conduct pursuant to clause 4(e)(E) of rule X.” The term “gift” was defined to include “[a] payment, subscription, advance, forbearance, rendering, or deposit of money, services, or anything of value, including food, lodging, transportation, or entertainment, and reimbursement for other than necessary expenses, unless consideration of equal or greater value is received by the donor.”<sup>15</sup> A Member of the House of Representatives was permitted to accept a gift of travel expenses, including lodging, if the gift was in connection with “fact-finding” or events in which the Member “substantially participated.”

*House Rule 44, Clause 2:* “For the purposes of this rule, the provisions of Title I of the Ethics in Government Act of 1978 shall be

<sup>15</sup>This rule was in effect at the time Representative Kim became a Member of the House of Representatives in January 1993 and remained in effect until January 1996, when it was superseded by then-House Rule 52.

deemed to be a rule of the House as it pertains to Members, officers, and employees of the House of Representatives.”

*House Rule 51, Clause 1(a)–(b).* “No Member, officer, or employee of the House of Representatives shall knowingly accept a gift except as provided in this rule \* \* \* For purposes of this rule, the term ‘gift’ means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value.”

#### IV. EVIDENCE RELATING TO STATEMENT OF ALLEGED VIOLATION

##### A. COUNT I: VIOLATION OF HOUSE RULE 43, CLAUSE 1 (CAUSING IN-KIND CONTRIBUTION FROM A CORPORATION)

The Subcommittee obtained credible evidence that during 1992 and 1993 Jay Kim caused JayKim Engineers, Inc. to make extensive in-kind contributions to his campaign organization in violation of Federal election campaign laws and House rules, and that such illegal assistance occurred with the knowledge and approval of Representative Kim.<sup>16</sup> According to the facts to which Representative Kim stipulated in his plea agreement, the in-kind contributions of office space, personnel and related expenses totaled approximately \$83,000.

##### 1. *Guilty plea and acceptance of responsibility by Representative Kim*

On or about July 28, 1997, Representative Kim signed a plea agreement with the United States Attorney’s Office for the Central District of California regarding an investigation relating to the financing of his 1992, 1994, and 1996 campaigns for the House of Representatives.<sup>17</sup> Representative Kim agreed to waive indictment by a grand jury and to plead guilty to making an illegal corporate contribution in violation of 2 U.S.C. §§ 441b and 437g.<sup>18</sup> Representative Kim’s plea agreement was filed with the United States District Court for the Central District of California on or about July 31, 1997.<sup>19</sup>

On or about August 11, 1997, Representative Kim was convicted of making an illegal corporate campaign contribution pursuant to his plea agreement. Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

<sup>16</sup>Count I of the SAV adopted by the Investigative Subcommittee on August 7, 1998, charged Representative Kim with making an illegal corporate in-kind contribution in addition to causing such a contribution to be made, consistent with the terminology in the criminal information corresponding to Representative Kim’s plea agreement. However, the Statement of Facts to which Representative Kim stipulated did not include the language specifically stating that Representative Kim “made” an in-kind contribution. The Subcommittee did not perceive a substantive difference between the two formulations, and subsequently deleted the charge that Representative Kim made illegal in-kind corporate contributions in response to concerns by Representative Kim’s counsel that the Subcommittee was charging Representative Kim with a violation to which he did not plead guilty. See Letter from the Hon. Lamar Smith and the Hon. Ed Pastor to Ralph Lotkin, Sept. 16, 1998 (Exh. 13).

<sup>17</sup>Exh. 1.

<sup>18</sup>*Id.* (para. 2); Information, Count 6, *United States v. Jay C. Kim*, No. 97–726–RAP (C.D. Cal. filed July 31, 1997) (Exh. 10). The Federal Election Campaign Act defines a contribution as “anything of value made by any person for the purpose of influencing any election for Federal office.” 2 U.S.C. § 431(8)(A)(1). An in-kind contribution is “the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods and services.” 11 C.F.R. § 100.7(a)(1)(iii).

<sup>19</sup>Notice of Filing Plea Agreements, *United States v. Jay C. Kim*, No. 97–726–RAP (C.D. Cal. filed July 31, 1997) (Exh. 14).

1. Defendant JAY C. KIM, also known as Changjoon Kim, ("defendant JAY KIM") was the President of JayKim Engineers, Inc. from 1978 to 1992. Defendant JAY KIM was the Mayor of Diamond Bar California, from 1991 through 1992. On February 10, 1992, defendant JAY KIM registered with the Federal Election Commission as a candidate for the United States House of Representatives. In November 1992, defendant JAY KIM was elected to the United States House of Representatives. Defendant JAY KIM was re-elected in November 1994 and in November 1996.

3. Defendant JAY KIM FOR CONGRESS COMMITTEE (FEC No. C00260133) is a federal campaign committee formed by defendant JAY KIM or about February 10, 1992, and registered with the Federal Election Commission. \* \* \* From March 1992 until July 1993, the headquarters of defendant JAY KIM FOR CONGRESS COMMITTEE was located within the office space of JayKim Engineers, Inc., in Diamond Bar, California.

4. JayKim Engineers, Inc. was incorporated as a California corporation under the laws of the State of California in 1978. JayKim Engineers, Inc., was a civil engineering firm with its principal place of business located in Diamond Bar, California. In February 1992, JayKim Engineers, Inc., had approximately ninety employees and had contacts with the federal government and municipalities.

\* \* \* \* \*

7. It is illegal for a corporation \* \* \* or a person who enters a contract with an agency of the United States to make a contribution of any amount to a candidate in a federal election.

\* \* \* \* \*

9. Beginning in or about March, 1992, through in or about July, 1993, defendant JAY KIM caused JayKim Engineers, Inc., to contribute to defendant JAY KIM FOR CONGRESS COMMITTEE approximately \$83,248 in in-kind contributions. The in-kind contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial services, and secretarial and other personnel services. The in-kind contributions had an aggregate value of more than \$2,000 in 1992 and more than \$2,000 in 1993. Defendant JAY KIM knew that it was illegal for corporations, including JayKim Engineers, Inc., to make contributions, including in-kind contributions, to federal election campaigns such as his, but he caused JayKim Engineers, Inc., to make those contributions anyway.<sup>20</sup>

On March 9, 1998, Representative Kim appeared in federal district court for his sentencing. At the proceeding, his attorney discussed Representative Kim's knowledge of the campaign's receipt of in-kind contributions from JayKim Engineers, Inc.:

<sup>20</sup> Exh. 1 (paras. 1, 3-4, 7 and 9).

Mr. Kim accepts responsibility. He knows what he did was wrong. He knows it violated the law. And he knew there was a law there at the time. And he knew there were things you could do and things you couldn't do.

\* \* \* \* \*

[T]he laws are very complicated, but he had an obligation and a responsibility to know that when he took money or loans, or when he used his personal corporation to make contributions, in-kind to the campaign committee, that's wrong. And he accepts responsibility for it.<sup>21</sup>

Representative Kim also spoke at his sentencing and told the court that he accepted complete responsibility for his conduct.<sup>22</sup>

Representative Kim provided information to the Investigative Subcommittee regarding his guilty plea to causing an illegal corporate contribution on two occasions. In a letter dated January 29, 1998, he told the Subcommittee that he did not dispute any element of the plea agreement or statement of facts stipulated to in the plea agreement.<sup>23</sup> On June 8, 1998, Representative Kim testified under oath that he adopted the plea agreement, including the statement of facts regarding illegal corporate contributions by JKE to his campaign committee.<sup>24</sup>

## 2. Investigation by the Investigative Subcommittee

In addition to the information it obtained from the U.S. Attorney's Office, the Subcommittee independently obtained credible testimonial and documentary evidence that corroborated the Statement of Facts incorporated within Representative Kim's plea agreement.

### a. Representative Kim's knowledge of federal election campaign laws

The Subcommittee received substantial credible evidence that Representative Kim had knowledge of the federal statutory prohibition against corporate campaign contributions as early as the 1980's. Most notably, the Subcommittee received credible testimony from Carmen Suarez, a former vice president at JayKim Engineers,

<sup>21</sup> Sentencing Hearing, *United States v. Kim*, No. 97-726-RAP (C.D. Cal. March 9, 1998), at 39-40 (hereinafter "Sentencing Hearing") (Exh. 15). Had JayKim Engineers, Inc. been structured as a sole proprietorship rather than as a corporation, the in-kind contributions at issue would not have violated the Federal Election Campaign Act, as the contributions would have been from Jay Kim's personal funds. See 11 C.F.R. § 110.10(b); Advisory Opinion 1990-9, Federal Election Commission (June 15, 1990). Representative Kim's campaign committee would have been required, however, to report such contributions to the FEC as in-kind contributions by Jay Kim. Advisory Opinion 1990-9, Federal Election Commission (June 15, 1990) (citing 11 C.F.R. § 100.7(a)(1)(iii)). As stated in the Statement of Facts to which Representative Kim stipulated as part of his plea agreement, "from on or about April 13, 1992 through on or about July 30, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports which failed to report that JayKim Engineers, Inc. contributed in-kind corporate resources to defendant JAY KIM FOR CONGRESS COMMITTEE, even though defendant JAY KIM and other agents of defendant JAY KIM FOR CONGRESS COMMITTEE knew that those contributions were legally required to be reported." Exh. 1 (at 8-9, para. 10).

<sup>22</sup> Sentencing Hearing at 52. On March 9, 1998, Representative Kim received the following sentence for his conviction for the three misdemeanor violations to which he pleaded guilty: (1) one year of probation, including two months in a home detention program that included electronic monitoring; (2) 200 hours of community service; (3) a fine of \$5,000; and (4) a special assessment of \$75. See Exh. 16 (Judgment and Probation/Commitment Order).

<sup>23</sup> Exh. 17.

<sup>24</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 145-149.

Inc., that Jay Kim caused JayKim Engineers, Inc. to make several conduit contributions to Members of Congress during the 1980's and early 1990's.<sup>25</sup> Representative Kim testified that he was on notice by at least 1987 that corporations cannot make contributions to federal candidates when the campaign committee of a federal candidate returned a JKE corporate contribution with a letter noting the prohibition against corporate campaign contributions.<sup>26</sup>

When Representative Kim became a candidate for the House of Representatives in 1992, his campaign staff told him that it was illegal for corporations, including JayKim Engineers, Inc., to contribute to his campaign. Robert Gouty, Representative Kim's political consultant, advised Representative Kim of the basic rules regarding campaign contributions and told Representative Kim at the beginning of the 1992 campaign that the campaign committee could not receive contributions from a corporation.<sup>27</sup> Jerry Silva, campaign manager during the 1992 primary campaign, also informed Representative Kim of the laws regarding receipt of political contributions and specifically advised against receipt of corporate contributions.<sup>28</sup> Silva testified that he personally gave Representative Kim a video prepared by the Federal Election Commission (hereinafter "FEC") that explained the basic rules regarding contributions.<sup>29</sup> In addition, Silva testified that he gave Representative Kim an FEC publication that included detailed explanations of the applicable limits on contributions to congressional campaigns.<sup>30</sup>

Other campaign staff, including Ted Moreno, deputy campaign manager during a brief period before the primary, also provided testimony that Representative Kim was familiar with the laws regarding campaign contributions.<sup>31</sup> Jane Chong, a campaign worker during the primary, corroborated Moreno's testimony. Chong testified that Moreno explained the FEC regulations to Representative Kim during the early phase of the primary campaign.<sup>32</sup>

In a letter dated April 2, 1998, the Subcommittee asked Representative Kim to describe his knowledge of FEC regulations concerning campaign contributions at the beginning of his campaign.<sup>33</sup> In a letter dated May 21, 1998, Representative Kim responded as follows:

<sup>25</sup> Deposition of Carmen Suarez, March 31, 1998, at 50-51, 66-72, 83-96, 105-14, 118, 122. Suarez's testimony was supported by credible documentary evidence indicating that corporate officials and employees, including Jay Kim, were reimbursed by JKE for political contributions to federal candidates. Fred Schultz, the former Chief Financial Officer at JKE, corroborated Suarez's testimony with regard to Representative Kim's knowledge and approval of a conduit contribution by JKE in March 1993, after Jay Kim had become a Member of the House of Representatives. Telephone Interview of Fred Schultz, June 16, 1998. Representative Kim, for his part, described Suarez as an "honest" person. Dep. of Hon. Jay Kim, June 2, 1998, at 161-62.

<sup>26</sup> Dep. of Hon. Jay Kim, June 2, 1998, at 136-37 ("That's where I learned it. Corporate checks cannot be accepted.").

<sup>27</sup> Deposition of Robert Gouty, March 30, 1998, at 73-74 (hereinafter "Gouty Dep.").

<sup>28</sup> Deposition of Jerry Silva, March 2, 1998, at 110-115 (hereinafter "Silva Dep."). Silva left the campaign after the primary. The circumstances surrounding his departure subsequently were the subject of litigation between Silva and Representative Kim. The Subcommittee found Silva's testimony to be credible regarding the facts cited in this report.

<sup>29</sup> *Id.* at 110-111.

<sup>30</sup> *Id.* at 113-114.

<sup>31</sup> Deposition of Ted Moreno, March 4, 1998, at 12-13, 44-56 (hereinafter "Moreno Dep.").

<sup>32</sup> Deposition of Jane Chong, March 18, 1998, at 17-21 (hereinafter "Chong Dep."). Chong remembered only one conversation between Moreno and Representative Kim but testified that Moreno told her he had several conversations with Representative Kim regarding this issue. *Id.* Chong later became office manager for the campaign and after the election served as campaign treasurer.

<sup>33</sup> Exh. 18.

Prior to becoming a candidate for the House of Representatives, I had no specific knowledge or experience with regard to FEC laws and regulations. Any “knowledge” I obtained subsequent to February 10, 1992, would have been on a hearsay basis in reliance upon the statements or assertions of others. I depended upon my campaign manager and campaign consultant to undertake all reasonable and necessary steps to assure compliance with relevant guidelines. At the time I became a congressional candidate, I was the President of my own company with approximately 125 employees and did not devote significant portions of my time to “learning” FECA laws and regulations.

\* \* \* \* \*

The campaign manager, campaign CPA, and office manager were primarily responsible for campaign finance matters.<sup>34</sup>

The Subcommittee found Representative Kim’s assertion in his letter of lack of knowledge prior to 1992 to be inconsistent with the credible testimony of Carmen Suarez and other persons, as well as inconsistent with Representative Kim’s own subsequent testimony under oath. In addition, the Subcommittee determined that Representative Kim personally had the obligation and responsibility to know that his use of his personal corporation to make in-kind contributions to his campaign committee violated federal law, as Representative Kim’s attorney stated at the sentencing proceeding on March 9, 1998.

Based on the record as a whole, particularly the terms of his guilty plea in federal district court, the Subcommittee found substantial reason to believe that Representative Kim knew that it was illegal for a corporation, including JayKim Engineers, Inc., to make a contribution of any amount, to a candidate for federal office, including an in-kind contribution.

*b. Causation of in-kind contributions by JayKim Engineers, Inc.*

The Subcommittee also found substantial reason to believe that Representative Kim knowingly and willfully caused JayKim Engineers Inc. to make illegal in-kind contributions to his campaign committee between March 1992 and July 1993. The Subcommittee deposed several members of Representative Kim’s 1992 campaign staff as well as former employees of JayKim Engineers, Inc. Subcommittee counsel also interviewed additional witnesses from the campaign staff and JKE and reviewed thousands of pages of documents and interview notes received from the FBI and the U.S. Attorneys Office. The witnesses and documents corroborated the Statement of Facts underlying Representative Kim’s admission of guilt in federal court.

The record indicates that in 1978, JayKim Engineers, Inc. was incorporated in the State of California.<sup>35</sup> Representative Kim was

<sup>34</sup> Exh. 19.

<sup>35</sup> Statement of Facts, para. 4 (Exh. 1); Dep. of Hon. Jay Kim, June 2, 1998, at 10–12.

the president and owner of JKE from 1978 to 1992.<sup>36</sup> On February 10, 1992, Representative Kim filed as a candidate for the U.S. House of Representatives.<sup>37</sup> Between March 1992 and July 1993, the campaign headquarters was located inside the offices of JKE.<sup>38</sup>

By his own admission, Representative Kim caused JKE to make in-kind contributions to the JayKim for Congress Committee from March 1992 through July 1993, a period overlapping with his first term as a Member of the House of Representatives.<sup>39</sup> The in-kind contributions included office space,<sup>40</sup> printing expenses,<sup>41</sup> photocopying expenses,<sup>42</sup> postage,<sup>43</sup> use of corporate telephones and computers,<sup>44</sup> janitorial services,<sup>45</sup> secretarial and other personnel services,<sup>46</sup> and supplies.<sup>47</sup>

During the time JKE made these in-kind contributions to the campaign, Representative Kim supervised the finances of both JKE and the campaign.<sup>48</sup> Based on his own previous contributions to federal candidates and briefings by his campaign staff, Representative Kim knew that it was illegal for corporations, including JKE, to make contributions to congressional campaigns, including in-kind contributions.<sup>49</sup>

In March 1992, Representative Kim initialed and caused to be distributed two memoranda for the employees of JKE, instructing them not to work on his campaign during business hours.<sup>50</sup> Numerous JKE employees, however, continued to work for the campaign on company time with Representative Kim's knowledge.<sup>51</sup>

B. COUNT II: VIOLATIONS OF HOUSE RULE 43, CLAUSE 1; HOUSE RULE 44, CLAUSE 2; AND ETHICS IN GOVERNMENT ACT OF 1978 (ACCEPTANCE AND RECEIPT OF A CONTRIBUTION FROM A FOREIGN NATIONAL; FALSE STATEMENTS ON FINANCIAL DISCLOSURE STATEMENTS; AND FALSE STATEMENTS TO SUBCOMMITTEE)

The Investigative Subcommittee obtained credible evidence that in May 1992, Representative Kim knowingly received an illegal \$50,000 campaign contribution from a foreign national in violation of federal election campaign laws and House rules. In addition, the Subcommittee determined that Representative Kim made false

<sup>36</sup> Statement of Facts, para. 1 (Exh. 1); Dep. of Hon. Jay Kim, June 2, 1998, at 12,14.

<sup>37</sup> Statement of Facts, paras. 1, 3 (Exh. 1); Dep. of Hon. Jay Kim, June 2, 1998, at 57.

<sup>38</sup> Statement of Facts, para. 3 (Exh. 1); Silva Dep. at 57-58.

<sup>39</sup> Statement of Facts, para. 9 (Exh. 1).

<sup>40</sup> Statement of Facts, para. 9 (Exh. 1); Suarez; Dep. at 159-60; Gouty Dep. at 66-67, 73; Dep. of Fred Schultz, Feb. 25, 1998, at 77-84, 103 (hereinafter "Schultz Dep."); Silva Dep. at 63-67, 106-108. Fred Schultz was involved in litigation with Representative Kim concerning the circumstances of his 1993 termination at Jay Kim Engineers, Inc. and related matters. The Subcommittee found that Schultz provided credible testimony regarding the matter of in-kind contributions by JKE to Representative Kim's campaign.

<sup>41</sup> Statement of Facts, para. 9 (Exh. 1); Silva Dep. at 81, 99.

<sup>42</sup> Statement of Facts, para. 9 (Exh. 1); Moreno Dep. at 59; Silva Dep. at 81; Schultz Dep. at 90-92.

<sup>43</sup> Statement of Facts, para. 9 (Exh. 1); Schultz Dep. at 88-89.

<sup>44</sup> Schultz Dep. at 92-93.

<sup>45</sup> Statement of Facts, para. 9 (Exh. 1); Schultz Dep. at 89-90.

<sup>46</sup> Statement of Facts, para. 9 (Exh. 1); Suarez Dep. at 179-81; Dep. of Hon. Jay Kim, June 8, 1998, at 145-47.

<sup>47</sup> Silva Dep. at 81.

<sup>48</sup> Suarez Dep. at 142, 182.

<sup>49</sup> Gouty Dep. at 63-67, 73-74; Moreno Dep. at 44-56; Chong Dep. at 17-21; Dep. of Sandra Garner, March 5, 1998, at 134; Silva Dep. at 110-15; Schultz Dep. at 52-56, 66, 75.

<sup>50</sup> Suarez Dep. at 174-76; Exhs. 20-21.

<sup>51</sup> Suarez Dep. at 175-79; Silva Dep. at 56.

statements regarding this contribution on his Financial Disclosure Statements and in statements to the Subcommittee.

*1. Guilty plea and acceptance of responsibility by Representative Kim*

Pursuant to his plea agreement, Representative Kim pleaded guilty to accepting an illegal foreign campaign contribution in violation of 2 U.S.C. §§ 441e and 437g.<sup>52</sup> On or about August 11, 1997, Representative Kim was convicted of accepting an illegal foreign campaign contribution pursuant to his plea agreement. Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

7. It is illegal for \* \* \* a foreign national \* \* \* make a contribution of any amount to a candidate in a federal election. It is also illegal for any person to make a contribution in excess of \$1,000 to a federal candidate in a primary or general election \* \* \* to make a contribution by using the name of another person.

\* \* \* \* \*

15. On or about May 22, 1992, defendant JAY KIM accepted a \$50,000 loan from Song Nien Yeh, whom defendant JAY KIM knew was a Taiwanese national. Defendant JAY KIM deposited the \$50,000 payment into his personal bank account. On May 26, 1992, defendant JAY KIM wrote a \$50,000 check on his personal bank account and deposited the check into the bank account of defendant JAY KIM FOR CONGRESS COMMITTEE. Defendant JAY KIM knew that the payment from Song Nien Yeh was an illegal excessive and foreign contribution.<sup>53</sup>

Representative Kim also accepted responsibility for accepting an illegal contribution from a foreign national in the sentencing proceedings of his criminal case.<sup>54</sup>

Representative Kim provided information to the Subcommittee regarding this contribution on two occasions. In a letter dated January 29, 1998, Representative Kim told the Subcommittee that he did not dispute any element of the plea agreement or statement of facts.<sup>55</sup> On June 8, 1998, Representative Kim testified that he stood by and adopted under oath the plea agreement, including the Statement of Facts incorporated within the plea agreement.<sup>56</sup>

*2. Investigation by the Investigative Subcommittee*

The Subcommittee received credible testimonial and documentary evidence that corroborated the Statement of Facts incorporated within Representative Kim's plea agreement.

<sup>52</sup> Exh. 1.

<sup>53</sup> Statement of Facts, paras. 7 and 15 (Exh. 1). Copies of the promissory note, the \$50,000 cashier's check comprising the purported loan, documents regarding the \$50,000 deposit into Jay Kim's personal account, and the \$50,000 check written by Jay Kim to his campaign committee are incorporated together as Exhibit 22 in the documentary appendix to this Report.

<sup>54</sup> Letter of Rep. Kim to Hon. Richard A. Paez, February 25, 1998 (Exh. 23); Sentencing hearing at 39-40, 52 (Exh. 15).

<sup>55</sup> Exh. 17.

<sup>56</sup> Dep. of Hon. Jay. Kim, June 8, 1998, at 51-52, 55-56, 58.

Jerry Yeh, a volunteer in the 1992 Kim campaign and a real-estate developer in Representative Kim's home town of Diamond Bar, California, provided credible testimony that in approximately May 1992, Representative Kim asked him for a loan to meet the payroll for JayKim Engineers, Inc.<sup>57</sup> Yeh testified that he asked his father, Song Nien Yeh, for the money.<sup>58</sup> Yeh testified that his father agreed to the loan and wired \$50,000 from Taiwan to the United States.<sup>59</sup>

Yeh further testified that on May 13, 1992, Representative Kim signed a promissory note to Song Nien Yeh promising to repay the \$50,000 loan, and that Representative Kim knew the money would come from Jerry Yeh's father.<sup>60</sup> Yeh testified that he gave Representative Kim a \$50,000 cashier's check.<sup>61</sup>

Yeh's testimony was corroborated by a copy of the promissory note—made payable to Song Nien Yeh, not Jerry Yeh—by notes of an FBI interview with Song Nien Yeh, and by a Committee staff interview of Michael Li, who raised money for Representative Kim's 1992 campaign and knew Yeh.<sup>62</sup>

Representative Kim, for his part, testified that he did not know the name of Jerry Yeh's father during the relevant time period, and did not know anything about the father's citizenship.<sup>63</sup> When asked at his deposition why the May 1992 promissory note was made payable to "Song Nien Yeh" rather than Jerry Yeh, Representative Kim testified that "I thought that was Jerry Yeh's Chinese name."<sup>64</sup> Representative Kim acknowledged, however, that Jerry Yeh had never previously told Representative Kim that his Chinese name was "Song Nien Yeh."<sup>65</sup> Representative Kim testified that he did not learn that Jerry Yeh's father was the actual source of the \$50,000 loan until he read it in the newspaper.<sup>66</sup>

### 3. *False statements on financial disclosure statements*

The Subcommittee received credible evidence that Representative Kim made false statements concerning the campaign contribution from Song Nien Yeh on his Financial Disclosure Statements. While a Member of Congress, Representative Kim filed Financial Disclosure Statements with the Clerk of the House of Representatives for

<sup>57</sup> Deposition of Jerry Yeh, February 27, 1998, at 13–15 (hereinafter "Yeh Dep."). Representative Kim confirmed under oath that he personally asked Jerry Yeh for a loan in May 1992. Dep. of Hon. Jay Kim, June 8, 1998, at 25. He testified that he sought the loan to enable him to meet the payroll at JayKim Engineers, Inc. *Id.* at 25, 32.

<sup>58</sup> Yeh Dep. at 4, 18–21, 28.

<sup>59</sup> *Id.* at 21.

<sup>60</sup> Yeh Dep. at 28–29; *see* Exh. 22 (copy of promissory note). Representative Kim confirmed under oath that he executed the \$50,000 promissory note and authenticated his signature on the note. Dep. of Hon. Jay Kim, June 8, 1998, at 33.

<sup>61</sup> Yeh Dep. at 22.

<sup>62</sup> Song Nien Yeh told the FBI he was a foreign national. Federal Bureau of Investigation Memorandum of Interview with Song Nien Yeh, Feb. 13, 1995, at 1. Li told Subcommittee counsel that he had arranged for Representative Kim to receive the contribution from Jerry Yeh's family. Li also said he told Representative Kim that Jerry Yeh's father was a wealthy Taiwanese businessman. In addition, Li said that Yeh asked for a few days to think about the request for loan, and mentioned to Li that any money would be coming from his father. Telephone interview of Michael Li, Feb. 11, 1998.

<sup>63</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 26–28.

<sup>64</sup> *Id.* at 34–35.

<sup>65</sup> *Id.* at 35–36.

<sup>66</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 39. Subcommittee counsel asked Representative Kim at his deposition, "When did it become your intent to use the money that Jerry Yeh had given to you for campaign purposes?" *Id.* at 54. After consulting with his attorney, Representative Kim declined to answer the question, stating that "I stand by [the] plea agreement." *Id.* at 55.

calendar years 1992 through 1997. In his Financial Disclosure Statements (“FDS”) for calendar year 1992, Representative Kim did not report a liability owed to Song Nien Yeh, despite receiving \$50,000 in May 1992 pursuant to a promissory note bearing Song Nien Yeh’s name.<sup>67</sup> Representative Kim’s Financial Disclosure Statements for calendar years 1993 through 1996 listed “Jerry Yhee”—rather than Song Nien Yeh—as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.<sup>68</sup> Finally, despite pleading guilty to the Song Nien Yeh contribution in August 1997, Representative Kim continued to list the contribution as a personal loan from “Jerry Yhee” in his partial FDS for calendar year 1997, filed on May 22, 1998.<sup>69</sup>

Based on the foregoing and on Representative Kim’s admissions under oath in federal district court, the Subcommittee determined that Representative Kim’s reporting of the \$50,000 contribution from Song Nien Yeh as a personal loan from “Jerry Yhee” in his Financial Disclosure Statements for calendar years 1993 through 1997 was false, and that this false statement was a deliberate and knowing attempt to disguise the true nature of the illegal political contribution.

#### 4. False statements to the Investigative Subcommittee

In their December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the full Committee asked Representative Kim. “What is the relationship, if any, between the \$50,000 loan from Song Nien Yeh referenced in Paragraph 15 of the Statement of Facts and a loan by Jerry Yhee reported on your Financial Disclosure Statements for calendar years 1993, 1994, 1995, and 1996?”<sup>70</sup> In his letter to the Investigative Subcommittee dated January 29, 1998, Representative Kim responded in pertinent part as follows:

In May 1992, I obtained a personal loan from Mr. Jerry Yhee of Fullerton, California. (The discrepancy between the spellings of “Yeh” and “Yhee” is due to different English spelling of the translation of the same Chinese family name.) Song Nien Yeh is his real Chinese name. *Here in the United States he goes by Jerry.*<sup>71</sup>

The Subcommittee received credible evidence that Representative Kim knew that Song Nien Yeh and Jerry Yeh are two different individuals. Jerry Yeh testified that he and his father, Song Nien Yeh, met Representative Kim in California.<sup>72</sup> In addition, Song Nien Yeh told the FBI he met Representative Kim in Taiwan in

<sup>67</sup> Exhs. 24–26.

<sup>68</sup> Exhs. 27–30.

<sup>69</sup> Exh. 31.

<sup>70</sup> Exh. 11 (at 3, question 9).

<sup>71</sup> Exh. 17 (enclosure at 4) (emphasis added).

<sup>72</sup> Yeh Dep. at 11–12; see Federal Bureau of Investigation Memorandum of Interview of Song Nien Yeh, Feb. 13, 1995 (Exh. 32). Representative Kim testified that he met Jerry Yeh’s father once for dinner. Dep. of Hon. Jay Kim, June 8, 1998, at 28. Michael Li told Subcommittee counsel that Representative Kim met Jerry Yeh’s father at JayKim Engineers, Inc.—before the \$50,000 loan, Li believed—and that Representative Kim also had lunch with Jerry Yeh’s father at a restaurant in Diamond Bar during the summer of 1992 after the primary election. Li Int., Feb. 11, 1998. Li also recalled that Representative Kim said that he had met Jerry Yeh’s father in Taiwan during a trip there after the 1992 general election. *Id.*

1993.<sup>73</sup> Jerry Yeh also testified that he never used the name “Song Nien Yeh” and that it is the name of his father.<sup>74</sup> Further, Jerry Yeh testified that when he was introduced to Representative Kim, he was introduced as “Jerry” and not “Song Nien.”<sup>75</sup> Representative Kim did not remember Jerry Yeh using another name.<sup>76</sup>

A memorandum about the Yeh “loan,” dated August 10, 1993, provides additional evidence that Representative Kim knew that Song Nien Yeh and Jerry Yeh are two separate individuals. The memorandum, which Michael Li prepared for Representative Kim, stated in pertinent part that “[h]e [referring to Jerry Yeh] cannot face his dad about the loan, if he return [sic] to Taiwan.”<sup>77</sup>

Based on the foregoing, and on Representative Kim’s admission under oath in federal district court that he knowingly received an illegal foreign contribution from Song Nien Yeh, the Subcommittee found substantial reason to believe that Representative Kim made false statements regarding Jerry Yeh in his January 29, 1998, letter to the Subcommittee.

C. COUNT III: VIOLATIONS OF HOUSE RULE 43, CLAUSE 1 (ACCEPTANCE AND RECEIPT OF AN EXCESSIVE CORPORATE CONTRIBUTION AND FALSE STATEMENTS TO THE SUBCOMMITTEE)

The Subcommittee obtained credible evidence that during October 1992, Representative Kim knowingly received an illegal \$12,000 corporate contribution in violation of Federal election campaign laws and House Rules. In addition, the Subcommittee determined that Representative Kim made false statements to the Subcommittee regarding this contribution.

*1. Guilty plea and acceptance of responsibility by Representative Kim*

Pursuant to his plea agreement, Representative Kim pleaded guilty to accepting an illegal and excessive corporate campaign contribution in violation of 2 U.S.C. §§ 441b and 437g.<sup>78</sup> On or about August 11, 1997, Representative Kim was convicted of accepting an illegal and excessive corporate campaign contribution pursuant to his plea agreement. Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

7. It is illegal for a corporation \* \* \* to make a contribution of any amount to a candidate in a federal election. It is also illegal for any person to make a contribution in excess of \$1,000 to a federal candidate in a primary or general election \* \* \* to make a contribution by using the name of another person.

\* \* \* \* \*

18. In September, 1992, defendant JAY KIM attended a fundraising dinner in New York City where the president

<sup>73</sup> Exh. 32.

<sup>74</sup> Yeh Dep. at 4.

<sup>75</sup> *Id.* at 10.

<sup>76</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 29; Li Int. at 94.

<sup>77</sup> Exh. 33; *see* Yeh Dep. at 35. Li told the Subcommittee that he told Representative Kim about Jerry Yeh’s frustration over Representative Kim’s failure to repay the loan and his concern about disclosing the problem to his father. Li Int., Feb. 11, 1998.

<sup>78</sup> Exh. 1.

of Nikko Enterprises, Inc. (“Nikko”), a corporation, told defendant JAY KIM, that he would make a large contribution to defendant JAY KIM’s congressional campaign. Shortly thereafter, the president of Nikko caused a Nikko corporate check in the amount of \$12,000 to be issued for the purpose of making a political contribution. The \$12,000 contribution check was forwarded to a New York fundraiser for defendant JAY KIM. The New York fundraiser telephoned defendant JAY KIM and told him that he received the check. Defendant JAY KIM and the New York fundraiser also discussed the amount and corporate nature of the check. The New York fundraiser mailed the \$12,000 contribution check to defendant JAY KIM in Diamond Bar, California. Thereafter, in October, 1992, defendant JAY KIM received and accepted the \$12,000 contribution check, which was then endorsed by defendant JUNE KIM and deposited in defendants JAY KIM’s and JUNE KIM’s joint personal bank account. Defendant JAY KIM knew that the \$12,000 Nikko contribution check was an illegal corporate and excessive contribution.<sup>79</sup>

Representative Kim also accepted responsibility for the above-specified violation in the sentencing proceedings of his criminal case.<sup>80</sup>

Representative Kim provided information to the Investigative Subcommittee regarding the illegal \$12,000 corporate contribution from Nikko on two occasions. In a letter dated January 29, 1998, Representative Kim stated that he did not dispute any element of the plea agreement or the Statement of Facts.<sup>81</sup> On June 8, 1998, Representative Kim testified that he stood by and adopted under oath the provisions of the statement of facts relating to the Nikko contribution.<sup>82</sup>

## *2. Investigation by the Investigative Subcommittee*

The Subcommittee received credible testimonial and documentary evidence that corroborated the facts to which Representative Kim admitted in his guilty plea.

David Chang, the owner of Nikko Enterprise, Inc., a commodity export company, provided credible testimony that on September 21, 1992, he attended a fundraiser for President Bush at the Waldorf-Astoria in New York City.<sup>83</sup> Chang testified that he was introduced to Representative Kim, whom he had never met before, and agreed to make a contribution to Representative Kim’s campaign.<sup>84</sup> Chang testified that on September 28, 1992, he gave Yung Soo Yoo, a Republican fundraiser, a check for \$12,000.<sup>85</sup> The payee portion of the check was left blank at Yoo’s direction.<sup>86</sup> According to Chang, the

<sup>79</sup> Exh. 1 (Statement of Facts, para. 7, 18).

<sup>80</sup> Letter of Rep. Kim to Hon. Richard A. Paez, February 25, 1998 (Exh. 23); Sentencing hearing at 39–40, 52 (Exh. 15).

<sup>81</sup> Exh. 17 (enclosure, para. 1).

<sup>82</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 90–91.

<sup>83</sup> Deposition of David Chang, February 26, 1998, at 29 (hereinafter “Chang Dep.”).

<sup>84</sup> *Id.* at 46–47.

<sup>85</sup> *Id.* at 48–70.

<sup>86</sup> *Id.* at 51, 62–66; Exh. 34.

memorandum portion of the check indicated it was a political donation.<sup>87</sup>

Chang further testified that in December 1994, he was interviewed by the FBI regarding the \$12,000 check from Nikko Enterprises, Inc.<sup>88</sup> He testified that after the interview he told Yung Soo Yoo that he had been interviewed by the FBI.<sup>89</sup> He also stated that at some point between December 13, 1994 and December 17, 1994, Representative Kim called him and denied receiving a contribution from him.<sup>90</sup>

Chang testified that in February 1995, he returned from a business trip and received a letter from Mrs. Kim, addressed to Yung Soo Yoo, stating that she was making a partial repayment of a loan from Chang, payable to Chang personally.<sup>91</sup> The letter included a \$2,000 check from June Kim.<sup>92</sup> Chang told the Subcommittee that he called Representative Kim on the same day he received the letter and check from June Kim and refused the check because the \$12,000 he gave to Representative Kim was a political contribution and not a loan.<sup>93</sup>

Chang's testimony was corroborated by a copy of the Nikko Enterprises, Inc. check given to Yoo.<sup>94</sup> When shown a copy of the check deposited into Representative Kim's bank account, Chang indicated that it appeared different from the check he gave to Yoo in two ways; first, it was now payable to June Kim and second, the notation "political donation" was scratched out in the memorandum portion of the check.<sup>95</sup>

Chang's testimony also was corroborated by a copy of the letter dated December 17, 1994, along with a \$2,000 check from June Kim payable to Chang.<sup>96</sup> The letter, which apparently was mistakenly addressed to Yung Soo Yoo, stated in pertinent part:

Back in 1992, which I borrow from you \$10,000. It is inconvenience to you in delay. I will repay back to you as soon as possible. However, I send you a \$2,000 initially.<sup>97</sup>

Chang's testimony was also corroborated by a Nikko Enterprises, Inc. payment voucher for the \$12,000 check.<sup>98</sup> The voucher form lists the check as a political contribution.<sup>99</sup>

The Subcommittee attempted to depose Yung Soo Yoo, but Yoo asserted his Fifth Amendment right against self-incrimination.<sup>100</sup> According to the FBI's report of its interview with Yoo, however,

<sup>87</sup> Chang Dep. at 60-73; see Exh. 34.

<sup>88</sup> Chang Dep. at 78-79; Federal Bureau of Investigation Memorandum of Interview with David Chang, Dec. 5, 1994 (Exh. 35).

<sup>89</sup> Chang Dep. at 84.

<sup>90</sup> *Id.* at 84-88. Chang testified that he became angry with Representative Kim and hung up on him. *Id.* at 87-88. He also testified that at no time did Yung Soo Yoo ever refer to the \$12,000 payment as a loan. *Id.* at 96.

<sup>91</sup> *Id.* at 99-100; Exh. 36 (Korean-language letter and English translation by FBI).

<sup>92</sup> Chang Dep. at 99-105; Exh. 37 (\$2,000 check payable to David Chang).

<sup>93</sup> Chang Dep. at 105-107. In this telephone conversation, Representative Kim told Chang that Yung Soo Yoo (rather than Chang) had made the \$12,000 "loan" to him. *Id.* at 108-10. Chang testified that he never cashed the \$2,000 check. *Id.* at 104-05.

<sup>94</sup> *Id.* at 60-73.

<sup>95</sup> *Id.* at 82-84; see Exh. 34.

<sup>96</sup> *Id.* at 99-105; see Exhs. 36-37.

<sup>97</sup> *Id.* The FBI provided a translation of June Kim's letter to the Investigative Subcommittee. See Exh. 36.

<sup>98</sup> *Id.* at 72-73; Exh. 38.

<sup>99</sup> Chang Dep. at 72-73.

<sup>100</sup> Deposition of Yung Soo Yoo, April 1, 1998, at 5-6 (hereinafter "Yoo Dep.")

Yoo told the FBI that he received the Nikko check from Chang on September 28, 1992, and subsequently then called Representative Kim.<sup>101</sup> Representative Kim directed Yoo to give the check to Benjamin Limb.<sup>102</sup> Yoo also told the FBI that on approximately December 15, 1994, Representative Kim called him and asked him for Chang's address because he wanted to "return the loan to Chang."<sup>103</sup> Yoo told the FBI this was the first time he had heard anyone refer to the Nikko payment as a loan.<sup>104</sup> After the call, Yoo's secretary faxed Chang's address to Representative Kim.<sup>105</sup>

The Subcommittee authorized the issuance of a subpoena for Benjamin Limb but was unable to serve the subpoena because Limb is currently employed outside the United States. According to the FBI's report of its interview with Limb, Limb told the FBI that he sent the Nikko Enterprises, Inc., check to Representative Kim.<sup>106</sup>

Representative Kim testified that he did not remember meeting David Chang at the Waldorf-Astoria and that, in fact, "I just don't remember very much about this particular incident at all."<sup>107</sup> Representative Kim testified that Yoo told him he had a "rich friend" who was willing to loan money to Representative Kim, and that Yoo would guarantee the loan.<sup>108</sup> Representative Kim also testified that he did not remember receiving or seeing the Nikko Enterprises, Inc., check, and that David Chang never called him in February 1995 and told him that Chang was refusing the \$2,000 check from June Kim.<sup>109</sup> Representative Kim asserted his Fifth Amendment right against self-incrimination to most additional questions regarding the Nikko Enterprise, Inc. contribution.<sup>110</sup>

### 3. *False statements to the Investigative Subcommittee*

The Subcommittee determined that Representative Kim made false statements to the Subcommittee regarding the \$12,000 campaign contribution from Nikko. In a December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the full Committee asked Representative Kim, "What is the relationship, if any, between the \$12,000 payment by Nikko referenced in Paragraph 18 of the Statement of Facts and a loan by David Chang reported in a February 24, 1995, amendment to your Financial Disclosure Statement for calendar year 1993?"<sup>111</sup> In his

<sup>101</sup> Federal Bureau of Investigation Memorandum of Interview of Yung Soo Yoo, March 22, 1995, at 2 (Exh. 39).

<sup>102</sup> *Id.*

<sup>103</sup> Federal Bureau of Investigation Memorandum of Interview of Yung Soo Yoo, April 5, 1995, at 8-9 (Exh. 40)

<sup>104</sup> *Id.* at 8. Yoo specifically told the FBI that Chang had never described the Nikko payment as a loan. *Id.*

<sup>105</sup> *Id.* at 8-9; Dep. of Hon. Jay Kim, June 8, 1998, at 114; Exh. 41 (facsimile transmission from Yung Soo Yoo to Rep. Kim, Dec. 15, 1994).

<sup>106</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 102; Exh. 42 (letter from Ben Quincy Limb to Jay Kim, Sept. 29, 1992).

<sup>107</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 98-99.

<sup>108</sup> *Id.* at 100-101.

<sup>109</sup> *Id.* at 98-107, 125. Representative Kim's testimony was at odds with his stipulation to the Statement of Facts incorporated within his plea agreement, which stated in part: "in October, 1992, defendant JAY KIM received and accepted the \$12,000 contribution check, which was then endorsed by defendant JUNE KIM and deposited in defendants JAY KIM's and JUNE KIM's joint personal bank account." Statement of Facts, para. 18 (Exh. 1) (emphasis added).

<sup>110</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 107-111. Representative Kim did testify, however, that he received a facsimile from Yung Soo Yoo in December 1994, with David Chang's address contained in the document. *Id.* at 114.

<sup>111</sup> Exh. 11.

January 29, 1998, letter to the Subcommittee, Representative Kim responded in pertinent part as follows:

[A]t the time the money was accepted, I was led to believe that Mr. David Chang had agreed to provide me with a \$12,000 personal loan. The loan came in the form of a check from Nikko Enterprises, Inc. \* \* \* There was no written loan agreement. I recall this was a gentleman's agreement with a "pay what you can when you can" arrangement.

\* \* \* \* \*

The \$12,000 loan was reported in my February 23, 1995 amendment to my 1993 Financial Disclosure. As noted in the February 1995 letter, its previous omission was due to an accounting oversight. In reviewing this matter recently, I realize that I should have also amended my 1992 FD at the time I amended my 1993 FD. Quite frankly, I have no idea why at that time I did not make a complete set of amendments. Insofar as only \$10,000 remained following December 17, 1994, and that only obligations above the \$10,000 threshold need to be reported, I did not report this loan in my 1994 Financial Disclosure. However, in re-reading the disclosure language, I realize I should have also disclosed this in my 1994 FD insofar as I did owe David Chang more than \$10,000 for most of the calendar year 1994. I did report this \$10,000 liability on my 1995 Financial Disclosure, though this was not required. I did not report it in the subsequent 1996 filing because my liability to Mr. Chang was not greater than \$10,000.<sup>112</sup>

In their December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the full Committee also asked Representative Kim, "[R]egarding Paragraph 18 of the Statement of Facts, what contemporaneous knowledge did you have that June Kim would, or did, deposit the \$12,000 check from Nikko Enterprises, Inc. ("Nikko") in the joint personal bank account that you shared at that time with June Kim?"<sup>113</sup>

In his letter to the Subcommittee dated January 29, 1998, Representative Kim responded in pertinent part as follows:

I seem to recall that according to Mr. Yung Soo Yoo, an intermediary at the New York fundraiser described in Paragraph 18 of the Statement of Facts, Mr. David Chang of Nikko Enterprises was willing to lend me, personally, \$12,000. Through Mr. Yoo, he sent a \$12,000 check, drawn from Nikko Enterprises, Inc., which my wife endorsed and deposited in our personal bank account \* \* \*. I was personally liable for repaying the \$12,000 and once it was deposited in our account, it became commingled with other personal funds therein.<sup>114</sup>

Based on Representative Kim's own admissions under oath in federal district court, and on credible testimony received from

<sup>112</sup> Exh. 17.

<sup>113</sup> Exh. 11.

<sup>114</sup> Exh. 17.

David Chang, the Subcommittee found the following statements by Representative Kim to be false: (1) that he received a personal loan from David Chang, rather than a political contribution by Nikko; (2) that the Chang “loan” was a gentlemen’s agreement with a “pay what you can when you can” arrangement; and (3) that the Chang information on Representative Kim’s amendment to his FDS for calendar year 1993 was an accounting oversight.

The Subcommittee also found it noteworthy that Representative Kim did not amend his FDS for calendar year 1993 until after he had learned that the FBI had interviewed David Chang.

D. COUNT IV: VIOLATIONS OF HOUSE RULE 44, CLAUSE 2 (FALSE STATEMENTS ON FINANCIAL DISCLOSURE STATEMENTS RELATED TO THE CONTRIBUTION BY NIKKO ENTERPRISES, INC.)

The Subcommittee determined that Representative Kim made false statements on his Financial Disclosure Statements regarding the illegal \$12,000 contribution from Nikko Enterprises, Inc. Due to the deliberate nature of these false statements, the Subcommittee determined that they merited a separate charge against Representative Kim.

Representative Kim did not report any liability owed to David Chang, Yung Soo Yoo, or Nikko Enterprises, Inc. on his Financial Disclosure Statements for calendar years 1992 and 1993 or on an amendment to his FDS for calendar year 1993 that he filed in May 1994.<sup>115</sup>

On or about December 5, 1994, the FBI interviewed David Chang regarding the \$12,000 check from Nikko Enterprises, Inc.<sup>116</sup> On approximately December 15, 1994, Representative Kim called Yung Soo Yoo and asked him for Chang’s address because he wanted to “return the loan to Chang.”<sup>117</sup> Yoo told the FBI this was the first time he had heard anyone refer to the Nikko payment as a loan.<sup>118</sup> After the call, Yoo’s secretary faxed Chang’s address to Representative Kim.<sup>119</sup>

Two days later, on approximately December 17, 1994, June Kim addressed a letter to Yung Soo Yoo concerning a \$10,000 loan and mailed it with a \$2,000 check to David Chang at Nikko.<sup>120</sup> In February 1995, Chang returned from a business trip and received the letter from June Kim.<sup>121</sup> He called Representative Kim and refused the check because the \$12,000 was a political contribution.<sup>122</sup> After this conversation, on approximately February 24, 1995, Representative Kim filed an amendment to his FDS for calendar year 1993 that stated in part:

In Schedule V (Liabilities), due to an accounting oversight, the final line item in this section is missing. It should have been reported as: JT David Chang (creditor),

<sup>115</sup> See Exhs. 24–27.

<sup>116</sup> Chang Dep. at 78–79; Federal Bureau of Investigation Memorandum of Interview with David Chang, Dec. 5, 1994 (Exh. 35).

<sup>117</sup> Federal Bureau of Investigation Memorandum of Interview of Yung Soo Yoo, April 5, 1995, at 8–9 (Exh. 40).

<sup>118</sup> *Id.* at 8.

<sup>119</sup> *Id.* at 8–9; Dep. of Hon. Jay Kim, June 8, 1998, at 114; Exh. 41 (facsimile transmission from Yung Soo Yoo to Rep. Kim, Dec. 15, 1994).

<sup>120</sup> Exh. 36.

<sup>121</sup> Chang Dep. at 99–105.

<sup>122</sup> *Id.* at 105–107. As stated above, Chang did not cash the \$2,000 check. *Id.* at 104–05.

Personal Loan (Type of Liability), Category B (Amount of Liability). This liability was incurred for only part of 1993.<sup>123</sup>

On or about August 3, 1995, Representative Kim filed his FDS for calendar year 1994.<sup>124</sup> Despite reporting a personal loan from David Chang as a liability in his amendment to his FDS for calendar year 1993, which he had filed on approximately February 24, 1995, Representative Kim did not report any liability owed to David Chang on his FDS for calendar year 1994.

On or about May 15, 1996, Representative Kim filed his FDS for calendar year 1995. On Schedule V (Liabilities) of that FDS, Representative Kim listed “David Chang, New York, NY” as a creditor for a personal loan in the amount of \$10,001–\$15,000.<sup>125</sup>

On or about May 15, 1997, Representative Kim filed his FDS for calendar year 1996 and did not report a liability owed to David Chang.<sup>126</sup>

On or about May 22, 1998, Representative Kim filed a partial FDS for calendar year 1997. On Schedule V (Liabilities) of that FDS, he listed David Chang as a creditor for a personal loan in the amount of \$10,001–\$15,000.<sup>127</sup>

Representative Kim testified that he failed to list the “Chang loan” on his Financial Disclosure Statements for calendar years 1992 and 1993 due to his “confusion” and “mistake.”<sup>128</sup> He testified that he believed the balance of the loan was less than \$10,000 and therefore did not disclose the loan in calendar year 1994 because he did not know Chang had not cashed the \$2,000 check.<sup>129</sup> Representative Kim then asserted his Fifth Amendment right against self-incrimination and refused to answer any additional questions concerning his Financial Disclosure Statements.

The Subcommittee found substantial reason to believe that Representative Kim’s representations that he had received a personal loan from David Chang on his amendment to his FDS for calendar year 1993 and his Financial Disclosure Statements for calendars years 1995 and 1997 were false. The Subcommittee also found substantial reason to believe that those false representations were part of an attempt to conceal the true nature of the illegal political contribution to which he subsequently pleaded guilty.

E. COUNT V: VIOLATIONS OF THEN-HOUSE RULE 43, CLAUSE 4; HOUSE RULE 43, CLAUSE 1; ETHICS IN GOVERNMENT ACT OF 1978; AND HOUSE RULE 44, CLAUSE 2 (IMPROPER GIFTS FROM HANBO STEEL AND GENERAL CONSTRUCTION; FAILURE TO DISCLOSE GIFTS ON FINANCIAL DISCLOSURE STATEMENT; ATTEMPT TO INFLUENCE STATEMENTS TO INVESTIGATORS; AND FALSE STATEMENTS TO INVESTIGATIVE SUBCOMMITTEE)

Following a grant of testimonial (i.e., “use”) immunity, the Investigative Subcommittee obtained credible testimony from Dobum

<sup>123</sup> Exh. 27.

<sup>124</sup> Exh. 28.

<sup>125</sup> Exh. 29.

<sup>126</sup> Exh. 30.

<sup>127</sup> Exh. 31.

<sup>128</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 126–127.

<sup>129</sup> *Id.* at 128.

Kim, a South Korean national residing in the United States, regarding possible violations of laws and House rules by Representative Kim. The Subcommittee corroborated much of Dobum Kim's testimony, and the resulting evidence formed the basis for Count V of the SAV.

*1. Gifts of travel expenses and golf equipment from Hanbo Steel*

In January 1994, Representative Kim traveled from the continental United States to Honolulu, Hawaii. On or about January 16, 1994, he flew from Honolulu to Maui.<sup>130</sup> Dobum Kim, who was then in charge of the Los Angeles office of Hanbo Steel and General Construction ("Hanbo Steel"), a company headquartered in South Korea, met Representative Kim in Honolulu and escorted him by air to Maui.<sup>131</sup> Dobum Kim purchased Representative Kim's round-trip airline ticket from Honolulu to Maui at a cost of \$206, charging the ticket to a corporate American Express account of Hanbo Steel.<sup>132</sup>

After arriving in Maui on or about January 16, 1994, Dobum Kim escorted Representative Kim to the Grand Wailea Resort, where Tae Soo Chung, the Chairman of Hanbo Steel, also was staying.<sup>133</sup> According to hotel records, Representative Kim registered at the Grand Wailea Resort as a guest of Dobum Kim.<sup>134</sup> Hotel records also indicate that In Kyu Mok, a secretary to Chung, signed the registration card at the hotel on behalf of Representative Kim, and wrote the address of Hanbo Steel's corporate headquarters in Seoul, South Korea on the card.<sup>135</sup>

On or about the evening of January 16, 1994, Dobum Kim—with the contemporaneous knowledge of Representative Kim—purchased golf clubs and other golf equipment for Representative Kim (including a bag for the clubs) totaling approximately \$2,369.<sup>136</sup> Dobum Kim charged the golf purchases to his personal American Express card and later obtained reimbursement from Hanbo Steel.<sup>137</sup> Dobum Kim testified that on the day after Representative Kim's arrival at the Grand Wailea Resort (i.e., January 17, 1994), Representative Kim played eighteen holes of golf in Maui with Hanbo Steel Chairman Chung, Dobum Kim, and other persons.<sup>138</sup>

Representative Kim confirmed under oath that he played golf in Hawaii with Hanbo Steel Chairman Chung.<sup>139</sup> He initially testified

<sup>130</sup>Credit card purchase form for Aloha Airlines ticket (Exh. 43); Letter from Stephanie C. Ackerman, Staff Vice President, Corporate and Government Affairs, Aloha Airlines, to David H. Laufman, July 16, 1998 (hereinafter "Letter from Aloha Airlines") (Exh. 44).

<sup>131</sup>Dep. of Dobum Kim, May 20, 1998, at 110.

<sup>132</sup>Dep. of Dobum Kim at 117; Telephone Interview of Dobum Kim, July 10, 1998, at 25; Credit card purchase form for Aloha Airlines ticket (Exh. 43); Letter from Aloha Airlines (Exh. 44); American Express statement for corporate account in name of Dobum Kim (account number corresponds to account number of credit card purchase form for Aloha Airlines ticket) (Exh. 45).

<sup>133</sup>Dep. of Dobum Kim at 113; Dep. of Hon. Jay Kim, June 18, 1998, at 25–26; records of Grand Wailea Resort (indicating stay by Tae Soo Chung in Jan. 1994) (Exh. 46).

<sup>134</sup>Registration records from Grand Wailea Resort regarding Jan. 1994 stay by Jay Kim and Dobum Kim (Exh. 47). Representative Kim indicated that a representative of Hanbo Steel registered for him at the Grand Wailea Resort. Dep. of Hon. Jay Kim, June 18, 1998, at 26.

<sup>135</sup>Dep. of Dobum Kim at 116; Telephone Int. with Dobum Kim, July 10, 1998, at 28–29; registration record from Grand Wailea Resort for Jay Kim (Exh. 47).

<sup>136</sup>Dep. of Dobum Kim at 125–28; Telephone Int. with Dobum Kim at 36–39; American Express receipt (Exh. 48).

<sup>137</sup>Telephone Int. with Dobum Kim, July 10, 1998, at 39–40; Exh. 48 (American Express charge receipt); American Express statement showing personal account number matching account number of purchase record of golf equipment) (Exh. 49).

<sup>138</sup>Dep. of Dobum Kim at 121; Telephone Int. with Dobum Kim, July 10, 1998, at 36.

<sup>139</sup>Dep. of Hon. Jay Kim, June 18, 1998, at 11–12, 22–23, 32.

that he “rented” golf clubs to play with Mr. Chung.<sup>140</sup> When subsequently asked if golf clubs had been purchased for him, he initially testified that he could not remember.<sup>141</sup> Subsequently, he testified that he received a gift of three golf clubs in a “souvenir” golf bag at the airport before he departed Maui.<sup>142</sup> He denied that anyone purchased golf clubs and a golf bag for him at the pro shop.<sup>143</sup>

According to credible testimony by Dobum Kim, Hanbo Steel also paid for the cost of Representative Kim’s lodging at the Grand Wailea Resort with the contemporaneous knowledge of Representative Kim.<sup>144</sup> His testimony was corroborated by “guest histories” for Jay Kim, Dobum Kim, and Tae Soo Chung provided to the Investigative Subcommittee by the Grand Wailea Resort, which show that the same credit card number was used to guarantee the room charges for all three individuals.<sup>145</sup> The conclusion that Hanbo Steel paid for Representative Kim’s hotel bill also is corroborated by the signature on Representative Kim’s registration record by In Kyu Mok, the secretary to Hanbo Steel Chairman Chung, and by the indication on that record that Representative Kim’s stay at the resort was “care of” Dobum Kim, a Hanbo employee.<sup>146</sup> Finally, the Grand Wailea Resort determined—based on a review of its records by hotel officials—that the credit card actually used to pay the room charges for Jay Kim, Tae Soo Chung, and In Kyu Mok was a corporate VISA card apparently in the name of Hanbo Steel.<sup>147</sup>

According to hotel records, the cost of Representative Kim’s lodging at the Grand Wailea Resort totaled approximately \$1,066.<sup>148</sup>

Based on the foregoing, the record indicates that Hanbo Steel paid for travel and lodging expenses and golf equipment for Representative Kim totaling approximately \$3,640.

Representative Kim indicated during his testimony that he traveled to Hawaii to give a speech to a private organization.<sup>149</sup> The Investigative Subcommittee, however, found no credible evidence that Representative Kim’s acceptance in 1994 of travel expenses and golf equipment from Hanbo Steel concerned a fact-finding trip or substantial participation in an event as then permitted by House Rule 43, Clause 4. Moreover, as discussed more fully below, Representative Kim did not report any privately funded travel to Hawaii on his Financial Disclosure Statement for calendar year 1994.

Based on the foregoing, the Investigative Subcommittee found substantial reason to reason to believe that Representative Kim’s

<sup>140</sup> *Id.* at 33.

<sup>141</sup> *Id.* at 33–34.

<sup>142</sup> *Id.* at 36–37.

<sup>143</sup> *Id.* at 37.

<sup>144</sup> Dep. of Dobum Kim at 116.

<sup>145</sup> Guest history records from Grand Wailea Resort for Jay Kim and Dobum Kim. (Exh. 50); see Exh. 46 (guest history for Tae Soo Chung). According to American Express, the account number appearing on all three guest histories is an American Express account issued outside of the United States. Letter from Ronald A. Gray, Managing Counsel, American Express, to David Laufman, July 27, 1998 (Exh. 51).

<sup>146</sup> Registration record from Grand Wailea Resort for Jay Kim (Exh. 47).

<sup>147</sup> Letter from Gregory A. Koestering, Managing Director, Grand Wailea Resort, to Paul Lewis, July 23, 1998 (hereinafter “Letter from Gregory A. Koestering”) (Exh. 52); Imprints of VISA cards provided by Grand Wailea in connection with registration forms for Jay Kim, Tae Soo Chung, and In Kyu Mok (Exh. 53). Mr. Koestering advised Subcommittee counsel that the VISA card bears the account number “4599 5070 0137 8408,” and that the imprint of the card, while not fully legible, indicates the account holder is “Han \* \* \* Gen. Cons. Co. Ltd.” Letter from Gregory A. Koestering.

<sup>148</sup> Grand Wailea Resort record of Representative Kim’s room charges (Exh. 54).

<sup>149</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 22.

acceptance of round-trip travel from Honolulu to Maui, lodging at the Grand Wailea Resort, and golf clubs and equipment, as detailed above, constituted gifts to Representative Kim within the meaning of Clause 4 of then-House Rule 43, and that his acceptance of those gifts was in violation of that rule. The Investigative Subcommittee also found substantial reason to believe that, by accepting those gifts, Representative Kim engaged in conduct that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

On September 18, 1998, Representative Kim's attorney, Ralph Lotkin, provided Subcommittee counsel for the first time with a document that he claimed was exculpatory with regard to this portion of the SAV. The document appeared to consist of a sales receipt corresponding to Dobum Kim's purchase of golf equipment for Representative Kim at the pro shop in Hawaii in January 1994.<sup>150</sup> Among the items listed on the document are "golf clubs," "headwear," "men's slacks," "gloves," and "shoes."<sup>151</sup> Mr. Lotkin advised Subcommittee counsel that Representative Kim did not receive all of the items indicated on the sales receipt, and reiterated Representative Kim's position that he received only a few used golf clubs at the airport in Hawaii as a gift prior to his departure. In a September 25, 1998, letter accompanying Representative Kim's answer to the SAV, Mr. Lotkin stated that, "[b]ased upon Mr. Dobum Kim's own sworn testimony to the Investigative Subcommittee, the sales slip belied the accuracy of his assertions—the so-called golfing materials were purchased at a time when Mr. Dobum Kim, himself, testified he was not with Representative Kim or, even on the day of the alleged golf outing."<sup>152</sup>

In response to the document provided by Mr. Lotkin on September 18, 1998, and his assertion that the document was exculpatory, the Subcommittee promptly authorized additional action, including the issuance of subpoenas.

Lyle Matsunaga, currently Controller at Wailea Golf Resort, Inc. in Maui, told Subcommittee counsel that the document that Mr. Lotkin provided on September 18, 1998, is a cash register tape corresponding to the American Express receipt previously relied upon by the Subcommittee as evidence of the purchase.<sup>153</sup> Based on data printed on the cash register tape, Matsunaga stated his belief that the sales transaction occurred on January 16, 1998, at 5:40 p.m. local (i.e., Hawaiian) time.<sup>154</sup> He also advised Subcommittee counsel that the cash register tape lists a complete set of Callaway-brand irons with a retail price of \$1,999, as well as a Callaway "Big Bertha" club with a retail price of \$299.<sup>155</sup> Additional documents that the Subcommittee obtained from Wailea Golf Resort, Inc. pur-

<sup>150</sup> Exh. 55.

<sup>151</sup> *Id.*

<sup>152</sup> Exh. 56.

<sup>153</sup> Telephone Interview of Lyle Matsunaga, Sept. 23, 1998, at 6–7, 22. Mr. Matsunaga advised Subcommittee counsel that employees of Wailea Golf Resort, Inc. located that cash register tape on September 17, 1998, and faxed a copy to Mr. Lotkin later that day. *Id.* at 20–21.

<sup>154</sup> *Id.* at 23–24. Matsunaga explained that dates on cash register tapes in the pro shop correspond to current date in the computer system that generates the tapes, and that the time shown corresponds to the current system time. *Id.* at 24.

<sup>155</sup> *Id.* at 27–30.

suant to a subpoena confirmed Matsunaga's representations concerning the golf clubs.<sup>156</sup>

On September 28, 1998, Subcommittee counsel interviewed Dobum Kim, who had been provided with a copy of the cash register tape concerning the January 16, 1994, purchase. During that interview, Dobum Kim confirmed that he purchased each of the items listed on the cash register tape for Representative Kim, including the golf clubs and clothing.<sup>157</sup>

Contrary to Mr. Lotkin's assertion, moreover, the cash register tape is not inconsistent with Dobum Kim's prior sworn testimony. At his deposition in May 1998, Dobum Kim independently recalled the purchase of golf equipment for Representative Kim prior to their golf outing.<sup>158</sup> Mr. Lotkin apparently focused on a brief earlier exchange in the deposition where Dobum Kim testified that he did not see Representative Kim after helping him register at the hotel (on January 16, 1994) until dinner that evening, and did not mention making any purchases at the pro shop on that specific day.<sup>159</sup> While an inference could be drawn from Dobum Kim's testimony that he purchased the golf equipment on the same day he played golf with Representative Kim—thereby raising a question about the accuracy of the Subcommittee's charge—Dobum Kim did not commit himself to a particular day or time of day for the golf purchases, and he clearly testified that he played golf with Representative Kim on Representative Kim's second day in Hawaii, which was January 17, 1998.<sup>160</sup> Moreover, even if there were a discrepancy in Dobum Kim's testimony regarding the date of the purchase, he has consistently testified that he purchased the items in question for Representative Kim, and his testimony is corroborated by documentary evidence.

Thus, the additional investigative action taken by the Subcommittee confirmed its previous determination that Representative Kim received gifts consisting of golf equipment in violation of Clause 4 of then-House Rule 43. Consequently, the Subcommittee retained this portion of Count V of the SAV.

## 2. Failure to disclose gifts of travel expenses and golf equipment

As stated above, the Investigative Subcommittee found substantial reason to believe that Representative Kim received gifts of travel, lodging, and golf equipment from Hanbo Steel in 1994 totaling approximately \$3,640.

At all times during the events described below, Title I of the Ethics in Government Act of 1978, as amended, required Members of

<sup>156</sup> Exh. 57 (SKU descriptions of purchase items).

<sup>157</sup> Telephone Interview with Dobum Kim, Sept. 28, 1998, at 8–13.

<sup>158</sup> Dep. of Dobum Kim at 124. He first mentioned the purchase after discussing the golf outing, indicating that he had forgotten to mention it earlier in his testimony.

<sup>159</sup> *Id.* at 117–18.

<sup>160</sup> *Id.* at 117, 121. Dobum Kim also testified at his deposition—without the aid at that time of a cash register tape—that he purchased a “whole set” of clubs for Representative Kim (“[f]rom wedge to drivers”), and that he also purchased a golf bag, golf shoes, shirts, and golf balls for Representative Kim. *Id.* at 126–27. Thus, his testimony later was corroborated by the cash register tape. See Exh. 55. While the Subcommittee did not obtain documentary confirmation of the date on which Dobum Kim played golf with Representative Kim and Hanbo Steel Chairman Chung, the documentary evidence regarding Representative Kim's travel from Honolulu to Maui on January 16, 1994, and the date and time of the cash register receipt from the pro shop indicate that they could not have played eighteen holes of golf on January 16, 1994. Consequently, the record indicates that they played golf on January 17, 1994.

the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives.<sup>161</sup> At all times during the events described below, House Rule 44, Clause 2, provided that title I of the Ethics in Government Act of 1978 shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

With respect to the Financial Disclosure Statement for 1994, section 102 of the Ethics in Government Act required House Members to “disclose on your Financial Disclosure Statement all gifts totaling more than \$250 from a single source other than a relative.”<sup>162</sup> The instructions issued to House Members for completing their Financial Disclosure Statements for 1994 stated that “[t]he value of all gifts from the same source received during the calendar year must be totaled to determine if the reporting threshold of \$250 has been met, except that any gift with a fair market value of \$100 or less need not be counted.”<sup>163</sup> The instructions also stated that “[a]ll types of gifts, including travel-related expenses provided for your personal benefit, must be reported on Schedule VI [of the Financial Disclosure Statement].”<sup>164</sup> Members were required to report the receipt of travel expenses for “fact-finding” trips or trips in which they “substantially participated” on Schedule VII of the Financial Disclosure Statement.

Representative Kim did not report the above-specified gifts of travel, lodging, and golf equipment that he received from Hanbo Steel in January 1994 on his Financial Disclosure Statement for 1994, which was filed in August 1995.<sup>165</sup> Based on the foregoing, the Investigative Subcommittee determined that Representative Kim had contemporaneous personal knowledge of each of the gifts in question. The Investigative Subcommittee also determined that Representative Kim knew, or should have known, that each of the gifts was reportable on his Financial Disclosure Statement for 1994. Finally, Representative Kim did not report the payment or reimbursement of any “fact-finding” or “substantial participation” travel expenses on his Financial Disclosure Statement for 1994 with respect to the trip to Hawaii in January 1994. Consequently, the Investigative Subcommittee found substantial reason to believe that Representative Kim violated the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives, when he failed to report the above-specified gifts from Hanbo Steel on his Financial Disclosure Statement for Calendar year 1994, filed in August 1995.

### 3. Receipt of \$30,000 check from Dobum Kim

In approximately 1992, Dobum Kim opened a money market account (“cash maximizer account”) at Bank of America at the direction of Tae Soo Chung, the South Korean Chairman of Hanbo Steel.<sup>166</sup> Subsequently, Chung told Dobum Kim to expect transfers

<sup>161</sup> 5 U.S.C. app. 4, § 101 (1998).

<sup>162</sup> *Instructions for Completing Financial Disclosure Statement Required by the Ethics in Government Act of 1978*, Committee on Standards of Official Conduct, at 22 (1995) (hereafter “Instructions for Completing Financial Disclosure Statement”); see 5 U.S.C. app. 6, § 102(a)(2)(A).

<sup>163</sup> *Instructions for Completing Financial Disclosure Statement*, *supra*, at 22.

<sup>164</sup> *Id.*

<sup>165</sup> Exh. 28.

<sup>166</sup> Dep. of Dobum Kim at 40–45; Exh. 58 (sample copy of account statement for Dobum Kim’s money market account)

to that account of \$100,000 and \$200,000, respectively, by Hanbo Steel officials in other countries.<sup>167</sup> On or about October 18, 1993, \$100,000 was transferred by wire by an official of Hanbo Steel in another country to the above-mentioned Bank of America money market account in the United States in the name of Dobum Kim.<sup>168</sup> On or about October 26, 1993, an additional \$200,000 was transferred by wire into the same account by a Hanbo Steel official in another country.<sup>169</sup>

While playing golf with Representative Kim and Dobum Kim in Maui on or about January 16, 1994, Hanbo Steel Chairman Chung told Dobum Kim to give \$30,000 to Representative Kim after returning to the continental United States.<sup>170</sup> According to credible testimony by Dobum Kim, Chung gave this instruction to Dobum Kim in the presence of Representative Kim.<sup>171</sup>

A few days after his return to the continental United States from Hawaii, Dobum Kim received a telephone call directly from Representative Kim.<sup>172</sup> According to credible testimony by Dobum Kim, Representative Kim told him that he would like to meet personally with him at Representative Kim's home in Diamond Bar, California.<sup>173</sup> Dobum Kim understood that Representative Kim wanted the \$30,000 that Tae Soo Chung had told Dobum Kim in Hawaii to give to Representative Kim, although Representative Kim did not mention the money during his telephone call to Dobum Kim.<sup>174</sup> The two men set a date and time for the meeting at Representative Kim's home.<sup>175</sup>

On or about January 29, 1994, Dobum Kim went alone to Representative Kim's home in Diamond Bar, California.<sup>176</sup> Representative Kim and his wife, June Kim, both were present when Dobum Kim arrived.<sup>177</sup>

Dobum Kim told Representative Kim that he had come to pay him the \$30,000 that Tae Soo Chung had directed him in Hawaii to give to Representative Kim.<sup>178</sup> Dobum Kim told Representative Kim that he would write a check in the amount of \$30,000.<sup>179</sup> Representative Kim told Dobum Kim to make the check payable to June Kim.<sup>180</sup>

Dobum Kim expressed concern to Representative Kim about the legality of the payment.<sup>181</sup> According to credible testimony by Dobum Kim, Representative Kim told him not to be concerned be-

<sup>167</sup> Dep. of Dobum Kim at 49, 63-66.

<sup>168</sup> Exh. 59 (Bank of America statement for money market account showing \$100,000 transfer); Dep. of Dobum Kim at 46-47, 52-53. The actual amount deposited into the money market account was \$99,850, reflecting an administrative charge of \$150. See Exh. 59.

<sup>169</sup> Dep. of Dobum Kim at 66-68; Exh. 60 (Bank of American statement for money market account showing \$200,000 transfer).

<sup>170</sup> Dep. of Dobum Kim at 121-23, 130.

<sup>171</sup> *Id.* at 122. The Subcommittee was unable to interview Hanbo Steel Chairman Chung. According to press reports, he is currently in prison in South Korea on bribery and embezzlement charges. *South Korean Court Upholds Prison Term of Hanbo Steel Owner*, Associated Press News Service, Sept. 25, 1997; Efron, *Hanbo Chief, 9 Others Get Jail Time*, Los Angeles Times, June 2, 1997.

<sup>172</sup> Dep. of Dobum Kim at 131.

<sup>173</sup> *Id.* at 132.

<sup>174</sup> *Id.* at 132-33.

<sup>175</sup> *Id.* at 133.

<sup>176</sup> *Id.* at 133, 149.

<sup>177</sup> *Id.* at 133-34.

<sup>178</sup> *Id.* at 135, 150.

<sup>179</sup> *Id.* at 135.

<sup>180</sup> *Id.* at 136.

<sup>181</sup> *Id.* at 136, 151.

cause he would be buying books.<sup>182</sup> Dobum Kim asked Representative Kim what he meant.<sup>183</sup> Representative Kim told him that he had written his autobiography, and that it would be published in Korea.<sup>184</sup> Dobum Kim expressed concern about how he could buy books that did not yet exist.<sup>185</sup> Representative Kim told him not to worry, and asked him to write the word “books” in the memorandum portion of the check.<sup>186</sup> According to credible testimony by Dobum Kim, Representative Kim told him to pretend that he had purchased books in return for the check.<sup>187</sup>

Dobum Kim wrote the check pursuant to Representative Kim’s instructions, and gave it directly to Representative Kim.<sup>188</sup> The check was drawn on the money market account that he had established at the Bank of America utilizing funds from Hanbo Steel.<sup>189</sup>

The record indicates that June Kim endorsed the \$30,000 check from Dobum Kim and deposited it on March 2, 1994, into a joint personal savings account at Union Bank in California in the name of Jay C. Kim and June O. Kim.<sup>190</sup> That conclusion is supported by the following evidence:

The \$30,000 check written by Dobum Kim, made payable to June Kim, is check number 127.<sup>191</sup>

Representative Kim recognized the signature of endorsement on the back of the check as June Kim’s signature.<sup>192</sup>

A deposit slip bears the handwritten name “June O. Kim,” the date of March 2, 1994, the net deposit amount of \$30,000, and an account number that corresponds to the account number for a joint savings account at Union Bank in the name of Jay C. Kim and June O. Kim.<sup>193</sup>

A statement from Union Bank indicating that \$30,000 was deposited into the Kims’ joint savings account there on March 2, 1994.<sup>194</sup>

A statement from Bank of America regarding accounts in the name of Dobum Kim, dated March 22, 1994, shows that check number 127 in the amount of \$30,000, drawn on the “cash maximizer” (i.e., money market) account, was paid on March 2, 1994—the same date as the date on the deposit slip for \$30,000 bearing the name “June O. Kim.”<sup>195</sup>

According to bank records, three separate withdrawals from the Kims’ joint savings account at Union Bank—each in the amount of \$10,000—occurred on March 11, 1994, April 14, 1994, and May 9,

<sup>182</sup> *Id.* at 136.

<sup>183</sup> *Id.*

<sup>184</sup> *Id.*

<sup>185</sup> *Id.*

<sup>186</sup> *Id.* at 136–37.

<sup>187</sup> *Id.* at 143–44, 151.

<sup>188</sup> *Id.* at 137, 142, at 149; Exh. 61 (copy of check from Dobum Kim for \$30,000).

<sup>189</sup> Dep. of Dobum Kim at 140; Exh. 62 (copy of Bank of America statement showing debit of \$30,000). The account number of the money market account appears at the bottom of the \$30,000 check that Dobum Kim gave to Representative Kim. The Investigative Subcommittee obtained Union Bank records regarding Representative Kim and June Kim from the U.S. Attorney’s Office for the Central District of California.

<sup>190</sup> Exh. 61 (copy of \$30,000 check showing endorsement); Exh. 63 (deposit slip dated March 2, 1994).

<sup>191</sup> Exh. 61.

<sup>192</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 49–50.

<sup>193</sup> Exh. 63.

<sup>194</sup> Exh. 64.

<sup>195</sup> Exh. 62.

1994, respectively.<sup>196</sup> Bank records also show that the \$30,000 in funds withdrawn from the joint savings account was transferred to a joint checking account at Union Bank in the name of Jay C. Kim and June O. Kim, where the money was commingled with personal funds.<sup>197</sup>

Not until sometime in 1995—several months after the book was published in August 1994—were any books delivered in connection with the \$30,000 check given to Representative Kim by Dobum Kim. At that time, June Kim personally gave a few copies of Representative Kim’s book to Hae Eun Kim, Dobum Kim’s wife.<sup>198</sup> Dobum Kim was working for Hanbo Steel in Venezuela at the time.<sup>199</sup>

Representative Kim claimed that a large number of books was delivered to the offices of Hanbo Steel in Seoul, South Korea,<sup>200</sup> but he provided no evidence to substantiate his claim, and the Subcommittee is unaware of any credible evidence to corroborate his claim that books were delivered to Hanbo Steel in connection with the \$30,000 payment by Dobum Kim in January 1994.

Based on the foregoing, the Investigative Subcommittee found substantial reason to believe that the \$30,000 check given by Dobum Kim to Representative Kim in January 1994 constituted a gift to Representative Kim within the meaning of Clause 4 of then-Rule 43 of the House of Representatives, and that his acceptance of the check constituted a violation of that rule. The Investigative Subcommittee also found substantial reason to believe that Representative Kim engaged in conduct that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

On September 18, 1998, Representative Kim’s attorney, Ralph Lotkin, provided Subcommittee counsel for the first time with documents that he maintained were exculpatory with respect to the charge concerning the payment of \$30,000 by Dobum Kim. The documents consisted of the following: (1) two pages from Representative Kim’s personal calendar for January 1994, indicating that Representative Kim was in Texas continuously during the period of January 28–30, 1994;<sup>201</sup> (2) a Korean-language newspaper article dated February 3, 1994 (and accompanying translation) reporting that Representative Kim attended a fundraising event in Houston on January 28, 1994;<sup>202</sup> (3) a document provided to Mr. Lotkin by American Airlines indicating that Representative Kim flew from Washington, D.C. to Dallas on January 28, 1994, and flew from Dallas to Washington, D.C. on January 31, 1994; and (4) copies of FEC disclosure reports filed by Representative Kim’s campaign reporting contributions by residents of Texas during the relevant

<sup>196</sup> Exh. 65.

<sup>197</sup> Exh. 66 (Union Bank records showing three deposits of \$10,000 each to Kim joint checking account).

<sup>198</sup> Dep. of Dobum Kim at 144–46.

<sup>199</sup> *Id.* at 145.

<sup>200</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 54–56, 59.

<sup>201</sup> Exh. 67. In a September 25, 1998, letter accompanying Representative Kim’s Answer to the SAV, Mr. Lotkin asserted that these pages constitute “an extract of the Congressman’s 1994 personal appointment calendar, maintained in his own handwriting, reflecting his activities during the time in question.” Exh. 56.

<sup>202</sup> Exh. 68.

time period.<sup>203</sup> Mr. Lotkin advised staff that these documents refuted Dobum Kim's testimony that he personally gave Representative Kim a \$30,000 check at his home in Diamond Bar, California, on January 29, 1994. In a September 25, 1998, letter accompanying Representative Kim's Answer to the SAV, Mr. Lotkin asserted that the documents "establish[], *without question*, that Congressman Kim was in Dallas and Houston, Texas, during the weekend of September [sic] 28, 1994, and **not** in California (let alone at his home in Diamond Bar) as sworn to and alleged by Dobum Kim."<sup>204</sup>

The Subcommittee promptly authorized additional action regarding the information provided by Mr. Lotkin, including the issuance of subpoenas. On September 28, 1998, the Subcommittee received "passenger name records" from American Airlines in compliance with a subpoena. According to American Airlines, those records indicate that Representative Kim departed Washington, D.C. at 12:39 p.m. on January 28, 1994, on American Airlines flight 1307 and arrived at Dallas-Fort Worth International Airport ("DFW") at 3:09 p.m. that day. In addition, the records indicate that Representative Kim took a connecting flight from Dallas to Houston later that afternoon. The records also indicate, however, that Representative Kim:

Departed Houston Intercontinental Airport at 9:00 a.m. on January 29, 1994 on American Airlines flight 395 and arrived at DFW at 10:07 a.m.<sup>205</sup>

Departed DFW at 11:09 a.m. on January 29, 1994, on American Airlines flight 201, and arrived at Ontario Airport in California (located near Diamond Bar) at 12:19 p.m.

Departed Ontario Airport at 11:24 a.m. on January 30, 1994, on American Airlines flight 1900 and arrived at DFW at 4:20 p.m.<sup>206</sup>

Thus, the records produced by American Airlines provide substantial credible evidence that Representative Kim was, in fact, in the Diamond Bar, California area on January 29, 1994, and that he therefore had an opportunity to meet with Dobum Kim at his home in Diamond Bar on January 29, 1994, consistent with Dobum Kim's testimony.

The Subcommittee also approved the issuance of a testimonial subpoena for Dobum Kim. Because of the unavailability due to ill-

<sup>203</sup> Exh. 69. In a letter dated September 30, 1998, Mr. Lotkin confirmed that by August 5, 1998, he already had received information that "Representative Kim was not in Diamond Bar, California, on January 29, 1994, as alleged by Mr. Dobum Kim." Letter from Ralph Lotkin to the Hon. Lamar S. Smith and the Hon. Ed Pastor, Sept. 30, 1998 (Exh. 70). Yet neither he nor Representative Kim disclosed the pertinent information to the Subcommittee at an August 5, 1998, meeting of the Subcommittee, at which Representative Kim was afforded an opportunity to discuss the proposed charges in the SAV. Mr. Lotkin also acknowledged that he received "the actual documentary information \* \* \* confirming this point \* \* \* late on August 5, 1998." *Id.* American Airlines officials advised Subcommittee counsel that, on approximately July 30, 1998, an employee of Representative Kim's congressional office had requested information regarding Representative Kim's flights on American Airlines during the month of January 1994. Interview of Julie Nichols and Gary Doernhoefer, Sept. 24, 1998, at 9-10. On August 5, 1998, an American Airlines employee faxed to Representative Kim's congressional office a record of flights taken by Representative Kim on American Airlines on which he earned frequent flier miles, which Mr. Lotkin provided to Subcommittee counsel for the first time on September 18, 1998. *Id.* at 13-14; see Exh. 69.

<sup>204</sup> Exh. 56. (bold in original; italics added).

<sup>205</sup> Exh. 71 (letter from Gary R. Doernhoefer, Senior Counsel, American Airlines, to David Laufman, Sept. 28, 1998); Exh. 72 (passenger name records produced by American Airlines).

<sup>206</sup> Neither Mr. Lotkin nor Representative Kim had advised the Subcommittee of Representative Kim's travel from Texas to California on January 29, 1994.

ness of Dobum Kim's primary attorney, Subcommittee counsel interviewed Dobum Kim by telephone on September 28, 1998. During that interview, Dobum Kim reaffirmed that he went to Representative Kim's home in Diamond Bar, wrote out a check there in the amount of \$30,000, made it payable to June Kim at the request of Representative Kim, and personally gave it to Representative Kim.<sup>207</sup> He also recalled that he went to Representative Kim's home in Diamond Bar "not in the morning, not in the evening," but sometime "during the daytime."<sup>208</sup> Thus, Dobum Kim's recollection is consistent with the records provided by American Airlines, which indicate that Representative Kim could have returned home by early afternoon.

#### 4. Failure to report gift of \$30,000 on Financial Disclosure Statement

The Investigative Subcommittee found substantial reason to believe that the \$30,000 check given by Dobum Kim to Representative Kim in January 1994 constituted a gift to Representative Kim under then-House Rule 43, Clause 4. The Investigative Subcommittee also found substantial reason to believe that Representative Kim knew, or should have known, that the \$30,000 check constituted a gift that was reportable on Schedule VI of his FDS for 1994.

At all times during the events described above, Title I of the Ethics in Government Act of 1978, as amended, required Members of the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives.<sup>209</sup> At all times during the events described above, House Rule 44, Clause 2, provided that title I of the Ethics in Government Act of 1978 shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

With respect to the Financial Disclosure Statement for calendar year 1994, section 102 of the Ethics in Government Act required House Members to "disclose on your Financial Disclosure Statement all gifts totalling more than \$250 from a single source other than a relative."<sup>210</sup> Members also were required to "disclose gifts from third parties to your spouse or dependent children *unless the gifts are totally independent* of the relationship to you."<sup>211</sup> The instructions issued to House Members for completing their Financial Disclosure Statements for 1994 stated that "[t]he value of all gifts from the same source received during the calendar year must be totaled to determine if the reporting threshold of \$250 has been met, except that any gift with a fair market value of \$100 or less need not be counted."<sup>212</sup> The instructions also stated that "[a]ll types of gifts, including travel-related expenses provided for your

<sup>207</sup> Telephone Interview with Dobum Kim, Sept. 28, 1998, at 16–19.

<sup>208</sup> *Id.* at 16.

<sup>209</sup> 5 U.S.C. app. 4, § 101 (1998).

<sup>210</sup> *Instructions for Completing Financial Disclosure Statement Required by the Ethics in Government Act of 1978*, Committee on Standards of Official Conduct, at 22 (1995) (hereafter "Instructions for Completing Financial Disclosure Statement"); see 5 U.S.C. app. 6, § 102(a)(2)(A).

<sup>211</sup> *Instructions for Completing Financial Disclosure Statement, supra*, at 22 (emphasis in original).

<sup>212</sup> *Id.*

personal benefit, must be reported on Schedule VI [of the Financial Disclosure Statement].”<sup>213</sup>

Representative Kim did not report the \$30,000 received from Dobum Kim in January 1994 on his FDS for 1994.<sup>214</sup> Consequently, the Investigative Subcommittee found substantial reason to believe that Representative Kim violated the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives.

*5. Attempt to influence statements by Dobum Kim to investigators*

As stated above, Dobum Kim personally tendered a check directly to Representative Kim on or about January 29, 1994. According to credible testimony by Dobum Kim, he expressed concern to Representative Kim about how he could buy books that did not yet exist.<sup>215</sup> Representative Kim told Dobum Kim not to worry, asked him to write the word “books” in the memorandum portion of the check, and told him the transaction was “legal.”<sup>216</sup>

According to credible testimony by Dobum Kim, Representative Kim told Dobum Kim to pretend as though he had purchased books in return for the check.<sup>217</sup> Further, Representative Kim told Dobum Kim that if he was questioned later by investigative authorities, he should say that he paid the \$30,000 to purchase copies of Representative Kim’s book.<sup>218</sup> Dobum Kim understood that Representative Kim was asking him to make false statements to investigators if he was questioned later about this matter.<sup>219</sup>

In early 1995, June Kim attempted to contact Dobum Kim by telephone at his residence in California.<sup>220</sup> At the time of June Kim’s telephone call, Dobum Kim was unavailable because he was working for Hanbo Steel in Venezuela.<sup>221</sup> June Kim spoke to Dobum Kim’s wife, Hae Eun Kim, in lieu of speaking to Dobum Kim.<sup>222</sup> June Kim asked Hae Eun Kim to meet her for lunch.<sup>223</sup>

Subsequently, June Kim and Hae Eun Kim had lunch together.<sup>224</sup> After lunch, June Kim told Hae Eun Kim that if representatives of the Federal Bureau of Investigation (“FBI”) asked her if she received books, she should respond that she did, in fact, receive books.<sup>225</sup> Hae Eun Kim understood June Kim to be telling her to convey this message to her husband, Dobum Kim, as she could not think of any reason for someone to ask her about books.<sup>226</sup>

In 1997, the FBI interviewed Dobum Kim in connection with the \$30,000 check he had given to Representative Kim in January

<sup>213</sup> *Id.*

<sup>214</sup> Exh. 28.

<sup>215</sup> Dep. of Dobum Kim at 136.

<sup>216</sup> *Id.* at 136–37, 153.

<sup>217</sup> *Id.* at 143–44, 151.

<sup>218</sup> *Id.* at 148, 152–53. According to credible testimony by Dobum Kim, June Kim was present for that conversation. *Id.* at 156–57.

<sup>219</sup> *Id.* at 152.

<sup>220</sup> *Id.* at 145; Telephone Interview with Hae Eun Kim, July 10, 1998, at 6, 8.

<sup>221</sup> Telephone Int. with Hae Eun Kim at 7; Dep. of Dobum Kim at 145.

<sup>222</sup> Telephone Int. with Hae Eun Kim at 7.

<sup>223</sup> Telephone Int. with Hae Eun Kim at 6; Dep. of Dobum Kim at 146.

<sup>224</sup> Telephone Int. with Hae Eun Kim at 10.

<sup>225</sup> Dep. of Dobum Kim at 147, 154 (“June Kim specifically mentioned [the] FBI.”); Telephone Int. with Hae Eun Kim at 12, 18.

<sup>226</sup> Telephone Int. with Hae Eun Kim, July 10, 1998, at 13–14; Dep. of Dobum Kim at 147.

1994.<sup>227</sup> Dobum Kim indicated to the FBI that he communicated only with June Kim, rather than Representative Kim, in connection with the purchase of copies of Representative Kim's book.<sup>228</sup> Dobum Kim also told the FBI that June Kim had agreed to provide him with 2,000 books, but that he had received only 1,000 books.<sup>229</sup> Dobum Kim acknowledged under oath to the Subcommittee that the above statements he made to the FBI in 1997 were false, and that he made those false statements because Representative Kim had asked him to pretend that he had purchased books.<sup>230</sup>

Based on the foregoing, the Investigative Subcommittee found substantial reason to believe that in approximately January 1994 Representative Kim attempted to induce Dobum Kim to give false information to federal investigative authorities if asked about the \$30,000 check that he had given to Representative Kim. Therefore, the Investigative Subcommittee found substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

*6. False statements to Investigative Subcommittee regarding Dobum Kim*

The Investigative Subcommittee received credible evidence that:

Dobum Kim, a South Korean national in charge of the Los Angeles office of Hanbo Steel and General Construction, a Korean company, had dinner with Representative Kim in California in June 1993.<sup>231</sup>

In late October 1993, Dobum Kim met privately with Representative Kim for approximately thirty minutes in his congressional office in Washington, D.C.<sup>232</sup> The two men discussed an upcoming meeting in the Washington, D.C. area between Representative Kim and Tae Soo Chung, the South Korean Chairman of Hanbo Steel.<sup>233</sup> Dobum Kim gave Representative Kim a business card on which the name "Dobum Kim" was printed.<sup>234</sup>

On or about October 28, 1993, Dobum Kim had dinner with Representative Kim, Tae Soo Chung, one of Tae Soo Chung's sons, and Jennifer Ahn, at the Palm Restaurant in Washington, D.C.<sup>235</sup>

Following the dinner at the Palm Restaurant, Dobum Kim and Representative Kim went to Tae Soo Chung's suite at the

<sup>227</sup> Exh. 73 (FBI Notes Regarding Interview of Dobum Kim, dated June 3, 1997); Dep. of Dobum Kim at 154–55.

<sup>228</sup> Exh. 73.

<sup>229</sup> *Id.*

<sup>230</sup> Dep. of Dobum Kim at 155, 158.

<sup>231</sup> *Id.* at 54; Telephone Interview with Dobum Kim, July 10, 1998, at 9–11.

<sup>232</sup> Dep. of Dobum Kim at 85–88.

<sup>233</sup> *Id.* at 87–88. Credit card records obtained by the Investigative Subcommittee corroborated Dobum Kim's testimony that he visited the Washington, D.C. area in October 1993. See Exh. 74 (American Express receipt regarding Dobum Kim's Oct. 1993 stay at Key Bridge Marriott Hotel in Arlington, Virginia and restaurant charges).

<sup>234</sup> Telephone Int. with Dobum Kim at 12–13.

<sup>235</sup> Telephone Int. of Dobum Kim, July 10, 1998, at 13–14; Dep. of Dobum Kim at 93–94; Exh. 74 (American Express receipts for charges at Palm Restaurant).

Ritz Carlton Hotel in Arlington, Virginia (Pentagon City).<sup>236</sup> Dobum Kim escorted Representative Kim and Jennifer Ahn downstairs when they departed the hotel later that evening.<sup>237</sup>

Dobum Kim met Representative Kim in Honolulu on or about January 16, 1994, and accompanied him by air to Maui, where he took Representative Kim to the Grand Wailea Resort.<sup>238</sup>

While in Maui in January 1994, Dobum Kim had dinner with Representative Kim and Tae Soo Chung.<sup>239</sup>

At a golf course near the Grand Wailea Resort, Dobum Kim purchased golf clubs and other equipment for Representative Kim in Representative Kim's presence and with his knowledge.<sup>240</sup> Dobum Kim later played golf with Representative Kim and Tae Soo Chung.<sup>241</sup>

After returning to the continental United States from Hawaii, Representative Kim personally telephoned Dobum Kim and asked him to come to his home in Diamond Bar, California.<sup>242</sup>

On or about January 29, 1994, Dobum Kim went to Representative Kim's home in Diamond Bar, California and gave him a \$30,000 check.<sup>243</sup>

In a letter to Representative Kim dated April 2, 1998, the Investigative Subcommittee asked Representative Kim to respond in writing to the following question: "Please describe the circumstances surrounding Mr. Dobum Kim's payment of \$30,000 to buy copies of your book, 'I'm Conservative.' Please describe your relationship, if any, with Mr. Dobum Kim."<sup>244</sup> On or about May 21, 1998, Ralph L. Lotkin, counsel to Representative Kim, submitted a letter to the Chairman and Ranking Democratic Member of the Investigative Subcommittee.<sup>245</sup> Representative Kim personally reviewed, approved, and signed the letter, and he acknowledged that the letter was prepared with the assistance of counsel.<sup>246</sup> In reply to the above-specified question contained in the Subcommittee's letter to Representative Kim dated April 2, 1998, Representative Kim responded as follows: "*I do not know who Dobum Kim is or any of the circumstances subsumed in your question.*"<sup>247</sup>

When questioned about that answer at his deposition on June 18, 1998, Representative Kim stated that "at that time [i.e., May 21, 1998] I didn't know who Dobum Kim was, until you mentioned today Hanbo. \* \* \* At that time I had no idea who Dobum Kim is."<sup>248</sup> Counsel for the Subcommittee then asked: "Even though we asked you [in the May 21, 1998, letter] about a \$30,000 check?"

<sup>236</sup> Dep. of Dobum Kim at 96-97. Dobum Kim's testimony that Tae Soo Chung stayed at the Ritz Carlton in Pentagon City was corroborated by records obtained from the hotel. See Exh. 75 (records from Ritz Carlton regarding stay by Tae Soo Chung).

<sup>237</sup> Dep. of Dobum Kim at 103-04.

<sup>238</sup> *Id.* at 109-10, 112-13; see Dep. of Hon. Jay Kim, June 18, 1998, at 24.

<sup>239</sup> Dep. of Dobum Kim at 118.

<sup>240</sup> *Id.* at 124-27; Exh. 48 (American Express receipt for purchases at golf pro shop and corresponding sales receipt); Exh. 55 (cash register tape relating to purchases at pro shop).

<sup>241</sup> Dep. of Dobum Kim at 117, 121.

<sup>242</sup> *Id.* at 131-32.

<sup>243</sup> *Id.* at 133-37; Exh. 61 (\$30,000 check from Dobum Kim dated Jan. 29, 1994).

<sup>244</sup> Exh. 18.

<sup>245</sup> Exh. 19.

<sup>246</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 68-69.

<sup>247</sup> Exh. 19 (emphasis added).

<sup>248</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 68.

Representative Kim responded: “*I didn’t know anything about a \$30,000 check.*”<sup>249</sup>

Based on the substantial credible evidence discussed above regarding direct personal contact between Dobum Kim and Representative Kim, the Investigative Subcommittee found substantial reason to believe that Representative Kim knowingly submitted false answers regarding Dobum Kim in his May 21, 1998, letter to the Chairman and Ranking Democratic Member of the Investigative Subcommittee and in his testimony on June 18, 1998, regarding his response about Dobum Kim in the May 21, 1998, letter. Therefore, the Investigative Subcommittee found substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

As stated above, on June 18, 1998, Representative Kim testified under oath before the Investigative Subcommittee. During his deposition, Representative Kim testified that:

He did not remember calling Dobum Kim and asking him to come to Representative Kim’s home in Diamond Bar, California.<sup>250</sup>

He denied that he asked Dobum Kim to come to his house to give him money promised by the Chairman of Hanbo Steel.<sup>251</sup>

He did not remember that the man who accompanied him by air from Honolulu to Maui, or anyone else from Hanbo Steel, came to his home in Diamond Bar.<sup>252</sup> (Subsequently, he qualified his response by stating that, “to the best of my recollection,” Dobum Kim did not come to his home.)<sup>253</sup>

He did not remember Dobum Kim telling him at his home in Diamond Bar that Dobum Kim would write a \$30,000 check.<sup>254</sup> (Subsequently, Representative Kim called this allegation “a wild story.”<sup>255</sup>)

Dobum Kim has never given him a \$30,000 check.<sup>256</sup>

Dobum Kim did not write out a \$30,000 check at Representative Kim’s home in Diamond Bar.<sup>257</sup>

He did not remember telling Dobum Kim to write the word “books” on the check for \$30,000.<sup>258</sup>

He did not remember telling Dobum Kim to write “books” on the check in order to create the appearance that he had paid for books.<sup>259</sup>

He did not tell Dobum Kim what to say to investigators if asked about the \$30,000 check.<sup>260</sup> (Subsequently, Representa-

<sup>249</sup> *Id.* (emphasis added).

<sup>250</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 44.

<sup>251</sup> *Id.* (“Absolutely false.”)

<sup>252</sup> *Id.* at 44–46 (“I don’t think he came to my house.”).

<sup>253</sup> *Id.* at 52–53.

<sup>254</sup> *Id.* at 46.

<sup>255</sup> *Id.* at 47.

<sup>256</sup> *Id.*

<sup>257</sup> *Id.* at 50 (“Absolutely nonsense. \* \* \* It didn’t happen.”).

<sup>258</sup> *Id.* at 53–54.

<sup>259</sup> *Id.* at 54–55.

<sup>260</sup> *Id.* at 58–59.

tive Kim stated that “[t]o the best of my recollection, I don’t believe I did.”<sup>261</sup>)

He does not know what happened to the proceeds from the \$30,000 check given by Dobum Kim.<sup>262</sup>

He has no knowledge that a deposit slip in the amount of \$30,000, dated March 2, 1994, and apparently filled out by June Kim, corresponds in any way to the check written by Dobum Kim in the amount of \$30,000 in January 1994.<sup>263</sup>

Based on credible evidence in the record, as discussed above, the Investigative Subcommittee found substantial reason to believe that the above testimony by Representative Kim was knowingly false. Therefore, the Subcommittee found substantial reason to believe that Representative Kim engaged in conduct that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

F. COUNT VI: VIOLATIONS OF HOUSE RULE 51 AND HOUSE RULE 43, CLAUSE 1 (RECEIPT OF IMPROPER GIFTS TO PAY PARTIAL REIMBURSEMENT TO HOUSE OF REPRESENTATIVES FOR EXCESS OUTSIDE EARNED INCOME FROM BOOK)

In approximately February 1994, Representative Kim entered into a contract with Sungmoon Publishing Company, a South Korean company, to publish his autobiography.<sup>264</sup> According to Representative Kim, the book was published in August 1994.<sup>265</sup>

On or about February 21, 1995, Representative Kim wrote a letter to the Committee requesting “a ruling on the acceptance of proceeds from a book I wrote.”<sup>266</sup> Other correspondence and communications between Representative Kim and the Committee followed regarding his income from the book.

On or about May 15, 1995, the Committee sent a letter to Representative Kim advising him of its determination that his income from the book, as represented to the Committee, “does not qualify for the exception to the outside earned income limit for copyright royalties received from established publishers pursuant to usual and customary contractual terms.”<sup>267</sup> The Committee expressed particular concern about a purported agreement between Representative Kim and Heon Kim, a South Korean national, pursuant to which Representative Kim purportedly received royalties from Heon Kim consisting of forty percent of the gross proceeds of sales of his book in South Korea by Heon Kim.<sup>268</sup> Representative Kim had first mentioned this royalty arrangement to the Committee in a letter to the Committee dated March 17, 1995. In that letter, he stated that “[f]rom the final price of the book the publisher takes 50% of the proceeds, the bookbroker (marketing firm) [i.e., Heon

<sup>261</sup> *Id.* at 59.

<sup>262</sup> *Id.* (“I just don’t have any idea.”).

<sup>263</sup> *Id.* at 62–63.

<sup>264</sup> Exh. 76 (contract between Jay Kim and Sungmoon Publishing Company).

<sup>265</sup> Exh. 77 (letter from Hon. Jay Kim to Hon. Nancy L. Johnson, Feb. 21, 1995).

<sup>266</sup> *Id.*

<sup>267</sup> Exh. 78 (letter from Chairman Nancy L. Johnson and Ranking Democratic member Jim McDermott to the Hon. Jay Kim, May 15, 1995 (citing House Rule 47, clause 3(e)(5)).

<sup>268</sup> *Id.*

Kim] receives 10% and the remaining 40% represents the royalty I am given. \* \* \*<sup>269</sup>

In its letter dated May 15, 1995, the Committee advised Representative Kim that “your total book income for 1994 (from both the publisher and the marketing agent), added with any other outside income you may have earned in 1994, is subject to the \$20,040 cap.”<sup>270</sup> Consistent with precedent regarding violations of the cap on outside earned income, the Committee told Representative Kim that “you must either return the earned income you received in 1994 in excess of \$20,040 or make donations to charity in an equivalent sum.”<sup>271</sup>

On or about August 3, 1995, Representative Kim filed his annual Financial Disclosure Statement (“FDS”) for calendar year 1994.<sup>272</sup> On that FDS, he reported earned income from “Book Publishing” of \$132,298, noting on the report that “proceeds being refunded per 5/15/95 Standards Ctte. Communication.”<sup>273</sup>

The next day, Representative Kim sent a letter to the Committee acknowledging that the amount of excess earned income in question was \$112,258, based on the income reported in his FDS for 1994.<sup>274</sup> Based on the information provided by Representative Kim, the Committee reconfirmed that \$112,258 constituted the amount of the required reimbursement in an October 26, 1995, letter of agreement signed by Representative Kim.<sup>275</sup>

On or about December 31, 1997, Representative Kim transmitted three checks to the Committee totaling \$20,000 in partial satisfaction of his obligation to repay excess earned income from his book.<sup>276</sup> The checks consisted of a \$10,000 cashier’s check purchased on December 31, 1997 from First Union National Bank of Virginia, payable to the U.S. Treasury; a personal check in the amount \$4,000 dated December 31, 1997, drawn on the joint account of Jay Changjoon Kim and June Kim at California Korea Bank in Rowland Heights, California; and a personal check in the amount of \$6,000 dated December 31, 1997, drawn on the joint account of Jay Kim and June Kim at the Congressional Federal Credit Union in Washington, D.C.<sup>277</sup>

On or about January 23, 1998, Representative Kim submitted a second cashier’s check to the Committee in the amount of \$20,000, payable to the U.S. Treasury, in partial satisfaction of his obligation to repay excess earned income from his book.<sup>278</sup> That cashier’s check also was purchased from First Union National Bank of Virginia.<sup>279</sup>

<sup>269</sup> Exh. 79.

<sup>270</sup> Exh. 78.

<sup>271</sup> *Id.*

<sup>272</sup> Exh. 28.

<sup>273</sup> *Id.*

<sup>274</sup> Exh. 80 (letter from Hon. Jay Kim to Hon. Nancy L. Johnson, Aug. 4, 1995). The amount of \$112,258 represents the difference between \$132,298—the amount of book income reported by Representative Kim—and the \$20,040 cap on outside income.

<sup>275</sup> Exh. 81 (letter from Committee Chairman Nancy L. Johnson and Ranking Democratic Member Jim McDermott to Hon. Jay Kim, Oct. 26, 1995 (signed and agreed to by Rep. Kim)).

<sup>276</sup> Exh. 82 (letter from the Hon. Jay Kim to the Hon. James V. Hansen, Dec. 31, 1997 (copies of checks enclosed with letter)).

<sup>277</sup> *Id.*

<sup>278</sup> Exh. 83 (letter from Hon. Jay Kim to Hon. James V. Hansen and Hon. Howard L. Berman, Jan. 23, 1998 (with copy of \$20,000 cashier’s check)).

<sup>279</sup> *Id.*

By Representative Kim's own admission, Jennifer Ahn purchased and transmitted to him the two cashier's checks in the amounts of \$10,000 and \$20,000 that he submitted to the Committee on or about December 31, 1997, and January 23, 1998, respectively, in partial reimbursement for excess earned income from his book.<sup>280</sup> Ahn confirmed under oath that she purchased both cashier's checks on behalf of Representative Kim.<sup>281</sup> Ahn, who resides in Northern Virginia, assisted Representative Kim with the marketing of his book in South Korea and the United States, and has helped to raise funds for his campaigns for election to the U.S. House of Representatives.<sup>282</sup> Heon Kim, who purportedly served as a marketing agent for sales of Representative Kim's book in South Korea, is Ahn's brother-in-law.<sup>283</sup>

Both Ahn and Representative Kim testified that the funds Ahn used to purchase the cashier's checks derived from proceeds from sales of Representative Kim's book to which he was entitled.<sup>284</sup>

Ahn testified that in October or November 1997, Representative Kim contacted her and told her that he was required to repay money to the House of Representatives or the Committee on Standards of Official Conduct in connection with his book.<sup>285</sup> According to Ahn, Representative Kim told her that he wanted Heon Kim to repay to him \$30,000 that he had previously loaned to Heon Kim in order to pay part of the reimbursement owed for excess outside earned income.<sup>286</sup> According to Ahn, the \$30,000 represented proceeds from sales of Representative Kim's book by Heon Kim to which Representative Kim was entitled.<sup>287</sup> Ahn testified that in approximately 1995 Heon Kim had asked if he could "borrow" the \$30,000 in sales proceeds because of financial difficulties at the time relating to medical problems.<sup>288</sup>

Ahn testified that she conveyed Heon Kim's request to Representative Kim, and that Representative Kim agreed.<sup>289</sup> According to both Ahn and Representative Kim, the purported agreement between Heon Kim and Representative Kim regarding deferred payment of the \$30,000 was solely a verbal agreement.<sup>290</sup>

In late 1997, according to Ahn, Representative Kim told her to "get the money back" that he purportedly had loaned to Heon Kim.<sup>291</sup> According to Ahn, Heon Kim began to repay the \$30,000 "loan" from Representative Kim in periodic installments beginning in 1996.<sup>292</sup> She testified that sometimes Heon Kim personally paid her in cash in Korea, and sometimes he wired money to her in the

<sup>280</sup> Exh. 19; Dep. of Hon. Jay Kim, June 9, 1998, at 144, 174.

<sup>281</sup> Dep. of Jennifer Ahn, May 12, 1998, at 124-25, 144-45.

<sup>282</sup> Dep. of Jennifer Ahn, May 28, 1998, at 138-41, 147, 155-56, 167, 171, 176; Dep. of Jennifer Ahn, May 12, 1998, at 30-31.

<sup>283</sup> Exh. 19.

<sup>284</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 149-50; Dep. of Jennifer Ahn, May 12, 1998, at 98.

<sup>285</sup> Dep. of Jennifer Ahn, May 12, 1998, at 90, 92, 95.

<sup>286</sup> *Id.* at 92-93, 94.

<sup>287</sup> *Id.* at 98.

<sup>288</sup> *Id.* at 97-99.

<sup>289</sup> *Id.* at 95, 99, 102.

<sup>290</sup> Dep. of Jennifer Ahn, May 12, 1998, at 99; Dep. of Hon. Jay Kim, June 9, 1998, at 47.

<sup>291</sup> Dep. of Jennifer Ahn, May 12, 1998, at 92, 94-95, 105.

<sup>292</sup> *Id.* at 109-10, 113.

United States.<sup>293</sup> She kept no records of any of the payments by Heon Kim, according to her testimony.<sup>294</sup>

According to Ahn, she already had received repayment from Heon Kim of the entire \$30,000 by the time that Representative Kim asked her to “get the money back” from Heon Kim.<sup>295</sup> She testified that she did not inform Representative Kim she had previously received the money, however, because “[h]e never asked for it.”<sup>296</sup> According to Ahn, she had been in possession of most of the \$30,000 for a year or more before Representative Kim asked her for the money.<sup>297</sup> Ahn further testified that she used some of the money that Heon Kim had repaid to pay her own expenses, deposited some of it in a personal financial account, and invested some of it in mutual funds.<sup>298</sup> She testified that she liquidated personal investments to obtain funds with which to purchase the cashier’s check in the amount of \$10,000 in December 1997.<sup>299</sup> She also testified that she used the proceeds from a loan by a close personal friend in South Korea to purchase the cashier’s check in the amount of \$20,000 in January 1998.<sup>300</sup>

Ahn testified that she gave Representative Kim a cashier’s check for only \$10,000 in December 1997—rather than funds totaling \$30,000—“because that’s all I could afford at the time.”<sup>301</sup> According to Ahn, Representative Kim asked her when she could pay the remaining \$20,000, and she said she would make the payment as soon as possible.<sup>302</sup>

Representative Kim initially addressed the matter of the cashier’s checks purchased by Jennifer Ahn in a May 21, 1998, letter from his attorney—which Representative Kim personally reviewed, approved, and signed—to the Chairman and Ranking Democratic Member of the Investigative Subcommittee. In that letter, Representative Kim stated as follows:

At approximately the time funds were being deposited into my wife’s personal checking account in South Korea as a result of sales of my book, Ms. Ahn’s brother-in-law, Mr. Hong [sic] Kim, inquired if he could borrow approximately \$30,000 because of medical and financial problems. I agreed to lending Mr. Kim the money. Accordingly, Mr. Kim retained \$30,000 of my book proceeds instead of depositing such sums into my wife’s bank account. This was an interest-free loan to be repaid when Mr. Kim was financially able to do so.

Subsequently, Mr. Kim was able to repay me the \$30,000 and I recently learned that he did so by transferring such sums to his sister-in-law, Ms. Ahn, over a period of time. It is my further understanding that the funds were on deposit in one of Ms. Ahn’s equity or other bank-

<sup>293</sup> *Id.* at 106, 109–10.

<sup>294</sup> *Id.* at 116.

<sup>295</sup> *Id.* at 105, 107, 110, 112.

<sup>296</sup> *Id.* at 114; *see also id.* at 110–11.

<sup>297</sup> *Id.* at 114.

<sup>298</sup> *Id.* at 111, 118.

<sup>299</sup> *Id.* at 119–20, 122–23, 126, 133, 146.

<sup>300</sup> Dep. of Jennifer Ahn, May 28, 1998, at 42–47.

<sup>301</sup> Dep. of Jennifer Ahn, May 12, 1998, at 128.

<sup>302</sup> *Id.*

ing accounts. Ms. Ahn did not immediately remit the repayment to me nor did I press her for it. When I became responsible to repay what was considered to be excessive outside earned income as a result of sales of my book, it became necessary to acquire the funds previously repaid by Mr. Hong [sic] Kim. To this end, Ms. Ahn transferred to me the \$30,000 \* \* \* [in the form of] two [cashier's] checks of \$10,000 and \$20,000.<sup>303</sup>

At his deposition, Representative Kim adopted under oath the statements quoted above from his letter of May 21, 1998.<sup>304</sup>

It is undisputed that Jennifer Ahn purchased and transmitted two cashier's checks to Representative Kim totalling \$30,000, and that Representative Kim used the cashier's checks to make a partial reimbursement to the U.S. Treasury for excess earned income from his book. There is no evidence in the record that the \$30,000 received by Representative Kim represents payment for any services rendered by Representative Kim, or investment income earned by Representative Kim.

The Investigative Subcommittee therefore would have to credit representations by Representative Kim and Jennifer Ahn that the cashier's checks represented deferred income from book sales by Heon Kim in order to find that the cashier's checks did not constitute improper gifts to Representative Kim.

Based on a review of the record as a whole, the Investigative Subcommittee did not credit Representative Kim's or Jennifer Ahn's explanations regarding the origins of the funds that Ahn used to purchase the cashier's checks.

First, the only evidence offered during the inquiry in support of the claim that the cashier's checks represented deferred repayment of a \$30,000 loan by Representative Kim to Heon Kim was the testimony of Representative Kim and Jennifer Ahn, a close associate of Representative Kim. Representative Kim acknowledged that no written agreement existed between himself and Heon Kim, and Ahn provided no documentary evidence to substantiate her testimony that Heon Kim made periodic loan repayments to her in cash or by wire transfer in connection with Representative Kim's book.

Second, the Investigative Subcommittee found it implausible that Representative Kim would have agreed to defer repayment by Heon Kim of \$30,000 during the period in question. According to disclosure reports filed by his campaign with the Federal Election Commission ("FEC"), his campaign owed him more than \$200,000 during the period of November 28, 1994, to September 30, 1996, a period that overlaps with the period in which Heon Kim purportedly owed \$30,000 to Representative Kim.<sup>305</sup> In addition, Rep-

<sup>303</sup> Exh. 19.

<sup>304</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 136.

<sup>305</sup> Exh. 84 (Report of Receipts and Disbursements filed with FEC by Jay Kim for Congress (dated Dec. 20, 1994) (excerpt of post-election report showing \$254,500 in outstanding loans owed to Jay Kim); Report of Receipts and Disbursement filed with FEC by Jay Kim for Congress (dated July 13, 1995) (excerpt of July 31 mid-year report showing \$222,500 in outstanding loans owed to Jay Kim); Report of Receipts and Disbursements filed with FEC by Jay Kim for Congress (dated Oct. 9, 1996) (excerpt of Oct. 15 quarterly report showing \$213,000 in outstanding loans owed to Jay Kim). By June 30, 1997, the campaign still owed Representative Kim as much as \$178,000 from personal loans he reportedly had made to the campaign. Report of Receipts and Disbursement filed with FEC by Jay Kim for Congress (July 31 Mid-Year Report dated July 28, 1997) (Exh. 85).

representative Kim was confronting legal fees at the time relating to the criminal investigation by the U.S. Attorney's Office for the Central District of California.<sup>306</sup> In light of the substantial personal debt that he confronted during the relevant time period, the Investigative Subcommittee did not credit the notion that Representative Kim would have foregone repayment of \$30,000. Further, at no time prior to the Investigative Subcommittee's inquiry did Representative Kim advise the Committee that he was owed \$30,000 by a South Korean national in connection with the book, or that he was seeking repayment of the money.

Third, Heon Kim's purported debt to Representative Kim is premised upon a purported marketing agreement between Heon Kim and Representative Kim whereby the publisher of Representative Kim's book was entitled to fifty percent of the revenue from Heon Kim's sales of the book. The publisher, however, advised counsel to the Investigative Subcommittee that he has no knowledge of such an agreement; that neither Heon Kim nor Sunkyong Bookstore (Heon Kim's business) was under any obligation to remit any percentage of subsequent sales of the book; and that neither Heon Kim nor Sunkyong Bookstore gave any money, either directly or indirectly, to the publishing company in connection with sales of the book by Heon Kim or Sunkyong Bookstore.<sup>307</sup>

Counsel to the Investigative Subcommittee also interviewed Heon Kim by telephone with the assistance of a translator. When asked if he had "any agreements with Jay Kim regarding the sale or marketing of his book," Heon Kim responded, "As far as I remember, I don't think there was one. \* \* \* To the best of my recollection, there was no agreement with Jay Kim."<sup>308</sup> Subsequently, he stated that he "I don't remember exactly whether there was an agreement or not."<sup>309</sup>

Heon Kim also told Subcommittee counsel that he could not remember if Representative Kim received any money from his involvement in the sale of Representative Kim's book in Korea.<sup>310</sup> Nor did he have any recollection of retaining a percentage of the proceeds from his sales of Representative Kim's book, or remitting fifty percent of the sales proceeds to the publisher.<sup>311</sup> Finally, Heon Kim told Subcommittee counsel that he did not remember whether Representative Kim received any money from his sale of Representative Kim's book.<sup>312</sup>

As stated above, Jennifer Ahn is Heon Kim's sister-in-law and worked with Heon Kim to market Representative Kim's book in South Korea.<sup>313</sup> She testified that she has no knowledge of any agreement or understanding between Heon Kim and Representative Kim regarding how much money Representative Kim would re-

<sup>306</sup> Dep. of Jay Kim, June 9, 1998, at 146.

<sup>307</sup> Telephone Int. of Chul Song, Apr. 6, 1998, at 7, 25-26; Letter from Committee Counsel David H. Laufman to Chul Song, July 10, 1998 (and accompanying Korean translation) (Exh. 86); Letter (in Korean) from Chul Song to David H. Laufman, July 14, 1998 (and accompanying English translation) (Exh. 87).

<sup>308</sup> Telephone Interview of Heon Kim, Apr. 24, 1998, at 9.

<sup>309</sup> *Id.* at 14.

<sup>310</sup> *Id.* at 9-10.

<sup>311</sup> *Id.* at 11.

<sup>312</sup> *Id.* at 12.

<sup>313</sup> Dep. of Jennifer Ahn, May 28, 1998, at 138-41, 144-45, 155-57, 160-62.

ceive from sales of his book in South Korea.<sup>314</sup> She also testified that she has no knowledge of whether Heon Kim received a percentage of the proceeds from sales of Jay Kim's book in South Korea.<sup>315</sup>

Based on the record as a whole, the Investigative Subcommittee therefore found substantial reason to believe that the cashier's checks transmitted by Jennifer Ahn to Representative Kim in approximately December 1997 and January 1998, respectively, constituted gifts within the meaning of House Rule 51, and that Representative Kim's acceptance of the checks was in violation of that rule. The record further supports the conclusion that Representative Kim used those improper gifts to make a partial reimbursement to the U.S. Treasury in connection with his violation of the limit on outside earned income. For that reason, the Investigative Subcommittee also found substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

On September 18, 1998—nearly two months after the draft SAV served on Representative Kim—Representative Kim's attorney, Ralph Lotkin, provided the Subcommittee with a letter from Heon Kim offered as exculpatory evidence with regard to Count VI of the SAV.<sup>316</sup> The letter, which is dated August 20, 1998, stated:

I, Heon Kim, borrowed \$30,000.00 from Congressman Jay Kim from which I obtained by keeping portions of the book sale money from the Congressman's book and that my agreement with Congressman Jay Kim's matter only was verbal.

When I was questioned by Committee counsels, I was not specifically asked about \$30,000.00 transaction. And it would be incorrect for Committee to conclude that I did not have a personal agreement with Congressman Jay Kim.

The confusion about this matter may due [sic] to the language difficulties and I did not completely understand what their questions were about.

I would like to have the opportunity to appear before the Committee to testify.<sup>317</sup>

On September 24, 1998, Subcommittee counsel interviewed Heon Kim again by telephone to question him about the letter provided by Mr. Lotkin.<sup>318</sup> Although the interview had been arranged to discuss the affidavit, Heon Kim was reluctant to discuss it.<sup>319</sup> He

<sup>314</sup> *Id.* at 159 ("I don't know. I don't think so, no.").

<sup>315</sup> *Id.* at 158. The Subcommittee also found it implausible that Ahn would have waited more than one year to inform Representative Kim that she had received \$30,000 purportedly owed to him.

<sup>316</sup> Exh. 88.

<sup>317</sup> Attached to the letter from Heon Kim was a "Notarial Certificate," apparently signed by an attorney in South Korea, stating that "HEON KIM personally appeared before me and admitted his (her) subscription to the attached letter" on August 19, 1998. *Id.*

<sup>318</sup> Ms. Ansook Park, who provided translation in the first interview with Heon Kim on April 24, 1998, also provided translation for this interview.

<sup>319</sup> Heon Kim advised Subcommittee counsel that he was not feeling well at the time because of a cold that complicated problems resulting from a kidney illness. Telephone Interview of Heon Kim, Sept. 24, 1998, at 3–4. He also said he was not in good health at the time of his first interview in April 1998. *Id.* at 8.

began the interview, for example, by stating that “I do not have much to say. And frankly speaking, I do not understand the reason why I am getting questioned. \* \* \* [T]he letter that I sent you \* \* \* explains everything that I have to say about the case. That’s all I have to say.” Upon further questioning, Heon Kim stated that he had personally written the letter, in English, after Mr. Lotkin had contacted him.<sup>320</sup>

Heon Kim was reluctant to provide substantive responses to questions by Subcommittee counsel. He stated that he had received money from his sales of Representative Kim’s book, but he declined to confirm the amount of money he had received.<sup>321</sup> He also said that he had repaid the money and had transmitted repayment by wire transfers and cash.<sup>322</sup> He refused, however, to identify the person or persons to whom he wired the money or paid the cash.<sup>323</sup>

When asked why he did not mention the \$30,000 “loan” during his first interview, Heon Kim responded that “since you [did] not ask such questions, I didn’t answer such questions \* \* \*.”<sup>324</sup> In fact, Subcommittee counsel posed questions to Heon Kim during his first interview that should have elicited mention of the purported \$30,000 loan. The following two exchanges occurred during the first interview:

Q. All I am asking you is if you know whether Jay Kim received any money from your involvement in the sale of Jay Kim’s book in Korea.

A. I cannot remember now.<sup>325</sup>

\* \* \* \* \*

Q. Are you telling us, Mr. Kim, that you do not remember whether Jay Kim received any money from your sale of his book? Or are you saying that he did not in fact receive any money from the sale of his book?

A. I’m saying I don’t remember whether he did or not.<sup>326</sup>

Not until after Representative Kim’s attorney apparently contacted Heon Kim, following the Subcommittee’s adoption of the SAV (or the draft SAV), did he remember “borrowing” \$30,000 in book proceeds from Representative Kim.

Finally, in his August 20, 1998, letter, Heon Kim stated that “I would like to have the opportunity to appear before the Committee to testify.” In his interview on September 24, however, he stated that “the letter that I sent you was sent because I thought it was the last thing that I could do relating to this matter. \* \* \* And \* \* \* I would really like to ask you to stop questioning me \* \* \* relating to this matter, because \* \* \* the content of the letter reflects all the information that I have that I know relating to the

<sup>320</sup> *Id.* at 7–9. Heon Kim acknowledged that he is “[j]ust a little bit” fluent in English, yet he maintained that he wrote the August 20, 1998, letter in English by himself, and that no one else had any involvement in preparing the letter. *Id.* at 6, 9–10. He told Subcommittee counsel that he did not communicate with Jennifer Ahn regarding the letter, and indicated that he had spoken only to Ralph Lotkin. *Id.* at 10. He did not respond directly, however, to the question of whether he had spoken directly to Representative Kim about the letter. *Id.*

<sup>321</sup> *Id.* at 14.

<sup>322</sup> *Id.* at 16.

<sup>323</sup> *Id.* at 17.

<sup>324</sup> *Id.* at 13–14.

<sup>325</sup> Telephone Interview of Heon Kim, Apr. 24, 1998 at 9–10.

<sup>326</sup> *Id.* at 12.

matter.”<sup>327</sup> In addition, he declined an offer by Subcommittee counsel to reschedule the telephone interview at a time convenient to him.<sup>328</sup> Thus, Heon Kim’s purported interest in testifying before the Committee appears to be contrived and disingenuous, particularly in light of his health problems.

For all the reasons specified above, the Investigative Subcommittee was unable to accord significant probative value to the August 20, 1998, letter from Heon Kim. Consequently, the Subcommittee reaffirmed its previous conclusion regarding the cashier’s checks purchased by Jennifer Ahn and retained Count VI of the SAV.

## V. RESULTS OF INQUIRY REGARDING OTHER ISSUES

The following section of the Report discusses evidence regarding matters within the scope of the Investigative Subcommittee’s jurisdiction that did not result in charges against Representative Kim. This evidence is included in the Report to ensure that there is an accessible public record of the results of the inquiry concerning each matter within the scope of the Subcommittee’s investigation. The Subcommittee emphasizes that no charges were brought against Representative Kim with respect to these matters, and that no inferences of guilt or liability should be drawn from the presentation of the evidence.

### A. VIOLATIONS OF FEDERAL ELECTION CAMPAIGN LAWS BY REPRESENTATIVE KIM’S CAMPAIGN COMMITTEE

Representative Kim’s campaign committee pleaded guilty to five felonies related to the 1992–1996 campaigns.<sup>329</sup> The Subcommittee determined that, through his admissions, Representative Kim had knowledge of several of these felonies.

#### 1. *Guilty plea by Representative Kim’s campaign and knowledge by Representative Kim of false statements by his campaign committee to the FEC regarding contributions by Jaycee Kim, Song Nien Yeh, and Robert Yu*

On or about July 28, 1997, Representative Kim signed a plea agreement with the United States Attorney’s Office for the Central District of California on behalf of the Jay Kim For Congress Committee (hereinafter, “campaign committee”), his campaign committee, regarding an investigation relating to the financing of his 1992, 1994, and 1996 campaigns for election to the House of Representa-

<sup>327</sup> *Id.* at 8–9.

<sup>328</sup> *Id.* at 11.

<sup>329</sup> Exh. 3. In addition to the guilty pleas discussed in this section, Representative Kim’s campaign committee also pleaded guilty to three additional felonies: (1) concealing \$19,000 in corporate contributions in FEC reports filed from approximately October 14, 1992 through approximately January 11, 1993, in violation of 18 U.S.C. § 1001; (2) between approximately May 21, 1992 and January 27, 1993, concealing illegal corporate contributions by altering the names on checks to omit their corporate designations or by falsely reporting to the FEC that the contributors had been “verified not incorporated,” in violation of 18 U.S.C. § 1001; and (3) filing a false report to the FEC on approximately May 26, 1992, which falsely stated that the campaign received a \$1,000 contribution from “Korean Air Travel,” when the contribution was, in fact, from Korean Air, a corporation, in violation of 18 U.S.C. § 1001. *Id.* In 1995 and 1996, the Department of Justice also obtained guilty pleas from five multinational corporations in connection with illegal contributions to Representative Kim’s 1992 election. The Subcommittee interviewed witnesses in an effort to ascertain whether Representative Kim was involved in these illegal contributions, but was unable to resolve this issue.

tives.<sup>330</sup> Representative Kim agreed to waive indictment by a grand jury and to plead guilty on behalf of his campaign committee to filing a false statement with the Federal Election Commission in violation of 18 U.S.C. § 1001. The plea agreement that Representative Kim entered into on behalf of his campaign was filed with the United States District Court for the Central District of California on or about July 31, 1997.

On or about August 11, 1997, the campaign committee was convicted of filing a false statement with the FEC pursuant to the campaign's plea agreement. The campaign committee stipulated to the following facts as the factual basis for the guilty plea:

14. On or about April 15, 1992, defendant JUNE KIM accepted two checks, each in the amount of approximately \$9,000 from Jaycee Kim. On the same day, defendant JUNE KIM deposited one of the checks into a bank account of J&J properties, a business owned by defendants JAY KIM and JUNE KIM, and the other check into a joint personal bank account of defendants JAY KIM and JUNE KIM. Also on the same day, defendant JUNE KIM wrote two \$9,000 checks to defendant JAY KIM FOR CONGRESS COMMITTEE, one from each of the above accounts, and deposited the checks into the campaign's bank account. An agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew that the payments from Jaycee Kim were an illegal excessive contribution.

15. On or about May 22, 1992, defendant JAY KIM accepted a \$50,000 loan from Song Nien Yeh, whom defendant JAY KIM knew was a Taiwanese national. Defendant JAY KIM deposited the \$50,000 payment into his personal bank account. On May 26, 1992, defendant JAY KIM wrote a \$50,000 check on his personal bank account and deposited the check into the bank account of defendant JAY KIM FOR CONGRESS COMMITTEE. *Defendant JAY KIM knew that the payment from Song Nien Yeh was an illegal excessive and foreign contribution.*

16. In or about June, 1992, defendant JAY KIM asked Michael Li, a campaign fundraiser, to attempt to arrange a loan for the campaign from Robert Yu. On or about June 11, 1992, Robert Yu gave Michael Li a \$30,000 check written on the account of Chi-Hu Yu, a Taiwanese national who was Robert Yu's sister. On or about June 15, 1992, Michael Li gave a \$30,000 check to defendant JAY KIM and told defendant JAY KIM that the money was from Robert Yu. On June 18, 1992, defendant JUNE KIM deposited the \$30,000 check that Michael Li had given to defendant JAY KIM into a joint personal bank account of defendants JAY KIM and JUNE KIM. On or about June 19, 1992, defendant JUNE KIM wrote a \$25,000 check on the joint personal bank account and deposited the check into the account of defendant JAY KIM FOR CONGRESS COMMITTEE. *Defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew*

---

<sup>330</sup> Exh. 3.

*that the payment from Chi-Hu Yu, Robert Yu, and Michael Li was an illegal excessive contribution.*

17. As defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, beginning on or about September 15, 1992 and continuing to on or about January 24, 1997, at least one, and at times all, of the loans described in paragraphs 14–16, above, were reported by defendant JAY KIM FOR CONGRESS COMMITTEE to the Federal Election Commission in campaign finance reports as loans from the personal funds of defendant JAY KIM, rather than from the individuals whom defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew were the true sources of the illegal foreign and/or excessive loan contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission the true sources and illegal nature of the loan contributions.<sup>331</sup>

Representative Kim discussed the violations to which his campaign committee pleaded guilty on two occasions. In his letter to the Subcommittee dated January 29, 1998, Representative Kim stated that he did not dispute any element of the plea agreement he entered into on behalf of his campaign committee, including the corresponding Statement of Facts.<sup>332</sup> On June 8, 1998, Representative Kim testified under oath before the Investigative Subcommittee that he stood by and adopted under oath the provisions of the Statement of Facts relating to false statements to the FEC by his campaign committee.<sup>333</sup>

The Subcommittee took no further action regarding this matter because Representative Kim personally was not convicted of the above-specified violations committed by his campaign committee.

2. *Guilty plea by Representative Kim's campaign and knowledge by Representative Kim of false statements by his campaign committee to the FEC regarding in-kind corporate contributions by JayKim Engineers, Inc.*

In the plea agreement that he entered into on behalf of his campaign committee,<sup>334</sup> Representative Kim agreed to plead guilty on behalf of his campaign committee to filing a false statement with the FEC in violation of 18 U.S.C. § 1001. On or about August 11,

<sup>331</sup> Exh. 3 (emphasis added). At his court appearance to enter a guilty plea, Representative Kim also stipulated to an identical statement of facts in his personal plea agreement, although he did not personally plead guilty to Count Five of the information. Exh. 2 at 27. On May 20, 1992, the campaign committee filed a report with the FEC listing the Jaycee Kim contributions as a \$9,000 loan from "Jay and June Kim" and a \$9,000 loan from "J&J Properties" (a company operated by the Kims). Exh. 89 (Sch. C). The next day, the report was amended to list the contribution as a \$18,000 loan to the campaign committee from Representative and Mrs. Kim. Exh. 90 (Sch. C). Other FEC disclosure statements related to this plea included a July 1992 report filed by Representative Kim's campaign committee listing a \$50,000 loan to the campaign from Representative Kim on May 26, 1992 (related to the illegal Song Nien Yeh contribution) and also listing a \$25,000 check as a loan from Representative Kim to his campaign (related to the illegal contribution by Robert Yu). Exh. 91 (Sch. C).

<sup>332</sup> Exh. 17.

<sup>333</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 59–63, 152–161. Representative Kim adopted paragraphs 14–17 of the Statement of Facts attached to his personal plea agreement. Those paragraphs, however, are identical to paragraphs 14–17 of the Statement of Facts incorporated within his campaign committee's plea agreement. See Exhs. 1 and 3.

<sup>334</sup> Exh. 3.

1997, the campaign committee was convicted of filing a false statement with the FEC pursuant to its plea agreement. The campaign committee stipulated to the following facts as the factual basis for the guilty plea:

9. Beginning in or about March, 1992, through in or about July, 1993, defendant JAY KIM caused JayKim Engineers, Inc., to contribute to defendant JAY KIM FOR CONGRESS COMMITTEE approximately \$83,248 in in-kind contributions. The in-kind contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial services, and secretarial and other personnel services. The in-kind contributions had an aggregate value of more than \$2,000 in 1992 and more than \$2,000 in 1993. *Defendant JAY KIM knew that it was illegal for corporations, including JayKim Engineers, Inc. to make contributions, including in-kind contributions, to federal election campaigns such as his, but he caused JayKim Engineers, Inc., to make those contributions anyway.*

10. Beginning in or about March 1992 and continuing until July, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE, through defendant JAY KIM and other of its agents and employees, knowingly accepted the in-kind corporate resources contributed by JayKim Engineers, Inc., even though they knew the contributions were illegal. Thereafter, from on or about April 13, 1992 through on or about July 30, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports which failed to report that JayKim Engineers, Inc., contributed in-kind corporate resources to defendant JAY KIM FOR CONGRESS COMMITTEE, *even though defendant JAY KIM and other agents and employees of defendant JAY KIM FOR CONGRESS COMMITTEE knew that those contributions were legally required to be reported.* By failing to report the contributions, defendant JAY KIM FOR CONGRESS COMMITTEE concealed the illegal JayKim Engineers, Inc. corporate contributions from the Federal Election Commission.<sup>335</sup>

Representative Kim discussed the violations to which his campaign committee pleaded guilty on two occasions. In his letter dated January 29, 1998, he told the Subcommittee that he did not dispute any element of the plea agreement that he entered into on behalf of the campaign committee, including the Statement of Facts.<sup>336</sup> On June 8, 1998, Representative Kim testified under oath before the Investigative Subcommittee that he stood by and adopted under oath the provisions of the plea agreement relating to false

<sup>335</sup> Exh. 3 (Statement of Facts, paras. 9–10). Representative Kim also stipulated to an identical statement of facts in his personal plea agreement, although he did not personally plead guilty to Count Five of the information. Exh. 2 (guilty plea hearing, August 11, 1997, at 27). Representative Kim pleaded personally to Count Six of the information and stipulated personally to paragraph 9 of the Statement of Facts, which is identical to paragraph 9 of the Campaign Statement of Facts.

<sup>336</sup> Exh. 17.

statements to the FEC by his campaign committee regarding in-kind corporate contributions.<sup>337</sup>

The Subcommittee took no further action regarding this matter because Representative Kim personally was not convicted of the above-specified violation committed by his campaign committee.

B. TRANSFER OF \$86,000 FROM JUNE KIM'S BANK ACCOUNT IN SOUTH KOREA TO THE UNITED STATES IN AUGUST 1994

Among the materials provided by the U.S. Attorney's Office to the Investigative Subcommittee were documents indicating that June Kim transferred approximately \$86,000 on August 2, 1994, from an account in her name at Cho Hung Bank in Seoul, South Korea, to a bank account in California in the name of Representative Kim.<sup>338</sup> Officials at the U.S. Attorney's Office indicated to Subcommittee counsel that they had obtained the documents in connection with a book written by Representative Kim in 1994 in an effort to determine whether income attributed to book sales in fact represented illegal foreign contributions to Representative Kim's campaign. The Investigative Subcommittee subsequently sought additional information about this matter based on Representative Kim's guilty plea to receiving an illegal campaign contribution from a foreign national in 1992 and its concern about the source of excess outside earned income from Representative Kim's book.

In an effort to determine whether the \$86,000 in wire transfers represented proceeds from sales of Representative Kim's book, it was necessary for the Investigative Subcommittee to obtain background information regarding the publication, marketing, and sales of the book. The Subcommittee learned that in February 1994, Representative Jay Kim entered into a written agreement with Sungmoon Publishing Company ("Sungmoon"), a Korean company, to publish his autobiography.<sup>339</sup> Under the terms of the publishing agreement, Sungmoon retained exclusive rights to sales of the book in South Korea,<sup>340</sup> while Representative Kim retained exclusive rights to sales of the book outside of South Korea.<sup>341</sup> The publishing agreement, which was signed and initialed by Representative Kim,<sup>342</sup> provided for Representative Kim to receive a single \$25,000 payment from Sungmoon in equivalent Korean currency for producing a manuscript, to be calculated at the exchange rate of 800 won to \$1.<sup>343</sup> The agreement further specified that the payment for the manuscript would be made directly to June Kim, "the Author's designated agent," in Seoul, Korea on or before February 15, 1994.<sup>344</sup>

<sup>337</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 145-149. Representative Kim adopted paragraphs 9-10 of the Statements of Facts attached to his personal plea agreement. Those paragraphs, however, are identical to paragraphs 9-10 of the Statement of Facts associated with his campaign committee's plea agreement. See Exhs. 1 and 3.

<sup>338</sup> Exh. 92 (copies of wire transfers).

<sup>339</sup> Exh. 76 (para. 6 of publishing agreement).

<sup>340</sup> *Id.* (para. 13); see Telephone Interview of Chul Song, Apr. 6, 1998, at 13 (president and owner of publishing company) (hereinafter "Chul Song Int.").

<sup>341</sup> Exh. 76 (para. 13); see Chul Song Int. at 13.

<sup>342</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 14-16.

<sup>343</sup> Exh. 76 (para. 6).

<sup>344</sup> *Id.*

The publishing agreement did not entitle Representative Kim to any royalties or other remuneration from Sungmoon.<sup>345</sup> Thus, the only financial obligation the publisher had to Representative Kim was to pay him the equivalent of \$25,000 for producing the manuscript.<sup>346</sup>

Following the execution of the publishing agreement, Representative Kim drafted the book with the assistance of a ghostwriter.<sup>347</sup> Jennifer Ahn, a Korean-American who previously had helped to raise funds for Representative Kim's campaign, assisted in the production of the manuscript.<sup>348</sup>

On February 15, 1994, June Kim received from the publisher Korean currency (in cash) totaling the equivalent of \$25,000.<sup>349</sup> According to the publisher, the payment was made in cash at the request of Jay Kim.<sup>350</sup> Bank records provided to the Subcommittee by Mrs. Kim indicate that she deposited the money into a savings account in her name at Ho Hung Bank in Seoul, South Korea, and that the account was opened on the same day the deposit was made.<sup>351</sup>

According to the publisher, the payment of \$25,000 was the only payment made to Jay Kim by the publisher in connection with the book.<sup>352</sup> Pursuant to the publishing agreement, Representative Kim did not receive any royalties or other proceeds from the publisher.<sup>353</sup>

Representative Kim's book was published in South Korea in August 1994.<sup>354</sup> According to information provided by the publisher, Sungmoon printed 20,000 copies of the book.<sup>355</sup> It sold approximately 17,000 copies in Korea, and distributed an additional 3,000 copies free for promotional purposes.<sup>356</sup> Publishing records indicate that Sungmoon made its first sales of the book on August 23, 1994, and its last sales on December 29, 1994.<sup>357</sup>

Representative Kim testified that he entered into an unwritten agreement with Heon Kim, a South Korean national, to market the book in South Korea.<sup>358</sup> Heon Kim is the brother-in-law of Jennifer

<sup>345</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 19. Indeed, Paragraph 13 of the publishing agreement stated that "[t]he Author [i.e., Jay Kim] agrees not to have or make any claim for any of the profits realized by the Publisher from marketing and/or sale of the published book in Korea." Exh. 76.

<sup>346</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 20.

<sup>347</sup> *Id.* at 36.

<sup>348</sup> Dep. of Jennifer Ahn, May 12, 1998, at 161-63.

<sup>349</sup> Exh. 93 (receipt for 20 million won); see Chul Song Int. at 24, 33.

<sup>350</sup> Chul Song Int. at 33.

<sup>351</sup> Exh. 94 (letter from June O. Kim to David H. Laufman, June 8, 1998; Cho Hung Bank records showing deposit of 20 million won into account #312-04-380020 of June Kim on February 15, 1994; and English translation of bank records); see also Letter from Hon. Jay Kim to Hon. Lamar S. Smith and Hon. Ed Pastor, May 21, 1998 ("[A]ny revenues received from the sales of my book were deposited into Mrs. Kim's bank account in South Korea.") (Exh. 19).

<sup>352</sup> Chul Song Int. at 24.

<sup>353</sup> *Id.*

<sup>354</sup> Telephone Interview of Myungsuk Park, Apr. 13, 1998, at 24; Letter from Hon. Jay Kim to Hon. Nancy L. Johnson, Feb. 21, 1995 (Exh. 77).

<sup>355</sup> Chul Song Int. at 18; Exh. 95 (printing and sales information from Sungmoon, and English translation).

<sup>356</sup> *Id.* According to another official at Sungmoon Publishing Company, the 3,000 books distributed for free included books that were given to persons who attended a book-signing party at the Hilton Hotel in Seoul in late August or September 1994. Telephone Int. with Myungsuk Park, Apr. 13, 1998, at 27; Chul Song. Int. at 17; see Dep. of Jennifer Ahn, May 28, 1998, at 170 (recalling that book-signing ceremony occurred in late August or September 1994).

<sup>357</sup> Exh. 95; see Chul Song Int. at 28 (regarding sales records provided by publisher).

<sup>358</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 47; see also Exh. 19.

Ahn<sup>359</sup> and owned a business in South Korea operating under the name Sunkyong Books (“Sunkyong”).<sup>360</sup> According to Representative Kim, he entered into a marketing agreement with Heon Kim because the publisher, Sungmoon, lacked commercial marketing capability,<sup>361</sup> and because Jennifer Ahn recommended Heon Kim and said he possessed marketing experience.<sup>362</sup>

According to a letter that Representative Kim sent to the full Committee in March 1995, he received proceeds from Heon Kim’s sales of the book based on the following formula: “From the final price of the book, the publisher takes 50% of the proceeds, the book-broker [i.e., Heon Kim] receives 10% and the remaining 40% represents the royalty I am given.”<sup>363</sup> At his deposition, Representative Kim reaffirmed under oath that this formula governed the proceeds he received in connection with Heon Kim’s sales of the book in South Korea.<sup>364</sup> He explained that he was entitled to 40 percent of the final price of each book sold by Heon Kim.<sup>365</sup>

Records prepared by Sungmoon, the publisher,<sup>366</sup> indicate that Sunkyong Book Store (i.e., Heon Kim) purchased 8,520 books directly from Sungmoon—approximately one-half of all the books sold in South Korea by Sungmoon.<sup>367</sup> According to the publisher’s records, Sunkyong made its first purchase of books on September 8, 1994, and its last purchase on December 29, 1994.<sup>368</sup> Representative Kim testified that he has no knowledge of how many books Heon Kim purchased from the publisher, the price he paid for the books, or what he did with the books he purchased from the publisher.<sup>369</sup>

According to Representative Kim’s testimony and a May 21, 1998, letter from Representative Kim’s attorney to the Investigative Subcommittee—reviewed and approved by Representative Kim—Heon Kim deposited book proceeds to which Representative Kim was entitled into June Kim’s account at a bank in South Korea, purportedly pursuant to June Kim’s instructions.<sup>370</sup> Representative Kim testified that he personally had no involvement in directing Heon Kim regarding what to do with proceeds from sales of Representative Kim’s book.<sup>371</sup> He also testified that he did not receive “any money” from Heon Kim, “not even [a] penny.”<sup>372</sup>

According to Representative Kim, persons other than Heon Kim may have deposited money into June Kim’s bank account in Korea

<sup>359</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 51.

<sup>360</sup> Telephone Interview of Heon Kim, Apr. 24, 1998, at 4.

<sup>361</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 51.

<sup>362</sup> *Id.* at 51–53, 137.

<sup>363</sup> Exh. 79.

<sup>364</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 54–59, 69–71.

<sup>365</sup> *Id.* at 59. According to Representative Kim, he met “once briefly” with Heon Kim in South Korea. *Id.* at 52. He testified that except for that occasion, he had no further direct contact with Heon Kim and communicated with Jennifer Ahn regarding the marketing of the book in South Korea. *Id.* at 61–62. Through Jennifer Ahn, Representative Kim testified that he provided the names of potential book purchasers to Heon Kim, including former colleagues, relatives, friends, churches, colleges and universities, government agencies, alumni, and Korean businesses and banks. *Id.* at 63–66.

<sup>366</sup> Exh. 95; see Telephone Interview with Myungsuk Park, Apr. 13, 1998, at 26 (publishing official) (“We sold a lot of books to Sun Kong Bookstore, which was owned by Mr. Heon Kim.”).

<sup>367</sup> Telephone Int. with Myungsuk Park, Apr. 13, 1998, at 34–36.

<sup>368</sup> Exh. 95; see Telephone Interview with Chul Song, Apr. 6, 1998, at 30.

<sup>369</sup> Dep. of Hon. Jay Kim, June 9, at 60, 62.

<sup>370</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 73, 75; Exh. 19.

<sup>371</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 78.

<sup>372</sup> *Id.* at 91.

in connection with their purchase(s) of the book.<sup>373</sup> He testified that two persons bypassed Heon Kim and purchased books directly from the publisher, subsequently making deposits to June Kim's bank account.<sup>374</sup> In those instances, he testified that his share of the gross proceeds was 50 percent rather than 40 percent, as the buyer did not pay Heon Kim's 10 percent commission.<sup>375</sup> Representative Kim testified that he did not know how many books were involved in those purported purchase transactions.<sup>376</sup>

After the book's publication, the book was marketed in South Korea primarily by Heon Kim and Jennifer Ahn.<sup>377</sup> Ahn testified that she marketed the book to South Korean companies and to friends and former school acquaintances of Representative Kim.<sup>378</sup> According to Ahn, many friends of Representative Kim's who were executives at Korean companies ordered his book in bulk to distribute to their employees.<sup>379</sup> Ahn's testimony was corroborated by Myungsuk Park, an official at Sungmoon Publishing Company, who told Subcommittee counsel that Ahn was instrumental in obtaining book orders from Korean companies Samsung Electronics and Gold Star.<sup>380</sup>

According to Ahn, June Kim also was involved in marketing Representative Kim's book in South Korea.<sup>381</sup> Ahn testified that Mrs. Kim monitored the amount of money deposited into her South Korean bank account from book sales.<sup>382</sup>

Representative Kim testified that his friends, relatives, and former classmates in South Korea also helped to promote the book.<sup>383</sup> He further testified that he did not personally have any involvement in promoting the book in South Korea except for attending a book-signing party at the Hilton Hotel in Seoul.<sup>384</sup> Jennifer Ahn testified that she did not remember whether she discussed the marketing or sales of the book with Representative Kim at the time, and that she discussed marketing and sales primarily with June Kim, with whom she was "very close at that time."<sup>385</sup>

According to Ahn, Heon Kim was principally responsible for collecting money for book sales in South Korea and arranging for shipment to the purchaser.<sup>386</sup> Ahn testified that Heon Kim arranged for money from book sales to be deposited into an account of June Kim's at Cho Hung Bank in Seoul.<sup>387</sup> Ahn also testified that June Kim sometimes directed Heon Kim to use proceeds from

<sup>373</sup> *Id.* at 92. According to several witnesses, third parties may deposit funds, including cash, into bank accounts in the name of another person in South Korea. *See, e.g.*, Dep. of Young Jack Lee at 51. Their testimony was corroborated by records regarding June Kim's account at Cho Hung Bank in Seoul, South Korea, which reflect deposits made by third parties.

<sup>374</sup> Dep. of Hon. Jay Kim at 96–97, 99.

<sup>375</sup> *Id.* at 97.

<sup>376</sup> *Id.* at 100.

<sup>377</sup> Dep. of Jennifer Ahn, May 28, 1998, at 138–41, 147, 155–56. Ahn testified that Heon Kim was primarily responsible for marketing the book in South Korea, but she could not identify anyone to whom Heon Kim sold the book. *Id.* at 155–56.

<sup>378</sup> *Id.* at 138–41, 147.

<sup>379</sup> *Id.* at 138–40.

<sup>380</sup> Telephone Interview with Myungsuk Park, Apr. 13, 1998, at 16.

<sup>381</sup> Dep. of Jennifer Ahn, May 28, 1998, at 147.

<sup>382</sup> *Id.* at 150.

<sup>383</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 42.

<sup>384</sup> *Id.* at 43.

<sup>385</sup> Dep. of Jennifer Ahn, May 28, 1998, at 146.

<sup>386</sup> *Id.* at 148–49.

<sup>387</sup> *Id.* at 148.

book sales in Korea to buy extra books for delivery to Korean companies that were purchasing the book.<sup>388</sup>

Representative Kim testified that he has no knowledge of whether anyone tried to market the book or obtain advance orders prior to the book's publication, either in South Korea or the United States.<sup>389</sup> He also testified that he has no knowledge that June Kim, Jennifer Ahn, or the publisher received any money in connection with the book prior to its publication.<sup>390</sup>

Copies of wire transfers originally obtained by the FBI from the New York branch of Cho Hung Bank indicate that on or about August 2, 1994, June Kim transferred approximately \$86,000 from her savings account at Cho Hung Bank in South Korea to a joint equity line of credit account that she and Jay Kim maintained at California Korea Bank in Rowland Heights, California.<sup>391</sup> According to Ahn, June Kim told her that she had wired money from South Korea to the United States that represented earnings from book sales in Korea, although Ahn was unsure whether the wire transfers mentioned by Mrs. Kim related to the August 2, 1994, transfers.<sup>392</sup> A bank statement from California Korea Bank regarding the Kims' joint equity line of credit account, dated August 15, 1994, indicates a payment of \$22,126 to the account on August 2, 1994, and a separate payment of approximately \$52,944.<sup>393</sup> Thus, the bank account indicates payments during the relevant time period totaling only approximately \$75,070, rather than \$86,000. The Subcommittee was unable to resolve this discrepancy.

Representative Kim testified that he has no knowledge about the transfer of approximately \$86,000 from an account in South Korea to an account in the United States under his or his wife's control.<sup>394</sup> He also testified that he has never discussed the transfer of this money with June Kim.<sup>395</sup> He expressed an assumption that the money derived from book sales, but testified that he has no actual knowledge that the money related to sales of his book.<sup>396</sup>

In a February 21, 1995, letter from Representative Kim to the Committee on Standards of Official Conduct, he stated that "[a]t present, some 20–40,000 volumes have been sold in Korea and I have received approximately \$120,000 in royalties so far."<sup>397</sup> In the joint Federal personal income tax return for tax year 1994, Representative and Mrs. Kim reported gross income from Jay Kim's book totaling \$146,000.<sup>398</sup>

<sup>388</sup> *Id.* at 154.

<sup>389</sup> *Id.* at 37.

<sup>390</sup> *Id.* at 38–39.

<sup>391</sup> Exh. 92 (copies of wire transfers). The "ordering customer" identified on the documents reflecting transfers on August 2, 1994, is "Kim Jung Ok," June Kim's Korean name, while the "beneficiary customer" identified on the wire transfers is "Jay Chang Jon Kim," Representative Kim's Korean name. *Id.* The money from June Kim's account at Cho Hung Bank was transferred in two separate amounts of \$64,000 and \$22,151, respectively. *Id.* Records regarding June Kim's account at Cho Hung Bank, provided to the Investigative Subcommittee by June Kim, indicate that approximately \$86,874 was withdrawn from Mrs. Kim's account in three transactions on August 1, 1994, and that additional withdrawals totaling approximately \$45,385 were made in two transactions on August 2, 1994. Exh. 94 (records from Cho Hung Bank regarding account #312-04-380020 in name of June Kim).

<sup>392</sup> Dep. of Jennifer Ahn, May 28, 1994, at 152–53.

<sup>393</sup> Exh. 96.

<sup>394</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 103–05.

<sup>395</sup> *Id.* at 107.

<sup>396</sup> *Id.* at 104.

<sup>397</sup> Exh. 77.

<sup>398</sup> Exh. 97.

Representative Kim testified that he did not concern himself with the financial aspects of his book, that June Kim was the source of this information, and that he had no independent information regarding the number of books sold or the gross proceeds from book sales.<sup>399</sup> He further testified that he relied on the information conveyed to him about book sales, and that he made no effort to verify the information.<sup>400</sup>

The Investigative Subcommittee was able to confirm only \$30,000 received by, or on behalf of, Jay Kim in connection with his book—the \$25,000 payment for the manuscript in February 1994 and a \$5,000 payment by Jennifer Ahn and Image International in October 1994 resulting from sales of Representative Kim's book in the United States.<sup>401</sup>

The Investigative Subcommittee was unable to confirm that the approximately \$86,000 in funds transferred from June Kim's account at Cho Hung Bank on August 2, 1994, constituted proceeds from the sales of Representative Kim's book. Certain information from the publisher and from Cho Hung Bank, however, raised questions about how the funds comprising the August 2, 1994, transfers could have represented proceeds from book sales.

As indicated above, the wire transfers occurred approximately three weeks before the first sales of the book reported by the publisher and more than one month before the first purchase of books by Sunkyong Books (i.e., Hun Kim). In addition, records from Cho Hung Bank relating to June Kim's account there in 1994 indicate that the bulk of the funds comprising the approximately \$86,000 transferred in August 1994 initially was deposited substantially before the book was published in August 1994.<sup>402</sup>

20 million won (approximately \$24,640) was deposited to June Kim's account at Cho Hung Bank in South Korea on February 16, 1994, in addition to the deposit of the same amount the previous day in connection with the publisher's payment for a manuscript.<sup>403</sup>

On February 21, 1994, 6.8 million won (approximately \$8,400) was deposited into June Kim's account at Cho Hung Bank.<sup>404</sup>

During the period of March 24–26, 1994, deposits totaling over 9.9 million won (equal to approximately \$12,420) were made to June Kim's account at Cho Hung Bank.<sup>405</sup>

On May 27, 1994, approximately 81.83 million won (approximately \$101,853) was deposited into June Kim's account at Cho Hung Bank.<sup>406</sup>

Despite concerns raised by certain evidence obtained during the inquiry, the Investigative Subcommittee did not find substantial

<sup>399</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 83.

<sup>400</sup> *Id.* at 84.

<sup>401</sup> Dep. of Jennifer Ahn, May 28, 1998, at 197–200; Letter from Jennifer Ahn to Representative Jay Kim, Oct. 27, 1994 (Exh. 98). Representative Kim testified that he never received the \$5,000 check and did not recall seeing a cover letter accompanying the check addressed to him.

Dep. of Hon. Jay Kim, June 9, 1998, at 113–15.

<sup>402</sup> Exh. 94.

<sup>403</sup> *Id.* (record from Cho Hung Bank for account #312-04-380020). The Subcommittee's calculation of dollar amounts is based on information about exchange rates provided by the Department of the Treasury.

<sup>404</sup> *Id.*

<sup>405</sup> *Id.*

<sup>406</sup> *Id.*

reason to believe that Representative Kim committed any violations of law or House rules with respect to the approximately \$86,000 in wire transfers made in early August 1994. The Subcommittee was unable to confirm the nature and origin of deposits made to June Kim's account at Cho Hung Bank in Seoul, South Korea during the period of February through May 1994, on which the wire transfers apparently were based. In addition, the Subcommittee found no credible evidence that the approximately \$75,070 transferred into the Kims' joint equity line of credit account at California Korea Bank was used, either directly or indirectly, to make political contributions to Representative Kim's campaign committee.

Representative Kim testified that he has never asked anyone in South Korea, either directly or indirectly, to give him money for use in one of his campaigns for election to the House of Representatives.<sup>407</sup> He also testified that he has never asked anyone to try to raise money from sources in South Korea for use in one of his campaigns for election to the House of Representatives.<sup>408</sup> When asked if a citizen or corporation of South Korea has ever given him money, either directly or indirectly, for use in one of his campaigns for election to the House of Representatives, Representative Kim asserted his rights under the Fifth Amendment to the U.S. Constitution with respect to matters outside the scope of the plea agreement.<sup>409</sup>

#### C. REIMBURSEMENT OF EXCESS EARNED INCOME FROM REPRESENTATIVE KIM'S BOOK

At the request of Representative Kim's Chief of Staff, Matthew Reynolds, a staff attorney of the Committee on Standards of Official Conduct met with June Kim, Representative Kim's wife, on or about February 14, 1995.<sup>410</sup> The meeting concerned a book that Representative Kim had written about his life.

At their meeting, Mrs. Kim advised the staff attorney that Representative Kim's book had been published in 1994, and that approximately \$25,000 in royalties had been received in 1994. Mrs. Kim also said that she had served as Representative Kim's agent in the book negotiations, that his rights were assigned to her, and that she, rather than Representative Kim, had received the royalty payments.<sup>411</sup> Mrs. Kim also told the staff attorney that the royalty rate was approximately 50 percent, and that the royalty payments had been made by a marketing agent, rather than by the publisher.<sup>412</sup>

On or about February 21, 1995, Representative Kim wrote a letter to the Committee in which he requested "that the Committee provide a ruling on the acceptance of proceeds from a book I wrote."<sup>413</sup> In the letter, he stated that "I completed writing [the

<sup>407</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 122.

<sup>408</sup> *Id.*

<sup>409</sup> *Id.*

<sup>410</sup> Exh. 99.

<sup>411</sup> *Id.*

<sup>412</sup> *Id.*

<sup>413</sup> Exh. 77.

book] in June 1994, and it was published in August 1994.” He also stated:

Unlike in the United States, where the publisher is also the marketing agent, the Korean publisher of my book prints textbooks for schools mostly and lacks adequate commercial marketing capability. Therefore, in order to distribute *I’m Conservative*, I entered into a separate agreement with a designated, licensed Korean marketing firm. This firm was directly responsible for selling the book and, in accordance with normal practice, received a commission for every copy sold. I receive a royalty from the publisher through the marketing agent.

At present, some 20–40,000 volumes have been sold in Korea and I have received approximately \$120,000 in royalties thus far.<sup>414</sup>

On or about February 28, 1995, Representative Kim’s office provided the Committee with a copy of a publishing contract between Representative Kim and Sungmoon Publishing Company (“Sungmoon”) regarding Representative Kim’s autobiography.<sup>415</sup> The contract had been executed in February 1994.<sup>416</sup>

As discussed above, under the terms of the publishing contract, Sungmoon retained exclusive rights to sales of the book in South Korea,<sup>417</sup> while Representative Kim retained exclusive rights to sales of the book outside of South Korea.<sup>418</sup> The contract provided for Representative Kim to receive a single payment from Sungmoon of \$25,000 in Korean currency for producing a manuscript.<sup>419</sup> The contract did not entitle Representative Kim to any royalties or other remuneration from Sungmoon,<sup>420</sup> and it did not include any mention of a marketing agent.

On or about March 17, 1995, Representative Kim wrote a second letter to the Committee “[i]n response to the Committee’s request for additional information regarding the book I wrote.”<sup>421</sup> In the letter, he stated that he “used the services of a designated, licensed Korean marketing firm. While this may appear unconventional to the average American, no written agreement exists between me, the marketer and the publisher. \* \* \* In Korea, a man’s word and reputation are worth much more than any collateral or written contract.”<sup>422</sup> Thus, after previous indications to the contrary, Representative Kim now represented to the Committee that no written agreement with a marketing agent existed.

Representative Kim’s letter of March 17, 1995, further stated that “[t]he agreement that I reached with Hun Kim, the licensed, marketing representative in Korea is as follows:

<sup>414</sup> *Id.*

<sup>415</sup> Exh. 76.

<sup>416</sup> *Id.*

<sup>417</sup> *Id.* (para. 13); see Chul Song Int. at 13 (president and owner of publishing company).

<sup>418</sup> *Id.* (para. 13); see Chul Song Int. at 13.

<sup>419</sup> *Id.* (para. 6).

<sup>420</sup> Dep. of Jay Kim, June 9, 1998, at 19. Indeed, Paragraph 13 of the publishing agreement stated that “[t]he Author [i.e., Jay Kim] agrees not to have or make any claim for any of the profits realized by the Publisher from marketing and/or sale of the published book in Korea.” Exh. 76.

<sup>421</sup> Exh. 77.

<sup>422</sup> *Id.*

The marketing firm—acting like a wholesaler—sells the books to institutions, organizations and associations. \* \* \*

Retail sales to book stores are prohibited by agreement with the publisher. (The publisher is responsible for this marketing. \* \* \*)

From the final price of the book the publisher takes 50% of the proceeds, the book-broker (marketing firm) receives 10% and the remaining 40% represents the royalty I am given. \* \* \* [Emphasis added.]

The sales are almost exclusively limited to South Korea. The book was written in Korean for the Korean market. I did bring a few back to the U.S. to give as gifts to Korean friends and family. A very few were sold to my campaign committee which then provided them as gifts.”<sup>423</sup>

On or about March 21, 1995, Representative Kim’s Chief of Staff, Matthew Reynolds, sent a memorandum to Committee counsel regarding Representative Kim’s book.<sup>424</sup> In the memorandum, Reynolds stated:

In reference to your request for further information about what kinds of associations and organizations to which the book-broker sold *I’m Conservative*, here’s what *the Congressman* told me:

Churches. (Please note that Korea is predominantly Christian—it is the only East Asian country that is so. The congregations tend to be far larger than in the United States—some are in the tens of thousands!”

Colleges and Universities. (Sold to faculty & students.)

Select Government Agencies (those with an interest in U.S. politics & Congress. \* \* \*)”

Alumni of Rep. Kim’s school.

Korean businesses and banks. (Sold to members of trade associations and to employees of banks and businesses—large and small.)

*The marketing agent/book-broker is responsible for selling the book to these customers. The Congressman has not been involved in the process and does not know all of the groups the marketer has contacted. With the exception of a book-signing reception, the sales are not associated with any appearances, speeches, etc. of the Congressman. \* \* \** As he noted in his February 21st letter, *some 20–40,000 books have been sold.*<sup>425</sup>

On or about March 31, 1995, Matthew Reynolds submitted another memorandum to Committee counsel regarding Representative Kim’s book in response to counsel’s “additional questions about the ‘bulk’ sale of Congressman Kim’s book in Korea \* \* \*”<sup>426</sup> In that memorandum, Mr. Reynolds stated that *Mr. Kim checked with*

<sup>423</sup> *Id.*

<sup>424</sup> Exh. 100.

<sup>425</sup> *Id.* (emphasis added).

<sup>426</sup> Exh. 101.

*the marketers* [emphasis added] and received the following answers.  
\* \* \*

No sales were made to government agencies. In their *initial discussions* about potential sales, Mr. Kim and his marketing representative included government agencies as potential customers. Therefore, Mr. Kim assumed such sales had eventually occurred and this assumption was subsequently relayed to you in my March 21 memo. However, upon checking with the marketing agent, *Mr. Kim found out* that such sales never materialized. \* \* \*

Apparently, many Korean companies purchased “blocks” of books which were then distributed as gifts and resource materials to employees. In the case of associations, they were distributed to members of the associations. \* \* \*

As with the businesses, a select number of [alumni] class “leaders” purchased “blocks” of books which were then given away to other alumni and school associates of the Congressman.<sup>427</sup>

On or about May 15, 1995, the Committee sent a letter to Representative Kim advising him of its determination that his income from the book, as represented to the Committee, “does not qualify for the exception to the outside earned income limit for copyright royalties received from established publishers pursuant to usual and customary contractual terms.”<sup>428</sup> The Committee explained that Representative Kim’s book—

arrangement \* \* \* was not usual and customary for the following reasons:

Your contract with the publisher specifies that you are not entitled to any share of the profits realized by the publisher from the sale of the book in Korea. Instead, you received a flat fee of \$25,000. Payments which are unrelated to actual or potential sales of a book do not qualify as royalties.

The bulk of the payments that you received (approximately \$95,000) came from a marketing agent, based on an unwritten agreement that you would receive 40% of the proceeds of sales arranged by that agent. This does not comply with the exception for royalties received from established publishers pursuant to usual customary terms for two reasons: (1) you received these payments from a marketing agent, rather than an established publisher; and (2) 40% royalties is well in excess of the 10–15% that is customary in United States publishing contracts.

In United States book contracts, the publisher customarily agrees to obtain the copyright in the name of the author. According to your contract, the publisher retains the copyright on your book. This provision is not only unusual, but it suggests that the payments

<sup>427</sup> *Id.* (emphasis added).

<sup>428</sup> Exh. 78.

you received were not copyright royalties, since you do not hold the copyright.

All of you payments from the marketing agent derive from bulk book sales to groups such as Korean businesses and trade associations, churches, and colleges and universities. Such large purchases, which may or may not be related to the actual interest of individual readers, present the very potential for conflict of interests that the outside earned income limitations were intended to eliminate.”<sup>429</sup>

“Therefore,” the Committee advised Representative Kim, “your total book income for 1994 (from both the publisher and the marketing agent), added with any other outside income you may have earned in 1994, is subject to the \$20,040 cap.”<sup>430</sup> Consistent with precedent regarding violations of the cap on outside earned income, the Committee told Representative Kim that “you must either return the earned income you received in 1994 in excess of \$20,040 or make donations to charity in an equivalent sum. We further require that you report back to the Committee when you have complied with this ruling.”<sup>431</sup>

On or about August 3, 1995, Representative Kim filed his annual Financial Disclosure Statement for calendar year 1994. He reported earned income from “Book Publishing” of \$132,298, noting on the report that “proceeds being refunded per 5/15/95 Standards Ctte. Communication.”

The next day, Representative Kim sent a letter to the Committee regarding the required book reimbursement.<sup>432</sup> In the letter, Representative Kim stated that “[a]s I reported in my 1994 Financial Disclosure [Statement], I received a total sum of \$132,298” in connection with the book.<sup>433</sup> Representative Kim told the Committee that “\$112,258 [i.e., the difference between \$132,298 and \$20,040] is a considerable amount of money. I do not have the kind of liquidity to make a full, immediate reimbursement at this time.”<sup>434</sup> Representative Kim therefore asked the Committee to “accept a modified installment plan.” He stated that “I believe the fairest way to fulfill the Committee’s direction is to reimburse those who actually purchased my life story. Since these books were sold in Korea to Koreans, I face the additional challenge of identifying as many customers as possible.”<sup>435</sup>

Representative Kim also advised the Committee that he was scheduled to travel to South Korea beginning on August 11, 1995, and that he planned “to meet with the Korean publisher and marketer of my book during whatever free time I can make available in my forthcoming trip.”<sup>436</sup> Finally, Representative Kim stated that “I hope to be able to present a concrete plan to the Committee sometime soon thereafter.”<sup>437</sup>

<sup>429</sup> *Id.*

<sup>430</sup> *Id.*

<sup>431</sup> *Id.*

<sup>432</sup> Exh. 80.

<sup>433</sup> *Id.*

<sup>434</sup> *Id.*

<sup>435</sup> *Id.*

<sup>436</sup> *Id.*

<sup>437</sup> *Id.*

On or about September 8, 1995, Representative Kim advised the Committee by letter that “*I have been working hard* to identify to the fullest extent possible those who bought the book in Korea. I propose that I refund the book buyers through [a] series of five reimbursements of approximately \$22,000 annually (with the final reimbursement totalling \$24,258).”<sup>438</sup>

The Committee responded to Representative Kim’s proposal by stating that it had “serious reservations about your proposal to return the excess income over a five-year period. The Committee believes this matter should be resolved in this term of Congress, making final reimbursement due no later than September 30, 1996. Accordingly, we request that by no later than September 25, 1995, you furnish the Committee with either a proposal for refunding the amount in question by September 30, 1996, or information demonstrating that such a schedule would impose a personal hardship.”<sup>439</sup>

The following day, September 21, 1995, Representative Kim replied by letter to the Committee, stating that “refunding the amount in question by September 30, 1996 would impose a genuine personal hardship.”<sup>440</sup> He also stated that he now intended to “dispute [the Committee’s] initial findings,” said “the Committee has misunderstood the nature of my publishing agreement,” and requested “the opportunity to personally appear before the Committee.”<sup>441</sup>

At his deposition, the Investigative Subcommittee afforded Representative Kim an opportunity to explain the “genuine personal hardship” that he cited in his letter of September 21, 1995.<sup>442</sup> Representative Kim responded that “[w]e had a genuine hardship at that time. \* \* \* I just didn’t have the \$112,000. \* \* \* I had a property that was depreciated. It was a bad year.”<sup>443</sup>

On October 24, 1995, Representative Kim personally appeared before the Committee and discussed his concerns about the Committee’s decision regarding his book.<sup>444</sup>

On or about October 26, 1995, the Committee sent a letter to Representative Kim in which it reiterated its previous decision that he exceeded the limit on outside earned income in 1994, and that he must pay back the excess income of \$112,258.<sup>445</sup> The amount of reimbursement imposed by the Committee was based on Representative Kim’s previous representation—as manifested in his letter to the Committee of August 4, 1995, and his Financial Disclosure Report for 1994—that he received a total of \$132,298 in connection with the book.

The Committee advised Representative Kim in its October 26, 1995, letter that “[y]ou have agreed to return the excess, and based on that assurance, the Committee is foregoing further disciplinary action. Since we believe it would be impossible to refund the money to the actual purchasers of the book, we have determined that you

<sup>438</sup> Exh. 102 (emphasis added).

<sup>439</sup> Exh. 103.

<sup>440</sup> Exh. 104.

<sup>441</sup> *Id.*

<sup>442</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 156.

<sup>443</sup> *Id.* at 157.

<sup>444</sup> Exh. 81.

<sup>445</sup> *Id.*

must donate \$112,258 either to charities qualified under § 501(c)(3) of the U.S. Tax Code or to the U.S. Treasury for deficit reduction.”<sup>446</sup> The Committee further advised Representative Kim that he could divide the total payment into three installments, payable according to the following schedule: \$37,500 due no later than December 31, 1995; \$37,500 due no later than October 1, 1996; and \$37,258 due no later than October 1, 1997.<sup>447</sup> The Committee stated that it does “not anticipate granting any further extensions at this time.”<sup>448</sup>

At the conclusion of the Committee’s letter of October 26, 1995, the Committee asked that Representative Kim “signify your intent to comply with the terms set out in this letter by signing below and returning the original signed letter to the Committee by November 10, 1995. *We urge you to have the letter reviewed by your attorney before you sign it.*”<sup>449</sup> Representative Kim signed the original letter next to the words “Agreed to” and returned it to the Committee.<sup>450</sup>

At his deposition, Representative Kim testified under oath that it was his intent to comply with the installment schedule set forth in the letter of agreement dated October 26, 1995, at the time he signed the letter.<sup>451</sup>

Representative Kim did not comply with the payment schedule set forth in the October 26, 1995, agreement. He failed to make any reimbursements by December 31, 1995, or October 1, 1996—the first two payment deadlines. As the Committee later advised Representative Kim, he also “made no effort to inform the Committee that payments had not been made according to [the] schedule.”<sup>452</sup>

The Subcommittee found credible evidence that funds were available to Representative Kim to make at least partial reimbursement payments during the period encompassing the first two payment deadlines set by the Committee in the October 26, 1995, letter of agreement. For example, according to a disclosure report filed by his campaign with the Federal Election Commission on or about October 9, 1996, Representative Kim:

Loaned \$5,000 to his campaign from his personal funds on January 22, 1996.<sup>453</sup>

Loaned \$5,000 to his campaign from personal funds on January 30, 1996.<sup>454</sup>

Loaned \$2,000 to his campaign from personal funds on May 2, 1996.<sup>455</sup>

Loaned \$5,000 to his campaign from personal funds during the period of July 1–September 30, 1996.<sup>456</sup>

The Subcommittee afforded Representative Kim an opportunity to explain why he made loans to his campaign with personal funds that could have been used to repay excess outside earned income from book, as he had agreed to do. Representative Kim testified

<sup>446</sup> *Id.*

<sup>447</sup> *Id.*

<sup>448</sup> *Id.*

<sup>449</sup> *Id.* (emphasis in original).

<sup>450</sup> *Id.*; Dep. of Hon. Jay Kim, June 9, 1998, at 158–59.

<sup>451</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 159.

<sup>452</sup> Exh. 105.

<sup>453</sup> Exh. 106.

<sup>454</sup> *Id.*

<sup>455</sup> *Id.*

<sup>456</sup> *Id.*

that “I have a choice whether to forget the campaign, or pay the committee and forget the campaign.”<sup>457</sup> He also testified that the criminal investigation conducted by the Department of Justice had intimidated potential campaign donors, and that he “was having trouble raising money.”<sup>458</sup>

Representative Kim claimed that he had personally advised then-Committee Chairman Nancy Johnson that he was making personal loans to his campaign, and that there was an “understanding” that such loans did not present a problem with respect to his obligation to repay excess earned income relating to the book.<sup>459</sup> The Committee has no record of such a conversation between Representative Kim and Chairman Johnson, or of any “understanding” sanctioning personal loans by Representative Kim to his campaign in lieu of making reimbursement payments regarding the book. Representative Johnson advised Subcommittee counsel that she never told Representative Kim, either directly or indirectly, that he could loan money to his campaign in lieu of making reimbursement payments regarding his book.

During the period of November 26–December 31, 1996, Representative Kim’s campaign repaid him \$30,000 in partial satisfaction of outstanding loans by Representative Kim to the campaign, according to a disclosure report that his campaign filed with the FEC on or about January 24, 1997.<sup>460</sup> At his deposition, Representative Kim did not remember receiving this \$30,000 payment from the campaign, and offered to “research it.”<sup>461</sup> The Investigative Subcommittee did not receive any additional information from Representative Kim about that payment.

In sum, the Investigative Subcommittee found credible evidence that as of late November 1996, Representative Kim could have made reimbursement payments totalling at least \$47,000 in partial satisfaction of his obligation to repay excess outside earned income from his book. In connection with this time period, however, Representative Kim claimed that “I didn’t have any resources at that time.”<sup>462</sup>

On or about January 24, 1997, Representative Kim sent a letter to the Committee in which he again requested that he be allowed to refund money to the actual purchasers of the book. Representative Kim also requested that the repayment schedule be extended to 1998. He advised the Committee that he intended to use money from the sale of real estate to make reimbursement payments, and that the sale had not yet occurred. The letter did not include any mention of loan repayments to Representative Kim by his campaign.

On or about February 27, 1997, the Committee responded by letter to Representative Kim’s letter of January 24, 1997.<sup>463</sup> The Committee again rejected Representative Kim’s request to refund the money to actual purchasers of the book, and again directed him to make reimbursement payments to qualified charities or the U.S.

<sup>457</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 165.

<sup>458</sup> *Id.*

<sup>459</sup> *Id.* at 166–67.

<sup>460</sup> Exh. 107.

<sup>461</sup> Dep. of the Hon. Jay Kim, June 9, 1998, at 168.

<sup>462</sup> *Id.*

<sup>463</sup> Exh. 105.

Treasury.<sup>464</sup> Regarding his request for an extended repayment schedule, the Committee “note[d] that no payments have been made by you even though according to our previous agreement payments were due in December 1995, and October 1996. You made no effort to inform the Committee that payments had not been made according to schedule.”<sup>465</sup>

“Nonetheless,” the Committee advised Representative Kim, “the Committee desires to work with you to ensure that the situation is dealt with fairly and in a timely fashion. We accept by this letter your offer to repay \$37,500 no later than April 15, 1997 and \$37,500 by no later than December 31, 1997. We further agree to extend the repayment schedule into 1998, but direct that that the last payment of \$37,258 be made by June 30, 1998.”<sup>466</sup>

On or about May 28, 1997, Representative Kim’s campaign repaid him \$5,000 toward outstanding loans he made to the campaign, according to a disclosure report that his campaign filed with the FEC on or about July 28, 1997.<sup>467</sup> On the same day, Representative Kim purchased a cashier’s check in California in the amount of \$10,000, made payable to “Treasurer of the United States.”<sup>468</sup> On or about June 3, 1997, Representative Kim transmitted that check to the Committee, thereby making his first payment in connection with the required reimbursement for excess earned income from his book.<sup>469</sup> The payment was more than six weeks late, and it fell short of the required payment by \$27,500.

In a letter accompanying the payment, Representative Kim asked the Committee to “[p]lease be assured that I continue with my earnest efforts to raise the remaining funds for reimbursement and will continue to make every effort to follow the repayment schedule and address any shortfalls as expeditiously as possible.”<sup>470</sup> Representative Kim further stated that “[y]ou should be aware that the office complex I own remains on the market despite an aggressive sales effort. Unfortunately, California’s real estate market continues to be weak—a condition beyond my control. I am hopeful that the property will sell soon as that development would have a very positive impact on my reimbursement efforts.” The letter made no mention of any loan repayments by Representative Kim’s campaign since the Committee had first advised him of the required reimbursement.

On or about September 8, 1997, Representative Kim loaned \$3,000 to his campaign according to a disclosure report that his campaign filed with the FEC.<sup>471</sup>

On or about September 16, 1997, Representative Kim sent another letter to the Committee regarding the book reimbursement issue.<sup>472</sup> In that letter, Representative Kim stated that “I now believe that I am in a better position to make future financial plans,” and asked that the repayment schedule be further revised.<sup>473</sup> Rep-

<sup>464</sup> *Id.*

<sup>465</sup> *Id.*

<sup>466</sup> *Id.*

<sup>467</sup> Exh. 108.

<sup>468</sup> Exh. 109.

<sup>469</sup> Exh. 110.

<sup>470</sup> *Id.*

<sup>471</sup> Exh. 111.

<sup>472</sup> Exh. 112.

<sup>473</sup> *Id.*

representative Kim proposed to pay \$5,000 by no later than December 31, 1997; \$40,000 by no later than June 30, 1997; and \$67,258 by no later than December 1, 1998.<sup>474</sup> He also indicated he might seek further modifications to the payment schedule in connection with penalties or fines that might be imposed by the U.S. District Court in California in his criminal case.<sup>475</sup>

On or about October 22, 1997, the Committee responded by letter to Representative Kim's letter of September 16, 1997. The Committee recounted the history of its past agreements with Representative Kim regarding reimbursement for excess earned income from the book, and stated that "[t]he Committee believes it has been more than generous in extending the terms of the repayment schedule."<sup>476</sup> The Committee advised Representative Kim that, "[g]iven that you have repaid only \$10,000 thus far, and your inability to meet previous repayment obligations, the Committee cannot accept your repayment schedule as offered in your September 16, 1997 letter."<sup>477</sup> The Committee therefore requested that Representative Kim repay \$40,000 by December 31, 1997, with the balance of \$62,258 due by June 30, 1998.<sup>478</sup> In addition, the Committee advised Representative Kim that "[f]ailure to meet this repayment schedule will be considered by the Committee as it deliberates on other pending business pertaining to your guilty plea in U.S. District Court."<sup>479</sup>

On or about December 31, 1997, Representative Kim transmitted three checks to the Committee totaling \$20,000 toward satisfaction of his obligation to repay excess earned income from his book.<sup>480</sup> The checks consisted of a \$10,000 cashier's check purchased on December 31, 1997 from First Union National Bank of Virginia; a personal check in the amount \$4,000 dated December 31, 1997, drawn on the joint account of Jay Changjoon Kim and June Kim at California Korea Bank in Rowland Heights, California; and a personal check in the amount of \$6,000 dated December 31, 1997, drawn on the joint account of Jay Kim and June Kim at the Congressional Federal Credit Union in Washington, D.C.<sup>481</sup>

In explanation for why he was not remitting \$40,000, as required by the Committee in its letter of October 22, 1997, Representative Kim cited a continuing inability to sell an office building "due to the continued weak commercial real estate market."<sup>482</sup> He asked the Committee to "please \* \* \* understand that I am trying very hard to fully meet the Committee's schedule while at the same time cover the significant, pressing legal bills I have incurred over the past year."<sup>483</sup>

Representative Kim stated in the letter that "I expect to provide the Committee with another \$20,000 no later than January 31, 1998. Though this arrangement does not match your request com-

<sup>474</sup> *Id.*

<sup>475</sup> *Id.*

<sup>476</sup> Exh. 113.

<sup>477</sup> *Id.*

<sup>478</sup> *Id.*

<sup>479</sup> *Id.*

<sup>480</sup> Exh. 82.

<sup>481</sup> *Id.* (copies of checks enclosed with letter).

<sup>482</sup> *Id.*

<sup>483</sup> *Id.*

pletely, it is the best I can do \* \* \*.”<sup>484</sup> He further stated that “[i]t remains my goal to repay the remainder (\$62,258) by June 30, 1998 as requested by the Committee.”<sup>485</sup>

In a letter dated January 7, 1998, the Committee acknowledged Representative Kim’s payment of \$20,000 on December 31, 1997.<sup>486</sup> The Committee reminded Representative Kim that since its letter to him dated October 22, 1997, it had “established an investigative subcommittee to examine, among other things, the subject matter of your guilty pleas and the book repayment issue.”<sup>487</sup> The Committee advised Representative Kim that it “wishes to make it clear that your failure to remit the entire \$40,000 due on December 31, 1997, constituted yet another default of your obligation and prior agreement to remit the amount of \$112,258 under the terms established by the Committee.”<sup>488</sup> The Committee told Representative Kim that it “strongly urges you to make payment in full consistent with the terms of the Committee’s letter of October 22, 1997.”<sup>489</sup>

On or about January 23, 1998, Representative Kim submitted a cashier’s check to the Committee in the amount of \$20,000 in connection with his book.<sup>490</sup> In an accompanying letter, Representative Kim stated that “I remain committed to reimbursing the U.S. Treasury the remaining \$62,258 by June 30, 1998.”<sup>491</sup>

Representative Kim has made no further payments since January 1998 toward satisfaction of his obligation to repay excess earned income from the sales of his book. On or about March 31, 1998, however, he loaned \$50,000 from personal funds to his campaign, according to a disclosure report that his campaign filed with the FEC in April 1998.<sup>492</sup>

The record as a whole indicates that Representative Kim did not act in good faith with respect to the Committee’s requirement that he repay excess earned income reported from his book.

#### D. LEGAL DEFENSE FUND FOR JUNE KIM

On or about July 11, 1997, Representative Kim sent a letter to Committee Chairman Hansen in which he requested Committee advice regarding the solicitation of funds on behalf of his wife, June Kim.<sup>493</sup> Specifically, Representative Kim sought the Committee’s permission for June Kim to accept financial support from third parties, including foreign nationals, to help pay for her own legal expenses resulting from the criminal investigation by the U.S. Department of Justice. He commented that June Kim had separate legal counsel in the criminal case, and asked the Committee “to verify that her acceptance of [outside] resources for her own legal expense purposes would not violate any rules, laws or standards under the jurisdiction of the Committee.”<sup>494</sup>

<sup>484</sup> *Id.*

<sup>485</sup> *Id.*

<sup>486</sup> Exh. 114.

<sup>487</sup> *Id.*

<sup>488</sup> *Id.*

<sup>489</sup> *Id.*

<sup>490</sup> Exh. 115.

<sup>491</sup> *Id.*

<sup>492</sup> Exh. 116; *see* Exh. 117 (\$50,000 cashier’s check).

<sup>493</sup> Exh. 118.

<sup>494</sup> *Id.*

On or about July 28, 1997, the Chairman and Ranking Democratic Member of the Committee sent a letter to Representative Kim in reply to his letter dated July 11, 1997.<sup>495</sup>

The Committee's letter stated in pertinent part:

House Rule 51 (the gift rule) prohibits Members, officers, and employees of the House from accepting any gifts, except as specifically provided in the rule. The gift rule further provides that a gift to a family member of a Member, officer, or employee is considered a gift to the Member, officer or employee, 'if it is given with the knowledge and acquiescence of the Member, officer or employee and the Member has reason to believe the gift was given because of the official position of the Member, officer or employee.' Accordingly, this Committee consistently has found that a family member's acceptance of gifts independent of the family member's relationship to a Member, officer, or employee do not constitute a gift to such Member, officer or employee and are not subject to the gift rule.<sup>496</sup>

The Committee advised Representative Kim that "your wife's acceptance of the financial support exclusively to pay for her individual legal expenses, as you describe, would not violate the rules or standards under the jurisdiction of this Committee, *provided such support is received or acquired independent of her relationship to you as a Member of the House.*"<sup>497</sup>

Representative Kim testified that he recalled receiving the Committee's letter, and reading the letter's provisions imposing conditions on the receipt or acquisition of funds by June Kim.<sup>498</sup> When asked what his understanding was of the conditions imposed by the Committee, Representative Kim characterized the operative language in the Committee's letter as "double-talk" and said that he instructed his Chief of Staff Matt Reynolds to contact the Committee for clarification.<sup>499</sup> According to Representative Kim, Reynolds spoke to an attorney on the Committee staff, and the Committee staff attorney advised that "as long as you don't tell [a potential donor], look, I am [a] U.S. Congressman, you better give me some money, or I can do some favor, as long as you don't do that, it is okay."<sup>500</sup> There is no record of such a conversation with Reynolds in the Committee's files, and Representative Kim offered no corroborating evidence that such a conversation occurred.

Representative Kim testified that after reading the Committee's July 28, 1997, letter and speaking with his Chief of Staff, he understood that he could ask "friends, relatives, and class alumni" to contribute to a legal defense fund for June Kim.<sup>501</sup> When asked if such contributions would be appropriate even if the donor did not know June Kim, Representative Kim testified, "I never thought of that, whether they know June Kim or not. I assume they know my

<sup>495</sup> Exh. 119.

<sup>496</sup> *Id.*

<sup>497</sup> *Id.* (emphasis added).

<sup>498</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 74–76.

<sup>499</sup> *Id.* at 79–80.

<sup>500</sup> *Id.* at 80.

<sup>501</sup> *Id.* at 81.

wife, too. We always appear together. We are in the newspaper all the time.”<sup>502</sup>

In approximately September 1997, Young Jack Lee, a senior statistician employed at the National Institutes of Health, contacted Representative Kim to discuss how members of the Korean Institute for Human Rights—a group that Lee chairs—could contribute to Representative Kim’s campaign.<sup>503</sup> Specifically, Lee was interested in organizing a fund-raising event for Representative Kim.<sup>504</sup>

Lee met privately with Representative Kim at a restaurant.<sup>505</sup> During their meeting, they discussed, among other topics, the criminal investigation of Representative Kim and his wife by the Department of Justice, and Representative Kim indicated that he and Mrs. Kim were facing burdensome legal expenses as a result of the criminal case.<sup>506</sup>

Representative Kim produced a copy of the Committee’s letter to him dated July 28, 1998, and gave it to Lee.<sup>507</sup> Representative Kim asked Lee if he could raise funds to help pay for June Kim’s legal expenses, and told him it was permissible to raise such funds in South Korea.<sup>508</sup> Lee told Representative Kim that he would try to raise money for June Kim in South Korea.<sup>509</sup> Representative Kim gave Lee the number of June Kim’s account at Cho Hung Bank in South Korea, and told Lee to deposit any funds that he successfully raised into that account.<sup>510</sup> Representative Kim asked Lee to raise approximately 200 million won (South Korean currency),<sup>511</sup> equivalent at the prevailing exchange rate to approximately \$220,000.

According to credible testimony by Lee, Representative Kim gave Lee no instructions or guidance regarding how to raise money for June Kim except to indicate that Lee could solicit contributions from “my friends or somebody.”<sup>512</sup> When asked if Representative Kim gave him any other direction or guidance about how to conduct a fundraising effort, Lee responded, “He left it to me. \* \* \* [H]e knows that I have many friends and I have [a] fair amount of influence in Korea, so he didn’t give me any directions.”<sup>513</sup>

Representative Kim testified that he gave Lee the names of some potential donors, possibly including relatives.<sup>514</sup> He also testified that he simply told Lee to “follow [the] guidelines” set forth in the Committee’s letter of July 28, 1997.<sup>515</sup> Initially, he testified that he did not discuss any of the conditions imposed by the Committee in the letter; subsequently, he testified that he did not remember if he discussed the conditions.<sup>516</sup> Counsel for Representative Kim stated at Representative Kim’s deposition—without correction by

<sup>502</sup> *Id.*

<sup>503</sup> *Id.* at 20–23.

<sup>504</sup> *Id.* at 23.

<sup>505</sup> *Id.* at 24.

<sup>506</sup> *Id.* at 28–29.

<sup>507</sup> *Id.* at 18–19, 26; Dep. of Jay Kim, June 18, 1998, at 83.

<sup>508</sup> Dep. of Young Jack Lee at 26, 28; Dep. of Jay Kim, June 18, 1998, at 82–83.

<sup>509</sup> Dep. of Young Jack Lee at 31–32.

<sup>510</sup> *Id.* at 29, 33; Dep. of Hon. Jay Kim, June 18, 1998, at 85–86.

<sup>511</sup> Dep. of Young Jack Lee at 32–33.

<sup>512</sup> Dep. of Young Jack Lee, May 21, 1998, at 30–31.

<sup>513</sup> *Id.* at 32.

<sup>514</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 85.

<sup>515</sup> *Id.* at 84.

<sup>516</sup> *Id.* at 83–84.

Representative Kim—that “the Congressman gave Dr. Lee<sup>517</sup> [the July 28, 1997] letter for Dr. Lee to interpret or follow up on, not for the Congressman to be the counsel to Dr. Lee.”<sup>518</sup>

Lee testified that he does not know June Kim and has never met or spoken to her.<sup>519</sup> He understood that he would be raising money to help pay June Kim’s legal bills.<sup>520</sup> But he believed that in raising funds for June Kim, he would also be helping Representative Kim, as, in his estimation, “whether the money comes from this pocket or [that] pocket doesn’t matter. It comes from the pocket belonging to the same couple.”<sup>521</sup> He testified that “helping her is helping him. \* \* \* [I]f I help raise legal defense fund for his wife, then the burden for Jay Kim could be reduced.”<sup>522</sup>

On or about October 17, 1997, Lee traveled to South Korea, returning to the United States on or about November 3, 1997.<sup>523</sup> The primary purpose of that trip was to conduct polling for South Korean presidential candidate Kim Dae Jung, who is married to a sister of Lee’s father and whom Lee has assisted in his political career.<sup>524</sup> He made a second trip to South Korea on or about November 12, 1997, returning on or about December 23, 1997.<sup>525</sup>

During the first trip to South Korea, Lee approached approximately ten friends for contributions to help pay for June Kim’s legal bills.<sup>526</sup> He told these individuals that it was important to assist Jay Kim, and that helping to pay June Kim’s legal expenses was an indirect way to help Jay Kim.<sup>527</sup>

Lee’s fundraising efforts in South Korea resulted in contributions from five or six South Korean nationals totaling 100 million won—equivalent at the time to approximately \$51,000.<sup>528</sup> The money was contributed entirely in cash and was collected on behalf of Lee by another person, who gave the money to Lee.<sup>529</sup> On or about December 23, 1997, Lee personally deposited 100 million won in cash at a branch of Cho Hung Bank in Seoul, South Korea, from which it was wired to another branch of the bank where June Kim’s account was located.<sup>530</sup>

During the two trips to South Korea, Lee received telephone calls from Jennifer Ahn in the United States.<sup>531</sup> Representative Kim had told Ahn that he had asked Lee to raise money for June Kim.<sup>532</sup>

<sup>517</sup> Lee holds a doctorate in statistics from Ohio State University and currently serves as chief of the biometrics and mathematical statistics branch of the National Institute of Child Health and Human Development at the National Institutes of Health. Dep. of Young Jack Lee, May 21, 1998, at 8.

<sup>518</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 96.

<sup>519</sup> Dep. of Young Jack Lee at 12, 16, 45; see Dep. of Hon. Jay Kim, June 18, 1998, at 86 (does not know if June Kim knows Lee).

<sup>520</sup> Dep. of Young Jack Lee at 31–32.

<sup>521</sup> *Id.* at 28–29.

<sup>522</sup> *Id.* at 46.

<sup>523</sup> *Id.* at 35–36; Exh. 120 (Lee’s passport records).

<sup>524</sup> *Id.* at 6–7, 38.

<sup>525</sup> *Id.* at 37; Exh. 120 (Lee’s passport records).

<sup>526</sup> Dep. of Young Jack Lee at 39–41, 44.

<sup>527</sup> *Id.* at 39–40.

<sup>528</sup> *Id.* at 41, 53.

<sup>529</sup> *Id.* at 49–50.

<sup>530</sup> *Id.* at 50–54, 60–62; Exh. 121 (bank deposit slip and bank record showing deposit by Lee).

<sup>531</sup> Dep. of Young Jack Lee at 42.

<sup>532</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 87.

According to Lee, Ahn asked him if his fundraising efforts had been successful, and she asked him whom he had contacted.<sup>533</sup> Representative Kim did not contact Lee directly to inquire about his fundraising efforts, and Lee did not report back to Representative Kim after his second trip to South Korea.<sup>534</sup> Representative Kim has not discussed with Lee the identities of the persons who contributed money in connection with June Kim's legal expenses.<sup>535</sup>

Representative Kim testified that he does not remember if Lee knows June Kim, or if they have ever met each other.<sup>536</sup> Representative Kim testified initially that he did not inform June Kim at the time that he had asked Lee to raise money on her behalf.<sup>537</sup> Subsequently, he testified that he did not remember if he informed her at the time.<sup>538</sup>

By his own admission, Representative Kim took no follow-up action to determine whether any funds raised by Lee in South Korea complied with the terms of the Committee's letter of July 28, 1997.<sup>539</sup> He testified that "I assume that he [i.e., Young Jack Lee] knows what he is doing."<sup>540</sup> Representative Kim testified that Lee gave him a "few names" of individuals who contributed money on June Kim's behalf and asked Representative Kim to contact them to thank them, but he could not remember any of the names of those individuals.<sup>541</sup> Representative Kim does not know whether any of the persons who gave money to Lee in South Korea on June Kim's behalf had a personal relationship with her.<sup>542</sup> He testified, however, that "I assume they do."

House Rule 51, clause 1(a), states that "[n]o Member, officer, or employee of the House of Representatives shall knowingly accept a gift except as provided in this rule." The term "gift" is defined in clause 1(b)(1) of Rule 51 as "any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value." Clause 1(b)(2)(A) of Rule 51 states that "[a] gift to a family member of a Member \* \* \* based on that individual's relationship with the Member \* \* \* shall be considered a gift to the Member \* \* \* if it is given with the knowledge and acquiescence of the Member \* \* \* and the Member \* \* \* has reason to believe the gift was given because of the official position of the Member \* \* \*." As stated above, the Committee interpreted that rule in its letter to Representative Kim dated July 28, 1997, to mean that "[June Kim's] acceptance of the financial support exclusively to pay for her individual legal expenses \* \* \* would not violate the rules or standards under the jurisdiction of this Committee, *provided such support is received or acquired independent of her relationship to you as a Member of the House.*"

According to his own testimony, Representative Kim knew that Young Jack Lee would be raising money for June Kim and deposit-

<sup>533</sup> Dep. of Young Jack Lee at 43-44.

<sup>534</sup> *Id.* at 47.

<sup>535</sup> *Id.* at 56.

<sup>536</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 86.

<sup>537</sup> *Id.* at 90.

<sup>538</sup> *Id.* at 91.

<sup>539</sup> *Id.* at 96.

<sup>540</sup> *Id.*

<sup>541</sup> *Id.* at 98.

<sup>542</sup> *Id.* at 98-99.

ing any money he successfully raised in June Kim's bank account in South Korea. Representative Kim also acknowledged that he had asked Lee to raise money for June Kim and deposit the money in her account. Finally, the record indicates that Representative Kim had reason to believe that contributions would be made on June Kim's behalf because of his official position as a Member of the House of Representatives. He asked someone to raise the money—Young Jack Lee—who does not even know Mrs. Kim, and the record indicates he either asked Lee to approach Lee's own contacts, or left the matter of who to approach completely up to Lee. Based on credible testimony from Lee, the record indicates that the persons who contributed to June Kim's legal defense fund did so primarily to benefit Representative Kim.

Further, it was Representative Kim's responsibility as a Member of the House of Representatives to take all reasonable actions to ensure that any solicitation of funds on behalf of June Kim complied fully with the terms and conditions set forth in the Committee's letter of July 28, 1997. By his own admission, he took no such actions.

The Investigative Subcommittee, however, was unable to interview any of the persons in South Korea who gave money to Young Jack Lee in connection with June Kim's legal defense fund, and therefore could not confirm the reasons why they contributed the money. In light of this evidentiary deficiency, the Subcommittee took no action regarding whether Representative Kim may have violated any laws or House rules with respect to the solicitation of funds on behalf of June Kim, or whether Representative Kim may have violated House Rule 51 as it relates to gifts to family members of a Member of the House of Representatives.

#### E. JUNE KIM'S AUTOBIOGRAPHY

On September 13, 1997, the Washington Post reported that South Korean corporations had purchased "in bulk" thousands of copies of an autobiographical book by June Kim entitled "There Are Opportunities," which had been published in Korean by a South Korean publishing company.<sup>543</sup> The Washington Post based its report on information reportedly obtained from a senior official at the South Korean publishing company.<sup>544</sup> A different, unnamed official at the publishing company reportedly estimated that Mrs. Kim's earnings from her book "would be less than \$70,000," including an advance paid by the publisher in 1995.<sup>545</sup>

The Washington Post article raised concerns among Committee members as to whether income received by June Kim or Representative Kim in connection with June Kim's book complied with House rules regarding limits on outside earned income. Those concerns were based in part on the discrepancy between the amount of income from the book reported by Representative Kim on his Financial Disclosure Statements and the reported estimate by the publishing company official of June Kim's earnings from the book. Representative Kim reported total income from June Kim's book of between \$115,001 and \$1,050,000 on his Financial Disclosure State-

<sup>543</sup> Exh. 8.

<sup>544</sup> *Id.*

<sup>545</sup> *Id.*

ments for calendar years 1995 and 1996,<sup>546</sup> whereas, as indicated above, a publishing company official reportedly estimated earnings at below \$70,000. In light of Representative Kim's guilty plea regarding the receipt of an illegal campaign contribution by a foreign national, the Washington Post article also raised concerns about whether June Kim's book may have been part of an illegal scheme to funnel foreign money into Representative Kim's congressional campaign.

For the reasons stated above, the Committee included the matter of June Kim's book within the original scope of the inquiry as specified in the December 17, 1997, letter to Representative Kim from Chairman Hansen and Ranking Democratic Member Berman.

The Investigative Subcommittee questioned June Kim extensively about her book and received documents from her relating to her book. For the reasons discussed in Section VI of the Report, however, the Subcommittee subsequently decided, in its discretion, not to utilize Mrs. Kim's testimony for purposes of this Report. The information set forth below is derived primarily from documents provided by Mrs. Kim, testimony by Representative Kim, testimony and documents provided by the accountant for Representative and Mrs. Kim, testimony by the publisher of Mrs. Kim's book, and testimony by Jennifer Ahn.

In December 1995, June Kim entered into a contract with Handut Publishing Company ("Handut"), a South Korean publishing company, to publish her autobiography.<sup>547</sup> According to an English-language copy of the contract provided to Investigative Subcommittee by June Kim, Mrs. Kim was required to produce a manuscript by March 15, 1996.<sup>548</sup> Handut was required to pay an advance to Mrs. Kim of 15 million won and a royalty of 10 percent of the sales of the book.<sup>549</sup> Each party was responsible for its own expenses.<sup>550</sup> The contract also entitled Mrs. Kim to purchase copies of her book directly from Handut at a discount of fifty percent of the retail price.<sup>551</sup>

Myung Ook Rhim, the president of Handut, told Subcommittee Counsel that Handut paid Mrs. Kim 10 percent of the royalties from Handut's sales of the book, but he declined to provide further information regarding sales of the book without a written authorization from June Kim.<sup>552</sup> Rhim advised counsel that Handut sold copies of Mrs. Kim's book to the general public, and that June Kim also purchased books directly from Handut.<sup>553</sup> He said he did not know what Mrs. Kim did with the books she purchased from Handut.<sup>554</sup>

<sup>546</sup> See Exhs. 29–30. Representative Kim reported income from Mrs. Kim's book of between \$15,001 and \$50,000 on his Financial Disclosure Statement for calendar year 1995, and income between \$100,001 and \$1 million on his Financial Disclosure Statement for calendar year 1996.

<sup>547</sup> See Exh. 122. (Korean-language copy of publishing agreement provided by June Kim to her accountant, Bong Yoo); see Exh. 123 (English-language copy of publishing agreement); Dep. of Bong U. Yoo, May 26, 1998, at 86–88 (confirming that he received Korean-language copy of publishing agreement from June Kim).

<sup>548</sup> Exh. 123 (para. 4).

<sup>549</sup> *Id.* (para. 7); Telephone Interview of Myung Ook Rhim, Apr. 27, 1998, at 10–11 (president of publishing company); Dep. of Bong U. Yoo at 89.

<sup>550</sup> Exh. 123 (para. 8).

<sup>551</sup> *Id.* (para. 6).

<sup>552</sup> Telephone Interview with Myung Ook Rhim, at 9–11.

<sup>553</sup> *Id.* at 4, 9.

<sup>554</sup> *Id.* at 9.

In a December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the full Committee asked Representative Kim to comment on reported bulk purchases of Mrs. Kim's book by South Korean companies, to "provide a full account of the events resulting in those bulk purchases, and [to] identify the Korean companies that reportedly made the bulk purchases."<sup>555</sup> In his response dated January 29, 1998, Representative Kim stated that

[t]he Washington Post article is inaccurate and overly speculative in nature. The only "bulk" purchases with which either my wife or I am familiar were my wife's own purchasing of a number of books directly from the publisher (hence in "bulk") which she then sold herself to family and friends on her own.

As quoted in the Washington Post, the publisher apparently sold sets of books in bulk to various companies. However, neither my wife nor I am aware of any of the details of these reported sales, including to whom the sales were made. That has always been the business of the publisher. We neither asked him about how he was marketing the book nor did he volunteer such specific information.<sup>556</sup>

At his deposition, Representative Kim testified that he had no knowledge regarding how Mrs. Kim's book was marketed or sold in South Korea.<sup>557</sup> He also testified that he had no knowledge of who purchased the book.<sup>558</sup>

Based on documents obtained from June Kim, and on testimony and documents provided by Mrs. Kim to the accountant for she and Representative Kim, the Investigative Subcommittee learned that Handut paid June Kim the amount of 15 million won (then equal to approximately \$20,000) on or about December 19, 1995, for a manuscript.<sup>559</sup> Mrs. Kim also told her accountant that she received an advance from Handut of an additional 20 million won in 1995, thereby producing a total of 35 million won received by June Kim in connection with the book in 1995.<sup>560</sup> The accountant divided the amount of 35 million by the prevailing exchange rate to arrive at a total amount of book-related income of \$45,454.55.<sup>561</sup>

As confirmation of the amount of money she received in 1995 regarding the book, Mrs. Kim provided the accountant with a copy of a document from Cho Hung Bank in South Korea relating to a savings account in her name.<sup>562</sup> According to a translation of the bank document provided by the Congressional Research Service, the document reflects a deposit of 35 million won to June Kim's savings account on December 19, 1995, the same day that she ap-

<sup>555</sup> Exh. 11; see Pinches, "House Panel May Probe Kim Financial Reports," Washington Post, Sept. 13, 1997 (Exh. 8).

<sup>556</sup> Exh. 17 (response to question 12).

<sup>557</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 110.

<sup>558</sup> *Id.*

<sup>559</sup> Exh. 124; (Korean-language receipt); Dep. of Bong U. Yoo at 81-84. Mr. Yoo testified that he calculated the amount of the payment based on a prevailing exchange rate of 770 won to \$1. Dep. of Bong U. Yoo at 81-82.

<sup>560</sup> Dep. of Bong U. Yoo at 81-82, 84; see Exh. 125 (handwritten notes of accountant based on information provided by June Kim, combined with handwritten notes of June Kim).

<sup>561</sup> Dep. of Bong U. Yoo at 84-85.

<sup>562</sup> Dep. of Bong U. Yoo at 97-99; Exh. 126 (copy of Korean-language bank document provided by June Kim to her accountant with annotations by translator).

parently received the payment of 15 million won by the publisher for the manuscript.<sup>563</sup> Mrs. Kim did not provide the accountant with any royalty statements, invoices, or any other documents regarding sales of her book.<sup>564</sup>

In reliance on the information provided to him by Mrs. Kim, the accountant prepared a joint federal income tax return for Representative and Mrs. Kim for calendar year 1995 that reported “autobiography income” of \$45,455.<sup>565</sup> The accountant advised Subcommittee counsel that he relied exclusively on information from June Kim to prepare the tax return, and did not communicate with Representative Kim regarding the return.<sup>566</sup>

The Investigative Subcommittee obtained further information regarding June Kim’s book from documents and testimony regarding Representative and Mrs. Kim’s joint tax return for 1996. Mrs. Kim provided handwritten notes to the accountant indicating that she had received a total of \$130,635 in 1996 in connection with her book, including cash totaling \$20,000.<sup>567</sup> The accountant did not know the basis for the amounts that June Kim cited as book income on the handwritten notes that she provided to the accountant.<sup>568</sup> Based on the information that received from by June Kim,<sup>569</sup> however, the accountant indicated on Schedule C of the joint tax return for 1996 that June Kim had received \$130,635 in gross income from the book, minus \$9,745 in book-related expenses that Mrs. Kim claimed.<sup>570</sup>

In connection with the preparation of the joint tax return for Representative and Mrs. Kim for 1997, Mrs. Kim advised Mr. Yoo, the Kims’ accountant, that \$2,200 had been received in 1997 from book sales, and provided handwritten notes indicating the amounts comprising the total of \$2,200 and the dates on which the money had been received.<sup>571</sup> She also advised the accountant that \$40,000 had been deposited into a bank account in South Korea resulting from book sales, as also reflected in the handwritten notes she provided to the accountant.<sup>572</sup> Based on his communications with Mrs. Kim, the accountant’s understanding was that the book sales at issue related to Mrs. Kim’s book, not Representative Kim’s book.<sup>573</sup>

Mrs. Kim also provided the accountant with copies of statements regarding a bank account in her name at Cho Hung Bank in South Korea, indicating various transactions during the period of November 1996 through January 1998.<sup>574</sup> Among the transactions indi-

<sup>563</sup> Exh. 127 (CRS translation of Cho Hung Bank document).

<sup>564</sup> Dep. of Bong U. Yoo at 91.

<sup>565</sup> Dep. of Bong U. Yoo at 74–76, 101; Exh. 128 (signed, certified joint tax return for 1995).

<sup>566</sup> Dep. of Bong U. Yoo at 74–76, 101–02.

<sup>567</sup> Dep. of Bong U. Yoo at 109–13, 119–121; Exh. 129 (handwritten notes given to accountant by June Kim). The accountant recognized the handwriting on the notes as June Kim’s handwriting. Dep. of Bong U. Yoo at 109.

<sup>568</sup> Dep. of Bong U. Yoo at 121.

<sup>569</sup> As was the case regarding the tax return for 1995, Mrs. Kim was the exclusive source of information that the accountant used to prepare the joint tax return for 1996, and he had no communication with Representative Kim regarding his preparation of the return. Dep. of Bong U. Yoo at 107–08, 130.

<sup>570</sup> Dep. of Bong U. Yoo at 112–13, 127–28; Exh. 130 (1996 joint federal income tax return).

<sup>571</sup> Dep. of Bong U. Yoo at 140–41, 143; Exh. 131 (handwritten notes given by June Kim to accountant).

<sup>572</sup> Dep. of Bong U. Yoo at 151; Exh. 131.

<sup>573</sup> Dep. of Bong U. Yoo at 150.

<sup>574</sup> Dep. of Bong U. Yoo at 135; Exh. 132. English-language words handwritten on the bank statements, such as “debit,” “deposit,” and “balance” were added by the accountant. Dep. of Bong U. Yoo at 135.

cated on the statements was a deposit of 100 million won on December 23, 1997.<sup>575</sup> June Kim advised the accountant that this deposit corresponded to the entry for \$40,000 in book-related income indicated in the handwritten list of 1997 income that she had provided to him.<sup>576</sup> Mr. Yoo subsequently determined, however, that the deposit of 100 million actually was equivalent to \$58,824, rather than \$40,000, based on the exchange rate on December 23, 1997, when the deposit was made.<sup>577</sup>

Mrs. Kim also advised the accountant in a letter dated April 12, 1998, that she had received personal loans from relatives in 1997 in Korean currency totaling the equivalent of approximately \$57,000.<sup>578</sup> In that regard, Mrs. Kim provided the accountant with copies of "Certificate[s] of Remittance" reflecting transfers of funds from a California branch of Cho Hung Bank to Mrs. Kim's checking account at California Korea Bank in Rowland Heights, California.<sup>579</sup> Those documents correspond, at least in part, to the loans identified by Mrs. Kim in her April 12, 1998, letter to her accountant, although they apparently conflict with other information provided to the accountant by Mrs. Kim regarding loans from relatives.<sup>580</sup>

Upon his review of all the information provided to him by Mrs. Kim, including copies of bank statements regarding her account at Cho Hung Bank in South Korea, the accountant determined that Mrs. Kim had received approximately \$3,123 in book-related income in 1997 in addition to the \$2,200 also claimed by Mrs. Kim and the deposit of 100 million (equal to approximately \$58,824) on December 23, 1997.<sup>581</sup>

Prior to preparing the Kims' joint tax return, Mr. Yoo spoke to Representative Kim about the deposit of 100 million won into Mrs. Kim's account at Cho Hung Bank in December 1997.<sup>582</sup> According to the accountant, Representative Kim told him that the 100 million won deposit represented funds intended for June Kim's legal defense.<sup>583</sup> As indicated above, however, June Kim told the accountant that the deposit of 100 million won represented proceeds from sales of her book.<sup>584</sup> The accountant relied on the explanation given by June Kim, and he prepared a return reporting \$61,147 in income attributed to "autobiography & royalty," as well as an additional \$2,200 attributed only to "autobiography."<sup>585</sup>

Representative Kim signed the 1997 return prepared by Mr. Yoo, notwithstanding the fact that the return reported income des-

<sup>575</sup> Exh. 132.

<sup>576</sup> Dep. of Bong U. Yoo at 151.

<sup>577</sup> *Id.* at 138, 145; *see* Exh. 133 (handwritten ledger prepared by accountant analyzing foreign bank statements).

<sup>578</sup> Dep. of Bong U. Yoo at 136-38; Exh. 134 (April 12, 1998, letter from June Kim to Bong Yoo regarding personal loans).

<sup>579</sup> Dep. of Bong U. Yoo at 139-40; Exh. 135 (copies of bank transfers). The account number for June Kim's account at California Korea Bank shown on the bank transfer documents corresponds to the number of a checking account for June Kim provided by Representative Kim in a February 5, 1998, letter to the Chairman and Ranking Democratic Member of the Investigative Subcommittee.

<sup>580</sup> *See* Exh. 131 (handwritten list of 1997 income provided to accountant by June Kim). Bong Yoo testified that June Kim had told him that 14 separate amounts recorded on the handwritten list, totaling \$70,205, related to loans from foreign relatives. Dep. of Bong U. Yoo at 145.

<sup>581</sup> Exh. 133 (accountant's handwritten ledger analyzing June Kim's foreign bank statements).

<sup>582</sup> Dep. of Bong U. Yoo at 131.

<sup>583</sup> *Id.* at 132.

<sup>584</sup> *Id.*

<sup>585</sup> Dep. of Bong U. Yoo at 132; Exh. 136 (certified copy of 1997 tax return).

ignated as book proceeds that he had previously told the accountant related to June Kim's legal defense.<sup>586</sup> After the tax return had been filed with the Internal Revenue Service, however, Representative Kim advised Mr. Yoo in writing that "there needs to be an immediate revision to my 1997 Form 1040 Tax Filing to correct the entry [sic] regarding the 100,000,000 Won you erroneously considered as 'book income.'" <sup>587</sup> Representative Kim further advised Mr. Yoo that "[t]his is *not* book income and is certainly *not* from my book. It is the sum of funds raised for the purpose of Mrs. Kim's legal defense." <sup>588</sup>

The Investigative Subcommittee determined that the \$61,147 in income reported on the Kim's joint income tax return for 1997 was based primarily on funds raised by Young Jack Lee for June Kim's legal defense, not—as indicated on the tax return—on proceeds from the sale of a book. For the reasons specified below, the Subcommittee was unable to confirm the accuracy of other income attributed to Mrs. Kim's book and reported by Representative and Mrs. Kim on their tax returns, or by Representative Kim on his Financial Disclosure Statements for calendar years 1995 and 1996:

The Investigative Subcommittee obtained only limited testimony from June Kim regarding sales of her book, and as previously discussed, the Subcommittee decided not to make direct use of her testimony.

Representative Kim invoked his rights under the Fifth Amendment to the U.S. Constitution to decline to respond to questions at his deposition regarding the tax returns on which income attributed to June Kim's book was reported to the Internal Revenue Service.<sup>589</sup> Representative Kim also invoked his Fifth Amendment rights to decline to testify about Financial Disclosure Statements he filed that listed income from Mrs. Kim's book.<sup>590</sup>

Myung Ook Rhim, president of the South Korean company that published Mrs. Kim's book, was unwilling to disclose specific information regarding the number of book that were printed, sales of Mrs. Kim's book, or the amount of money the publisher paid to Mrs. Kim without a written authorization from Mrs. Kim.<sup>591</sup> June Kim declined to sign an authorization form prepared by counsel to the Investigative Subcommittee with the assistance of a Korean translator, requesting instead that the Subcommittee use a different authorization form that she prepared. Counsel to the Subcommittee found the alternative authorization prepared by Mrs. Kim to be unacceptable, and no authorization form was transmitted to Handut.

The Subcommittee was unable to confirm whether deposits made to June Kim's account at Cho Hung Bank in South Korea in 1995 and 1996 related to sales of her book, or how much money, if any, she received from her own sales of the book.

<sup>586</sup> Exh. 136.

<sup>587</sup> Letter from Jay Kim to Bong U. Yoo, May 8, 1998 (Exh. 137).

<sup>588</sup> *Id.* (emphasis in original).

<sup>589</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 113–14.

<sup>590</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 129.

<sup>591</sup> Telephone Interview of Myung Ook Rhim, Apr. 27, 1998.

In sum, the Investigative Subcommittee was unable to reach any conclusions as to whether the facts regarding June Kim's book complied with House rules regarding limits on outside earned income, or whether the book was part of a scheme to funnel foreign money into Representative Kim's congressional campaign.

## VI. CONDUCT OF THE INQUIRY

The Investigative Subcommittee conducted a nine-month inquiry requiring the resolution of numerous procedural issues.

### A. INVESTIGATIVE METHODOLOGY

The Investigative Subcommittee obtained information from more than thirty-five witnesses during the inquiry, including the respondent, the respondent's wife, and witnesses residing in South Korea. In many instances, the Subcommittee obtained sworn testimony from witnesses in Executive Session by means of a subpoena. Counsel to the Subcommittee also conducted informal witness interviews and, on several occasions, obtained unsworn testimony from witnesses in transcribed interviews. Interviews with witnesses residing in South Korea were conducted by telephone with the assistance of a translator.<sup>592</sup>

The Investigative Subcommittee obtained documents by the issuance of subpoenas and by the voluntary cooperation of witnesses. As discussed further below, the Subcommittee also received documents from the U.S. Attorney's Office for the Central District of California that it had obtained in connection with its criminal investigation of Representative Kim. Documents independently obtained by the Subcommittee included the personal financial records of Representative Kim, Mrs. Kim (including documents regarding bank accounts of Mrs. Kim in South Korea), and material witnesses; personal appointment records; personal income tax returns of Representative and Mrs. Kim; hotel records; passport records; publishing contracts and related records regarding books written by Representative and Mrs. Kim; and filings with the Federal Election Commission by Representative Kim's campaign committee.

The Subcommittee's ability to develop a comprehensive evidentiary record concerning certain issues was impeded by the fact that key witnesses and documents were situated in South Korea beyond the Subcommittee's subpoena power. This limitation was particularly problematic with respect to the portions of the inquiry concerning books written by Representative Kim and June Kim, his wife.

Among the first issues confronted by the Subcommittee was whether to take independent investigative action regarding the matters to which Representative Kim, June Kim, and Representative Kim's campaign committee pleaded guilty in 1997. The Subcommittee considered, for example, whether to simply rely on the factual admissions set forth in the plea agreements for purposes of its inquiry. Instead, however, the Subcommittee decided to develop

<sup>592</sup>The Subcommittee expresses its appreciation to Ms. Ansook Park, who provided translation services for several depositions and interviews with Korean-Americans and South Korean nationals. Ms. Park also provided timely translation of documents in the Korean language. The Subcommittee also thanks the Congressional Research Service for its assistance in obtaining the translation of Korean-language documents.

its own evidentiary record regarding the principal matters at issue in the criminal investigation. The Subcommittee or its counsel, therefore, deposed or interviewed most of the key participants in Representative Kim's 1992 and 1994 campaigns for election to the House of Representatives.

#### B. EXPANSIONS OF JURISDICTION

On February 12, 1998, the Investigative Subcommittee unanimously voted to expand the jurisdiction of its inquiry, pursuant to Committee Rule 20(c), to include two additional matters: (1) the possible misuse of official resources with respect to a contract between Representative Kim's congressional office and Image Media Services, Inc.; and (2) whether Representative Kim made false statements in a letter to the Investigative Subcommittee dated January 29, 1998.<sup>593</sup> On February 25, 1998, the full Committee voted to expand the Investigative Subcommittee's jurisdiction to include the two additional issues specified above.

On April 1, 1998, the Investigative Subcommittee again unanimously voted to expand the jurisdiction of its inquiry to include the issue of whether violations of Federal law were committed with respect to Representative Kim's 1994, 1996, and 1998 campaigns for election to the U.S. House of Representatives.<sup>594</sup> On April 22, 1998, the full Committee voted to expand the Investigative Subcommittee's jurisdiction as specified above.

On April 28, 1998, the Committee issued a public statement announcing its expansion of the inquiry on April 22. The statement also disclosed for the first time the scope of the Investigative Subcommittee's original jurisdiction and the subjects of the previous expansion of jurisdiction on February 25, 1998.

On May 21, 1998, the Investigative Subcommittee voted unanimously again to expand the jurisdiction of its inquiry to include four additional issues: (1) whether Representative Kim, or persons acting with his knowledge or approval, have obstructed, or have tried to obstruct, the discovery of information by investigative authorities; (2) whether Representative Kim, or persons acting with his knowledge or approval, have reported false or misleading information to the House of Representatives or the Internal Revenue Service in connection with income relating to books written by Jay Kim and June Kim; (3) whether Representative Kim made false statements in his May 21, 1998, letter to the Honorable Lamar Smith and the Honorable Ed Pastor; and (4) whether Representative Kim received gifts in violation of House Rules during the period of 1993–1998.<sup>595</sup>

On May 22, 1998, the full Committee voted to expand the Investigative Subcommittee's jurisdiction to include the four additional issues that were the subject of the Subcommittee's action on May 21, 1998. In its discretion, the Committee decided to forgo a public statement regarding the expansion of jurisdiction in order not to influence the outcome of Representative Kim's primary election in California in early June 1998.

<sup>593</sup> The Subcommittee investigated the issue regarding Image Media Services, Inc. and found no basis to take further action.

<sup>594</sup> Executive Session, Investigative Subcommittee, Apr. 1, 1998, at 28.

<sup>595</sup> Executive Session, Investigative Subcommittee, May 21, 1998, at 2–3.

On June 18, 1998, the Investigative Subcommittee again unanimously voted to expand the scope of its inquiry to include three additional matters: (1) whether Representative Kim knowingly made false statements during his testimony before the Investigative Subcommittee; (2) whether JayKim Engineers, Inc., or its successor, reimbursed a company employee for a political contribution to a candidate for Federal election in or about March 1993 with the knowledge and approval of Representative Kim; and (3) whether Representative Kim failed to comply with the terms and conditions of a letter to him from the Committee on Standards of Official Conduct dated July 28, 1997, concerning the solicitation and acceptance of funds to pay for June Kim's legal expenses.<sup>596</sup> On June 19, 1998, the full Committee voted to expand the Investigative Subcommittee's jurisdiction to include the three additional issues specified above.

The Committee notified Representative Kim of each expansion of jurisdiction pursuant to Committee Rule 27(g)(4).<sup>597</sup>

#### C. ASSISTANCE FROM THE U.S. ATTORNEY'S OFFICE

The U.S. Attorney's Office for the Central District of California, including FBI agents working with that office, provided valuable assistance to the Investigative Subcommittee throughout its inquiry.<sup>598</sup> Subcommittee counsel met on several occasions in Los Angeles with officials at the U.S. Attorney's Office, and conferred often with them by telephone regarding the results of their investigation.

The U.S. Attorney's Office advised the Investigative Subcommittee at the outset that it could share with the Subcommittee only information and documents that did not constitute grand jury material within the meaning of Rule 6(e) of the Federal Rules of Criminal Procedure (hereafter "Rule 6(e)").<sup>599</sup> Notwithstanding this substantial limitation, the information and documents provided by the U.S. Attorney's office contributed significantly to the work of the Subcommittee. The Subcommittee hopes that the cooperation extended by the Department of Justice in this case will serve as a model for future cases where such cooperation is necessary and appropriate.

Representative Kim's attorney made an evidentiary objection during Representative Kim's deposition that documents that the Investigative Subcommittee introduced into evidence had been obtained in violation of Rule 6(e).<sup>600</sup> Pursuant to his authority under Committee Rule 20(b)(2), the Subcommittee Chairman overruled the objection and admitted evidence that the Subcommittee had obtained from the U.S. Attorney's Office.<sup>601</sup> Representative Kim ap-

<sup>596</sup> Executive Session, Investigative Subcommittee, June 18, 1998, at 2-3.

<sup>597</sup> Exh. 138.

<sup>598</sup> The Investigative Subcommittee expresses its particular appreciation to U.S. Attorney Nora Manuela; Richard E. Drooyan, Chief Assistant U.S. Attorney; former Assistant U.S. Attorney Stephen Mansfield, Assistant U.S. Attorney Edward Morton; FBI Special Agent Anthony Gordon; and FBI Financial Analyst James Komura.

<sup>599</sup> Federal Rule of Criminal Procedure 6(e)(2) provides a general rule against disclosure of "matters occurring before the grand jury" unless a specific exception to the rule applies. Fed. R. Crime. P. 6(e)(2).

<sup>600</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 11, 14, 18.

<sup>601</sup> *Id.* at 6-21.

pealed the Chairman's ruling, but the Subcommittee denied the appeal by a vote of a majority of the members present.<sup>602</sup>

Subsequently, Representative Kim's attorney continued to question whether the Subcommittee received materials from the U.S. Attorney's Office in violation of Rule 6(e).<sup>603</sup> In a letter to Representative Kim's attorney dated July 2, 1998, the Subcommittee Chairman reaffirmed his previous ruling.<sup>604</sup> In that letter, the Subcommittee Chairman stated as follows:

Because the grand jury that investigated the respondent was located in Los Angeles, California, we have considered your assertion that information may have been provided to the Subcommittee in violation of Rule 6(e) in the context of decisions by the U.S. Court of Appeals for the Ninth Circuit. The Subcommittee's position on this matter derives support from the express provisions of Rule 6(e) concerning disclosure of grand jury materials. Subsection (3)(D) of Rule 6(e) states that "[a] petition for disclosure \* \* \* shall be filed *in the district where the grand jury convened.*"<sup>605</sup> In that regard, the Advisory Committee note concerning Rule 6(e) states that "[i]deally, the judge who supervised the grand jury should review the request for disclosure."<sup>606</sup> Thus, I reject your view that decisions by the District of Columbia Circuit provide the controlling legal authority.

The Subcommittee Chairman also based his decision on further information obtained from Chief Assistant U.S. Attorney Richard Drooyan. As stated in his July 2, 1998, letter,

Mr. Drooyan confirmed that his office regards the Ninth Circuit's decision in *United States v. Dynavac*<sup>607</sup> as the controlling legal authority regarding this issue. In *Dynavac*, the Ninth Circuit stated that "if a document is sought for its own sake rather than to learn what took place before the grand jury, and its disclosure will not compromise the integrity of the grand jury process, Rule 6(e) does not prohibit its release."<sup>608</sup> The court of appeals indicated that the concern that disclosure might compromise the integrity of the grand jury process is reduced "when the grand jury investigation is already terminated and an indictment has been issued. \* \* \*"<sup>609</sup>

Mr. Drooyan confirmed that Subcommittee counsel never asked for grand jury materials and were never told if the materials requested were obtained through the grand jury process or were presented to the grand jury. In addition, pursuant to *Dynavac*, the materials provided to the Subcommittee by the U.S. Attorney's Office consisted of either

<sup>602</sup> *Id.* at 21-22.

<sup>603</sup> Letter from Adam H. Kurland to the Hon. Lamar S. Smith and the Hon. Ed Pastor, June 18, 1998, (Exh. 139).

<sup>604</sup> Exh. 140.

<sup>605</sup> Fed. R. Crime. P. 6(e)(3)(D) (emphasis added).

<sup>606</sup> *Id.* (advisory committee note concerning 1983 amendment).

<sup>607</sup> 6 F.3d 1407 (9th Cir. 1993).

<sup>608</sup> *Id.* at 1411-12 (citation omitted).

<sup>609</sup> *Id.* at 1412 (citation omitted).

documents which had an independent existence prior to the grand jury, or other documents to which Rule 6(e) does not apply, such as FBI reports of witness interviews. Finally, the fact that the grand jury investigation by which the government obtained the documents and information in question long ago ended reduces the possibility that the grand jury process would be compromised by the transmittal of those documents and information to the Subcommittee.<sup>610</sup>

#### D. WITNESS IMMUNITY

During its inquiry, the Subcommittee sought the testimony of Dobum Kim regarding a \$30,000 check that he reportedly had given to June Kim in January 1994 in connection with Representative Kim's autobiography.<sup>611</sup> Following the service of a properly issued subpoena for Dobum Kim's testimony, Mr. Kim's attorney advised Subcommittee counsel that his client would assert his Fifth Amendment rights if the Subcommittee sought to compel his testimony.<sup>612</sup> Mr. Kim's attorney also advised Subcommittee counsel that Dobum Kim, "upon a grant of immunity, will answer any and all questions fully, completely and truthfully to the best of his ability."<sup>613</sup>

Dobum Kim's attorney declined to make a substantive proffer to the Subcommittee regarding his client's anticipated testimony. The Subcommittee, however, determined that obtaining Dobum Kim's testimony under oath was substantially important to its inquiry. For that reason, the Subcommittee unanimously voted on April 21, 1998, to recommend that the full Committee seek a grant of "use immunity" for Dobum Kim in exchange for his testimony.<sup>614</sup> On April 22, 1998, the full Committee voted to seek a court order granting use immunity to Dobum Kim, pursuant to the requirements of 18 U.S.C. § 6005.<sup>615</sup>

In early May 1998, the Investigative Subcommittee obtained a court order granting testimonial (i.e., "use") immunity to Dobum Kim.<sup>616</sup> Pursuant to the court's order, Dobum Kim testified under oath before the Investigative Subcommittee on May 20, 1998. As discussed further below, his testimony formed the basis for Count V of the Statement of Alleged Violation.

<sup>610</sup> Exh. 140.

<sup>611</sup> See discussion above regarding Count V of the Statement of Alleged Violation; *see also* Exh. 73 (FBI notes regarding interview of Dobum Kim, dated June 3, 1997).

<sup>612</sup> Exh. 141.

<sup>613</sup> *Id.*

<sup>614</sup> Executive Session, Investigative Subcommittee, Apr. 21, 1998, at 2–3. Specifically, the Subcommittee voted to recommend that the full Committee "direct the House General Counsel to apply to a United States district court for an order immunizing from use and prosecution the testimony of and other information provided by Dobum Kim at proceedings before or ancillary to the Committee, the Investigative Subcommittee, or an adjudicatory subcommittee." *Id.* The Department of Justice did not interpose any objection to a grant of immunity for Dobum Kim. *See* Exh. 142.

<sup>615</sup> Section 6005 of Title 18 sets forth the procedures for obtaining a court order immunizing a witness in a congressional proceeding. A copy of the Committee's application for an immunity order, and a supporting Memorandum of Points and Authorities, is included in the Documentary Appendix to this Report. *See* Exh. 143.

<sup>616</sup> Exh. 144. Upon a motion by the full Committee, the district court subsequently issued an order permitting materials previously filed under seal—such as the Committee's application for an immunity order and the court's order—to be unsealed. Exh. 145.

## E. ALLEGED MISTREATMENT OF WITNESS

Jennifer Ahn, a witness in the inquiry, claimed that Subcommittee counsel mistreated her during an interview on May 18, 1998, by allegedly making threats and using profane language. Ahn was represented by counsel at that interview, but no Subcommittee Members were present. Representative Kim and his attorney each expressed concerns about Ahn's allegations on several occasions during the inquiry, and Representative Kim requested that the Subcommittee respond to the allegations.

During Ahn's interview, Subcommittee counsel expressed frustration in reaction to unresponsive answers by Ahn to a series of questions regarding trips she made to South Korea. Subcommittee counsel indicated that he would pursue the line of questioning until the witness provided responsive answers. The comments by Subcommittee counsel were directed to Ahn's attorney, not to Ahn.

In his July 2, 1998, letter to Representative Kim's attorney, Subcommittee Chairman Lamar Smith stated that "I and other Subcommittee Members have spoken to both Subcommittee attorneys who were present for [the] interview and have also reviewed the record of that interview. I am satisfied that Ms. Ahn was not mistreated, and I regard this matter as closed."<sup>617</sup>

Notwithstanding the Subcommittee Chairman's letter of July 2, 1998, Representative Kim's attorney continued to raise Ahn's allegations with the Subcommittee, and accused the Subcommittee of failing to give proper attention to the allegations.<sup>618</sup> The Subcommittee here reiterates that it took all necessary and appropriate actions in response to Ahn's allegations, and reaffirms its conclusion that she was not mistreated at her interview on May 18, 1998.<sup>619</sup>

In a separate matter, Ahn told the Subcommittee that Federal officials had subjected her to a "strip-search" at Dulles airport on May 10, 1998, upon her return from South Korea.<sup>620</sup> Ahn asked whether "subcommittee members or any staff had knowledge of [the search] or had influenced the FBI, INS, or the U.S. Customs Office to undertake such actions \* \* \*"<sup>621</sup> Representative Kim and his attorney repeatedly asked the Subcommittee to investigate the circumstances surrounding the search of Ahn.

In his July 2, 1998, letter to Representative Kim's attorney, Subcommittee Chairman Lamar Smith stated that he and Ranking Democratic Member Ed Pastor had determined that "neither Committee Members nor staff have ever requested physical searches of Ms. Ahn or anyone else."<sup>622</sup> Based on their consultation with Sub-

<sup>617</sup> Exh. 140.

<sup>618</sup> Exh. 146.

<sup>619</sup> Subsequent to the appearance at which she asserted that she had been mistreated by Subcommittee counsel, Ahn appeared again before the Subcommittee on May 28, 1998. On that occasion, she voluntarily testified in the absence of her attorney, who had previously advised the Subcommittee that he no longer represented Ahn. Dep. of Jennifer Ahn, May 28, 1998, at 4. Ahn read a prepared closing statement at her May 28, 1998, deposition in which she made no mention of the alleged mistreatment by Subcommittee counsel at her appearance on May 18, 1998. See *id.* at 130-133.

<sup>620</sup> Dep. of Jennifer Ahn, May 28, 1998, at 132; see also Dep. of Jennifer Ahn, May 12, 1998, at 7-12; Exh. 147 (written statement by Jennifer Ahn submitted at deposition on May 28, 1998).

<sup>621</sup> Dep. of Jennifer Ahn, May 28, 1998, at 133.

<sup>622</sup> Exh. 140. The Subcommittee Chairman also stated in the letter that "upon inquiry by Subcommittee counsel following Ms. Ahn's complaint, Subcommittee counsel were advised by the

committee counsel, the Subcommittee Chairman and Ranking Democratic Member further determined that the search of Ahn at Dulles Airport was conducted at the initiative of Federal law enforcement officials, and in no way was instigated by the Subcommittee or its counsel. In addition, they determined that Subcommittee counsel did not disclose information regarding travel by Ahn to the FBI or other law enforcement officials in violation of Committee Rule 11.<sup>623</sup>

#### F. EXCULPATORY INFORMATION

Committee Rule 26 states that “[i]f the Committee, or any investigative or adjudicatory subcommittee at any time receives any exculpatory information respecting a Complaint or Statement of Alleged Violation concerning a Member, officer, or employee of the House of Representatives, it shall make such information immediately known and available to the Member, officer, or employee.” The rule defines exculpatory evidence as “any evidence or information that is *substantially favorable* to the respondent with respect to the allegations or charges before an investigative or adjudicatory subcommittee.”<sup>624</sup> (Emphasis added.) Based on its consultation with the Chief Counsel to the Committee, the Investigative Subcommittee did not interpret Rule 26 to require the disclosure of information that simply could be used to try to impeach a witness.

The Investigative Subcommittee provided exculpatory information to Representative Kim on several occasions during the inquiry.<sup>625</sup> Because of conflicting investigative priorities, the Subcommittee was not able in each instance to provide such information to Representative Kim “immediately” upon its receipt by the Subcommittee and, instead, provided the information as soon as practicable. The Subcommittee is unaware of any instance in which the respondent was prejudiced by a delay in the transmittal of exculpatory information.<sup>626</sup>

Representative Kim’s attorney asserted at the end of the inquiry that the Subcommittee violated Committee Rule 26 by not disclosing an FBI report of an interview with Dobum Kim until August 1998, when the Subcommittee provided a draft Statement of Alleged Violation to Representative Kim along with the evidence on which the draft charges was based. The Subcommittee, however, did not construe Committee Rule 26 to require disclosure of the interview report. As noted above, Dobum Kim testified under oath, pursuant to a grant of immunity, that the statements he made to the FBI were false.<sup>627</sup> He also testified that he made false statements to the FBI because of a request by Representative Kim in

FBI office in Los Angeles that Ms. Ahn was the subject of a ‘pat-down’ search, not a strip-search.” *Id.*

<sup>623</sup> Committee Rule 11 states, in pertinent part, that “Committee Members and staff shall not disclose any evidence relating to an investigation to any person or organization outside the Committee unless authorized by the Committee.”

<sup>624</sup> The rule regarding “exculpatory information” was modified by the Committee on Standards of Official Conduct on September 30, 1997, when it adopted its rules for the 105th Congress. Previously, the rule did not contain any definition of “exculpatory information.”

<sup>625</sup> See Exh. 148.

<sup>626</sup> The first two transmittals of exculpatory information occurred on May 1 and May 11, 1998, respectively, prior to Representative Kim’s depositions in June. The third and final transmittal of exculpatory information occurred on or about June 1, 1998—approximately two months before the Subcommittee adopted a Statement of Alleged Violation.

<sup>627</sup> Dep. of Dobum Kim, May 20, 1998, at 155, 158, 170, 172.

1994 that he disguise the true nature of a \$30,000 check given by Dobum Kim to Representative Kim in January 1994.<sup>628</sup> Contrary to the assertion by Representative Kim's attorney, the FBI report of its interview with Dobum Kim therefore constituted inculpatory evidence, as manifested in the portion of Count V of the SAV charging Representative Kim with an attempt to influence statements by Dobum Kim to investigators.

#### G. ASSERTION OF MARITAL PRIVILEGES

Representative Kim's attorney objected to certain questions asked of Representative Kim on the grounds that those questions violated the marital communications privilege. In addition, he argued that certain questioning of June Kim violated the marital communications privilege,<sup>629</sup> and that information obtained from June Kim in alleged violation of that privilege improperly formed the basis for questions the Subcommittee posed to Representative Kim.

Representative Kim's attorney argued that the Subcommittee should suppress any testimony by Mrs. Kim against Representative Kim pursuant to the marital communications privilege and the privilege regarding adverse spousal testimony.<sup>630</sup> Based on his assertion that the Subcommittee improperly obtained information from Mrs. Kim, Representative Kim's attorney further argued that her testimony and any testimony or other information derived from that testimony should be suppressed.<sup>631</sup>

The Subcommittee Chairman responded to these arguments in his July 2, 1998, letter to the respondent's counsel, as excerpted below:<sup>632</sup>

Committee Rule 20(b) governs "the procedure respecting the admissibility of evidence and rulings" in an inquiry. Subsection (b)(1) of Rule 20 states that "[a]ny relevant evidence *shall be admissible* unless the evidence is privileged under the *precedents of the House of Representatives*." (Emphasis added.) The Committee's adoption in 1991 of the language comprising what is now Rule 20(b) manifested an intent not to be bound by evidentiary precedent that did not constitute a precedent of the House of Representatives, as the previous rule in effect during the 101st Congress provided in pertinent part that evidence was admissible unless it "is *privileged or unless the Constitution otherwise requires its exclusion*." (Emphasis added.)

I have previously determined, and now reiterate, that the information in question obtained from Mrs. Kim is relevant to the matters under investigation. In addition, we

<sup>628</sup> *Id.* at 155, 158.

<sup>629</sup> The marital communications privilege "bars testimony concerning privately communicated between spouses." *United States v. Marashi*, 913 F.2d 724, 729 (9th Cir. 1990); see *SEC v. Lavin*, 111 F.3d 921, 925 (D.C. Cir. 1997) The privilege may be asserted by either the testifying or non-testifying spouse. See *United States v. Marashi*, 913 F.2d at 729 (citation omitted).

<sup>630</sup> This privilege concerns giving testimony against one's spouse. The privilege not to testify against one's spouse belongs solely to the witness-spouse, not the non-testifying spouse. *Trammel v. United States*, 445 U.S. 40, 53 (1980).

<sup>631</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 68-69.

<sup>632</sup> Legal citations and narrative footnotes contained in the Subcommittee Chairman's letter of July 2, 1998, have been omitted here but may be reviewed in the full copy of that letter contained in Exhibit 140 of the documentary appendix to this Report.

have consulted with the House Parliamentarian and the Office of General Counsel regarding the existence of any formal precedents of the House of Representatives recognizing either the common law privilege regarding marital communications or the common law privilege regarding adverse spousal testimony. We are unaware of any formal precedent regarding the marital communications privilege, and we are aware of only one case where the privilege against adverse spousal testimony was at issue.

House Committees presented with the assertion of a common law privilege often look to judicial precedent for guidance, and the Subcommittee in this instance takes cognizance of both the marital communications privilege and the privilege against adverse spousal testimony. However, the investigative authority of the House of Representatives is not restricted, as a matter of law, by non-constitutional evidentiary privileges. In the context of assertions of the attorney-client privilege, for example, “the precedents of the Senate and the House of Representatives, which are founded on Congress’ inherent constitutional prerogative to investigate, establish that the acceptance of [such claims] \* \* \* *rests in the sound discretion of a congressional committee regardless of whether a court would uphold the claim in the context of litigation.*” In the exercise of that discretion by legislative oversight committees, “the process of committee resolution of claims of privilege has traditionally been informed by weighing considerations of legislative need, public policy, and the statutory duty of congressional committees to engage in continuous oversight of the application, administration, and execution of laws that fall within its jurisdiction, against any possible injury to the witness.”

It is appropriate for the Investigative Subcommittee to employ a similar balancing test tailored to the specific constitutional responsibilities of the Congress to discipline its Members. If I or the Subcommittee determined that either of the two marital privileges applied in a given instance, the appropriate course would be to decide whether the privilege at issue “promotes sufficiently important interests to outweigh the need for probative evidence” in an ethics investigation.

Under Committee Rule 20(b), therefore, the evidence at issue is admissible without reference to other considerations. In the exercise of my discretion as Subcommittee Chairman, however, and with the concurrence of other Subcommittee Members, I have referred to relevant judicial precedent for guidance in ruling upon evidentiary objections based on common law privileges.

The Subcommittee Chairman then explained the basis for his ruling on objections premised on the assertion of the marital communications privilege:

Because the House of Representatives is a Federal forum, we have referred to decisions by Federal courts for

guidance in considering your objections based on the marital communications privilege. Because the record indicates that most of the communications at issue occurred in California and the marital domicile is located in California, our analysis has focused on decisions by the U.S. Court of Appeals for the Ninth Circuit as well as decisions by the U.S. Supreme Court.

The marital communications privilege “bars testimony concerning statements privately communicated between spouses.” The non-testifying spouse may invoke the privilege. As the Ninth Circuit has observed, “[t]he privilege applies only to marital communications which are confidential. That is, the privilege does not extend to statements which are made before, or likely to be overheard by, third parties.” In addition, “the privilege applies only to words or acts intended as communication to the other spouse.”

Consistent with the judicial practice of narrowly construing other testimonial exclusionary rules and privileges, courts “narrowly construe the marital communications privilege because it obstructs the truth-seeking process. \* \* \* Use of the privilege in criminal proceedings requires a particularly narrow construction because of society’s strong interest in the administration of justice.” In that regard, the Ninth Circuit has held that “the marital communications privilege does not apply to statements made in furtherance of joint criminal activity.”

Insofar as the House of Representatives is not bound by judicial precedent regarding non-constitutional evidentiary privileges, however, the Subcommittee, in its discretion, reserves the right to adopt a more flexible version of the exception for criminal activity if it determines that such an approach is necessary and appropriate to fulfill the constitutional mandate of the House of Representatives to discipline its Members. For example, the Subcommittee may determine that this exception should apply if it believes that the communication in question related to conduct that may have resulted in violations of House Rules, as opposed to violations of law.

Regarding the question of a waiver, I concur that Mrs. Kim, by her testimony, cannot waive Representative Kim’s right to assert the marital communications privilege. Insofar as Representative Kim objects on the grounds of the marital communications privilege to statements or testimony given by Mrs. Kim, it should be noted that Representative Kim was not entitled under Committee Rules to attend informal interviews or depositions of Mrs. Kim, and therefore was in no position at that time to interpose objections on privilege grounds. In light of Representative Kim’s objections at this juncture, the Subcommittee will analyze any such statements or testimony by Mrs. Kim in the context of whether that privilege should apply, and whether any exception to the privilege should apply. If the Subcommittee determines that the privilege should apply,

and that no exception to the privilege should apply, it will assess whether the probative value of the information at issue outweighs the interests that the privilege promotes. Should the Committee determine that the privilege should apply, it will strike from the record the relevant statement or testimony by Mrs. Kim. Consistent with Federal judicial precedent, however, the Subcommittee reserves the right to make derivative use of any statements or testimony by Mrs. Kim.

Finally, you have asserted that any information or evidence derived from Mrs. Kim's testimony must be suppressed or excluded, assuming that such testimony itself was obtained in violation of the marital communications privilege. That view is without merit as a matter of law. Because the marital communications privilege is not "constitutionally grounded," the Ninth Circuit has expressed "doubt that a secondary source of information obtained through information protected by the confidential marital communications privilege would in any way be 'tainted.'" The court of appeals has further observed that even if "some version of a 'taint' theory were independently applicable to violations of this privilege," the independent source doctrine could serve as a basis for the admissibility of evidence.

Pursuant to his authority under Committee Rule 20(b)(2), the Subcommittee Chairman ruled on thirteen separate objections based on the assertion of the marital communications privilege.<sup>633</sup> Based on the factors discussed above, the Subcommittee Chairman overruled each objection.<sup>634</sup>

In the same letter of July 2, 1998, the Subcommittee Chairman separately ruled on evidentiary objections based on the privilege regarding adverse spousal testimony:

The Supreme Court held in *Trammel v. United States* that the privilege not to testify against one's spouse belongs solely to the witness-spouse, not to the non-testifying spouse. Hence, this privilege belongs to June Kim, not to Representative Kim. Representative Kim therefore has no standing to prevent Mrs. Kim from giving testimony against him, except as to communications protected by the marital communications privilege.

At no time during any deposition or interview did June Kim ever invoke the privilege against adverse spousal testimony. The Subcommittee is unaware of any law, House rule, or Committee rule imposing an affirmative obligation on the Subcommittee or its staff to advise a witness-spouse of the ability to assert the adverse spousal testimony privilege. In any event, the Subcommittee has no reason to believe that Mrs. Kim would have invoked this privilege if she had been explicitly so advised, in light of the adverse testimony regarding Representative Kim that she volunteered to the Subcommittee.

<sup>633</sup> Exh. 140.

<sup>634</sup> *Id.*

In the June 24, 1998, letter to me and Ranking Democratic Member Pastor from you and Adam Kurland, you appear to claim that the Subcommittee was required by law to obtain a formal waiver from June Kim of the privilege against adverse spousal testimony. In that regard, you speculate that Subcommittee counsel made representations to Mrs. Kim about applicable laws, that these supposed representations misstated the law, and that the purported misrepresentations “led Mrs. Kim to an involuntary and uninformed waiver.” In addition, you observe that Mrs. Kim’s statements and testimony do not constitute a waiver of Representative Kim’s right to assert the marital communications privilege.

We are not aware of any law or House rule that would have required the Subcommittee to obtain a formal waiver from June Kim of the adverse spousal testimony privilege. Nonetheless, Subcommittee counsel expressly advised Mrs. Kim at her initial interview that counsel would be asking her about confidential communications between her and Representative Kim and about Representative Kim’s own conduct, and she voluntarily provided information about such communications and Representative Kim’s conduct. Your suggestion that Subcommittee counsel induced Mrs. Kim into making statements about confidential marital communications by misrepresenting the law is entirely inaccurate, and it is regrettable that you engaged in such speculation.

In a letter to Subcommittee counsel dated July 14, 1998, June Kim for the first time invoked the privilege regarding adverse spousal testimony, and asked that her prior testimony be withdrawn.<sup>635</sup> She also alleged, for the first time, that Subcommittee counsel had “abused” her, and that her testimony had been “obtained by false representations.”<sup>636</sup> Similarly, one of Representative Kim’s attorneys previously had claimed that Mrs. Kim was “hoodwinked, coerced, lied to, and kind of told vague things about the application of the marital privileges \* \* \*”<sup>637</sup>

The Investigative Subcommittee ruled on Mrs. Kim’s request to withdraw her testimony at a meeting on July 22, 1998. As explained subsequently to Mrs. Kim in an August 4, 1998, letter from the Subcommittee Chairman and Ranking Democratic Member,

the Investigative Subcommittee acknowledged the applicability in this inquiry of the marital communications privi-

<sup>635</sup> Exh. 149.

<sup>636</sup> *Id.* Mrs. Kim stated at the end of her letter that “I declare under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct to the best of my knowledge and recollection.” *Id.* At a meeting of the Investigative Subcommittee on July 16, 1998, the Subcommittee Chairman asked Representative Kim’s attorney what involvement he had with the preparation of Mrs. Kim’s letter of July 14, 1998. Executive Session, Investigative Subcommittee, July 16, 1998, at 22. Representative Kim’s attorney said that he did not prepare the letter and had not spoken directly to Mrs. Kim. *Id.* He failed, however, to respond to the Subcommittee Chairman’s question of whether he spoke to Mrs. Kim’s civil attorney about the letter. *Id.* at 22–23. The contents and timing of Mrs. Kim’s letter, combined with the comments by Representative Kim’s attorney in response to questioning by the Subcommittee Chairman, raised concerns on the part of Subcommittee Members as to whether Representative Kim’s attorney induced Mrs. Kim to seek the withdrawal of her testimony, either directly or indirectly. The Subcommittee was unable to resolve those concerns.

<sup>637</sup> Executive Session, Investigative Subcommittee, July 16, 1998, at 10.

lege and the privilege against adverse spousal testimony, within certain limitations that the Subcommittee previously had explained to counsel for Representative Kim. The Subcommittee found, however, that you were duly advised of your right to counsel pursuant to Committee Rule 27, and that you made a knowing and voluntary decision not to retain an attorney. In addition, the Subcommittee found that neither the Subcommittee nor its staff was required by law or House or Committee rules to specifically advise you of either the marital communications privilege or the privilege against adverse spousal testimony.

Nonetheless, counsel to the Subcommittee made it clear to you at the outset of their communications with you that they would be asking you questions about your husband. Moreover, counsel to the Subcommittee informed you of the two marital privileges, even though not required to do so by House or Committee rules. You were most willing to provide information to the Subcommittee about Representative Kim, including information about communications you had with him. In that regard, the Subcommittee found that you knowingly and voluntarily waived your rights to assert the two marital privileges.

Based on the record before the Subcommittee, including your deposition over a two-day period, the Subcommittee did not credit your claims about the alleged manner in which the Subcommittee or its counsel treated you. In its discretion, however, the Subcommittee decided that it will not base any possible charges against Representative Kim on testimony that you provided, unless there is an independent source for the information in question or the Subcommittee inevitably would have discovered that information. The Subcommittee also has reserved the right to include documents that you have provided in its report to the full Committee, as well as evidence derived from testimony that you provided.

#### H. JUNE KIM'S FIFTH AMENDMENT RIGHTS

June Kim initially was interviewed by Subcommittee counsel in California in March 1998, and subsequently was deposed by the Subcommittee for two days in April 1998. In an effort to suppress Mrs. Kim's testimony, Representative Kim's attorney asserted that the Investigative Subcommittee had an affirmative obligation to advise June Kim of her rights under the Fifth Amendment to the U.S. Constitution, and to obtain a waiver from her of those rights.<sup>638</sup>

In his July 2, 1998, letter to Representative Kim's attorney, the Subcommittee Chairman explained that "Representative Kim has no standing to assert his wife's Fifth Amendment rights," citing a

<sup>638</sup>Executive Session, Investigative Subcommittee, June 8, 1998, at 68-69. The Fifth Amendment to the U.S. Constitution states in pertinent part that "[N]o person \* \* \* shall be compelled in any criminal case to be a witness against himself."

Supreme Court case in support of his ruling.<sup>639</sup> The Chairman therefore denied objections by Representative Kim based on Mrs. Kim's Fifth Amendment rights.<sup>640</sup>

Subcommittee counsel expressly advised Mrs. Kim of her right to counsel, and provided her with a copy of Committee rules, prior to her initial staff interview in March 1998. The Subcommittee Chairman noted in his July 2, 1998, letter that Mrs. Kim was informed of her right to counsel before testifying before the Subcommittee, and had previously been provided with a copy of the Committee's rules. He also stated in the letter that "[w]e have consulted with the House Parliamentarian and the Office of General Counsel and are unaware of any precedent of the House of Representatives requiring a witness testifying before a congressional committee, which is not a criminal tribunal, to be informed of their Fifth Amendment rights. Thus, the Subcommittee was under no obligation to advise Mrs. Kim of her rights under the Fifth Amendment or to obtain a waiver of those rights."<sup>641</sup>

It is also worth noting that, prior to the inquiry undertaken by the Investigative Subcommittee, Mrs. Kim had been a defendant in a lengthy criminal prosecution by the U.S. Attorney's Office in which she had been represented by counsel. In light of that experience, and the express acknowledgment of her right to counsel by Subcommittee Members and counsel, the Subcommittee believes that Mrs. Kim made a knowing and voluntary decision to provide information and testimony without the assistance of counsel.

#### I. DEFERRAL OF RULINGS ON PROCEDURAL OBJECTIONS

During the Investigative Subcommittee's deposition of Representative Kim, Representative Kim's attorney asserted numerous objections on procedural grounds. In many instances, the Subcommittee Chairman ruled on objections when they were made pursuant to his authority under Committee Rule 20(b)(2). In other instances, the Chairman deferred a ruling, preferring to take the matter under advisement.

Representative Kim's attorney later argued that the Subcommittee Chairman acted improperly by deferring a ruling on certain procedural objections.<sup>642</sup> The Subcommittee Chairman rejected that view. In his July 2, 1998, letter to Representative Kim's attorney, the Chairman explained the basis for his decision:

Committee Rule 20(b) states in pertinent part that "[t]he Chairman of the subcommittee or other presiding member at any investigative subcommittee proceeding shall rule upon any question of admissibility or pertinency of evidence, motion, procedure or any other matter \* \* \*." According to the House Parliamentarian, the Chairman or other presiding Member possesses inherent discretion under Committee Rule 20(b) to take a given objection under advisement and defer a final ruling until he or she

<sup>639</sup> Letter from the Hon. Lamar Smith to Ralph Lotkin, July 2, 1998 (Exh. 140) (citing *Couch v. United States*, 409 U.S. 322, 327-29 (1973) (Fifth Amendment privilege against self-incrimination is a personal privilege)).

<sup>640</sup> Exh. 140.

<sup>641</sup> *Id.*

<sup>642</sup> Exh. 150.

has the information deemed necessary and appropriate to issue such a ruling.<sup>643</sup>

#### J. COMPELLED TESTIMONY IN ABSENCE OF TWO-MEMBER QUORUM

On March 19, 1998, the Subcommittee served a subpoena on Jennifer Ahn through her attorney requiring her testimony before the Subcommittee. Ahn first appeared before the Subcommittee pursuant to that subpoena on May 12, 1998, and submitted to questions by Subcommittee Members and counsel. At that deposition, the Subcommittee advised Ahn, in response to her request, that she would be afforded an opportunity to make a closing statement. Questioning of Ahn was not completed on May 12, and her deposition was continued. The Subcommittee directed counsel to reschedule the continuation of Ahn's deposition as soon as possible.

Because of scheduling considerations, including respect for Ahn's own business travel schedule, Subcommittee counsel scheduled the continuation of Ahn's deposition for Monday, May 18, 1998, pursuant to the subpoena originally issued on March 19, 1998. No Subcommittee Members were present for Ahn's appearance that day.

Subcommittee counsel explained to Ahn and her attorney, Tysun Ihm, that her testimony would not be sworn because a quorum of two Members was not present, but that her testimony would be transcribed and subject to the prohibitions of 18 U.S.C. § 1001. Mr. Ihm objected to the continuation of the deposition on the grounds that Members were not present, and that she was entitled to the presence of at least two Members.

Subsequently, Subcommittee counsel, in consultation with the House Parliamentarian, determined that Ahn should not have been required to submit to questioning on May 18, 1998. The Subcommittee did not utilize Ahn's testimony of May 18, 1998, for either the SAV or this report.

#### K. COOPERATION REQUIREMENTS OF PLEA AGREEMENTS

As a condition of their plea agreements with the U.S. Attorney's Office, Representative Kim and June Kim each agreed "to cooperate fully with the Federal Election Commission, *the United States Congress*, this Office, and other law enforcement authorities, including providing truthful and complete testimony, interviews, documents, and other information as requested."<sup>644</sup> The Subcommittee or its counsel cited this requirement several times in seeking information or cooperation from Representative Kim and June Kim.

Representative Kim's attorney expressed concern that the Subcommittee improperly cited the cooperation requirements of Representative and Mrs. Kim's plea agreements with respect to certain requests for information or cooperation, such as information concerning Representative Kim's autobiography, "I'm Conservative."<sup>645</sup> Upon further consultation with the U.S. Attorney's Of-

<sup>643</sup> Exh. 140.

<sup>644</sup> Exhs. 1, 4 (emphasis added). The same condition was included in the plea agreement for Representative Kim's campaign committee, whose guilty plea Representative Kim was required to enter as a separate condition of his own plea agreement. *See* Exh. 3.

<sup>645</sup> Representative Kim's attorney raised questions about the Subcommittee's recitation of Representative Kim's cooperation agreement in a letter dated July 28, 1998. *See* Exh. 151 The Subcommittee Chairman and Ranking Democratic Member responded in a letter dated July 31,

office, Subcommittee counsel confirmed that the plea agreements of Representative and Mrs. Kim required them to cooperate with the Committee on any matter within the scope of the criminal investigation, including matters concerning Representative Kim's book. Subcommittee counsel did determine, however, that the subject matter of certain requests directed to Representative Kim had exceeded the scope of the Kims' plea agreements; although the Subcommittee properly could have sought to compel a response to some of those requests, it was improper to invoke the plea agreements as a basis to require the information.

At a Subcommittee meeting on July 22, 1998, at which Representative Kim and his attorney both were present, the Subcommittee considered a motion that included the following provision: "[t]hat to the extent the subcommittee or its counsel asked any question of Representative Kim or June Kim or sought the production of any document by improperly citing the cooperation provisions of their respective plea agreements, \* \* \* they may modify or withdraw their answers, or obtain return of such document, if they state in writing that they provided the answer or document solely because of the reference to the cooperation agreement."<sup>646</sup> The Subcommittee unanimously agreed to the motion.<sup>647</sup> In addition, the Subcommittee advised Representative Kim and his attorney that Representative Kim could withdraw answers to various questions previously directed to him by the Subcommittee.<sup>648</sup>

The Subcommittee advised June Kim of its decision in a letter dated August 4, 1998, in which it asked her to notify Subcommittee counsel in writing if she believed that she was entitled to withdraw any answer pursuant to the Subcommittee's ruling.<sup>649</sup> On or about August 24, 1998, Mrs. Kim responded in writing to the Subcommittee's letter, asking that the Subcommittee "forward to me a copy of the transcript [sic] of all questions and answers which would fall within the [terms of the Subcommittee's letter] as well as any and all documents which may be withdrawn."<sup>650</sup> The Subcommittee subsequently determined that the issue regarding Mrs. Kim's cooperation agreement had become moot with respect to her testimony in light of the fact that the Subcommittee had decided, in its discretion, not to utilize any testimony by Mrs. Kim for purposes of the SAV or this Report.<sup>651</sup>

Subcommittee counsel did invoke Mrs. Kim's plea agreement to obtain copies of her South Korean bank records regarding transactions in 1994, when most of the funds purported to be revenue from Representative Kim's book apparently were deposited into Mrs. Kim's bank account at Cho Hung Bank in Seoul. The Sub-

1998, in which they deemed moot most of the issues raised by Representative Kim's attorney. Exh. 152.

<sup>646</sup> Executive Session, Investigative Subcommittee, July 22, 1998, at 3-4.

<sup>647</sup> *Id.* at 4.

<sup>648</sup> *Id.* at 8. The questions at issue concerned June Kim's book, Representative Kim's 1998 campaign, bank records for 1997 and 1998, and Image Media Services, Inc.

<sup>649</sup> Exh. 153. The letter to Mrs. Kim explained that the Subcommittee's ruling did "not pertain to questions directed to you during your deposition regarding matters within the scope of the Subcommittee's inquiry, as your testimony occurred pursuant to a properly issued subpoena."

*Id.*

<sup>650</sup> Exh. 154.

<sup>651</sup> It should also be noted that it is Committee policy, pursuant to Committee Rule 27(p), not to distribute copies of witness testimony outside of the Committee's office. Witnesses or their counsel may review transcripts of testimony at the Committee's office.

committee Ranking Member, however, separately had personally asked Mrs. Kim on several occasions to provide those documents, and she had explicitly promised on the record to obtain the documents from Cho Hung Bank and provide them to the Subcommittee.<sup>652</sup>

#### L. APPEALS OF PROCEDURAL RULINGS

Committee Rule 20(b) states in pertinent part that “[a] witness, witness’s counsel, or a member of the subcommittee may appeal any evidentiary rulings to the members present at [a proceeding of the investigative subcommittee]. The majority vote of the members present at such proceeding on such appeal shall govern the question of admissibility, and no appeal shall lie to the full Committee.”

Pursuant to Committee Rule 20(b)(2), the Investigative Subcommittee accorded Representative Kim a hearing to appeal evidentiary rulings by the Subcommittee Chairman.<sup>653</sup> On July 15–16, 1998, Representative Kim and his attorneys appeared before the Investigative Subcommittee to appeal rulings discussed in the Subcommittee Chairman’s letter dated July 2, 1998, including the rulings regarding June Kim’s marital privilege and Fifth Amendment rights, documents provided by the U.S. Attorney’s Office, and the alleged mistreatment of Jennifer Ahn. Representative Kim’s attorneys also appealed a ruling regarding the admissibility of evidence concerning possible conduit campaign contributions during the 1980’s, before Representative Kim was elected to the House of Representatives.

By a unanimous vote on July 22, 1998, the Subcommittee found that the issues regarding Mrs. Kim’s marital privileges and Fifth Amendment rights were moot.<sup>654</sup> The Subcommittee denied Representative Kim’s appeal regarding documents obtained from the U.S. Attorney’s Office because it had “no reason to believe that any documents provided by the U.S. Attorney’s Office were provided in violation of [R]ule 6(e) of the Federal Rules of Criminal Procedure.”<sup>655</sup> The Subcommittee also explained that it was “unaware of any law or rule that would have required either the U.S. Attorney’s Office, the Committee on Standards of Official Conduct, or this investigative subcommittee to seek an order of a Federal district court to permit disclosure of the documents in question.”<sup>656</sup>

Regarding Jennifer Ahn, the Subcommittee found that the Subcommittee Chairman’s previous rulings regarding alleged witness mistreatment and the airport search of Ahn were not evidentiary

<sup>652</sup> Deposition of June O. Kim, Apr. 21, 1998, at 100–106.

<sup>653</sup> Exh. 155. On July 14, 1998, Representative Kim’s attorneys submitted a letter to the Subcommittee explaining the basis for their various appeals. Exh. 146.

<sup>654</sup> Executive Session, Investigative Subcommittee, July 22, 1998, at 3, 5–6. In explaining the Subcommittee’s ruling, the Subcommittee Chairman reconfirmed that (1) neither the Subcommittee nor its counsel was required by law or by House or Committee rules to advise Mrs. Kim of either the privilege against adverse spousal testimony or the marital communications privilege; and (2) that neither the Subcommittee nor its staff was required by law or by House or Committee rules to advise Mrs. Kim of her Fifth Amendment rights, or to seek a waiver of those rights. *Id.* at 5, 7. The issues raised by Representative Kim’s attorneys were moot, however, because the Subcommittee, in its discretion, chose not to utilize Mrs. Kim’s testimony for purposes of the SAV or this Report.

<sup>655</sup> *Id.* at 3, 9.

<sup>656</sup> *Id.* at 9.

rulings, and therefore were not subject to appeal under Committee Rule 20(b).<sup>657</sup>

Finally, Representative Kim's attorney had asserted that a waiver by the full Committee of the so-called "three-Congress rule" was required in order for the Subcommittee to inquire about possible conduit campaign contributions<sup>658</sup> during the 1980's, and sought to appeal the denial of objections previously raised in response to questions concerning such contributions. The Subcommittee denied Representative Kim's appeal, explaining that it

did not pose questions to Representative Kim about possible conduit contributions during the 1980s because it was interested in charging him with respect to those contributions. Rather, the questions were posed to establish his prior knowledge regarding campaign finance laws and to try to determine whether there was a pattern [and] practice of illegal conduit contributions going back to the 1980s. In that regard, the purpose was to ascertain whether there was corroborating evidence with respect to possible illegal conduit contributions in 1993 and 1994, a time period well within the third previous Congress.<sup>659</sup>

The Subcommittee added that "[w]e do not interpret [C]ommittee [R]ule 19(d) to prohibit the asking of questions aimed at developing evidence regarding possible charges that \* \* \* concern conduct within the statute of limitations specified by the rule."<sup>660</sup>

#### M. ADOPTION OF STATEMENT OF ALLEGED VIOLATION

Committee Rule 27(c) states, in pertinent part, that "[n]ot less than 10 calendar days before a scheduled vote by an investigative subcommittee on a Statement of Alleged Violation, the subcommittee shall provide the respondent with a copy of the Statement of Alleged Violation it intends to adopt together with all evidence it intends to use to prove those charges which it intends to adopt, including documentary evidence, witness testimony, memoranda of witness interview, and physical evidence \* \* \*." This rule was adopted as part of the procedural revisions resulting from the work of the House Ethics Reform Task Force ("Task Force"), and passed by the House of Representatives as H. Res. 168 in September 1997. In its report to the House, the Task Force indicated that one of the purposes of the new rule was to "encourage realistic and productive settlement negotiations between the parties."<sup>661</sup>

On July 24, 1998, the Investigative Subcommittee, by an affirmative vote of a majority of its members, voted to confirm its intent to adopt a draft Statement of Alleged Violation prepared by Subcommittee counsel.<sup>662</sup> On July 28, 1998, the Subcommittee deliv-

<sup>657</sup> *Id.* at 3, 10. The Subcommittee also questioned whether Representative Kim had standing to assert any claims on behalf of third-party witnesses. *Id.* at 10.

<sup>658</sup> It is illegal for any person to make a contribution to a federal candidate by using the name of another person. 2 U.S.C. § 441f. Such a contribution is commonly referred to as a "conduit contribution."

<sup>659</sup> Executive Session, Investigative Subcommittee, July 22, 1998, at 11.

<sup>660</sup> *Id.*

<sup>661</sup> Report of the Ethics Reform Task Force on H. Res. 168, 105th Cong., 1st Sess. 24 (1997) (Committee Print).

<sup>662</sup> Executive Session of the Investigative Subcommittee, July 24, 1998, at 4-5. Rule 27(c) is silent with respect to how an investigative subcommittee should manifest its intent to adopt a

ered to Representative Kim a draft Statement of Alleged Violation and the evidence on which the draft charges were based.<sup>663</sup>

Pursuant to an earlier commitment made to Representative Kim by the Subcommittee in the exercise of its discretion, Subcommittee counsel notified Representative Kim's attorney by letter on July 29, 1998, that Representative Kim would be afforded an opportunity to appear before it on August 5, 1998, to comment on the proposed charges contained in the draft SAV.<sup>664</sup> In the letter, Subcommittee counsel asked Representative Kim's attorney to confirm whether Representative Kim desired to appear before the Subcommittee for the specified purpose, and, if so, to submit a letter to the Subcommittee "specifying the purpose of Representative Kim's proposed appearance \* \* \*."<sup>665</sup>

On August 3, 1998, Representative Kim's attorney, Ralph Lotkin, responded by letter to the July 29, 1998, letter from Subcommittee counsel.<sup>666</sup> The letter stated that "[i]n light of our ongoing review of the draft Statement of Alleged Violations, we believe it would be helpful for the Congressman to meet with the Subcommittee for the purpose of identifying whether a mutually-acceptable resolution can be achieved."<sup>667</sup>

Subcommittee counsel responded by letter to the August 3, 1998, letter from Mr. Lotkin on the same day.<sup>668</sup> Subcommittee counsel advised Mr. Lotkin that counsel "interprets your letter to mean that Representative Kim will make a settlement offer to the Investigative Subcommittee at the meeting on August 5," and asked Mr. Lotkin to submit a settlement offer by August 4, 1998, if counsel's interpretation was correct.<sup>669</sup> Subcommittee counsel further advised Mr. Lotkin that a written settlement offer from Representative Kim "will form the basis for discussion at the meeting on August 5."<sup>670</sup>

On August 4, 1998, Mr. Lotkin sent a letter to the Subcommittee Chairman and Ranking Democratic Member in response to the August 3, 1998, letter from Subcommittee counsel.<sup>671</sup> The letter did not contain any settlement offer with respect to the proposed charges contained in the draft SAV.<sup>672</sup>

On August 5, 1998, the Subcommittee afforded Representative Kim an opportunity to appear before it to comment on the proposed

---

draft SAV. In this case, the Subcommittee decided in its discretion to demonstrate its intent to adopt the draft SAV by a formal vote. The Subcommittee also authorized Subcommittee counsel to make technical changes to the draft SAV. *Id.*

<sup>663</sup> Exh. 156 (letter accompanying draft SAV).

<sup>664</sup> Exh. 157. It should also be noted that the Subcommittee, in its discretion, had scheduled a special meeting to afford Representative Kim an opportunity to make a closing statement following the completion of his deposition, and that Representative Kim failed to take advantage of that opportunity. The Subcommittee was not required under House or Committee rules to afford Representative Kim either opportunity to appear before it.

<sup>665</sup> *Id.*

<sup>666</sup> Exh. 158.

<sup>667</sup> *Id.*

<sup>668</sup> Exh. 159

<sup>669</sup> *Id.*

<sup>670</sup> *Id.*

<sup>671</sup> Exh. 160.

<sup>672</sup> Instead, Mr. Lotkin proposed "that the Subcommittee (and, as appropriate, the full Committee) work with Representative Kim in the drafting of a mutually-acceptable 'report' which simultaneously recognizes the efforts undertaken *and* maintains the Congressman's presumption of innocence." *Id.* (emphasis in original). Mr. Lotkin added that the proposal "does not represent the totality of options available to the Subcommittee or Representative Kim," but did not identify any such "options." *Id.*

charges contained in the draft SAV.<sup>673</sup> At the meeting, Representative Kim declined to discuss the proposed charges contained in the draft SAV. Instead, Mr. Lotkin advised the Subcommittee that any comments Representative Kim might have could be found in Mr. Lotkin's August 4, 1998, letter to the Subcommittee Chairman and Ranking Democratic Member, which made no reference to the proposed charges contained in the draft SAV.<sup>674</sup> Mr. Lotkin did say, however, that Representative Kim "will under no circumstances agree to [the draft] Statement of Alleged Violations."<sup>675</sup>

Mr. Lotkin also remarked at the meeting that "I sit here in total confidence with the knowledge that I can disprove some of what is alleged as not having occurred."<sup>676</sup> In that regard, Representative Robert C. Scott invited Mr. Lotkin to identify any evidence that, in his estimation, would disprove a proposed charge contained in the draft SAV.<sup>677</sup> Mr. Lotkin declined to provide such information, remarking that "I am not going to . . . help you perfect a Statement of Alleged Violation."<sup>678</sup> The Subcommittee meeting was adjourned soon thereafter.

On August 6, 1998, the Subcommittee Chairman and Ranking Democratic Member sent a letter to Mr. Lotkin regarding "matters that arose at the meeting of the Investigative Subcommittee on August 5, 1998."<sup>679</sup> They advised Mr. Lotkin that the Subcommittee had denied his request that Representative Kim be permitted to participate in the drafting of the report of the inquiry.<sup>680</sup> In addition, they advised Mr. Lotkin that "you indicated to the Subcommittee that you possess exculpatory information with respect to the proposed charges, and declined to share that information with the Subcommittee. If, in fact, you are in possession of such information, we believe you have done a disservice both to Representative Kim and to the ethics process by refusing to provide that information to the Subcommittee at this critical procedural juncture."<sup>681</sup> The letter further stated:

As you know, the Subcommittee already has manifested its intent to adopt charges contained in the draft SAV, and that vote may occur as early as tomorrow, August 7, 1998. It is essential to a full and fair evaluation of the evidence for the Subcommittee to review any exculpatory information before voting to adopt an SAV. If, in fact, you possess any exculpatory information regarding any proposed charge, we direct you to provide such information to the Subcommittee immediately.<sup>682</sup>

Mr. Lotkin responded to the Subcommittee's August 6, 1998, letter, on the same day.<sup>683</sup> He reconfirmed "our refusal to share with

<sup>673</sup> Executive Session of the Investigative Subcommittee, Aug. 5, 1998, at 3.

<sup>674</sup> *Id.* at 7.

<sup>675</sup> *Id.* at 9.

<sup>676</sup> *Id.* Mr. Lotkin subsequently remarked at the meeting that "I am not going to tell the prosecution how to perfect its indictment. We will beat it on the facts. \* \* \* I am not saying it for effect. \* \* \* I am just telling you what I know." *Id.* at 10.

<sup>677</sup> *Id.* at 9.

<sup>678</sup> *Id.*

<sup>679</sup> Exh. 161.

<sup>680</sup> *Id.*

<sup>681</sup> *Id.*

<sup>682</sup> *Id.*

<sup>683</sup> Exh. 162.

you what we believe is exculpatory information in our possession related to your draft Statement of Alleged Violation,” maintaining that “it is not, nor should it be, our duty to assist you in the preparation of any charging document.”<sup>684</sup> He also requested another meeting with the Investigative Subcommittee.<sup>685</sup> In a letter to Mr. Lotkin transmitted later the same day, the Subcommittee Chairman and Ranking Democratic Member denied Mr. Lotkin’s request for an additional meeting.<sup>686</sup>

On August 7, 1998, the Investigative Subcommittee unanimously voted to adopt a Statement of Alleged Violation consisting of six counts of alleged violations of laws and House rules.<sup>687</sup> Pursuant to Committee Rule 20(e), the Subcommittee’s action was based on its determination that there was “substantial reason to believe” that Representative Kim committed the alleged violations.

At the August 7, 1998, meeting, the Subcommittee unanimously voted to authorize the Subcommittee Chairman to rule on a motion by Representative Kim for a bill of particulars, a motion to dismiss, or a motion for an extension of time, upon consultation with members of the Subcommittee.<sup>688</sup> The Subcommittee based its action on the fact that Committee rules regarding the disposition of a motion for a bill of particulars or a motion to dismiss refer only to a “reply” by an investigative subcommittee to such motions and, unlike other Committee rules, do not expressly require a meeting of the Subcommittee or a vote.<sup>689</sup>

Later on August 7, 1998, the Investigative Subcommittee transmitted the SAV to Representative Kim and his attorney, pursuant to Committee Rule 20(e).<sup>690</sup> In a letter accompanying the SAV, the Subcommittee Chairman and Ranking Democratic Member advised Representative Kim of his right to submit an answer to the SAV or to precede the filing of an answer with a motion for a bill of particulars or a motion to dismiss.<sup>691</sup> They also advised Representative Kim that the SAV adopted by the Subcommittee contained changes in comparison with the draft SAV originally transmitted on July 28, 1998, and that those changes would not affect any time periods specified by Committee rules.<sup>692</sup>

On August 24, 1998, Representative Kim’s attorney filed a Motion for a Bill of Particulars on behalf of Representative Kim pursuant to Committee Rule 23(b), along with a supporting Memorandum of Points and Authorities (“Memorandum”).<sup>693</sup> In the Memorandum, Mr. Lotkin asserted that he was in possession of “documentary” exculpatory information regarding Count V of the SAV, described the general nature of that information, but maintained his intention to withhold the information from the Subcommittee.<sup>694</sup>

---

<sup>684</sup> *Id.*

<sup>685</sup> *Id.*

<sup>686</sup> Exh. 163.

<sup>687</sup> Executive Session of the Investigative Subcommittee, Aug. 7, 1998, at 27–29.

<sup>688</sup> *Id.* at 33–34.

<sup>689</sup> *Id.* at 29–32.

<sup>690</sup> Exh. 164.

<sup>691</sup> *Id.*

<sup>692</sup> *Id.* Subcommittee counsel met personally with Representative Kim’s attorney to review in detail the changes made to the draft SAV.

<sup>693</sup> Exh. 165.

<sup>694</sup> *Id.*

The Subcommittee Chairman conferred with other Subcommittee Members and Subcommittee counsel regarding Representative Kim's motion. Pursuant to the authority delegated to him by the Investigative Subcommittee, the Subcommittee Chairman responded to Representative Kim's motion in a letter dated August 25, 1998, in which he denied Representative Kim's motion.<sup>695</sup> In that letter, the Subcommittee Chairman explained that

[t]he Subcommittee has carefully reviewed Representative Kim's Motion and supporting Memorandum, and has determined that the information contained in each of the counts comprising the SAV is sufficient to advise Representative Kim of the allegations against him, and sufficient to afford him a meaningful opportunity to respond to those allegations. Further, Representative Kim previously received an annotated draft of the SAV that identified witnesses, cited specific testimony, and included supporting documentation.<sup>696</sup>

In a letter to the Honorable Lamar Smith dated August 27, 1998, Mr. Lotkin asserted that the Subcommittee Chairman's denial of Representative Kim's Motion for a Bill of Particulars was procedurally invalid on the grounds that the Subcommittee itself did not meet to vote on the motion.<sup>697</sup> On September 2, 1998, the Investigative Subcommittee met and considered Mr. Lotkin's letter. At that meeting, the Subcommittee—by a majority of its members—found that the Subcommittee Chairman's denial of Representative Kim's Motion for a Bill of Particulars “was consistent with the rules of the Committee on Standards of Official Conduct.”<sup>698</sup> The Subcommittee further ratified the Subcommittee Chairman's previous denial of the motion by separately voting to deny Representative Kim's motion.<sup>699</sup>

On September 9, 1998, Representative Kim's attorney filed a Motion to Dismiss the SAV pursuant to Committee Rule 23(c)(2).<sup>700</sup> On September 10, 1998, the Subcommittee voted to deny the motion by an affirmative vote of a majority of its members. In a letter to Representative Kim's attorney, the Subcommittee Chairman and Ranking Democratic Member explained that the Subcommittee had “determined that each of the counts comprising the SAV states facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct and

<sup>695</sup> Exh. 166.

<sup>696</sup> The Subcommittee Chairman also advised Mr. Lotkin that his continued refusal to provide exculpatory information purportedly in his possession was “regrettable.” He commented in the letter that “[a]lthough Representative Kim is not *required* by House or Committee rules to provide exculpatory information to the Subcommittee, it is clearly in his best interests to do so without further delay. The integrity of the ethics process, and the ability of Subcommittee and full Committee Members to make informed judgments on matters critical to a respondent's interests, are both diminished when a respondent or his or her counsel deliberately withholds information that could be exculpatory.” *Id.* (emphasis in original).

<sup>697</sup> Exh. 167.

<sup>698</sup> Executive Session, Investigative Subcommittee, Sept. 2, 1998, at 18.

<sup>699</sup> *Id.* The Subcommittee Chairman advised Mr. Lotkin of the action taken by the Subcommittee in a letter dated September 2, 1998. Exh. 168.

<sup>700</sup> Exh. 169.

that the Committee has jurisdiction to consider the allegations contained in each count of the SAV.”<sup>701</sup>

On September 25, 1998, Representative Kim filed an Answer to the Statement of Alleged Violation, in which he admitted the statutory violations of Federal election campaign laws to which he pleaded guilty in 1997, but denied all charges by the Investigative Subcommittee, including alleged violations of House Rules based on those statutory violations.<sup>702</sup> Thus, Representative Kim denied all of the charges contained in the SAV.<sup>703</sup>

On October 2, 1998, the Subcommittee voted to adopt this Report. On the same day, the Subcommittee Chairman, pursuant to Committee Rule 23(g), transmitted to the Chairman and Ranking Minority Member of the full Committee the SAV, related motions, replies to those motions, and related pleadings. The Subcommittee Chairman also transmitted the Subcommittee’s report to the Chairman and Ranking Minority Member of the full Committee.

In transmitting the SAV and the other referenced materials, the Subcommittee recommended that no adjudicatory subcommittee be established, and that no further action be taken in this matter. The Subcommittee based its recommendation on the fact that Representative Kim had lost his primary election in June 1998, and that the Committee therefore would lose its jurisdiction over him in January 1999.

On October 6, 1998, the full Committee unanimously voted to adopt the Subcommittee’s report, and to approve the Subcommittee’s recommendation that no further action be taken in this matter.

---

<sup>701</sup> Exh. 170. On September 16, 1998, the Subcommittee Chairman and Ranking Democratic Member sent a follow-up letter to Representative Kim’s attorney providing further explanation for the Subcommittee’s denial of the Motion to Dismiss. *See* Exh. 13.

<sup>702</sup> Exh. 171. The Subcommittee responded in part to Representative Kim’s Answer in a letter dated September 29, 1998. *See* Exh. 172.

<sup>703</sup> The Investigative Subcommittee charged Representative Kim only with violations of House Rules in connection with the statutory violations to which he had pleaded guilty—not with statutory violations of federal election campaign laws.

**EXH. 1**

**PLEA AGREEMENT**

United States v. Jay C. Kim

**INTRODUCTORY PARAGRAPH**

1. This constitutes the plea agreement between Jay C. Kim ("you") and the United States Attorney's Office for the Central District of California ("this Office") in the investigation relating to the financing of Jay C. Kim's 1992, 1994, and 1996 campaigns for the United States Congress. The terms of the agreement are as follows:

**PLEA**

2. You agree to waive indictment by a grand jury and to plead guilty to an information in substantially the form attached to this agreement charging you with one count of making an illegal corporate campaign contribution in violation of 2 U.S.C. §§ 441b, 437g; one count of accepting an illegal corporate campaign contribution in violation of 2 U.S.C. §§ 441b, 437g; and one count of accepting an illegal foreign campaign contribution in violation of 2 U.S.C. §§ 441f, 437g. You further agree to waive the statute of limitations as to the counts to which you are agreeing to plead guilty.

**NATURE OF THE OFFENSE**

3. In order to be guilty of violating 2 U.S.C. §§ 441b, 437g, the following must be established: (1) You must have made, or caused to be made, or accepted or received, or caused to be accepted or received, contributions by a corporation in connection with an election for federal office; (2) the corporate contributions you made, received, or accepted must have aggregated \$2,000 or more in a calendar year; and (3) you must have acted knowingly and willfully. In order to be guilty of violating 2 U.S.C. §§ 441f, 437g, the following must be established: (1) you must have accepted or received, or caused to be accepted or received, a contribution by a person who is not a United States citizen or legal permanent resident; (2) the foreign contributions you accepted must have aggregated \$2,000 or more in a calendar year; and (3) you must have acted knowingly and willfully. By signing this agreement, you admit that you are, in fact, guilty of these offenses.

**PENALTIES**

4. The statutory maximum sentences that the Court can impose are as follows:

For each count of conviction of 2 U.S.C. §§ 441b, 437g: One year incarceration; a one year period of supervised release; a fine of \$100,000 or three times the amount of the contribution involved; and a special assessment of \$25. For each count of conviction of 2 U.S.C. §§ 441f, 437g: One year incarceration; a one year period of supervised release; a fine of \$100,000 or three times the amount of the contribution involved; and a special assessment of \$25.

5. If you are placed on supervised release following imprisonment and you violate one or more of the conditions of supervised release, you may be returned to prison for all or part of the term of supervised release, which could result in your serving a total term of imprisonment greater than the statutory maximum stated above. The Court can also order you to pay the costs of your imprisonment. You agree to pay your special assessment at or before the time of sentencing.

#### SENTENCING FACTORS

6. You and this Office agree to the following applicable sentencing guideline factors:

The parties agree that the applicable sentencing guideline is § 2F1.1 and that pursuant to sentencing guideline § 2F1.1, the base offense level for the pending offense is 6. The parties further agree to the following: (1) there was no monetary loss as a result of your role in the pending offense; (2) your offense level should be increased 2 levels pursuant to § 2F1.1 for more than minimal planning; and (3) your offense level should be reduced 2 levels, resulting in a total adjusted sentencing guidelines range of 0-6 months if you continue to accept responsibility for your offense, up to and including the time of sentencing.

7. You understand that neither the United States Probation Office nor the Court is bound by the stipulation herein and that the Court will, with the aid of the presentence report, determine the facts and calculations relevant to sentencing. You further understand that both you and this Office are free to supplement these stipulated facts by supplying relevant information to the United States Probation Office, and this Office specifically reserves its right to correct any and all factual misstatements relating to the calculation of your sentence. You understand that the Court cannot rely exclusively upon the parties' stipulation in ascertaining the factors relevant to the determination of your sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation, and any other relevant information. You understand that if the Court ascertains factors different from those contained in the

stipulation, you cannot, for that reason alone, withdraw your guilty plea.

8. You understand that there is no agreement as to your criminal history or criminal history category, and that your criminal history could alter your offense level if you are a career offender or if the instant offense was a part of a pattern of criminal conduct from which you derived a substantial portion of your income.

COOPERATION

9. You agree to cooperate fully with the Federal Election Commission, the United States Congress, this Office, and other law enforcement authorities, including providing truthful and complete testimony, interviews, documents, and other information as requested.

PLEA BY JAY KIM FOR CONGRESS COMMITTEE

10. You agree that you will, at the time you enter into this plea agreement, enter into, on behalf of the Jay Kim for Congress Committee, an accompanying plea agreement between this Office and the Jay Kim for Congress Committee. You further agree that you will personally enter in Court the pleas of guilty for, and on behalf of the Jay Kim for Congress Committee.

WAIVER OF STATUTES OF LIMITATIONS

11. You agree to the following:

(a) In the event you fail to enter your pleas of guilty as set forth in this agreement, the Court rejects or otherwise fails to accept your pleas of guilty, or for any reason you withdraw or fail to maintain your pleas and be sentenced, this Office will be permitted time to prepare and present an indictment to a grand jury as set forth below:

(b) The period beginning on May 9, 1997 and terminating at midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later, shall be tolled and excluded from any calculation of time for the purposes of (i) any applicable statute of limitations under the laws of the United States, and (ii) any constitutional, statutory, or other claim concerning pre-indictment delay, with respect to offenses described in subparagraph (c) for which the statute of limitations would expire between May 9, 1997 and midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later.

(c) This statutes of limitations waiver applies to all offenses which relate in any way to any transactions, reports or other activities relating to or in connection with the following:

campaign contributions to or from any source, the Jay Kim for Congress Committee, and/or the personal and/or business finances of Jay C. Kim and/or June C. Kim.

(d) In the event the Court were to reject this plea agreement or otherwise fail to accept your pleas of guilty, this paragraph will remain valid and fully in force.

FACTUAL BASIS

12. You and this Office agree and stipulate to the statement of facts attached hereto and incorporated herein.

CONSIDERATION BY OFFICE

13. In exchange for your guilty plea and your complete fulfillment of all of your obligations under this agreement, this Office agrees that it will not prosecute you for any other violations of federal criminal law relating to the financing of Jay C. Kim's 1992, 1994, and 1996 congressional campaigns.

WAIVER OF CONSTITUTIONAL RIGHTS

14. You understand that by pleading guilty, you will be giving up the following Constitutional rights: You have the right to plead not guilty and the right to be tried by a jury or by the court if you waive your right to a jury trial. At a trial, you would have the right to the assistance of counsel and if you could not afford an attorney, the Court would appoint one to represent you. During the trial, you would be presumed innocent and a jury would be instructed that the burden of proof is on the government to prove you guilty beyond a reasonable doubt. You would have the right to confront and cross-examine witnesses against you. If you wish, you could testify on your own behalf and present evidence in your defense. On the other hand, if you did not wish to testify or present evidence, that fact could not be used against you and a jury would be so instructed. You would also have the right to call witnesses on your behalf. By pleading guilty, you will be giving up all of these rights. By pleading guilty, you further understand that you will be waiving any and all rights to pursue any applicable affirmative defenses, any Fourth Amendment or Fifth Amendment claims, and any other actual or potential pretrial motions previously filed or to be filed. Finally, by pleading guilty, you understand that you may have to answer questions posed to you by the Court both about the rights that you will be giving up and about the facts of this case. Any statements made by you during such a hearing could be used against you in a criminal prosecution for perjury or false statements.

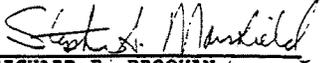


and thereafter of no legal effect or force. This agreement shall be effective upon execution by you and this Office.

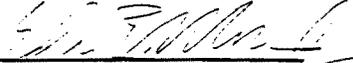
AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

NORA M. MANELLA  
United States Attorney

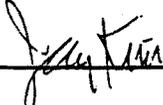
  
RICHARD E. DROOYAN  
Chief Assistant United States Attorney

STEPHEN A. MANSFIELD  
Assistant United States Attorney  
Senior Litigation Counsel

  
EDWARD B. MORETON, JR.  
Assistant United States Attorney  
Public Corruption and Government Fraud Section

I have read this agreement and have carefully reviewed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to each of the terms. Before signing this agreement, I consulted with my attorney. My attorney fully advised me of my rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of entering into this agreement. No other promises or inducements have been made to me, other than those contained in this agreement. Furthermore, no one has threatened or forced me in any way to enter into this agreement. Finally, I am satisfied with the representation of my attorney in this matter.

7/25/97  
Date

  
JAY C. KIM  
Defendant

I am Jay C. Kim's attorney. I have carefully reviewed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of

entering into this agreement. To my knowledge, my client's decision to enter into this agreement is an informed and voluntary one.

7/90/93  
Date

  
THOMAS E. HOLLIDAY  
Counsel for Defendant

FILED

1 NORA M. MANELLA  
 United States Attorney  
 2 DAVID C. SCHEPER  
 Assistant United States Attorney  
 3 Chief, Criminal Division  
 STEPHEN A. MANSFIELD  
 4 Assistant United States Attorney  
 EDWARD B. MORETON, JR.  
 5 Assistant United States Attorney  
 Public Corruption & Government Fraud Section  
 6 1300 United States Courthouse  
 312 North Spring Street  
 7 Los Angeles, California 90012  
 Telephone: (213) 894-5615/3358

8 Attorneys for Plaintiff  
 9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT  
 11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,	)	CR 97-726-RAP
	)	
13 Plaintiff,	)	<u>AMENDED STATEMENTS OF FACTS FOR</u>
	)	<u>PLEA AGREEMENTS OF DEFENDANT</u>
14 v.	)	<u>JAY KIM AND DEFENDANT JAY KIM</u>
	)	<u>FOR CONGRESS COMMITTEE</u>
15 JAY C. KIM,	)	
16 JUNE O. KIM,	)	
JAY KIM FOR CONGRESS	)	
COMMITTEE,	)	
17 Defendants.	)	
18	)	

19  
 20 The United States of America hereby submits the Amended  
 21 Statement of Facts in the plea agreement of defendant Jay Kim and  
 22 the amended Statement of Facts in the Plea Agreement of defendant  
 23 Jay Kim For Congress Committee pursuant to the agreement reached  
 24 between the United States and counsel for defendant Jay Kim and  
 25 defendant Jay Kim For Congress Committee.

26 The minor changes in these two agreements are as follows:  
 27 certain references to "June Kim" have been changed to "and/or  
 28 //

1 an agent of the campaign committee' pursuant to the parties'  
 2 agreement. Also submitted herewith are copies of these amended  
 3 versions with bold typeface to highlight the agreed-upon changes.  
 4 The parties set forth below agree that the Amended Statements  
 5 of Facts for defendant Jay Kim and defendant Jay Kim For Congress  
 6 Committee, attached hereto, are stipulated and agreed-upon and  
 7 should be substituted in the respective plea agreements for the  
 8 previously-filed stipulated Statement of Facts.

9 Date: October 2, 1997

10 Respectfully submitted.

11 NORA M. MANELLA  
 12 United States Attorney

13 DAVID C. SCHEPER  
 14 Assistant United States Attorney  
 15 Chief, Criminal Division

16   
 17 STEPHEN A. MANSFIELD  
 18 Assistant United States Attorney

19   
 20 EDWARD B. MORETON, JR.  
 21 Assistant United States Attorney

22 Attorneys for Plaintiff  
 23 UNITED STATES OF AMERICA

24 <sup>JKV</sup>  
 25 Date: October 4, 1997

26   
 27 Defendant JAY KIM

28 //  
 //  
 //

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Date: <sup>Nov</sup> October 4, 1997

Jay Kim  
JAY KIM on behalf of defendant  
JAY KIM FOR CONGRESS COMMITTEE

Date: <sup>Nov</sup> ~~October~~ 5, 1997

Thomas Holliday  
THOMAS HOLLIDAY, Attorney for  
defendant JAY KIM and defendant JAY  
KIM FOR CONGRESS COMMITTEE

## AMENDED STATEMENT OF FACTS

1. Defendant JAY C. KIM, also known as Changjoon Kim. ("defendant JAY KIM") was the President of JayKim Engineers, Inc. from 1978 to 1992. Defendant JAY KIM was the Mayor of Diamond Bar, California, from 1991 through 1992. On February 10, 1992, defendant JAY KIM registered with the Federal Election Commission as a candidate for the United States House of Representatives. In November 1992, defendant JAY KIM was elected to the United States House of Representatives. Defendant JAY KIM was re-elected in November 1994 and in November 1996.

2. Defendant JUNE C. KIM, also known as June Ock Kim. ("defendant JUNE KIM"), is the wife of defendant JAY KIM. Defendant JUNE KIM assisted defendant JAY KIM in managing campaign finances and expenditures and supervising the campaign finance reporting activities of defendant JAY KIM FOR CONGRESS COMMITTEE and its employees, officers, volunteers, and other agents.

3. Defendant JAY KIM FOR CONGRESS COMMITTEE (FEC No. C00260133) is a federal campaign committee formed by defendant JAY KIM on or about February 10, 1992, and registered with the Federal Election Commission. Defendant JAY KIM authorized defendant JAY KIM FOR CONGRESS COMMITTEE to solicit, accept and receive contributions, and to make expenditures for the purpose of electing defendant JAY KIM to the United States House of Representatives. Defendant JAY KIM FOR CONGRESS COMMITTEE is responsible under the law for the acts of its employees, officers, volunteers and other agents that are within the course and scope of their duties or are done, in part, to benefit the campaign committee. From March 1992 until July 1993, the headquarters of defendant JAY KIM FOR CONGRESS COMMITTEE was located within the office space of JayKim Engineers, Inc., in Diamond Bar, California.

4. JayKim Engineers, Inc., was incorporated as a California corporation under the laws of the State of California in 1978. JayKim Engineers, Inc., was a civil engineering firm with its principal place of business located in Diamond Bar, California. In February 1992, JayKim Engineers, Inc., had approximately ninety employees and had contracts with the federal government and municipalities. In May 1994, JayKim Engineers, Inc., changed its corporate name to Avacon Corporation.

5. The Federal Election Commission is the agency of the United States responsible for: (a) detecting illegal campaign contributions to candidates in federal elections; (b) enforcing the Federal Election Campaign Act; (c) receiving campaign finance reports; and (d) making these reports available to the public.

6. The Federal Election Campaign Act ("the Law") governs contributions to, and expenditures by, candidates and their campaign committees in federal elections. The law requires the candidate's campaign committee to submit campaign finance reports to the Federal Election Commission specifying all contributions and expenditures in excess of \$200. The law requires that these campaign finance reports be made available to the public for inspection and copying throughout the campaign and thereafter.

7. It is illegal for a corporation, a foreign national, or a person who enters a contract with an agency of the United States to make a contribution of any amount to a candidate in a federal election. It is also illegal for any person to make a contribution in excess of \$1,000 to a federal candidate in a primary or general election, to make a cash contribution of more than \$100, or to make a contribution by using the name of another person.

8. A federal candidate is required by law to designate a campaign committee to solicit, accept and receive contributions and to make expenditures for the campaign. Under the law, a candidate who receives a contribution or any loan for use in connection with the candidate's campaign receives such a contribution or loan as an agent of the campaign committee.

9. Beginning in or about March, 1992, through in or about July, 1993, defendant JAY KIM caused JayKim Engineers, Inc., to contribute to defendant JAY KIM FOR CONGRESS COMMITTEE approximately \$83,248 in in-kind contributions. The in-kind contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial services, and secretarial and other personnel services. The in-kind contributions had an aggregate value of more than \$2,000 in 1992 and more than \$2,000 in 1993. Defendant JAY KIM knew that it was illegal for corporations, including JayKim Engineers, Inc., to make contributions, including in-kind contributions, to federal election campaigns such as his, but he caused JayKim Engineers, Inc., to make those contributions anyway.

10. Beginning in or about March 1992 and continuing until July, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE, through defendant JAY KIM and other of its agents and employees, knowingly accepted the in-kind corporate resources contributed by JayKim Engineers, Inc., even though they knew the contributions were illegal. Thereafter, from on or about April 13, 1992 through on or about July 30, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports which failed to report that JayKim Engineers, Inc., contributed in-kind corporate resources to defendant JAY KIM FOR CONGRESS COMMITTEE, even though defendant JAY KIM and other agents and employees of defendant JAY KIM FOR CONGRESS

COMMITTEE knew that those contributions were legally required to be reported. By failing to report the contributions, defendant JAY KIM FOR CONGRESS COMMITTEE concealed the illegal JayKim Engineers, Inc., corporate contributions from the Federal Election Commission.

11. From on or before April 17, 1992, through on or about December 23, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE accepted thousands of dollars of contributions from corporations which defendant JAY KIM, and/or other agents of defendant JAY KIM FOR CONGRESS COMMITTEE, knew were illegal corporate contributions. Thereafter, in campaign finance reports submitted to the Federal Election Commission from on or about May 21, 1992, through on or about January 27, 1993, as defendant JAY KIM, and/or other of its agents knew, those corporate contributions were misreported to the Federal Election Commission by altering the contributor's names to omit their corporate designations and by reporting to the Federal Election Commission that the contributors had been "verified not incorporated." As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission that the contributions were from corporations.

12. On or about May 26, 1992, defendant JAY KIM FOR CONGRESS COMMITTEE submitted a campaign finance report to the Federal Election Commission which stated that it had received a \$1,000 contribution from a contributor reported as "Korean Air Travel," with its occupation reported as "Travel Agent." In fact, as defendants JAY KIM, and/or other agents and employees of defendant JAY KIM FOR CONGRESS COMMITTEE knew, the contribution actually was an illegal corporate contribution that had been received from Korean Air, an airline corporation based in South Korea.

13. In September and October, 1992, defendant JAY KIM FOR CONGRESS COMMITTEE accepted \$19,000 in contributions in the form of personal checks from individuals whom defendants JAY KIM or other agents and employees of defendant JAY KIM FOR CONGRESS knew had been reimbursed by corporations. As defendants JAY KIM and/or other agents and employees of defendant JAY KIM FOR CONGRESS COMMITTEE knew, the contributions were in fact illegal corporate contributions from the following corporations in the following amounts: Daewoo Electronics Corporation (\$5,000), Pusan Pipe America Inc. (\$3,000), Rocket Electric Company, Inc. (\$1,000), and Samsung America, Inc. (\$10,000). Thereafter, on or about October 14, 1992, through on or about January 11, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports that reported the contributions as being from the reimbursed individuals, rather than from the corporations that were the true sources of the funds used to make the contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election

Commission that the true sources of the contributions were corporations.

14. On or about April 18, 1992, defendant JUNE KIM accepted two checks, each in the amount of approximately \$9,000 from Jaycee Kim. On the same day, defendant JUNE KIM deposited one of the checks into a bank account of J&J Properties, a business owned by defendants JAY KIM and JUNE KIM, and the other check into a joint personal bank account of defendants JAY KIM and JUNE KIM. Also on the same day, defendant JUNE KIM wrote two \$9,000 checks to defendant JAY KIM FOR CONGRESS COMMITTEE, one from each of the above accounts, and deposited the checks into the campaign's bank account. An agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew that the payments from Jaycee Kim were an illegal excessive contribution.

15. On or about May 22, 1992, defendant JAY KIM accepted a \$50,000 loan from Song Nien Yeh, whom defendant JAY KIM knew was a Taiwanese national. Defendant JAY KIM deposited the \$50,000 payment into his personal bank account. On May 26, 1992, defendant JAY KIM wrote a \$50,000 check on his personal bank account and deposited the check into the bank account of defendant JAY KIM FOR CONGRESS COMMITTEE. Defendant JAY KIM knew that the payment from Song Nien Yeh was an illegal excessive and foreign contribution.

16. In or about June, 1992, defendant JAY KIM asked Michael Li, a campaign fundraiser, to attempt to arrange a loan for the campaign from Robert Yu. On or about June 11, 1992, Robert Yu gave Michael Li a \$30,000 check written on the account of Chi-Hu Yu, a Taiwanese national who was Robert Yu's sister. On or about June 15, 1992, Michael Li gave a \$30,000 check to defendant JAY KIM and told defendant JAY KIM that the money was from Robert Yu. On June 18, 1992, defendant JUNE KIM deposited the \$30,000 check that Michael Li had given to defendant JAY KIM into a joint personal bank account of defendants JAY KIM and JUNE KIM. On or about June 19, 1992, defendant JUNE KIM wrote a \$25,000 check on the joint personal bank account and deposited the check into the account of defendant JAY KIM FOR CONGRESS COMMITTEE. Defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew that the payment from Chi-Hu Yu, Robert Yu, and Michael Li was an illegal excessive contribution.

17. As defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, beginning on or about September 15, 1992 and continuing to on or about January 24, 1997, at least one, and at times all, of the loans described in paragraphs 14-16, above, were reported by defendant JAY KIM FOR CONGRESS COMMITTEE to the Federal Election Commission in campaign finance reports as loans from the personal funds of defendant JAY KIM, rather than from the individuals whom defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew were the

true sources of the illegal foreign and/or excessive loan contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission the true sources and illegal nature of the loan contributions.

18. In September, 1992, defendant JAY KIM attended a fundraising dinner in New York City where the president of Nikko Enterprises, Inc. ("Nikko"), a corporation, told defendant JAY KIM that he would make a large contribution to defendant JAY KIM's congressional campaign. Shortly thereafter, the president of Nikko caused a Nikko corporate check in the amount of \$12,000 to be issued for the purpose of making a political contribution. The \$12,000 contribution check was forwarded to a New York fundraiser for defendant JAY KIM. The New York fundraiser telephoned defendant JAY KIM and told him that he received the check. Defendant JAY KIM and the New York fundraiser also discussed the amount and corporate nature of the check. The New York fundraiser mailed the \$12,000 contribution check to defendant JAY KIM in Diamond Bar, California. Thereafter, in October, 1992, defendant JAY KIM received and accepted the \$12,000 contribution check, which was then endorsed by defendant JUNE KIM and deposited in defendants JAY KIM's and JUNE KIM's joint personal bank account. Defendant JAY KIM knew that the \$12,000 Nikko contribution check was an illegal corporate and excessive contribution.

19. In or before October, 1993, as an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, Amko Advertising Inc., a New York corporation, paid at least \$14,000 to Samas Telecom, a business owned by Seokuk Ma, with an understanding the money was to be used as a contribution to the congressional campaign of defendant JAY KIM. Thereafter in October, 1993, as an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, Seokuk Ma used the \$14,000 from Amko Advertising, Inc., to reimburse various individuals for making apparently legal contributions to defendant JAY KIM FOR CONGRESS COMMITTEE. An agent for defendant JAY KIM FOR CONGRESS COMMITTEE knew that the contributions were, in fact, illegal corporate and excessive contributions, but accepted them on behalf of defendant JAY KIM FOR CONGRESS COMMITTEE.

20. On January 21, 1994, defendant JAY KIM FOR CONGRESS COMMITTEE held a fundraiser at the Radisson Wilshire Hotel in Los Angeles. In connection with that fundraiser, from on or about January 20, 1994, through on or about January 25, 1994, an agent of defendant JAY KIM FOR CONGRESS COMMITTEE, received and accepted corporate contributions totalling \$5,450 from the following seven corporations in the following amounts: Haitai America, Inc. (\$1,000), Bacco, Inc. (\$500), Korean Federation of Los Angeles, Inc. (\$500), Sun Princess Cosmetics, Inc. (\$2,500), Dong-A America Corp. (\$150), Universal Market Supply Corporation (\$600), and Tiger Contract Services, Inc. (\$200). An agent of

defendant JAY KIM FOR CONGRESS COMMITTEE knew that it was illegal  
to accept these contributions.

EXH. 2

4

LOS ANGELES, CALIFORNIA; MONDAY, AUGUST 11, 1997; 1:41 P.M.

2 THE CLERK: ITEM A, CR 97-726-RAP, UNITED STATES OF  
3 AMERICA VERSUS JAY C. KIM, JUNE O. KIM AND THE JAY KIM FOR  
4 CONGRESS COMMITTEE.  
5 COUNSEL, APPEARANCES, PLEASE.  
6 MR. MANSFIELD: GOOD AFTERNOON, YOUR HONOR.  
7 STEPHEN MANSFIELD AND EDWARD MORETON FOR THE UNITED  
8 STATES.  
9 MR. CORBIN: GOOD AFTERNOON, YOUR HONOR.  
10 ROBERT CORBIN, APPEARING WITH MRS. KIM.  
11 THE COURT: YES, MR. CORBIN.  
12 MR. HOLLIDAY: GOOD AFTERNOON, YOUR HONOR.  
13 TOM HOLLIDAY ON BEHALF OF MR. KIM AND THE COMMITTEE.  
14 THE COURT: YES, MR. HOLLIDAY.  
15 GOOD AFTERNOON, EVERYONE.  
16 LET'S SEE, THIS IS THE TIME -- IT'S MY UNDERSTANDING  
17 THAT MR. KIM AND MS. KIM AND THE JAY KIM FOR CONGRESS COMMITTEE  
18 WISH TO ENTER PLEAS OF GUILTY TO THE INFORMATION THAT'S BEEN  
19 FILED.  
20 IS THAT CORRECT?  
21 MR. HOLLIDAY: THAT IS CORRECT, YOUR HONOR.  
22 THE COURT: OKAY. AND I UNDERSTAND THERE'S SOME -- A  
23 MINOR PRELIMINARY MATTER WE NEED TO --  
24 MR. MANSFIELD: YES, YOUR HONOR.  
25 THE COURT: -- WITH RESPECT TO THE CHARGES.

1 MR. MANSFIELD: YES, YOUR HONOR.

2 PURSUANT TO RULE 7(E), WE'D MOVE TO CORRECT A  
3 TYPOGRAPHICAL ERROR IN THE INFORMATION.

4 IN THE CAPTION FOR THE CITATION 2 U.S. CODE, SECTION  
5 441(F), THAT SHOULD BE CHANGED TO 441(E).

6 LIKEWISE, FOR COUNT SEVEN, THE CAPTION SHOULD BE  
7 CHANGED FROM 441(F) TO 441(E). I HAVE SPOKEN WITH MR. HOLLIDAY  
8 AND MR. CORBIN ABOUT THIS, AND THEY HAVE AGREED TO THAT  
9 CORRECTION.

10 THE COURT: OKAY.

11 MR. HOLLIDAY: THAT'S CORRECT, YOUR HONOR.

12 THE COURT: IS THAT CORRECT, MR. CORBIN?

13 MR. CORBIN: YES, YOUR HONOR.

14 THE COURT: OKAY. THEN, THERE BEING NO OBJECTION,  
15 THEN THE INFORMATION WILL BE DEEMED AMENDED TO REFLECT THAT  
16 CORRECTION BY INTERLINEATION.

17 NOW, MR. KIM --

18 DEFENDANT JAY KIM: YES.

19 THE COURT: --- MS. KIM, IS IT CORRECT, IS IT YOUR  
20 DESIRE THIS AFTERNOON TO ENTER A PLEA OF GUILTY AS I JUST --

21 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.

22 THE COURT: MS. KIM?

23 DEFENDANT JUNE KIM: YES, YOUR HONOR.

24 THE COURT: I NEED TO HAVE YOU CLOSE TO THE  
25 MICROPHONE SO THAT THE --

1           DEFENDANT JUNE KIM: YES, SIR.  
2           THE COURT: -- COURT REPORTER CAN TAKE DOWN  
3           EVERYTHING THAT'S BEING SAID. OKAY.  
4           NOW, ANOTHER PRELIMINARY MATTER. IT'S MY  
5           UNDERSTANDING, MR. KIM, THAT YOU WISH TO PROCEED ON THE  
6           INFORMATION, THAT YOU HAVE FILED A WRITTEN WAIVER OF YOUR RIGHT  
7           TO PROCEED BY WAY OF INDICTMENT THROUGH THE GRAND JURY.  
8           IS THAT CORRECT, MR. KIM?  
9           DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.  
10          THE COURT: OKAY. I HAVE THAT HERE.  
11          IS THAT RIGHT, MR. HOLLIDAY?  
12          MR. HOLLIDAY: THAT IS CORRECT, YOUR HONOR.  
13          THE COURT: OKAY. AND MS. KIM, THE SAME FOR YOU, YOU  
14          WISH TO PROCEED ON THE INFORMATION, AND YOU WAIVE YOUR RIGHT TO  
15          HAVE THIS MATTER HEARD BY THE GRAND JURY AND --  
16          DEFENDANT JUNE KIM: YES, SIR.  
17          THE COURT: -- TO PROCEED ON THE INDICTMENT.  
18          IS THAT CORRECT?  
19          DEFENDANT JUNE KIM: YES, SIR.  
20          THE COURT: OKAY. THE TWO WRITTEN WAIVERS HAVE BEEN  
21          FILED.  
22          AND THESE ARE YOUR SIGNATURES, CORRECT?  
23          DEFENDANT JAY KIM: YES, SIR.  
24          THE COURT: AND, MR. KIM, YOU'RE DOING THIS ON BEHALF  
25          OF THE JAY KIM FOR CONGRESS COMMITTEE AS WELL?

7

1           DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.

2           THE COURT: OKAY.

3           NOW, MR. KIM AND MS. KIM, DID YOU HAVE A CHANCE TO

4 DISCUSS WITH YOUR ATTORNEYS THIS AFTERNOON HOW THIS PROCEEDING

5 WAS GOING TO TAKE PLACE?

6           DEFENDANT JAY KIM: YES, WE HAVE.

7           THE COURT: MS. KIM?

8           DEFENDANT JUNE KIM: YES, YOUR HONOR.

9           THE COURT: AND DID THEY EXPLAIN TO YOU WHAT I WAS

10 GOING TO BE DOING THIS AFTERNOON?

11          DEFENDANT JAY KIM: YES, THEY DID, YOUR HONOR.

12          THE COURT: OKAY.

13          MS. KIM, I NEED TO HAVE YOU RIGHT THERE. THAT'S

14 RIGHT, MS. KIM.

15          DEFENDANT JUNE KIM: YES, YOUR HONOR.

16          THE COURT: OKAY. NOW, THE FIRST THING THAT I'M

17 GOING TO DO HERE IS I'M GOING TO HAVE THE CLERK OF THE COURT

18 ADMINISTER AN OATH TO BOTH OF YOU BECAUSE I'M GOING TO ASK YOU

19 A SERIES OF QUESTIONS TO MAKE SURE THAT YOU UNDERSTAND ALL OF

20 YOUR RIGHTS, AND THAT YOU'RE GIVING UP ALL OF THOSE RIGHTS, AND

21 YOU'RE ADMITTING YOUR GUILT HERE WHEN I TAKE YOUR PLEA.

22          SO, IT'S IMPORTANT THAT YOUR ANSWERS TO ALL MY

23 QUESTIONS BE TRUTHFUL, HONEST, AND CORRECT AND COMPLETE. SO,

24 I'M GOING TO HAVE THE CLERK ADMINISTER AN OATH TO YOU. AND IF

25 YOU'D JUST FOLLOW THE DIRECTIVES OF THE CLERK.

1 THE CLERK: PLEASE RAISE YOUR RIGHT HANDS.  
2 DEFENDANT, JAY C. KIM, SWORN:  
3 DEFENDANT JUNE O. KIM, SWORN:  
4 THE COURT: NOW, MR. KIM, WHAT IS YOUR TRUE AND  
5 CORRECT NAME?  
6 DEFENDANT JAY KIM: JAY, MIDDLE INITIAL C., KIM.  
7 SPELLED, K-I-M, SIR.  
8 THE COURT: HAVE YOU EVER BEEN KNOWN BY ANY OTHER  
9 NAME?  
10 DEFENDANT JAY KIM: YES. CHANGJOON KIM.  
11 THE COURT: OKAY.  
12 ANY OTHER NAME?  
13 DEFENDANT JAY KIM: JAY, AND STILL IN INITIAL I USE,  
14 CHANGJOON KIM.  
15 THE COURT: CHANGJOON KIM.  
16 OKAY. AND HOW OLD ARE YOU TODAY?  
17 DEFENDANT JAY KIM: BORN IN 1939, 58.  
18 THE COURT: AND JUST FOR THE RECORD HERE, WHAT WAS  
19 YOUR LEVEL OF EDUCATION? WHAT IS YOUR LEVEL OF EDUCATION?  
20 DEFENDANT JAY KIM: I HAVE A BACHELOR AND MASTER  
21 DEGREE IN CIVIL ENGINEERING FROM U.S.C.  
22 THE COURT: OKAY. ALL RIGHT.  
23 AND, MS. KIM, LET ME ASK YOU THOSE SAME QUESTIONS.  
24 HAVE YOU BEEN KNOWN BY ANY OTHER NAME, OTHER THAN  
25 JUNE O. KIM?

1           DEFENDANT JUNE KIM: PRIOR TO THAT, I HAVE BEEN USING  
2 MY NAME AS JUNE OCK KIM.

3           THE COURT: JUNE OCK KIM.

4           DEFENDANT JUNE KIM: UH-HUM.

5           THE COURT: OKAY.

6           AND WHAT LEVEL OF EDUCATION HAVE YOU OBTAINED?

7           DEFENDANT JUNE KIM: I HAVE A BACHELOR'S DEGREE.

8           THE COURT: OKAY.

9           NOW, DO YOU HAVE IN FRONT OF YOU FOR HANDY REFERENCE  
10 A PLEA AGREEMENT?

11          DEFENDANT JUNE KIM: YES, YOUR HONOR.

12          THE COURT: HOW ABOUT YOU, MR. KIM?

13          DEFENDANT JAY KIM: YES, YOUR HONOR.

14          THE COURT: OKAY.

15          NOW, LET ME ASK, MR. KIM, IS THE JAY KIM FOR  
16 COMMITTEE -- JAY KIM FOR CONGRESS COMMITTEE, IS THAT KNOWN BY  
17 ANY OTHER NAME? IS THAT ITS OFFICIAL NAME?

18          DEFENDANT JAY KIM: THAT'S THE ONLY NAME THAT I USE.

19          THE COURT: I'M SORRY?

20          DEFENDANT JAY KIM: THAT'S THE ONLY NAME.

21          THE COURT: THAT'S THE CORRECT NAME?

22          DEFENDANT JAY KIM: UH-HUM. THAT'S CORRECT.

23          THE COURT: ALL RIGHT.

24          OKAY. OKAY. MR. KIM, IF YOU WOULD TAKE A LOOK AT  
25 THE PLEA AGREEMENT THERE.

1                   DEFENDANT JAY KIM: UH-HUM.  
2                   THE COURT: DO YOU SEE YOUR SIGNATURE THERE? THAT'S  
3 YOUR SIGNATURE, RIGHT?  
4                   DEFENDANT JAY KIM: YES, YOUR HONOR, PAGE 6.  
5                   THE COURT: RIGHT. AND BEFORE YOU SIGNED THE PLEA  
6 AGREEMENT, DID YOU HAVE AN OPPORTUNITY TO CAREFULLY REVIEW ALL  
7 PROVISIONS OF THE AGREEMENT WITH YOUR ATTORNEY?  
8                   DEFENDANT JAY KIM: YES, I HAVE, YOUR HONOR.  
9                   THE COURT: YOU DISCUSSED IT THOROUGHLY WITH HIM?  
10                  DEFENDANT JAY KIM: YES, I HAVE.  
11                  THE COURT: DID HE ANSWER ALL YOUR QUESTIONS?  
12                  DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.  
13                  THE COURT: ALL RIGHT.  
14                  HOW ABOUT YOU, MS. KIM, DID YOU HAVE A CHANCE TO  
15 CAREFULLY REVIEW THE PLEA AGREEMENT?  
16                  DEFENDANT JUNE KIM: YES, I HAVE.  
17                  THE COURT: AND DISCUSS ALL THE TERMS AND PROVISIONS  
18 WITH YOUR ATTORNEY?  
19                  DEFENDANT JUNE KIM: YES, SIR.  
20                  THE COURT: AND IS THAT YOUR SIGNATURE ON THE BACK AT  
21 THE END OF THE PLEA AGREEMENT?  
22                  DEFENDANT JUNE KIM: YES, SIR. THAT IS CORRECT.  
23                  THE COURT: WERE YOU -- DO YOU NEED ANY ADDITIONAL  
24 TIME AT ALL TO DISCUSS ANYTHING ABOUT THESE -- ABOUT THIS PLEA  
25 AGREEMENT WITH YOUR ATTORNEY, MS. KIM?

1 DEFENDANT JUNE KIM: I DON'T THINK SO.

2 THE COURT: MR. MANSFIELD.

3 MR. MANSFIELD: YES, YOUR HONOR. EXCUSE ME. I  
4 WANTED TO JUST POINT OUT FOR CLARIFICATION ON THE RECORD, THAT  
5 THERE ARE THREE PLEA AGREEMENTS --

6 THE COURT: RIGHT. I'M GOING TO ASK --

7 MR. MANSFIELD: -- IN THIS CASE.

8 THE COURT: -- MR. KIM, CONGRESSMAN, ABOUT THIS PLEA  
9 AGREEMENT ON BEHALF OF THE COMMITTEE.

10 DID YOU REVIEW THAT AS WELL WITH YOUR ATTORNEY?

11 DEFENDANT JAY KIM: YES, I HAVE, YOUR HONOR.

12 THE COURT: AND DID HE -- DID YOU DISCUSS ALL ASPECTS  
13 OF THAT AGREEMENT WITH YOUR ATTORNEY?

14 DEFENDANT JAY KIM: YES, I DID, YOUR HONOR.

15 THE COURT: OKAY.

16 NOW, THERE ARE -- BEFORE WE GET INTO THE -- CERTAIN  
17 ASPECTS OF THESE PLEA AGREEMENTS, LET ME -- THERE ARE CERTAIN  
18 RIGHTS THAT YOU HAVE IN CONNECTION WITH THESE CRIMINAL  
19 PROCEEDINGS. AND I NEED TO REVIEW THEM WITH YOU, ALTHOUGH,  
20 THEY'RE THOROUGHLY STATED IN THE PLEA AGREEMENT.

21 FOR THE RECORD, I NEED TO MAKE SURE YOU UNDERSTAND  
22 CERTAIN THINGS.

23 DID YOU DISCUSS YOUR CONSTITUTIONAL RIGHTS WITH YOUR  
24 ATTORNEY, MR. KIM --

25 DEFENDANT JAY KIM: YES, WE HAVE DISCUSSED THEM, YOUR

1 HONOR.

2 THE COURT: -- ON BEHALF OF YOURSELF AND ON BEHALF OF  
3 THE COMMITTEE?

4 DEFENDANT JAY KIM: YES, YOUR HONOR.

5 THE COURT: DID HE ANSWER ALL YOUR QUESTIONS IN THAT  
6 REGARD?

7 DEFENDANT JAY KIM: YES.

8 THE COURT: HOW ABOUT YOU, MS. KIM?

9 DEFENDANT JUNE KIM: YES, SIR.

10 THE COURT: ALL RIGHT. NOW, THIS IS TO BOTH OF YOU.  
11 AND I'M GOING TO ASK YOU INDIVIDUALLY AS WELL.

12 DO YOU EACH UNDERSTAND THAT IN CONNECTION WITH THIS  
13 CRIMINAL PROCEEDING YOU HAVE THE FOLLOWING CONSTITUTIONAL  
14 RIGHTS:

15 YOU HAVE THE RIGHT TO A SPEEDY AND PUBLIC TRIAL.

16 YOU HAVE THE RIGHT TO BE TRIED BY A JURY.

17 IF YOU WISH, YOU HAVE THE RIGHT TO WAIVE JURY AND TO  
18 BE TRIED BY THE COURT.

19 YOU HAVE THE RIGHT TO ASSISTANCE OF COUNSEL  
20 THROUGHOUT ALL THE PROCEEDINGS.

21 YOU HAVE THE RIGHT TO CONFRONT AND CROSS-EXAMINE ALL  
22 WITNESSES CALLED TO TESTIFY AGAINST YOU.

23 YOU HAVE THE RIGHT TO HAVE WITNESSES SUBPOENAED TO  
24 TESTIFY ON YOUR BEHALF.

25 YOU HAVE THE RIGHT TO TESTIFY YOURSELF ON YOUR OWN

1 BEHALF, IF YOU WISH TO DO THAT.

2 YOU HAVE THE RIGHT -- HOWEVER, YOU DO HAVE THE RIGHT  
3 NOT TO TESTIFY OR TO IN ANY WAY INCRIMINATE YOURSELF IN THIS  
4 MATTER.

5 IN FACT, IN A CRIMINAL PROCEEDING, SUCH AS THIS, THE  
6 GOVERNMENT BEARS THE BURDEN OF PROOF TO PROVE YOU GUILTY BEYOND  
7 A REASONABLE DOUBT.

8 AND THE GOVERNMENT CAN'T COMPEL YOU TO BE A WITNESS  
9 AGAINST YOURSELF.

10 MR. KIM, ON BEHALF OF YOURSELF, DO YOU UNDERSTAND  
11 EACH OF THOSE CONSTITUTIONAL RIGHTS?

12 DEFENDANT JAY KIM: YES, I DO, YOUR HONOR.

13 THE COURT: AND DO YOU UNDERSTAND THAT BY ENTERING A  
14 PLEA OF GUILTY, PURSUANT TO THE TERMS OF THE PLEA AGREEMENT,  
15 THAT YOU'LL BE GIVING UP ALL OF THOSE CONSTITUTIONAL RIGHTS?

16 DEFENDANT JAY KIM: YES, I DO.

17 THE COURT: AND WITH RESPECT TO THE COMMITTEE,  
18 SIMILARLY, DO YOU ALSO UNDERSTAND THAT THE COMMITTEE WILL BE  
19 GIVING UP ALL OF THESE RIGHTS?

20 DEFENDANT JAY KIM: YES, SIR.

21 THE COURT: OKAY. NOW, MS. KIM.

22 DEFENDANT JUNE KIM: YES, SIR.

23 THE COURT: DO YOU UNDERSTAND EACH OF THESE  
24 CONSTITUTIONAL RIGHTS?

25 DEFENDANT JUNE KIM: I DO, SIR.

1 THE COURT: AND DO YOU UNDERSTAND THAT BY PLEADING  
2 GUILTY TO THE COUNTS IN THE INFORMATION PURSUANT TO THE TERMS  
3 OF THE PLEA AGREEMENT, THAT YOU'LL BE GIVING UP ALL OF THESE  
4 CONSTITUTIONAL RIGHTS?

5 DEFENDANT JUNE KIM: I DO.

6 THE COURT: AND THAT, IN FACT, WHEN YOU ENTER YOUR  
7 PLEA OF GUILTY TO THE INFORMATION, THAT YOU WILL BE  
8 INCRIMINATING YOURSELF AND ADMITTING GUILT?

9 DEFENDANT JUNE KIM: I DO.

10 THE COURT: MR. KIM.

11 DEFENDANT JAY KIM: YES, I DO, YOUR HONOR.

12 THE COURT: OKAY.

13 NOW, I NEED TO MAKE A FINDING FOR THE RECORD -- MR.  
14 MORETON OR MR. MANSFIELD, WHOEVER IS GOING TO DO THIS -- THAT  
15 THERE IS AN ADEQUATE FACTUAL BASIS FOR THESE PLEA AGREEMENTS  
16 HERE THIS AFTERNOON. WHY DON'T WE DO THAT NOW.

17 MR. MANSFIELD: YES, YOUR HONOR.

18 THE COURT: SO -- YES, MR. --

19 MR. CORBIN: YOUR HONOR, DID THE COURT WISH TO PUT  
20 MR. AND MRS. KIM UNDER OATH?

21 THE COURT: I ALREADY DID.

22 MR. CORBIN: VERY WELL.

23 THE COURT: I THOUGHT I DID. DIDN'T --

24 DEFENDANT JAY KIM: YOU DID.

25 MR. CORBIN: OH, IT'S MY MISTAKE. I'M SORRY.

1 MR. MANSFIELD: YOU DID.

2 THE COURT: I DID. THAT WAS THE FIRST THING I DID.

3 MR. MANSFIELD: YOUR HONOR, THE --

4 THE COURT: WHAT WOULD THE GOVERNMENT PROVE IF THIS  
5 CASE -- IF THESE CASES WERE TO GO TO TRIAL, MR. MANSFIELD?

6 MR. MANSFIELD: YOUR HONOR, THE EVIDENCE AT TRIAL  
7 WOULD SHOW WITH RESPECT TO DEFENDANT JAY KIM FOR CONGRESS  
8 COMMITTEE, THAT THE CAMPAIGN COMMITTEE WAS A FEDERAL CAMPAIGN  
9 COMMITTEE FORMED BY DEFENDANT JAY KIM ON FEBRUARY 10TH, 1992  
10 AND REGISTERED WITH THE FEDERAL ELECTION COMMISSION.

11 DEFENDANT JAY KIM AUTHORIZED DEFENDANT JAY KIM FOR  
12 CONGRESS COMMITTEE TO SOLICIT, ACCEPT AND RECEIVE CONTRIBUTIONS  
13 AND TO MAKE EXPENDITURES FOR THE PURCHASE OF ELECTING DEFENDANT  
14 JAY KIM TO THE UNITED STATES HOUSE OF REPRESENTATIVES.

15 DEFENDANT JAY KIM FOR CONGRESS COMMITTEE IS  
16 RESPONSIBLE UNDER THE LAW FOR THE ACTS OF ITS EMPLOYEES,  
17 OFFICERS, VOLUNTEERS, AND OTHER AGENTS THAT ARE WITHIN THE  
18 COURSE AND SCOPE OF THEIR DUTIES OR ARE DONE, IN PART, TO  
19 BENEFIT THE CAMPAIGN COMMITTEE.

20 FROM MARCH 1992 UNTIL JULY 1993 THE HEADQUARTERS OF  
21 DEFENDANT JAY KIM FOR CONGRESS COMMITTEE WAS LOCATED WITHIN THE  
22 OFFICE SPACE OF JAYKIM ENGINEERS, INC., A CORPORATION IN  
23 DIAMOND BAR, CALIFORNIA.

24 WITH RESPECT TO COUNT ONE AGAINST DEFENDANT JAY KIM  
25 FOR CONGRESS COMMITTEE, FROM MARCH 1992 THROUGH JULY 1993,

1 DEFENDANT JAY KIM FOR CONGRESS COMMITTEE THROUGH DEFENDANT JAY  
2 KIM AND OTHER COMMITTEE AGENTS AND EMPLOYEES, KNOWINGLY  
3 ACCEPTED OVER \$83,000 IN IN-KIND CORPORATE RESOURCES FROM  
4 JAYKIM ENGINEERS, INC., EVEN THOUGH THEY KNEW THE CORPORATE  
5 CONTRIBUTIONS WERE ILLEGAL.

6 THEREAFTER, FROM APRIL 13TH, 1992 THROUGH JULY 30TH,  
7 1993, DEFENDANT JAY KIM FOR CONGRESS COMMITTEE SUBMITTED  
8 CAMPAIGN FINANCE REPORTS TO THE FEDERAL ELECTION COMMISSION.  
9 THESE REPORTS FAILED TO REPORT THAT JAYKIM ENGINEERS, INC.  
10 CONTRIBUTED IN-KIND CORPORATE RESOURCES TO DEFENDANT JAY KIM  
11 FOR CONGRESS COMMITTEE.

12 THESE FALSE REPORTS WERE FILED, EVEN THOUGH DEFENDANT  
13 JAY KIM AND OTHER AGENTS AND EMPLOYEES OF DEFENDANT JAY KIM FOR  
14 CONGRESS COMMITTEE KNEW THAT THOSE CONTRIBUTIONS WERE LEGALLY  
15 REQUIRED TO BE REPORTED.

16 BY FAILING TO REPORT THE CONTRIBUTIONS, DEFENDANT JAY  
17 KIM FOR CONGRESS COMMITTEE CONCEALED FROM THE FEDERAL ELECTION  
18 COMMISSION THE ILLEGAL CORPORATE CONTRIBUTIONS FROM JAYKIM  
19 ENGINEERS, INC.

20 WITH RESPECT TO COUNT TWO:  
21 FROM APRIL 17TH, 1992 THROUGH DECEMBER 23RD, 1993,  
22 DEFENDANT JAY KIM FOR CONGRESS COMMITTEE ACCEPTED APPROXIMATELY  
23 \$22,000 IN CONTRIBUTIONS FROM CORPORATIONS, WHICH DEFENDANT JAY  
24 KIM AND OTHER AGENTS OF DEFENDANT JAY KIM FOR CONGRESS  
25 COMMITTEE, KNEW WERE ILLEGAL CORPORATE CONTRIBUTIONS.

1           THEREAFTER, CAMPAIGN FINANCE REPORTS WERE SUBMITTED  
2 TO THE FEDERAL ELECTION COMMISSION FROM MAY 21ST, 1992 THROUGH  
3 JANUARY 27TH, 1993 AS DEFENDANT JAY KIM AND OTHER AGENTS OF  
4 DEFENDANT JAY KIM FOR CONGRESS KNEW THE ILLEGAL CORPORATE  
5 CONTRIBUTIONS WERE MISREPORTED TO THE FEDERAL ELECTION  
6 COMMISSION.

7           THE CONTRIBUTORS' NAMES WERE ALTERED TO OMIT THEIR  
8 CORPORATE DESIGNATIONS. AND THE CONTRIBUTORS WERE FALSELY  
9 REPORTED TO THE FEDERAL ELECTION COMMISSION AS, QUOTE,  
10 VERIFIED, NOT INCORPORATED, CLOSE QUOTE.

11           AS A RESULT, DEFENDANT JAY KIM FOR CONGRESS COMMITTEE  
12 CONCEALED FROM THE FEDERAL ELECTION COMMISSION THAT THE  
13 CONTRIBUTIONS WERE FROM CORPORATIONS.

14           MR. HOLLIDAY: YOUR HONOR, MAY HAVE ONE MINUTE WITH  
15 MR. MANSFIELD?

16           THE COURT: SURE.

17           (MR. HOLLIDAY CONFERRING WITH MR. MANSFIELD.)

18           MR. HOLLIDAY: THANK YOU, YOUR HONOR.

19           THE COURT: OKAY.

20           MR. MANSFIELD: WITH RESPECT TO COUNT THREE:

21           ON MARCH 26TH, 1992, DEFENDANT JAY KIM FOR CONGRESS  
22 COMMITTEE SUBMITTED A CAMPAIGN FINANCE REPORT TO THE FEDERAL  
23 ELECTION COMMISSION.

24           THIS REPORT FALSELY STATED THAT IT HAD RECEIVED A  
25 ONE-THOUSAND-DOLLAR CONTRIBUTION FROM A CONTRIBUTOR REPORTED

1 AS, QUOTE, KOREAN AIR TRAVEL, CLOSE QUOTE, WITH ITS OCCUPATION  
2 REPORTED AS, QUOTE, TRAVEL AGENT, CLOSE QUOTE.

3 IN FACT, AS DEFENDANT JAY KIM AND/OR OTHER AGENTS AND  
4 EMPLOYEES OF DEFENDANT JAY KIM FOR CONGRESS COMMITTEE KNEW, THE  
5 CONTRIBUTION ACTUALLY WAS AN ILLEGAL CORPORATE CONTRIBUTION  
6 THAT HAD BEEN RECEIVED FROM KOREAN AIR, AN AIRLINE CORPORATION  
7 BASED IN SOUTH KOREA.

8 WITH RESPECT TO COUNT FOUR:

9 IN SEPTEMBER AND OCTOBER OF 1992, DEFENDANT JAY KIM  
10 FOR CONGRESS COMMITTEE ACCEPTED \$19,000 IN CONTRIBUTIONS IN THE  
11 FORM OF PERSONAL CHECKS FROM INDIVIDUALS WHOM DEFENDANT JAY KIM  
12 KNEW HAD BEEN REIMBURSED BY CORPORATIONS. AS DEFENDANT JAY KIM  
13 AND/OR OTHER AGENTS AND EMPLOYEES OF DEFENDANT JAY KIM FOR  
14 CONGRESS COMMITTEE KNEW, THE CONTRIBUTIONS WERE, IN FACT,  
15 ILLEGAL CORPORATE CONTRIBUTIONS FROM THE FOLLOWING  
16 CORPORATIONS:

17 DAEWOO ELECTRONICS CORPORATION (\$5,000).

18 PUSAN PIPE AMERICA INC. (\$3,000).

19 ROCKET ELECTRIC COMPANY, INC. (\$1,000).

20 SAMSUNG AMERICA, INC. (\$10,000).

21 THEREAFTER, FROM OCTOBER 14TH, 1992 THROUGH JANUARY  
22 11TH, 1993, DEFENDANT JAY KIM FOR CONGRESS COMMITTEE SUBMITTED  
23 CAMPAIGN FINANCE REPORTS TO THE FEDERAL ELECTION COMMISSION.  
24 THESE REPORTS FALSELY STATED THAT THE CONTRIBUTIONS CAME FROM  
25 THE REIMBURSED INDIVIDUALS, RATHER THAN FROM THE CORPORATIONS

1 THAT WERE THE TRUE SOURCES OF THE FUNDS USED TO MAKE THE  
2 CONTRIBUTIONS.

3 AS A RESULT, DEFENDANT JAY KIM FOR CONGRESS COMMITTEE  
4 CONCEALED FROM THE FEDERAL ELECTION COMMISSION THE TRUE SOURCES  
5 -- THAT THE TRUE SOURCES OF THE CONTRIBUTIONS WERE  
6 CORPORATIONS.

7 WITH RESPECT TO COUNT FIVE:

8 ON APRIL 15TH, 1992, DEFENDANT JUNE KIM ACCEPTED TWO  
9 CHECKS, EACH IN THE AMOUNT OF APPROXIMATELY \$9,000 FROM JAYCEE  
10 KIM. JAYCEE KIM IS THE FATHER OF DEFENDANT JAY KIM'S  
11 SON-IN-LAW.

12 ON THE SAME DAY, DEFENDANT JUNE KIM DEPOSITED ONE OF  
13 THE CHECKS INTO A BUSINESS BANK ACCOUNT OWNED BY DEFENDANTS JAY  
14 KIM AND JUNE KIM. AND THE OTHER CHECK WAS DEPOSITED INTO A  
15 JOINT PERSONAL ACCOUNT OF DEFENDANTS JAY KIM AND JUNE KIM.

16 ALSO, ON THE SAME DAY, DEFENDANT JUNE KIM WROTE TWO  
17 NINE-THOUSAND-DOLLAR CHECKS TO DEFENDANT JAY KIM FOR CONGRESS  
18 COMMITTEE -- ONE FROM EACH OF THESE ACCOUNTS, AND DEPOSITED THE  
19 CHECKS INTO THE CAMPAIGN'S BANK ACCOUNT.

20 DEFENDANT JAY KIM FOR CONGRESS COMMITTEE, THROUGH ITS  
21 AGENTS, KNEW THAT THE PAYMENTS FROM JAYCEE KIM WERE ILLEGAL  
22 BECAUSE THEY EXCEEDED THE ONE-THOUSAND-DOLLAR CONTRIBUTION  
23 LIMITATION IN FEDERAL CAMPAIGNS.

24 ON MAY 22ND, 1992, DEFENDANT JAY KIM ACCEPTED A  
25 FIFTY-THOUSAND-DOLLAR LOAN FROM SONG NIEN YEH, WHOM DEFENDANT

1 JAY KIM KNEW WAS A TAIWANESE NATIONAL. DEFENDANT JAY KIM  
2 DEPOSITED THE FIFTY-THOUSAND DOLLAR PAYMENT INTO HIS PERSONAL  
3 BANK ACCOUNT.

4 ON MAY 26TH, 1992, DEFENDANT JAY KIM WROTE A  
5 FIFTY-THOUSAND DOLLAR CHECK ON HIS PERSONAL BANK ACCOUNT AND  
6 DEPOSITED THE CHECK INTO THE BANK ACCOUNT OF DEFENDANT JAY KIM  
7 FOR CONGRESS COMMITTEE.

8 DEFENDANT JAY KIM KNEW THAT THE PAYMENT FROM SONG  
9 NIEN YEH WAS AN ILLEGAL, EXCESSIVE, AND FOREIGN CONTRIBUTION.

10 IN JUNE 1992, DEFENDANT JAY KIM ASKED MICHAEL LI, A  
11 CAMPAIGN FUND-RAISER, TO ARRANGE A LOAN FOR THE CAMPAIGN FROM  
12 ROBERT YU.

13 ON OR ABOUT JUNE 11TH, 1992, ROBERT YU GAVE MICHAEL  
14 LI A THIRTY-THOUSAND DOLLAR CHECK WRITTEN ON THE ACCOUNT OF  
15 CHI-HU YU, A TAIWANESE NATIONAL, WHO WAS ROBERT YU'S SISTER.

16 ON JUNE 15TH, 1992, MICHAEL LI GAVE A THIRTY-THOUSAND  
17 DOLLAR CHECK TO DEFENDANT JAY KIM AND TOLD DEFENDANT JAY KIM  
18 THAT THE MONEY WAS FROM ROBERT YU.

19 ON JUNE 18TH, 1992, DEFENDANT JUNE KIM DEPOSITED THE  
20 THIRTY-THOUSAND DOLLAR CHECK THAT MICHAEL LI HAD GIVEN TO  
21 DEFENDANT JAY KIM INTO A JOINT PERSONAL BANK ACCOUNT OF  
22 DEFENDANTS JAY KIM AND JUNE KIM.

23 ON JUNE 19TH, 1992, DEFENDANT JUNE KIM WROTE A  
24 TWENTY-FIVE-THOUSAND-DOLLAR CHECK ON THE JOINT PERSONAL ACCOUNT  
25 AND DEPOSITED THE CHECK INTO THE ACCOUNT OF DEFENDANT JAY KIM

1 FOR CONGRESS COMMITTEE.

2 DEFENDANT JAY KIM AND/OR AGENTS OF THE CAMPAIGN  
3 COMMITTEE KNEW THAT THE PAYMENT FROM CHI-HU YU, ROBERT YU, AND  
4 MICHAEL LI WAS AN ILLEGAL, EXCESSIVE CONTRIBUTION.

5 AS DEFENDANT JAY KIM KNEW, BEGINNING ON SEPTEMBER  
6 15TH, 1992 AND CONTINUING THROUGH JANUARY 24TH, 1997, THE  
7 ILLEGAL LOAN CONTRIBUTIONS FROM ROBERT YU, SONG NIEN YEH, AND  
8 JAYCEE KIM WERE REPORTED FALSELY BY DEFENDANT JAY KIM FOR  
9 CONGRESS COMMITTEE IN CAMPAIGN FINANCE REPORTS TO THE FEDERAL  
10 ELECTION COMMISSION.

11 THESE ILLEGAL LOANS WERE FALSELY REPORTED AS LOANS  
12 FROM THE, QUOTE, PERSONAL FUNDS OF DEFENDANT JAY KIM, RATHER  
13 THAN FROM THE INDIVIDUALS WHOM DEFENDANT JAY KIM KNEW WERE THE  
14 TRUE SOURCES OF THE ILLEGAL, FOREIGN AND/OR EXCESSIVE LOAN  
15 CONTRIBUTIONS.

16 AS A RESULT, DEFENDANT JAY KIM FOR CONGRESS COMMITTEE  
17 CONCEALED FROM THE FEDERAL ELECTION COMMISSION THE TRUE SOURCES  
18 AND ILLEGAL NATURE OF THE LOAN CONTRIBUTIONS.

19 WITH RESPECT TO COUNTS SIX, SEVEN, EIGHT, THESE ARE  
20 COUNTS THAT PERTAIN TO DEFENDANT JAY KIM.

21 COUNT SIX, THE EVIDENCE WOULD SHOW BEGINNING IN MARCH  
22 1992 AND CONTINUING THROUGH JULY 1993, DEFENDANT JAY KIM CAUSED  
23 JAYKIM ENGINEERS, INC. TO CONTRIBUTE TO DEFENDANT JAY KIM FOR  
24 CONGRESS COMMITTEE APPROXIMATELY \$83,000 IN IN-KIND CORPORATE  
25 RESOURCES. THE IN-KIND CORPORATE CONTRIBUTIONS INCLUDED OFFICE

1 SPACE, PRINTING EXPENSES, AUTOMOBILE EXPENSES, POSTAGE, FEDERAL  
2 EXPRESS EXPENSES, FOOD AND TRAVEL EXPENSES, JANITORIAL  
3 EXPENSES, AND SECRETARIAL AND OTHER PERSONNEL SERVICES.

4 DEFENDANT JAY KIM KNEW THAT IT WAS ILLEGAL FOR  
5 CORPORATIONS, INCLUDING JAYKIM ENGINEERS, INC., TO MAKE  
6 CONTRIBUTIONS, INCLUDING THE IN-KIND CONTRIBUTIONS, TO FEDERAL  
7 ELECTION CAMPAIGNS SUCH AS HIS. BUT HE CAUSED JAYKIM  
8 ENGINEERS, INC. TO MAKE THOSE CONTRIBUTIONS ANYWAY.

9 COUNT SEVEN:

10 ON MAY 22ND, 1992, DEFENDANT JAY KIM ACCEPTED A  
11 FIFTY-THOUSAND DOLLAR LOAN FROM SONG NIEN YEH, WHOM DEFENDANT  
12 JAY KIM KNEW WAS A TAWAINESE NATIONAL. DEFENDANT JAY KIM  
13 DEPOSITED THE FIFTY-THOUSAND-DOLLAR PAYMENT INTO HIS PERSONAL  
14 BANK ACCOUNT.

15 ON MAY 26TH, 1992, DEFENDANT JAY KIM WROTE A  
16 FIFTY-THOUSAND-DOLLAR CHECK ON HIS PERSONAL BANK ACCOUNT AND  
17 DEPOSITED THE CHECK INTO THE BANK ACCOUNT OF DEFENDANT JAY KIM  
18 FOR CONGRESS COMMITTEE.

19 DEFENDANT JAY KIM KNEW THAT THE PAYMENT FROM SONG  
20 NIEN YEH WAS AN ILLEGAL, EXCESSIVE AND FOREIGN CONTRIBUTION.

21 COUNT EIGHT:

22 IN SEPTEMBER 1992, DEFENDANT JAY KIM ATTENDED A  
23 FUND-RAISER DINNER AT THE WALDORF ASTORIA HOTEL IN NEW YORK  
24 CITY. AT THE FUND-RAISER, THE PRESIDENT OF NIKKO ENTERPRISES,  
25 INC., A CORPORATION, TOLD DEFENDANT JAY KIM THAT HE WOULD MAKE

1 A LARGE CONTRIBUTION TO DEFENDANT JAY KIM'S CONGRESSIONAL  
2 CAMPAIGN.

3 SHORTLY, THEREAFTER, THE PRESIDENT OF NIKKO CAUSED A  
4 NIKKO CORPORATE CHECK IN THE AMOUNT OF \$12,000 TO BE ISSUED FOR  
5 THE PURPOSE OF MAKING A POLITICAL CONTRIBUTION.

6 THE TWELVE-THOUSAND-DOLLAR CONTRIBUTION CHECK WAS  
7 FORWARDED TO A NEW YORK FUND-RAISER FOR DEFENDANT JAY KIM. THE  
8 NEW YORK FUND-RAISER TELEPHONED DEFENDANT JAY KIM AND TOLD HIM  
9 THAT HE HAD RECEIVED THE CHECK. DEFENDANT JAY KIM AND THE NEW  
10 YORK FUND-RAISER ALSO DISCUSSED THE AMOUNT AND THE CORPORATE  
11 NATURE OF THE CHECK. THE NEW YORK FUND-RAISER MAILED THE  
12 TWELVE-THOUSAND-DOLLAR CONTRIBUTION CHECK TO DEFENDANT JAY KIM  
13 IN DIAMOND BAR, CALIFORNIA.

14 THEREAFTER, IN OCTOBER 1992, DEFENDANT JAY KIM  
15 RECEIVED AND ACCEPTED THE TWELVE-THOUSAND-DOLLAR CONTRIBUTION  
16 CHECK, WHICH WAS THEN ENDORSED BY DEFENDANT JUNE KIM, AND  
17 DEPOSITED IN DEFENDANT JAY KIM'S PERSONAL BANK ACCOUNT.

18 DEFENDANT JAY KIM KNEW THAT THE  
19 TWELVE-THOUSAND-DOLLAR NIKKO CONTRIBUTION CHECK WAS AN ILLEGAL  
20 CORPORATE AND EXCESSIVE CONTRIBUTION.

21 AND, FINALLY, WITH RESPECT TO DEFENDANT JUNE KIM IN  
22 COUNTS NINE AND TEN, THE EVIDENCE WOULD SHOW AS FOLLOWS:

23 COUNT NINE:

24 IN OCTOBER 1993, AS DEFENDANT JUNE KIM KNEW, AMKO  
25 ADVERTISING, INC., A NEW YORK CORPORATION, PAID AT LEAST

1 \$14,000 TO SAMAS TELECOM, A BUSINESS OWNED BY SEOKUK MA. AND  
2 THAT MONEY WAS PAID WITH THE UNDERSTANDING THE MONEY WAS TO BE  
3 USED AS A CONTRIBUTION TO THE CONGRESSIONAL CAMPAIGN OF  
4 DEFENDANT JAY KIM.

5 THEREAFTER, IN OCTOBER 1993, AS DEFENDANT JUNE KIM  
6 KNEW, SEOKUK MA USED THE \$14,000 FROM AMKO ADVERTISING, INC. TO  
7 REIMBURSE VARIOUS INDIVIDUALS FOR WRITING CONTRIBUTION CHECKS  
8 TO DEFENDANT JAY KIM FOR CONGRESS COMMITTEE.

9 DEFENDANT JUNE KIM KNEW THAT THE CONTRIBUTIONS WERE,  
10 IN FACT, ILLEGAL, CORPORATE AND EXCESSIVE CONTRIBUTIONS, BUT  
11 ACCEPTED THEM ON BEHALF OF DEFENDANT JAY KIM FOR CONGRESS  
12 COMMITTEE.

13 COUNT TEN:

14 ON JANUARY 21ST, 1994, DEFENDANT JAY KIM FOR CONGRESS  
15 COMMITTEE HELD A FUND-RAISER AT THE RADISSON WILSHIRE HOTEL IN  
16 LOS ANGELES.

17 FROM JANUARY 20TH, 1994 THROUGH JANUARY 25TH, 1994,  
18 DEFENDANT JUNE KIM ON BEHALF OF DEFENDANT JAY KIM FOR CONGRESS  
19 COMMITTEE RECEIVED AND ACCEPTED CORPORATE CONTRIBUTIONS FROM  
20 THE FUND-RAISER TOTALING \$5,450 FROM SEVEN CORPORATIONS:

21 HAITAI AMERICA, INC., BACCO, INC., KOREAN FEDERATION  
22 OF LOS ANGELES, INC., SUN PRINCESS COSMETICS, INC., DONG-A  
23 AMERICA CORP., UNIVERSAL MARKET SUPPLY CORPORATION, AND TIGER  
24 CONTRACT SERVICES, INC.

25 DEFENDANT JUNE KIM KNEW THAT IT WAS ILLEGAL TO ACCEPT

1 THESE CONTRIBUTIONS.

2 I WOULD ALSO ADD FOR THE RECORD THAT THE SIGNED PLEA  
3 AGREEMENTS FOR ALL THREE DEFENDANTS PROVIDE A DETAILED SET OF  
4 STIPULATED FACTS, WHICH HAVE BEEN AGREED TO BY EACH OF THE  
5 DEFENDANTS.

6 THE COURT: RIGHT. I WAS JUST GOING TO GO OVER THAT  
7 WITH EACH OF THEM.

8 THEN, I GATHER, MR. MANSFIELD, THAT THE GOVERNMENT IS  
9 SATISFIED THAT THERE'S MORE THAN AN ADEQUATE FACTUAL BASIS FOR  
10 THIS PLEA AGREEMENT?

11 MR. MANSFIELD: YES, YOUR HONOR.

12 THE COURT: OKAY.

13 MR. HOLLIDAY: YOUR HONOR, IF I MAY.

14 THE COURT: YES, MR. HOLLIDAY.

15 MR. HOLLIDAY: EITHER I MISHEARD OR, "PERHAPS, MR.  
16 MANSFIELD MISSPOKE, BUT IN CONNECTION WITH COUNT TWO, WHICH IS  
17 ONE OF THE COMMITTEE CHARGES --

18 THE COURT: YES.

19 MR. HOLLIDAY: -- IT SHOULD BE THE GOVERNMENT'S PROOF  
20 WOULD BE EITHER THAT MR. KIM AND/OR AGENTS OF THE COMMITTEE.  
21 AND I DIDN'T HEAR THE "OR."

22 I BELIEVE I'M CORRECT, MR. MANSFIELD, THAT WOULD BE  
23 THE POSITION OF THE GOVERNMENT.

24 MR. MANSFIELD: FOR PURPOSES OF THE FACTUAL BASIS  
25 TODAY, THAT'S THE POSITION OF THE GOVERNMENT. WE WOULD RESERVE

1 THE OPPORTUNITY TO PROVE-UP ANY ADDITIONAL EVIDENCE FOR  
2 SENTENCING.

3 THE COURT: RIGHT. OKAY.

4 NOW, MR. KIM, THERE IS A FACTUAL STATEMENT OF FACTS  
5 THAT HAS BEEN AGREED TO BY YOU AND THE GOVERNMENT HERE; IS THAT  
6 CORRECT? IT'S ATTACHED TO THE PLEA AGREEMENT.

7 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.

8 THE COURT: ALL RIGHT.

9 AND MR. MANSFIELD -- HIS SUMMARY OF WHAT THE  
10 GOVERNMENT WOULD PRESENT TO THE COURT IF THIS CASE WERE TO GO  
11 TO TRIAL WAS BASICALLY TAKEN FROM THIS AGREED UPON STATEMENT OF  
12 FACTS.

13 IS THAT CORRECT?

14 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.

15 THE COURT: MR. HOLLIDAY.

16 MR. HOLLIDAY: YES, YOUR HONOR.

17 THERE ARE A COUPLE OF CHANGES THAT MR. MANSFIELD  
18 PROPERLY RECITED TODAY. AND WE COULD SUBMIT A CORRECTION WITH  
19 THE COURT OR NOT, BUT MR. KIM IS AWARE OF THEM. AND MR.  
20 MANSFIELD'S RECITATION TODAY IS A CORRECT ONE.

21 THE COURT: ALL RIGHT.

22 THEN, DO YOU AGREE, MR. KIM, WITH EVERYTHING THAT MR.  
23 MANSFIELD HAD TO SAY ABOUT YOU AND YOUR INVOLVEMENT IN THESE  
24 CIRCUMSTANCES THAT GIVE RISE TO THESE CHARGES AGAINST YOU?

25 DEFENDANT JAY KIM: I DO, YOUR HONOR.

1 THE COURT: IS THERE ANYTHING AT ALL THAT YOU QUARREL  
2 WITH IN TERMS OF WHAT MR. MANSFIELD HAS REPRESENTED TO ME  
3 TODAY?

4 DEFENDANT JAY KIM: NO, YOUR HONOR.

5 THE COURT: OKAY.

6 AND ON BEHALF OF THE COMMITTEE, MR. KIM -- SINCE  
7 YOU'RE HERE ON BEHALF OF THE COMMITTEE AS WELL, DID YOU  
8 UNDERSTAND EVERYTHING MR. MANSFIELD SAID WITH RESPECT TO WHAT  
9 THE COMMITTEE -- WHAT THE GOVERNMENT WOULD PROVE WITH RESPECT  
10 TO THE COMMITTEE?

11 DEFENDANT JAY KIM: I UNDERSTAND, YOUR HONOR.

12 THE COURT: AND DO YOU AGREE, AS YOU'VE SIGNED ON  
13 BEHALF OF THE COMMITTEE, ON THE STATEMENT OF FACTS THAT -- WITH  
14 EVERYTHING THAT WAS SAID HERE ABOUT THE COMMITTEE'S  
15 INVOLVEMENT?

16 DEFENDANT JAY KIM: I DO.

17 THE COURT: ALL RIGHT.

18 IS THERE ANYTHING YOU WOULD DISAGREE TO?

19 DEFENDANT JAY KIM: NO, I DON'T, YOUR HONOR.

20 THE COURT: OKAY.

21 NOW, MS. KIM, SIMILARLY FOR YOU, DID YOU UNDERSTAND  
22 EVERYTHING THAT MR. MANSFIELD SUMMARIZED FOR ME THAT THE  
23 GOVERNMENT WOULD PRESENT AT THE TIME OF TRIAL IF THIS CASE WERE  
24 TO GO TO TRIAL?

25 DEFENDANT JUNE KIM: I DO, YOUR HONOR.

1 THE COURT: AND -- AT LEAST AS IT RELATES TO YOU.  
2 IS THAT CORRECT?  
3 DEFENDANT JUNE KIM: YES, SIR.  
4 THE COURT: AND DO YOU QUARREL WITH ANYTHING OR  
5 DISAGREE WITH ANYTHING THAT MR. MANSFIELD PRESENTED TO ME?  
6 DEFENDANT JUNE KIM: NO, YOUR HONOR.  
7 THE COURT: YOU AGREE WITH IT ALL; IS THAT CORRECT?  
8 DEFENDANT JUNE KIM: YES, SIR.  
9 THE COURT: AND IT'S ADEQUATELY SET FORTH IN THE  
10 STATEMENT OF FACTS THAT YOU AGREED TO AS PART OF YOUR PLEA  
11 AGREEMENT.  
12 IS THAT CORRECT?  
13 DEFENDANT JUNE KIM: YES, SIR.  
14 THE COURT: AND I GATHER, COUNSEL, THAT YOU EACH --  
15 MR. HOLLIDAY, THAT YOU ARE SATISFIED THAT THERE IS AN  
16 ADEQUATE FACTUAL BASIS FOR YOUR CLIENT'S PLEA TO PLEAD TO THIS  
17 COUNT --  
18 MR. HOLLIDAY: I AM, YOUR HONOR.  
19 THE COURT: -- AS WELL AS THE COMMITTEE?  
20 MR. HOLLIDAY: YES, YOUR HONOR, I AM.  
21 THE COURT: MR. CORBIN, HOW ABOUT YOU?  
22 MR. CORBIN: YES. AS SET FORTH IN MR. MANSFIELD'S  
23 RECITATION TODAY.  
24 THE COURT: OKAY.  
25 THEN, PERHAPS, WE SHOULD FILE -- IF THERE IS SOME

1 SLIGHT DIFFERENCES IN WHAT MR. MANSFIELD PRESENTED AND WHAT WAS  
2 SUBMITTED TO ME IN THE PLEA AGREEMENT, THE CORRECTED STATEMENT  
3 OF FACTS THAT THE PARTIES AGREE TO.

4 MR. HOLLIDAY: WE CAN DO THAT, YOUR HONOR.

5 THE COURT: MR. CORBIN, IS THAT OKAY?

6 MR. CORBIN: YES, YOUR HONOR.

7 THE COURT: MR. MANSFIELD, YOU'LL TAKE CARE OF THAT?

8 MR. MANSFIELD: YES, YOUR HONOR.

9 THE COURT: OKAY.

10 NOW, MR. KIM, DID YOU HAVE THE OPPORTUNITY TO DISCUSS  
11 THE SENTENCING GUIDELINES WITH YOUR ATTORNEY?

12 DEFENDANT JAY KIM: YES, WE DID, YOUR HONOR.

13 THE COURT: ALL RIGHT. AND DO YOU UNDERSTAND THAT  
14 YOU, AS WELL AS THE COMMITTEE, WILL BE SENTENCED UNDER THE  
15 SENTENCING REFORM ACT OF 1984 AND THE RELATED SENTENCING  
16 GUIDELINES?

17 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.

18 THE COURT: WERE YOU SATISFIED WITH THE DISCUSSION  
19 THAT YOU HAD WITH --

20 DEFENDANT JAY KIM: YES. I'M SATISFIED, YOUR HONOR.

21 THE COURT: BY THE WAY, WHEN YOU WERE DISCUSSING ALL  
22 OF THESE MATTERS WITH YOUR ATTORNEY, DID YOU ALSO DISCUSS ANY  
23 POSSIBLE DEFENSES THAT YOU MIGHT HAVE TO THESE CHARGES?

24 DEFENDANT JAY KIM: ANY POSSIBLE DEFENSES?

25 THE COURT: DEFENSES.

1           DEFENDANT JAY KIM: YES, WE HAVE.

2           THE COURT: AND ARE YOU SATISFIED WITH ALL OF THE

3 DISCUSSIONS YOU HAD WITH YOUR ATTORNEY WITH RESPECT TO ANY

4 POSSIBLE DEFENSES THAT YOU'RE GIVING UP AS WELL AS YOUR

5 UNDERSTANDING OF HOW THE GUIDELINES MIGHT APPLY IN YOUR CASE?

6           DEFENDANT JAY KIM: YES, I'M SATISFIED. AND WE HAD A

7 FULL DISCUSSION ABOUT --

8           THE COURT: OKAY. NOW, MR. KIM, I'M GOING TO DO THIS

9 WITH YOU INDIVIDUALLY FIRST BEFORE I DO MS. KIM.

10          BUT DO YOU UNDERSTAND THAT NEITHER MR. HOLLIDAY NOR I

11 NOR THE GOVERNMENT CAN TELL YOU TODAY RIGHT NOW WHAT THE EXACT

12 GUIDELINE RANGE WILL BE FOR YOUR CASE?

13          DEFENDANT JAY KIM: EXACT GUIDELINE, YOUR HONOR?

14          THE COURT: THE EXACT PRECISE GUIDELINE.

15          DEFENDANT JAY KIM: YES. MR. HOLLIDAY HAD EXPLAINED

16 IT TO ME.

17          THE COURT: OKAY.

18          AND DO YOU UNDERSTAND THAT I'M NOT -- THE COURT IS

19 NOT A PARTY TO THIS AGREEMENT BETWEEN YOU AND THE GOVERNMENT?

20          DEFENDANT JAY KIM: I UNDERSTAND THAT.

21          THE COURT: THAT'S -- YOU DON'T SEE MY SIGNATURE

22 ANYPLACE ON THIS AGREEMENT, (INDICATING), DO YOU?

23          DEFENDANT JAY KIM: NO. NO, SIR.

24          THE COURT: OKAY.

25          THIS IS AN AGREEMENT BETWEEN YOU AND THE GOVERNMENT.

1 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.  
2 THE COURT: ALL RIGHT.  
3 NOW, DO YOU UNDERSTAND THAT AT THE TIME OF SENTENCING  
4 THAT THE WHOLE MATTER OF SENTENCING IS MY RESPONSIBILITY?  
5 DEFENDANT JAY KIM: I UNDERSTAND THAT, ALSO, YOUR  
6 HONOR.  
7 THE COURT: AND THAT IF YOU ARE DISAPPOINTED IN THE  
8 SENTENCE THAT'S IMPOSED BY THE COURT OR WITH THE GUIDELINE  
9 RANGE THAT I APPLY TO YOUR CASE, DO YOU UNDERSTAND THAT THAT  
10 DISAPPOINTMENT OR ANY UNCERTAINTY YOU MAY FEEL ABOUT WHAT'S  
11 GOING TO HAPPEN TO YOU AT THE TIME OF SENTENCING CANNOT BE A  
12 BASIS FOR YOU TO WITHELDRAW YOUR PLEA OF GUILTY TO THESE COUNTS?  
13 DEFENDANT JAY KIM: I FULLY UNDERSTAND THAT.  
14 THE COURT: AND YOU DISCUSSED THAT THOROUGHLY WITH  
15 YOUR ATTORNEY.  
16 IS THAT CORRECT?  
17 DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.  
18 THE COURT: OKAY.  
19 AND DO YOU UNDERSTAND THAT ON BEHALF OF THE COMMITTEE  
20 AS WELL?  
21 DEFENDANT JAY KIM: THAT'S CORRECT.  
22 THE COURT: OKAY.  
23 MS. KIM, NOW, DID YOU HAVE AN OPPORTUNITY TO DISCUSS  
24 THE SENTENCING GUIDELINES WITH YOUR ATTORNEY?  
25 DEFENDANT JUNE KIM: YES, SIR.

1 THE COURT: AND HOW -- DID YOU DISCUSS WITH HIM HOW  
2 THEY MIGHT APPLY TO YOU IN THIS CASE?

3 DEFENDANT JUNE KIM: I UNDERSTOOD.

4 THE COURT: OKAY.

5 AND DID YOU DISCUSS WITH HIM AS WELL ANY POSSIBLE  
6 DEFENSES THAT YOU MIGHT HAVE TO THESE CHARGES THAT HAVE BEEN  
7 BROUGHT AGAINST YOU?

8 DEFENDANT JUNE KIM: YES, I HAVE.

9 THE COURT: AND WERE YOU SATISFIED WITH ALL THE  
10 DISCUSSIONS YOU'VE HAD WITH YOUR ATTORNEY WITH RESPECT TO HOW  
11 THE GUIDELINES MIGHT APPLY TO YOU, AND THE FACT THAT YOU'RE  
12 GIVING UP ALL THESE DEFENSE -- ANY DEFENSES THAT YOU MIGHT  
13 HAVE?

14 DEFENDANT JUNE KIM: YES, I HAVE.

15 THE COURT: OKAY.

16 NOW, DO YOU ALSO -- IT'S IMPORTANT THAT YOU  
17 UNDERSTAND THAT I'M NOT A PARTY TO THIS PLEA AGREEMENT.

18 DO YOU UNDERSTAND THAT?

19 DEFENDANT JUNE KIM: YES, SIR.

20 THE COURT: YOU DON'T SEE MY NAME ON ANY OF THESE --

21 DEFENDANT JUNE KIM: NO, SIR.

22 THE COURT: -- PLEA AGREEMENTS, DO YOU?

23 AND DO YOU ALSO UNDERSTAND THAT AT THE TIME OF  
24 SENTENCING, THE SENTENCE IS MY RESPONSIBILITY, THE COURT'S  
25 RESPONSIBILITY?

1 DEFENDANT JUNE KIM: YES, SIR.

2 THE COURT: OKAY.

3 AND IT'S IMPORTANT, ALSO, THAT YOU KEEP IN MIND THAT  
4 ANY DISAPPOINTMENT YOU MIGHT HAVE ABOUT THE SENTENCE OR THE  
5 GUIDELINE RANGE THAT APPLIES TO YOUR CASE CANNOT BE A BASIS BY  
6 ITSELF FOR YOU TO WITHDRAW YOUR PLEA OF GUILTY TO THE COUNTS  
7 THAT YOU'RE PLEADING GUILTY TO.

8 DO YOU UNDERSTAND THAT?

9 DEFENDANT JUNE KIM: YES, I UNDERSTAND.

10 THE COURT: OR ANY UNCERTAINTY THAT YOU MIGHT FEEL  
11 OR, YOU KNOW, AMBIVALENCE YOU MIGHT HAVE.

12 DO YOU UNDERSTAND THAT THAT CAN'T BE A BASIS TO  
13 WITHDRAW YOUR PLEA OF GUILTY?

14 DEFENDANT JUNE KIM: YES, SIR.

15 THE COURT: OKAY.

16 NOW, IT'S ALSO IMPORTANT FOR THE RECORD THAT WE --  
17 THAT YOU UNDERSTAND BEFORE I ACTUALLY TAKE YOUR PLEAS WHAT THE  
18 MAXIMUM POSSIBLE SENTENCE IS HERE THAT THE COURT COULD IMPOSE  
19 IN THESE -- IN THIS CASE BASED UPON THE CHARGES THAT HAVE BEEN  
20 FILED.

21 AND I KNOW THAT THE MAXIMUM POSSIBLE SENTENCE IS SET  
22 FORTH IN THE PLEA AGREEMENT. BUT FOR THE RECORD, IT'S  
23 IMPORTANT THAT WE HAVE IT ON THE RECORD, AND THAT I GO OVER IT  
24 WITH YOU, THAT YOU UNDERSTAND WHAT THE MAXIMUM POSSIBLE  
25 SENTENCE COULD BE.

1 AND MR. MANSFIELD, ARE YOU GOING TO DO THIS?

2 MR. MANSFIELD: YES, YOUR HONOR.

3 FOR DEFENDANT JAY KIM, THE MAXIMUM SENTENCE IS ONE  
4 YEAR IMPRISONMENT PER COUNT FOLLOWED BY ONE YEAR SUPERVISED  
5 RELEASE. AND THERE ARE THREE COUNTS. THAT WOULD BRING IT TO  
6 THREE YEARS' IMPRISONMENT, THREE YEARS' SUPERVISED RELEASE.

7 THE MAXIMUM CRIMINAL FINE IS EITHER \$100,000 PER  
8 COUNT OR THREE TIMES THE AMOUNT OF THE CONTRIBUTIONS INVOLVED.  
9 IN THIS CASE, THE CONTRIBUTIONS INVOLVED WITH RESPECT TO  
10 DEFENDANT JAY KIM ARE \$145,248. AND SO THE GREATER FINE FIGURE  
11 IS THE FIGURE OF \$435,694. AND THAT WOULD BE THE MAXIMUM FINE  
12 THAT HE IS FACING.

13 THE COURT: AND THAT'S FOR MR. KIM.

14 MR. MANSFIELD: YES.

15 THE COURT: OKAY.

16 MR. MANSFIELD: WITH RESPECT TO JUNE KIM, IT IS ALSO  
17 ONE YEAR IMPRISONMENT FOR EACH COUNT, FOLLOWED BY A YEAR OF  
18 SUPERVISED RELEASE. THAT'S TWO COUNTS. AND THAT WOULD BRING  
19 IT TO TWO YEARS' IMPRISONMENT, TWO YEARS' SUPERVISED RELEASE.

20 FOR A CRIMINAL FINE, IT WOULD BE \$100,000 PER COUNT  
21 FOR A TOTAL MAXIMUM POSSIBLE FINE OF \$200,000.

22 THE COURT: AND THE COMMITTEE?

23 MR. MANSFIELD: ALTERNATIVELY, DEFENDANT JUNE KIM  
24 COULD BE FINED THREE TIMES THE AMOUNT OF THE CONTRIBUTIONS  
25 INVOLVED AS WELL.

1 THE COURT: OKAY.

2 MR. MANSFIELD: FOR THE COMMITTEE, IT IS \$500,000 --

3 A FINE OF \$500,000 PER COUNT. THERE ARE FIVE COUNTS. THAT

4 WOULD BRING IT TO A TOTAL OF \$2.5 MILLION FOR A MAXIMUM FINE

5 AGAINST THE COMMITTEE. THERE'S ALSO A FIVE-YEAR PERIOD OF

6 PROBATION FOR THE --

7 THE COURT: FOR THE COMMITTEE.

8 MR. MANSFIELD: FOR THE ORGANIZATION.

9 THE COURT: FOR THE ORGANIZATION. OKAY.

10 MR. KIM, FIRST, ON BEHALF OF YOURSELF, DO YOU

11 UNDERSTAND WHAT THE MAXIMUM POSSIBLE SENTENCE IS --

12 DEFENDANT JAY KIM: I UNDERSTAND.

13 THE COURT: -- THAT I COULD IMPOSE IN THIS CASE?

14 DEFENDANT JAY KIM: YES, I UNDERSTAND, YOUR HONOR.

15 THE COURT: AND ON BEHALF OF THE COMMITTEE,

16 SIMILARLY, DO YOU UNDERSTAND WHAT THE MAXIMUM --

17 DEFENDANT JAY KIM: I DO.

18 THE COURT: -- POSSIBLE SENTENCE COULD BE?

19 DEFENDANT JAY KIM: I DO.

20 THE COURT: HOW ABOUT YOU, MS. KIM, DO YOU UNDERSTAND

21 WHAT THE MAXIMUM POSSIBLE SENTENCE COULD BE FOR YOU IN THIS

22 CASE BASED ON THE COUNTS THAT YOU'LL BE PLEADING GUILTY TO?

23 DEFENDANT JUNE KIM: YES, SIR, I DO.

24 THE COURT: OKAY.

25 NOW, A FEW OTHER MINOR POINTS. I BELIEVE WHEN I

1 REVIEWED THE PLEA AGREEMENT, I NOTED THAT THERE'S A WAIVER OF  
2 APPEAL.

3 IS THAT RIGHT, MR. HOLLIDAY?

4 MR. HOLLIDAY: YES. THAT'S CORRECT, YOUR HONOR.

5 THE COURT: OKAY.

6 FIRST, MR. KIM, DO YOU UNDERSTAND THAT YOU HAVE THE  
7 RIGHT UNDER THE LAW TO APPEAL ANY SENTENCE IMPOSED BY THE  
8 COURT?

9 DEFENDANT JAY KIM: YES, I UNDERSTAND.

10 THE COURT: AND DO YOU UNDERSTAND THAT IN YOUR PLEA  
11 AGREEMENT IN PARAGRAPH 14 THAT YOU'RE GIVING UP YOUR RIGHT TO  
12 APPEAL ANY SENTENCE IMPOSED BY THE COURT AND THE MANNER IN  
13 WHICH THE SENTENCE IS DETERMINED SO LONG AS YOUR SENTENCE IS  
14 WITHIN THE STATUTORY MAXIMUM SPECIFIED IN THE PLEA AGREEMENT?

15 MR. HOLLIDAY: I BELIEVE IT'S PARAGRAPH 15, YOUR  
16 HONOR.

17 THE COURT: OH, I'M SORRY. DID I LOOK AT THE WRONG  
18 ONE? I'M SORRY. I HAD MS. KIM'S. I'M SORRY. I'VE GOT TO  
19 SWITCH OVER.

20 PARAGRAPH 15, YOU'RE CORRECT, MR. HOLLIDAY. I'M  
21 SORRY.

22 DO YOU UNDERSTAND YOU'LL BE GIVING UP YOUR RIGHT --

23 DEFENDANT JAY KIM: YES, I DO.

24 THE COURT: -- TO APPEAL AS SET FORTH IN PARAGRAPH  
25 15?

1                   DEFENDANT JAY KIM: YES, I DO.  
2                   THE COURT: AND IS THAT WHAT YOU WANT TO DO?  
3                   DEFENDANT JAY KIM: THAT'S CORRECT, YOUR HONOR.  
4                   THE COURT: OKAY.  
5                   AND, MS. KIM, I BELIEVE IN YOUR CASE IT'S IN  
6 PARAGRAPH 14.  
7                   DO YOU UNDERSTAND YOU HAVE THE RIGHT TO APPEAL ANY  
8 SENTENCE IMPOSED BY THE COURT?  
9                   DEFENDANT JUNE KIM: YES, I DO.  
10                  THE COURT: AND DO YOU UNDERSTAND IN PARAGRAPH 14  
11 YOU'RE GIVING UP THAT RIGHT SO LONG AS THE SENTENCE IMPOSED BY  
12 THE COURT IN THE MANNER IN WHICH THE SENTENCE IS DETERMINED IS  
13 WITHIN THE STATUTORY MAXIMUM SPECIFIED WITHIN THE PLEA  
14 AGREEMENT?  
15                  DEFENDANT JUNE KIM: YES, SIR.  
16                  THE COURT: OKAY.  
17                  MR. MANSFIELD: EXCUSE ME, YOUR HONOR, THERE'S ALSO A  
18 WAIVER OF APPEAL FOR THE CAMPAIGN COMMITTEE.  
19                  THE COURT: FOR THE CAMPAIGN COMMITTEE. THAT'S  
20 CORRECT. LET'S SEE --  
21                  MR. HOLLIDAY: PARAGRAPH 11, YOUR HONOR, ON PAGE --  
22                  THE COURT: OF THE CAMPAIGN COMMITTEE. YES. OKAY.  
23                  AND, MR. KIM, ON BEHALF -- DO YOU UNDERSTAND THAT THE  
24 CAMPAIGN COMMITTEE HAS THE RIGHT TO APPEAL ANY SENTENCE IMPOSED  
25 BY THE COURT?

1           DEFENDANT JAY KIM: YES, I DO.

2           THE COURT: AND YOU UNDERSTAND YOU'RE GIVING UP THAT

3 RIGHT AS SET FORTH IN PARAGRAPH 11 OF THE PLEA AGREEMENT?

4           DEFENDANT JAY KIM: YES, YOUR HONOR.

5           THE COURT: AND IS THAT WHAT YOU WANT TO DO ON BEHALF

6 OF THE COMMITTEE?

7           DEFENDANT JAY KIM: THAT'S CORRECT.

8           THE COURT: OKAY. THEN --

9           NOW, MR. KIM, HAVE ANY PROMISES BEEN MADE TO YOU IN

10 EXCHANGE FOR YOUR PLEA AGREEMENT HERE THIS AFTER- -- IN

11 EXCHANGE FOR YOUR PLEA TO THE COUNTS IN THE INDICTMENT THAT

12 YOU'VE AGREED TO PLEAD GUILTY TO IN THE PLEA AGREEMENT, OTHER

13 THAN THOSE WHICH APPEAR IN THE PLEA AGREEMENT --

14           DEFENDANT JAY KIM: NO, I DON'T RECALL ANY PROMISES.

15           THE COURT: EVERYTHING IS IN THIS PLEA AGREEMENT; IS

16 THAT RIGHT?

17           DEFENDANT JAY KIM: THAT'S CORRECT.

18           THE COURT: ANY THREATS BEEN MADE AGAINST YOU TO

19 PLEAD GUILTY HERE TODAY?

20           DEFENDANT JAY KIM: ANY THREATS?

21           THE COURT: YES.

22           DEFENDANT JAY KIM: NO, SIR.

23           THE COURT: OKAY.

24           HOW ABOUT ON BEHALF OF THE COMMITTEE?

25           DEFENDANT JAY KIM: NO. NO, YOUR HONOR.

1 THE COURT: SAME ANSWERS?  
2 DEFENDANT JAY KIM: SAME ANSWER, YOUR HONOR.  
3 THE COURT: OKAY.  
4 MS. KIM, HOW ABOUT YOU? ANY OTHER PROMISES BEEN MADE  
5 TO YOU IN ORDER TO GET YOU TO PLEAD GUILTY HERE THAT ARE NOT  
6 REFLECTED IN THE WRITTEN PLEA AGREEMENT THAT YOU'VE ENTERED  
7 INTO WITH THE GOVERNMENT?  
8 DEFENDANT JUNE KIM: NO.  
9 THE COURT: AND ANY THREATS BEEN MADE TO YOU TO GET  
10 YOU TO PLED GUILTY HERE THIS AFTERNOON?  
11 DEFENDANT JUNE KIM: NO.  
12 THE COURT: MR. KIM, ARE YOU GOING TO BE PLEADING  
13 GUILTY TO THE COUNTS IN THE INDICTMENT THAT PERTAIN TO YOU AND  
14 ON BEHALF OF THE COMMITTEE BECAUSE IN TRUTH AND IN FACT YOU ARE  
15 -- YOU ARE GUILTY OF WHAT'S ALLEGED IN THOSE COUNTS AS THEY  
16 RELATE TO YOU AND THE COMMITTEE?  
17 DEFENDANT JAY KIM: YES, YOUR HONOR.  
18 THE COURT: HOW ABOUT YOU, MS. KIM?  
19 DEFENDANT JUNE KIM: YES, SIR.  
20 THE COURT: OKAY. OKAY.  
21 MR. MANSFIELD, BEFORE I ACTUALLY TAKE THE PLEAS FROM  
22 THE DEFENDANTS, IS THERE ANYTHING ELSE ABOUT THIS PLEA  
23 AGREEMENT THAT I SHOULD BE AWARE OF IN CONNECTION WITH THE  
24 ACTUAL SENTENCING THAT MIGHT TAKE PLACE -- OR FROM MR. HOLLIDAY  
25 OR FROM MR. CORBIN? I NEED TO MAKE SURE THAT -- AS UNDERSTOOD

1 -- THAT I HAVEN'T COVERED.

2 MR. MANSFIELD: NO, YOUR HONOR. I THINK YOU'VE  
3 COVERED EVERYTHING.

4 THERE IS A PARTICULAR PARAGRAPH FOR DEFENDANTS JAY  
5 KIM AND JUNE KIM REGARDING THE APPLICABLE SENTENCING  
6 GUIDELINES, BUT I THINK YOU'VE COVERED IT.

7 THE COURT: OKAY. ALL RIGHT. THEN, LET ME JUST --  
8 (PAUSE IN PROCEEDINGS.)

9 THE COURT: ANYTHING ELSE I -- DID I COVER EVERYTHING  
10 THAT NEEDS TO BE COVERED HERE, MR. MANSFIELD?

11 (GOVERNMENT COUNSEL CONFERRING.)

12 MR. MANSFIELD: NO, YOUR HONOR. YOU'VE COVERED  
13 EVERYTHING.

14 THE COURT: ALL RIGHT.

15 MR. MANSFIELD: ACTUALLY, THERE IS ONE OTHER ITEM  
16 THAT MR. CORBIN JUST REMINDED ME. IN DISCUSSION OF -- ABOUT  
17 THE MAXIMUM PENALTIES ON EACH OFFENSE, THERE ARE SPECIAL  
18 ASSESSMENTS, WHICH THE DEFENDANTS SHOULD BE ADVISED OF.

19 FOR THE JAY KIM FOR CONGRESS COMMITTEE, THE SPECIAL  
20 ASSESSMENT IS \$400 PER COUNT.

21 FOR DEFENDANT JAY KIM, THE SPECIAL ASSESSMENT IS \$25  
22 PER COUNT.

23 AND FOR JUNE KIM, THE SPECIAL ASSESSMENT IS \$25 PER  
24 COUNT.

25 THE COURT: OKAY.

1 DO YOU UNDERSTAND THAT THOSE ARE ADDITIONAL -- THOSE  
2 ARE ASSESSMENTS THAT ARE IN ADDITION TO ANY SENTENCE, MR. KIM?  
3 DO YOU UNDERSTAND THAT?  
4 DEFENDANT JAY KIM: I UNDERSTAND.  
5 THE COURT: MS. KIM?  
6 DEFENDANT JUNE KIM: YES, SIR.  
7 THE COURT: OKAY. I THINK WE'VE COVERED IT ALL.  
8 NOW, MR. HOLLIDAY, BEFORE I ACTUALLY TAKE YOUR  
9 CLIENT'S PLEA THIS AFTERNOON, AFTER CONFERRING WITH YOUR CLIENT  
10 -- WHICH I'M SURE YOU'VE DONE -- IS THAT CORRECT? -- REGARDING  
11 THEIR PLEAS HERE THIS AFTERNOON?  
12 MR. HOLLIDAY: YES, I HAVE, YOUR HONOR.  
13 THE COURT: ARE YOU SATISFIED THAT THEY -- THAT HE  
14 FULLY UNDERSTANDS ALL OF THE CHARGES THAT HE'S PLEADING GUILTY  
15 TO?  
16 MR. HOLLIDAY: I DO, YOUR HONOR.  
17 THE COURT: AND THAT HIS PLEA HERE THIS AFTERNOON  
18 WILL BE MADE VOLUNTARILY AND KNOWINGLY WITH A FULL  
19 UNDERSTANDING OF ALL THE CONSEQUENCES OF HIS PLEAS?  
20 MR. HOLLIDAY: YES, YOUR HONOR.  
21 THE COURT: MR. CORBIN, HOW ABOUT YOU?  
22 MR. CORBIN: YES, YOUR HONOR.  
23 THE COURT: ARE YOU SATISFIED THAT YOUR CLIENT  
24 UNDERSTANDS THE NATURE OF THE CHARGES AND WHAT SHE'S PLEADING  
25 GUILTY TO?

1 MR. CORBIN: YES, I AM.  
2 THE COURT: AND THAT HER PLEAS HERE WILL BE MADE  
3 VOLUNTARILY --  
4 MR. CORBIN: YES.  
5 THE COURT: -- WITH A FULL UNDERSTANDING OF ALL THE  
6 POSSIBLE CONSEQUENCES?  
7 MR. CORBIN: YES, YOUR HONOR.  
8 THE COURT: AND WHEN I -- WHEN I TAKE HER PLEA, WILL  
9 YOU CONCUR IN THE PLEA ITSELF?  
10 MR. CORBIN: YES.  
11 THE COURT: HOW ABOUT YOU, MR. HOLLIDAY, ON BEHALF OF  
12 MR. KIM AND ON BEHALF OF THE JAY KIM --  
13 MR. HOLLIDAY: YES, YOUR HONOR.  
14 THE COURT: -- COMMITTEE FOR CONGRESS?  
15 MR. HOLLIDAY: YES, YOUR HONOR.  
16 THE COURT: OKAY.  
17 THEN, MR. KIM, I'LL TAKE YOUR PLEAS FIRST.  
18 LET'S SEE, MR. -- I WAS FOLLOWING THE COUNTS AS THEY  
19 RELATE -- DIRECTLY RELATE TO MR. KIM, BUT --  
20 MR. HOLLIDAY: SIX, SEVEN, AND EIGHT, YOUR HONOR.  
21 THE COURT: IT'S SIX, SEVEN AND EIGHT. THAT'S  
22 CORRECT. OKAY. THEY'RE NOT BROKEN OUT THAT WAY. OKAY.  
23 MR. KIM, WITH RESPECT TO COUNT SIX OF THE  
24 INFORMATION, WHICH ALLEGES A VIOLATION OF 2 U.S.C. SECTION  
25 441(B) AND 437(G), FROM ON OR ABOUT MARCH 1992 THROUGH JULY

1 1993, HOW DO YOU PLEAD?

2 MR. KIM: JUST ONE SECOND, PLEASE.

3 THE COURT: YES.

4 (MR. HOLLIDAY AND MR. KIM CONFERRING.)

5 DEFENDANT JAY KIM: I PLEAD GUILTY, YOUR HONOR.

6 THE COURT: OKAY.

7 WITH RESPECT TO COUNT SEVEN, WHICH ALLEGES A  
8 VIOLATION OF 2 U.S.C. SECTIONS 441(E) AND 437(G), WHICH ALLEGES  
9 A VIOLATION ON OR ABOUT MAY 26TH, 1992, DEFENDANT JAY KIM  
10 KNOWINGLY AND WILLFULLY ACCEPTED AND RECEIVED ON BEHALF OF THE  
11 JAY KIM FOR CONGRESS COMMITTEE AN ILLEGAL FIFTY-THOUSAND-DOLLAR  
12 CAMPAIGN CONTRIBUTION FROM A FOREIGN NATIONAL IN VIOLATION OF  
13 THE FEDERAL ELECTION CAMPAIGN ACT.

14 HOW DO YOU PLEAD TO THAT COUNT?

15 DEFENDANT JAY KIM: THE SAME, YOUR HONOR.

16 THE COURT: OKAY. GUILTY.

17 DEFENDANT JAY KIM: THAT'S CORRECT.

18 THE COURT: IS THAT RIGHT?

19 AND WITH RESPECT TO COUNT EIGHT, WHICH ALLEGES A  
20 VIOLATION OF 2 U.S.C. SECTIONS 441(B) AND 437(G), A VIOLATION  
21 ON OR ABOUT OCTOBER 1992 IN LOS ANGELES COUNTY, DEFENDANT JAY  
22 KIM KNOWINGLY AND WILLFULLY ACCEPTED AND RECEIVED AN EXCESSIVE  
23 AND ILLEGAL TWELVE-THOUSAND-DOLLAR CORPORATE CAMPAIGN  
24 CONTRIBUTION IN VIOLATION OF THE FEDERAL ELECTION ACT.

25 HOW DO YOU PLEAD TO THAT COUNT?

1           DEFENDANT JAY KIM: GUILTY, YOUR HONOR.  
2           THE COURT: OKAY.  
3           AND LET'S TURN BACK TO THE CAMPAIGN COMMITTEE.  
4           ON BEHALF OF THE CAMPAIGN COMMITTEE, COUNT ONE, WHICH  
5 ALLEGES A VIOLATION OF 18 U.S.C. SECTION 1001, THAT ON OR ABOUT  
6 MARCH 2, 1992 THROUGH ON OR ABOUT JULY 30, 1993, IN THE CENTRAL  
7 DISTRICT OF CALIFORNIA, DEFENDANT JAY KIM FOR CONGRESS  
8 COMMITTEE BY MEANS OF A SCHEME AND DEVICE KNOWINGLY AND  
9 WILLFULLY CONCEALED A MATERIAL FACT IN A MATTER WITHIN THE  
10 JURISDICTION OF THE FEDERAL ELECTION CAMPAIGN -- FEDERAL  
11 ELECTION COMMISSION.  
12           HOW DO YOU PLEAD TO THAT COUNT?  
13           DEFENDANT JAY KIM: ON BEHALF OF COMMITTEE, I PLEAD  
14 GUILTY.  
15           THE COURT: OKAY.  
16           COUNT TWO, WHICH ALLEGES A VIOLATION OF 18 U.S.C.  
17 SECTION 1001, THAT ON OR ABOUT MAY 2, 1992 THROUGH ON OR ABOUT  
18 JANUARY 27, 1993, IN LOS ANGELES COUNTY, THE JAY KIM FOR  
19 CONGRESS COMMITTEE BY MEANS OF A SCHEME AND DEVICE KNOWINGLY  
20 AND WILLFULLY CONCEALED MATERIAL FACTS IN A MATTER WITHIN THE  
21 JURISDICTION OF THE FEDERAL ELECTION COMMISSION.  
22           HOW DO YOU PLEAD TO THAT COUNT ON BEHALF OF THE  
23 COMMITTEE?  
24           DEFENDANT JAY KIM: ON BEHALF OF COMMITTEE, THE SAME,  
25 YOUR HONOR.

1 THE COURT: OKAY.  
2 COUNT THREE, WHICH ALLEGES ANOTHER VIOLATION OF 18  
3 U.S.C. SECTION 1001, THAT ON OR ABOUT MAY 26TH, 1992 IN LOS  
4 ANGELES COUNTY THE DEFENDANT JAY KIM FOR CONGRESS COMMITTEE  
5 KNOWINGLY AND WILLFULLY MADE A FALSE AND FRAUDULENT STATEMENT  
6 IN A MATTER WITHIN THE JURISDICTION OF THE FEDERAL ELECTION  
7 COMMISSION.

8 HOW DO YOU PLEAD -- ON BEHALF OF THE COMMITTEE, HOW  
9 DO YOU PLEAD TO COUNT THREE?

10 DEFENDANT JAY KIM: ON BEHALF OF COMMITTEE, I PLEAD  
11 GUILTY.

12 THE COURT: OKAY.  
13 THEN, COUNT FOUR, WHICH ALSO ALLEGES ANOTHER  
14 VIOLATION OF 18 U.S.C. SECTION 1001, THAT FROM IN OR ABOUT  
15 SEPTEMBER 1992 THROUGH ON OR ABOUT JANUARY 11, 1993 IN LOS  
16 ANGELES, WITHIN THE CENTRAL DISTRICT OF CALIFORNIA, DEFENDANT  
17 JAY KIM FOR CONGRESS COMMITTEE BY MEANS OF A SCHEME AND A  
18 DEVICE KNOWINGLY AND WILLFULLY CONCEALED MATERIAL FACTS IN A  
19 MATTER WITHIN THE JURISDICTION OF THE FEDERAL ELECTION  
20 COMMISSION.

21 THIS ONE MORE SPECIFICALLY RELATES TO A -- THAT ON OR  
22 ABOUT JANUARY 11TH, 1993, DEFENDANT JAY KIM FOR CONGRESS  
23 COMMITTEE KNOWINGLY RECEIVED \$19,000 IN ILLEGAL CORPORATE  
24 CONTRIBUTIONS IN THE FORM OF PERSONAL CHECKS FROM INDIVIDUALS  
25 WHO HAD BEEN REIMBURSED BY CORPORATIONS, NAMELY, DAEWOO

1 ELECTRONICS, PUSAN PIPE, ROCKET ELECTRIC, AND SAMSUNG AMERICA,  
2 INC.

3 HOW DO YOU PLEAD ON BEHALF OF THE COMMITTEE?

4 DEFENDANT JAY KIM: ON BEHALF OF COMMITTEE, THE SAME,  
5 YOUR HONOR.

6 THE COURT: OKAY.

7 AND I BELIEVE THE LAST COUNT THAT RELATES TO THE  
8 COMMITTEE IS COUNT FIVE, WHICH ALLEGES ANOTHER VIOLATION OF 18  
9 U.S.C. SECTION 1001, MORE PARTICULARLY IN OR ABOUT APRIL 1992,  
10 THROUGH JANUARY 24, '97, THE JAY KIM FOR COMMITTEE -- THE JAY  
11 KIM FOR CONGRESS COMMITTEE BY MEANS OF A SCHEME AND DEVICE  
12 KNOWINGLY AND WILLFULLY CONCEALED MATERIAL FACTS IN A MATTER  
13 WITHIN THE JURISDICTION OF THE FEDERAL ELECTION COMMISSION, .

14 MORE, SPECIFICALLY, THAT ON OR ABOUT APRIL THROUGH  
15 JUNE OF '92, JAY KIM AND JUNE KIM RECEIVED PAYMENTS TOTALING  
16 98,000, 18,000, 50,000 AND \$30,000 FROM VARIOUS INDIVIDUALS  
17 IDENTIFIED IN THE INFORMATION.

18 DEFENDANT JAY KIM: ON BEHALF --

19 THE COURT: AND HOW DO YOU PLEAD ON BEHALF OF THE  
20 COMMITTEE?

21 DEFENDANT JAY KIM: THE SAME, YOUR HONOR.

22 THE COURT: OKAY.

23 NOW, MS. KIM, WITH RESPECT TO COUNT NINE, WHICH  
24 ALLEGES A VIOLATION OF 2 U.S.C. SECTION 441(B), THAT ON OR  
25 ABOUT -- AND 437(G) -- THAT ON OR ABOUT OCTOBER '93, IN LOS

1 ANGELES COUNTY, DEFENDANT JUNE KIM KNOWINGLY AND WILLFULLY  
2 ACCEPTED AND RECEIVED ILLEGAL CORPORATE CONTRIBUTIONS  
3 AGGREGATING \$2,000 OR MORE DURING 1993 IN VIOLATION OF THE  
4 FEDERAL ELECTION CAMPAIGN ACT.

5 HOW DO YOU PLEAD TO THAT COUNT, MS. KIM?

6 DEFENDANT JUNE KIM: GUILTY, YOUR HONOR.

7 THE COURT: OKAY.

8 AND WITH RESPECT TO COUNT TEN, WHICH ALLEGES A  
9 VIOLATION OF 2 U.S.C. SECTIONS 441(B) AND 437(G), WHICH RELATE  
10 TO ALLEGATIONS THAT ON OR ABOUT JANUARY 20, 1994 THROUGH  
11 JANUARY 25, 1994, IN LOS ANGELES COUNTY, DEFENDANT JAY KIM  
12 KNOWINGLY -- JUNE KIM KNOWINGLY AND WILLFULLY ACCEPTED AND  
13 RECEIVED ILLEGAL CORPORATE CONTRIBUTIONS AGGREGATING \$2,000 OR  
14 MORE DURING 1994 IN VIOLATION OF THE FEDERAL ELECTION CAMPAIGN  
15 ACT.

16 HOW DO YOU PLEAD TO THAT COUNT, MS. KIM?

17 DEFENDANT JUNE KIM: GUILTY, YOUR HONOR.

18 THE COURT: OKAY.

19 THEN -- AFTER HAVING HAD THIS COLLOQUY WITH YOU, MR.  
20 KIM, AND WITH YOUR ATTORNEY, MR. HOLLIDAY, ON BEHALF OF  
21 YOURSELF AND ON BEHALF OF THE CAMPAIGN COMMITTEE, AND, MS. KIM,  
22 WITH YOU DIRECTLY AND WITH YOUR ATTORNEY, MR. CORBIN, I'M GOING  
23 TO MAKE THE FOLLOWING FINDINGS AND DO THE FOLLOWING:

24 FIRST, I'M GOING TO FIND THAT EACH OF YOUR PLEAS --  
25 THE PLEA OF JAY KIM, THE PLEA OF THE COMMITTEE, AND MS. JUNE

1 KIM -- THOSE PLEAS ARE FREELY AND VOLUNTARILY MADE WITH A FULL  
2 UNDERSTANDING OF EACH OF THE CHARGES THAT'S BEEN BROUGHT  
3 AGAINST EACH OF THE DEFENDANTS AND OF THE CONSEQUENCES OF  
4 ENTERING THE PLEAS OF GUILTY TO THE VARIOUS COUNTS CHARGED  
5 AGAINST THE VARIOUS DEFENDANTS.

6 THE COURT FURTHER FINDS THAT WITH RESPECT TO EACH  
7 DEFENDANT, THERE IS AN ADEQUATE FACTUAL BASIS TO SUPPORT THE  
8 PLEA.

9 AND THE COURT WILL ACCEPT EACH OF THE DEFENDANTS'  
10 PLEAS OF GUILTY.

11 AND THE COURT WILL NOW ORDER THAT THE PLEAS BE  
12 ENTERED ON THE RECORD AT THIS TIME.

13 NOW, MR. KIM, ONE OF THE THINGS I -- AND MS. KIM, ONE  
14 OF THE THINGS I DIDN'T MENTION IS THAT AT THE TIME OF  
15 SENTENCING, THERE WILL BE A PROBATION REPORT PREPARED FOR MY  
16 CONSIDERATION AND USE AT THE TIME OF SENTENCING.

17 AND I'M SURE MR. HOLLIDAY HAS EXPLAINED TO YOU THAT  
18 YOU EACH WILL RECEIVE A COPY OF THE REPORT AND HAVE A CHANCE TO  
19 REVIEW IT.

20 DO YOU UNDERSTAND THAT YOU'LL NEED TO COOPERATE WITH  
21 THE PROBATION OFFICE IN PREPARATION OF THAT REPORT ALONG WITH  
22 THE ASSISTANCE OF YOUR ATTORNEY.

23 MR. KIM?

24 DEFENDANT JAY KIM: I UNDERSTAND, YOUR HONOR.

25 DEFENDANT JUNE KIM: YES, WE DO.

1 THE COURT: MS. KIM, DO YOU UNDERSTAND THAT AS WELL?  
2 DEFENDANT JUNE KIM: YES, SIR.  
3 THE COURT: OKAY. AND YOU'LL BE ORDERED TO SCHEDULE  
4 ARRANGEMENTS WITH THE PROBATION OFFICE.  
5 I BELIEVE WE'VE TAKEN CARE OF EVERYTHING.  
6 MR. MANSFIELD?  
7 MR. MANSFIELD: JUST THE SENTENCING DATE IS LEFT,  
8 YOUR HONOR.  
9 THE COURT: THE SENTENCING DATE.  
10 THE CLERK: I SUGGESTED THE 16TH, 23RD, OR 30TH OF  
11 OCTOBER.  
12 THE COURT: WE HAVE SOME VARIOUS DATES.  
13 MR. MANSFIELD: YES, YOUR HONOR.  
14 THE COURT: THE 16TH, THE 23RD OF OCTOBER.  
15 MR. MANSFIELD: YOUR CLERK PRESENTED THOSE DATES.  
16 WE'VE DISCUSSED IT WITH DEFENSE COUNSEL. AND I THINK AUGUST  
17 23RD WORKS FOR THE PARTIES.  
18 THE COURT: OKAY.  
19 MR. MANSFIELD: OCTOBER 23RD.  
20 THE COURT: THAT'S FINE. WE CAN -- YOU KNOW, IF  
21 THERE'S A PROBLEM, WE CAN SCHEDULE A NEW DATE.  
22 MR. HOLLIDAY: THE 23RD RIGHT NOW LOOKS FINE, YOUR  
23 HONOR.  
24 THE COURT: OKAY. THAT'S FINE.  
25 THEN THE SENTENCING IN THIS MATTER WILL BE SET FOR

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

OCTOBER 23RD AT 1:30 P.M.

THANK YOU ALL VERY MUCH.

MR. CORBIN: THANK YOU, YOUR HONOR.

MR. MANSFIELD: THANK YOU, YOUR HONOR.

MR. HOLLIDAY: THANK YOU, YOUR HONOR.

THE CLERK: COURT'S IN RECESS.

(PROCEEDINGS ADJOURNED AT 2:33 P.M.)

C E R T I F I C A T E

I, MARGARET J. BABYKIN, HEREBY CERTIFY THAT THE  
FOREGOING IS A TRUE AND ACCURATE TRANSCRIPT FROM THE RECORD OF  
PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

M. J. Babykin  
MARGARET J. BABYKIN, CSR

8.14.97  
DATED

**EXH. 3**

PLEA AGREEMENT

United States v. Jay Kim for Congress Committee

INTRODUCTORY PARAGRAPH

1. This constitutes the plea agreement between the Jay Kim for Congress Committee ("you") and the United States Attorney's Office for the Central District of California ("this Office") in the investigation relating to the financing of Jay C. Kim's 1992, 1994, and 1996 campaigns for the United States Congress. The terms of the agreement are as follows:

PLEA

2. You agree to waive indictment by a grand jury and to plead guilty to an information in substantially the form attached to this agreement charging you with four counts of concealing a material fact in violation of 18 U.S.C. § 1001 and one count of making false statements to an agency of the United States in violation of 18 U.S.C. § 1001.

NATURE OF THE OFFENSE

3. In order to be guilty of concealing a material fact in violation of 18 U.S.C. § 1001 the following must be established: (1) The defendant must have, through a scheme or device, concealed a fact; (2) the defendant had a legal duty to disclose the fact concealed; (3) the subject matter involved was within the jurisdiction of an agency of the United States; (4) the fact concealed was material to the agency's activities or decisions; and (5) the defendant acted knowingly and willfully. In order to be guilty of making false statements to an agency of the United States in violation of 18 U.S.C. § 1001, the following must be established: (1) The defendant made a false statement; (2) the subject matter involved was within the jurisdiction of an agency of the United States; (3) the defendant acted knowingly and willfully; and (4) the statement was material to the agency's activities or activities. By signing this agreement, you admit that you are, in fact, guilty of these offenses.

PENALTIES

4. The statutory maximum sentences that the Court can impose are as follows:

For each count of conviction of 18 U.S.C. § 1001: A fine of \$500,000 or twice the gain to the defendant, whichever is greater, a five year period of probation, and a special assessment of \$400.

COOPERATION

5. You agree to cooperate fully with the Federal Election Commission, the United States Congress, this Office, and other law enforcement authorities, including providing documents and other information as requested.

ENTRANCE OF PLEA

6. You agree that Jay C. Kim will personally enter in Court the pleas of guilty for and on behalf of the Jay Kim for Congress Committee.

WAIVER OF STATUTES OF LIMITATIONS

7. You agree to the following:

(a) In the event you fail to enter your pleas of guilty as set forth in this agreement, the Court rejects or otherwise fails to accept your pleas of guilty, or for any reason you withdraw or fail to maintain your pleas and be sentenced, this Office will be permitted time to prepare and present an indictment to a grand jury as set forth below:

(b) The period beginning on May 9, 1997 and terminating at midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later, shall be tolled and excluded from any calculation of time for the purposes of (i) any applicable statute of limitations under the laws of the United States, and (ii) any constitutional, statutory, or other claim concerning pre-indictment delay, with respect to offenses described in subparagraph (c) for which the statute of limitations would expire between May 9, 1997 and midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later.

(c) This statutes of limitations waiver applies to all offenses which relate in any way to any transactions, reports or other activities relating to or in connection with the following: campaign contributions to or from any source, the Jay Kim for Congress Committee, and/or the personal and/or business finances of Jay C. Kim and/or June O. Kim.

(d) In the event the Court were to reject this plea agreement or otherwise fail to accept your pleas of guilty, this paragraph will remain valid and fully in force.

FACTUAL BASIS

8. You and this Office agree and stipulate to the statement of facts attached hereto and incorporated herein.

CONSIDERATION BY OFFICE

9. In exchange for your guilty plea and your complete fulfillment of all of your obligations under this agreement, this Office agrees that it will not prosecute you for any other violations of Federal criminal law relating to the financing of Jay C. Kim's 1992, 1994, and 1996 congressional campaigns.

WAIVER OF CONSTITUTIONAL RIGHTS

10. You understand that by pleading guilty, you will be giving up the following Constitutional rights: You have the right to plead not guilty and the right to be tried by a jury or by the court if you waive your right to a jury trial. At a trial, you would have the right to the assistance of counsel and if you could not afford an attorney, the Court would appoint one to represent you. During the trial, you would be presumed innocent and a jury would be instructed that the burden of proof is on the government to prove you guilty beyond a reasonable doubt. You would have the right to confront and cross-examine witnesses against you. If you wish, you could call witnesses to testify on your own behalf and present evidence in your defense. On the other hand, if you did not wish to testify or present evidence, that fact could not be used against you and a jury would be so instructed. You would also have the right to call witnesses on your behalf. By pleading guilty, you will be giving up all of these rights. By pleading guilty, you further understand that you will be waiving any and all rights to pursue any applicable affirmative defenses, any Fourth Amendment or Fifth Amendment claims, and any other actual or potential pretrial motions previously filed or to be filed. Finally, by pleading guilty, you understand that you may have to answer questions posed to you by the Court both about the rights that you will be giving up and about the facts of this case. Any statements made by you during such a hearing could be used against you in a criminal prosecution for perjury or false statements.

WAIVER OF APPEAL

11. You understand that Title 18, United States Code, Section 3742 gives you the right to appeal the sentence imposed by the Court. Acknowledging this, you knowingly and voluntarily waive your right to appeal any sentence imposed by the Court and the manner in which the sentence is determined so long as your sentence is within the statutory maximum specified above.

12. This agreement does not affect in any way the right of this Office, under Section 3742, to appeal the sentence imposed by the Court.



and thereafter of no legal effect or force. This agreement shall be effective upon execution by you and this Office.

AGREED AND ACCEPTED

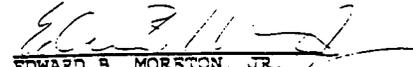
UNITED STATES ATTORNEY'S OFFICE  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

NORA M. MANELLA  
United States Attorney



RICHARD E. DROOYAN  
Chief Assistant United States Attorney

STEPHEN A. MANSFIELD  
Assistant United States Attorney  
Senior Litigation Counsel



EDWARD B. MORSTON, JR.  
Assistant United States Attorney  
Public Corruption and Government Fraud Section

I am an authorized agent of the Jay Kim for Congress Committee and am authorized to enter into this agreement, and enter pleas of guilty, on its behalf. I have read this agreement and have carefully reviewed every part of it with my attorney and the attorney for the Jay Kim for Congress Committee. I understand the terms of this agreement, and I voluntarily agree to each of the terms on behalf of the Jay Kim for Congress Committee. Before signing this agreement, I consulted with my attorney and the attorney for the Jay Kim for Congress Committee who fully advised me of my rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of entering into this agreement. No other promises or inducements have been made to me or any other agents of the Jay Kim for Congress Committee, other than those contained in this agreement. Furthermore, no one has threatened or forced me or the Jay Kim for Congress Committee in any way to enter into this agreement. Finally, I am satisfied with the representation of my attorney

and the attorney for the Jay Kim for Congress Committee in this matter.

7/30/97  
Date

Jay Kim  
JAY C. KIM  
On Behalf of Defendant  
Jay Kim for Congress Committee

I am the Jay Kim for Congress Committee's attorney. I have carefully reviewed every part of this agreement with Jay C. Kim on behalf of my client. Further, I have fully advised Jay C. Kim of the Jay Kim for Congress Committee's rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of entering into this agreement. To my knowledge, Jay C. Kim's and the Jay Kim for Congress Committee's decisions to enter into this agreement are informed and voluntary.

7/30/97  
Date

Thomas E. Holliday  
THOMAS E. HOLLIDAY  
Counsel for Defendant

FILED

1 NORA M. MANELLA  
 United States Attorney  
 2 DAVID C. SCHEPER  
 Assistant United States Attorney  
 Chief, Criminal Division  
 3 STEPHEN A. MANSFIELD  
 Assistant United States Attorney  
 EDWARD B. MORETON, JR.  
 4 Assistant United States Attorney  
 Public Corruption & Government Fraud Section  
 5 1300 United States Courthouse  
 312 North Spring Street  
 6 Los Angeles, California 90012  
 Telephone: (213) 894-5615/3358  
 7

8 Attorneys for Plaintiff  
 9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT  
 11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,	)	CR 97-726-RAP
	)	
13 Plaintiff,	)	<u>AMENDED STATEMENTS OF FACTS FOR</u>
	)	<u>PLEA AGREEMENTS OF DEFENDANT</u>
14 v.	)	<u>JAY KIM AND DEFENDANT JAY KIM</u>
	)	<u>FOR CONGRESS COMMITTEE</u>
15 JAY C. KIM,	)	
JUNE O. KIM,	)	
16 JAY KIM FOR CONGRESS	)	
COMMITTEE,	)	
17 Defendants.	)	
18	)	

19  
 20 The United States of America hereby submits the Amended  
 21 Statement of Facts in the plea agreement of defendant Jay Kim and  
 22 the amended Statement of Facts in the Plea Agreement of defendant  
 23 Jay Kim For Congress Committee pursuant to the agreement reached  
 24 between the United States and counsel for defendant Jay Kim and  
 25 defendant Jay Kim For Congress Committee.

26 The minor changes in these two agreements are as follows:  
 27 certain references to "June Kim" have been changed to "and/or  
 28 //

1 an agent of the campaign committee' pursuant to the parties'  
 2 agreement. Also submitted herewith are copies of these amended  
 3 versions with bold typeface to highlight the agreed-upon changes.  
 4 The parties set forth below agree that the Amended Statements  
 5 of Facts for defendant Jay Kim and defendant Jay Kim For Congress  
 6 Committee, attached hereto, are stipulated and agreed-upon and  
 7 should be substituted in the respective plea agreements for the  
 8 previously-filed stipulated Statement of Facts.

9 Date: October 2, 1997

10 Respectfully submitted.

11 NORA M. MANELLA  
 12 United States Attorney

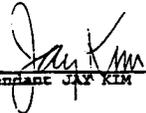
13 DAVID C. SCHEPER  
 14 Assistant United States Attorney  
 15 Chief, Criminal Division

16   
 17 STEPHEN A. MANSFIELD  
 18 Assistant United States Attorney

19   
 20 EDWARD B. MORETON, JR.  
 21 Assistant United States Attorney

22 Attorneys for Plaintiff  
 23 UNITED STATES OF AMERICA

24 Date: <sup>NRV</sup> October 4, 1997

25   
 26 Defendant JAY KIM

27 //  
 28 //

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Date: <sup>Nov</sup> ~~October~~ 4, 1997

Jay Kim  
JAY KIM on behalf of defendant  
JAY KIM FOR CONGRESS COMMITTEE

Date: <sup>Nov</sup> ~~October~~ 5, 1997

Thomas Holliday  
THOMAS HOLLIDAY, Attorney for  
defendant JAY KIM and defendant JAY  
KIM FOR CONGRESS COMMITTEE

## AMENDED STATEMENT OF FACTS

1. Defendant JAY C. KIM, also known as Changjoon Kim, ("defendant JAY KIM") was the President of JayKim Engineers, Inc. from 1978 to 1992. Defendant JAY KIM was the Mayor of Diamond Bar, California, from 1991 through 1992. On February 10, 1992, defendant JAY KIM registered with the Federal Election Commission as a candidate for the United States House of Representatives. In November 1992, defendant JAY KIM was elected to the United States House of Representatives. Defendant JAY KIM was re-elected in November 1994 and in November 1996.

2. Defendant JUNE C. KIM, also known as June Cck Kim, ("defendant JUNE KIM"), is the wife of defendant JAY KIM. Defendant JUNE KIM assisted defendant JAY KIM in managing campaign finances and expenditures and supervising the campaign finance reporting activities of defendant JAY KIM FOR CONGRESS COMMITTEE and its employees, officers, volunteers, and other agents.

3. Defendant JAY KIM FOR CONGRESS COMMITTEE (FEC No. C00260133) is a federal campaign committee formed by defendant JAY KIM on or about February 10, 1992, and registered with the Federal Election Commission. Defendant JAY KIM authorized defendant JAY KIM FOR CONGRESS COMMITTEE to solicit, accept and receive contributions, and to make expenditures for the purpose of electing defendant JAY KIM to the United States House of Representatives. Defendant JAY KIM FOR CONGRESS COMMITTEE is responsible under the law for the acts of its employees, officers, volunteers and other agents that are within the course and scope of their duties or are done, in part, to benefit the campaign committee. From March 1992 until July 1993, the headquarters of defendant JAY KIM FOR CONGRESS COMMITTEE was located within the office space of JayKim Engineers, Inc., in Diamond Bar, California.

4. JayKim Engineers, Inc., was incorporated as a California corporation under the laws of the State of California in 1978. JayKim Engineers, Inc., was a civil engineering firm with its principal place of business located in Diamond Bar, California. In February 1992, JayKim Engineers, Inc., had approximately ninety employees and had contracts with the federal government and municipalities. In May 1994, JayKim Engineers, Inc., changed its corporate name to Avacon Corporation.

5. The Federal Election Commission is the agency of the United States responsible for: (a) detecting illegal campaign contributions to candidates in federal elections; (b) enforcing the Federal Election Campaign Act; (c) receiving campaign finance reports; and (d) making these reports available to the public.

6. The Federal Election Campaign Act ("the law") governs contributions to, and expenditures by, candidates and their campaign committees in federal elections. The law requires the candidate's campaign committee to submit campaign finance reports to the Federal Election Commission specifying all contributions and expenditures in excess of \$200. The law requires that these campaign finance reports be made available to the public for inspection and copying throughout the campaign and thereafter.

7. It is illegal for a corporation, a foreign national, or a person who enters a contract with an agency of the United States to make a contribution of any amount to a candidate in a federal election. It is also illegal for any person to make a contribution in excess of \$1,000 to a federal candidate in a primary or general election, to make a cash contribution of more than \$100, or to make a contribution by using the name of another person.

8. A federal candidate is required by law to designate a campaign committee to solicit, accept and receive contributions and to make expenditures for the campaign. Under the law, a candidate who receives a contribution or any loan for use in connection with the candidate's campaign receives such a contribution or loan as an agent of the campaign committee.

9. Beginning in or about March, 1992, through in or about July, 1993, defendant JAY KIM caused JayKim Engineers, Inc., to contribute to defendant JAY KIM FOR CONGRESS COMMITTEE approximately \$83,248 in in-kind contributions. The in-kind contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial services, and secretarial and other personnel services. The in-kind contributions had an aggregate value of more than \$2,000 in 1992 and more than \$2,000 in 1993. Defendant JAY KIM knew that it was illegal for corporations, including JayKim Engineers, Inc., to make contributions, including in-kind contributions, to federal election campaigns such as his, but he caused JayKim Engineers, Inc., to make those contributions anyway.

10. Beginning in or about March 1992 and continuing until July, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE, through defendant JAY KIM and other of its agents and employees, knowingly accepted the in-kind corporate resources contributed by JayKim Engineers, Inc., even though they knew the contributions were illegal. Thereafter, from on or about April 13, 1992 through on or about July 30, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports which failed to report that JayKim Engineers, Inc., contributed in-kind corporate resources to defendant JAY KIM FOR CONGRESS COMMITTEE, even though defendant JAY KIM and other agents and employees of defendant JAY KIM FOR CONGRESS

COMMITTEE knew that those contributions were legally required to be reported. By failing to report the contributions, defendant JAY KIM FOR CONGRESS COMMITTEE concealed the illegal JayKim Engineers, Inc., corporate contributions from the Federal Election Commission.

11. From on or before April 17, 1992, through on or about December 21, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE accepted thousands of dollars of contributions from corporations which defendant JAY KIM, and/or other agents of defendant JAY KIM FOR CONGRESS COMMITTEE, knew were illegal corporate contributions. Thereafter, in campaign finance reports submitted to the Federal Election Commission from on or about May 21, 1992, through on or about January 27, 1993, as defendant JAY KIM, and/or other of its agents knew, those corporate contributions were misreported to the Federal Election Commission by altering the contributor's names to omit their corporate designations and by reporting to the Federal Election Commission that the contributors had been "verified not incorporated." As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission that the contributions were from corporations.

12. On or about May 25, 1992, defendant JAY KIM FOR CONGRESS COMMITTEE submitted a campaign finance report to the Federal Election Commission which stated that it had received a \$1,000 contribution from a contributor reported as "Korean Air Travel," with its occupation reported as "Travel Agent." In fact, as defendants JAY KIM, and/or other agents and employees of defendant JAY KIM FOR CONGRESS COMMITTEE knew, the contribution actually was an illegal corporate contribution that had been received from Korean Air, an airline corporation based in South Korea.

13. In September and October, 1992, defendant JAY KIM FOR CONGRESS COMMITTEE accepted \$19,000 in contributions in the form of personal checks from individuals whom defendants JAY KIM or other agents and employees of defendant JAY KIM FOR CONGRESS knew had been reimbursed by corporations. As defendants JAY KIM and/or other agents and employees of defendant JAY KIM FOR CONGRESS COMMITTEE knew, the contributions were in fact illegal corporate contributions from the following corporations in the following amounts: Daewoo Electronics Corporation (\$5,000), Pusan Pipe America Inc. (\$3,000), Rocket Electric Company, Inc. (\$1,000), and Samsung America, Inc. (\$10,000). Thereafter, on or about October 14, 1992, through on or about January 11, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports that reported the contributions as being from the reimbursed individuals, rather than from the corporations that were the true sources of the funds used to make the contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election

Commission that the true sources of the contributions were corporations.

14. On or about April 15, 1992, defendant JUNE KIM accepted two checks, each in the amount of approximately \$9,000 from Jaycee Kim. On the same day, defendant JUNE KIM deposited one of the checks into a bank account of J&J Properties, a business owned by defendants JAY KIM and JUNE KIM, and the other check into a joint personal bank account of defendants JAY KIM and JUNE KIM. Also on the same day, defendant JUNE KIM wrote two \$9,000 checks to defendant JAY KIM FOR CONGRESS COMMITTEE, one from each of the above accounts, and deposited the checks into the campaign's bank account. An agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew that the payments from Jaycee Kim were an illegal excessive contribution.

15. On or about May 22, 1992, defendant JAY KIM accepted a \$50,000 loan from Song Nien Yeh, whom defendant JAY KIM knew was a Taiwanese national. Defendant JAY KIM deposited the \$50,000 payment into his personal bank account. On May 25, 1992, defendant JAY KIM wrote a \$50,000 check on his personal bank account and deposited the check into the bank account of defendant JAY KIM FOR CONGRESS COMMITTEE. Defendant JAY KIM knew that the payment from Song Nien Yeh was an illegal excessive and foreign contribution.

16. In or about June, 1992, defendant JAY KIM asked Michael Li, a campaign fundraiser, to attempt to arrange a loan for the campaign from Robert Yu. On or about June 11, 1992, Robert Yu gave Michael Li a \$30,000 check written on the account of Chi-Hu Yu, a Taiwanese national who was Robert Yu's sister. On or about June 15, 1992, Michael Li gave a \$30,000 check to defendant JAY KIM and told defendant JAY KIM that the money was from Robert Yu. On June 18, 1992, defendant JUNE KIM deposited the \$30,000 check that Michael Li had given to defendant JAY KIM into a joint personal bank account of defendants JAY KIM and JUNE KIM. On or about June 19, 1992, defendant JUNE KIM wrote a \$25,000 check on the joint personal bank account and deposited the check into the account of defendant JAY KIM FOR CONGRESS COMMITTEE. Defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew that the payment from Chi-Hu Yu, Robert Yu, and Michael Li was an illegal excessive contribution.

17. As defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, beginning on or about September 15, 1992 and continuing to on or about January 24, 1997, at least one, and at times all, of the loans described in paragraphs 14-16, above, were reported by defendant JAY KIM FOR CONGRESS COMMITTEE to the Federal Election Commission in campaign finance reports as loans from the personal funds of defendant JAY KIM, rather than from the individuals whom defendants JAY KIM and an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew were the

true sources of the illegal foreign and/or excessive loan contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission the true sources and illegal nature of the loan contributions.

18. In September, 1992, defendant JAY KIM attended a fundraising dinner in New York City where the president of Nikko Enterprises, Inc. ("Nikko"), a corporation, told defendant JAY KIM, that he would make a large contribution to defendant JAY KIM's congressional campaign. Shortly thereafter, the president of Nikko caused a Nikko corporate check in the amount of \$12,000 to be issued for the purpose of making a political contribution. The \$12,000 contribution check was forwarded to a New York fundraiser for defendant JAY KIM. The New York fundraiser telephoned defendant JAY KIM and told him that he received the check. Defendant JAY KIM and the New York fundraiser also discussed the amount and corporate nature of the check. The New York fundraiser mailed the \$12,000 contribution check to defendant JAY KIM in Diamond Bar, California. Thereafter, in October, 1992, defendant JAY KIM received and accepted the \$12,000 contribution check, which was then endorsed by defendant JUNE KIM and deposited in defendants JAY KIM's and JUNE KIM's joint personal bank account. Defendant JAY KIM knew that the \$12,000 Nikko contribution check was an illegal corporate and excessive contribution.

19. In or before October, 1993, as an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, Amko Advertising Inc., a New York corporation, paid at least \$14,000 to Samas Telecom, a business owned by Seokuk Ma, with an understanding the money was to be used as a contribution to the congressional campaign of defendant JAY KIM. Thereafter in October, 1993, as an agent of defendant JAY KIM FOR CONGRESS COMMITTEE knew, Seokuk Ma used the \$14,000 from Amko Advertising, Inc., to reimburse various individuals for making apparently legal contributions to defendant JAY KIM FOR CONGRESS COMMITTEE. An agent for defendant JAY KIM FOR CONGRESS COMMITTEE knew that the contributions were, in fact, illegal corporate and excessive contributions, but accepted them on behalf of defendant JAY KIM FOR CONGRESS COMMITTEE.

20. On January 21, 1994, defendant JAY KIM FOR CONGRESS COMMITTEE held a fundraiser at the Radisson Wilshire Hotel in Los Angeles. In connection with that fundraiser, from on or about January 20, 1994, through on or about January 25, 1994, an agent of defendant JAY KIM FOR CONGRESS COMMITTEE, received and accepted corporate contributions totalling \$5,450 from the following seven corporations in the following amounts: Haitai America, Inc. (\$1,000), Bacco, Inc. (\$500), Korean Federation of Los Angeles, Inc. (\$500), Sun Princess Cosmetics, Inc. (\$2,500), Dong-A America Corp. (\$150), Universal Market Supply Corporation (\$600), and Tiger Contract Services, Inc (\$200). An agent of

defendant JAY KIM FOR CONGRESS COMMITTEE knew that it was illegal to accept these contributions.

**EXH. 4****PLEA AGREEMENT**United States v. June C. Kim**INTRODUCTORY PARAGRAPH**

1. This constitutes the plea agreement between June C. Kim ("you") and the United States Attorney's Office for the Central District of California ("this Office") in the investigation relating to the financing of Jay C. Kim's 1992, 1994, and 1996 campaigns for the United States Congress. The terms of the agreement are as follows:

**PLEA**

2. You agree to waive indictment by a grand jury and to plead guilty to an information in substantially the form attached to this agreement charging you with two counts of accepting illegal corporate campaign contributions in violation of 2 U.S.C. §§ 441b, 437g. You further agree to waive the statute of limitations as to the counts to which you are agreeing to plead guilty.

**NATURE OF THE OFFENSE**

3. In order to be guilty of violating 2 U.S.C. §§ 441b, 437g, the following must be established: (1) You must have accepted or received, or caused to be accepted or received, contributions by a corporation in connection with an election for federal office; (2) the corporate contributions you made, received, or accepted must have aggregated \$2,000 or more in a calendar year; and (3) you must have acted knowingly and willfully. By signing this agreement, you admit that you are, in fact, guilty of these offenses.

**PENALTIES**

4. The statutory maximum sentences that the Court can impose are as follows:

For each count of conviction of 2 U.S.C. §§ 441b, 437g: One year incarceration; a one year period of supervised release; a fine of \$100,000 or three times the amount of the contribution involved; and a special assessment of \$25.

5. If you are placed on supervised release following imprisonment and you violate one or more of the conditions of supervised release, you may be returned to prison for all or part of the term of supervised release, which could result in your serving a total term of imprisonment greater than the statutory maximum stated above. The Court can also order you to pay the

costs of your imprisonment. You agree to pay your special assessment at or before the time of sentencing.

SENTENCING FACTORS

6. You and this Office agree to the following applicable sentencing guideline factors:

The parties agree that the applicable sentencing guideline is § 2F1.1 and that pursuant to sentencing guideline § 2F1.1, the base offense level for the pending offense is 6. The parties further agree to the following: (1) there was no monetary loss as a result of your role in the pending offense; (2) your offense level should be increased 2 levels pursuant to § 2F1.1 for more than minimal planning; and (3) your offense level should be reduced 2 levels, resulting in a total adjusted sentencing guidelines range of 0-6 months if you continue to accept responsibility for your offense up to and including the time of sentencing

7. You understand that neither the United States Probation Office nor the Court is bound by the stipulation herein and that the Court will, with the aid of the presentence report, determine the facts and calculations relevant to sentencing. You further understand that both you and this Office are free to supplement these stipulated facts by supplying relevant information to the United States Probation Office, and this Office specifically reserves its right to correct any and all factual misstatements relating to the calculation of your sentence. You understand that the Court cannot rely exclusively upon the parties' stipulation in ascertaining the factors relevant to the determination of your sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation, and any other relevant information. You understand that if the Court ascertains factors different from those contained in the stipulation, you cannot, for that reason alone, withdraw your guilty plea.

8. You understand that there is no agreement as to your criminal history or criminal history category, and that your criminal history could alter your offense level if you are a career offender or if the instant offense was a part of a pattern of criminal conduct from which you derived a substantial portion of your income.

COOPERATION

9. You agree to cooperate fully with the Federal Election Commission, the United States Congress, this Office, and other law enforcement authorities, including providing truthful and

complete testimony, interviews, documents, and other information as requested.

WAIVER OF STATUTES OF LIMITATIONS

10. You agree to the following:

(a) In the event you fail to enter your pleas of guilty as set forth in this agreement, the Court rejects or otherwise fails to accept your pleas of guilty, or for any reason you withdraw or fail to maintain your pleas and be sentenced, this Office will be permitted time to prepare and present an indictment to a grand jury as set forth below:

(b) The period beginning on May 9, 1997 and terminating at midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later, shall be tolled and excluded from any calculation of time for the purposes of (i) any applicable statute of limitations under the laws of the United States, and (ii) any constitutional, statutory, or other claim concerning pre-indictment delay, with respect to offenses described in subparagraph (c) for which the statute of limitations would expire between May 9, 1997 and midnight on the day you are sentenced or on midnight of the 60th day following any of the eventualities described above in subparagraph (a), whichever is later.

(c) This statutes of limitations waiver applies to all offenses which relate in any way to any transactions, reports or other activities relating to or in connection with the following: campaign contributions to or from any source, the Jay Kim for Congress Committee, and/or the personal and/or business finances of Jay C. Kim and/or June O. Kim.

(d) In the event the Court were to reject this plea agreement or otherwise fail to accept your pleas of guilty, this paragraph will remain valid and fully in force.

FACTUAL BASIS

11. You and this Office agree and stipulate to the statement of facts attached hereto and incorporated herein.

CONSIDERATION BY OFFICE

12. In exchange for your guilty plea and your complete fulfillment of all of your obligations under this agreement, this Office agrees that it will not prosecute you for any other violations of federal criminal law relating to the financing of Jay C. Kim's 1992, 1994, and 1996 congressional campaigns.

WAIVER OF CONSTITUTIONAL RIGHTS

13. You understand that by pleading guilty, you will be giving up the following Constitutional rights: You have the

right to plead not guilty and the right to be tried by a jury or by the court if you waive your right to a jury trial. At a trial, you would have the right to the assistance of counsel and if you could not afford an attorney, the Court would appoint one to represent you. During the trial, you would be presumed innocent and a jury would be instructed that the burden of proof is on the government to prove you guilty beyond a reasonable doubt. You would have the right to confront and cross-examine witnesses against you. If you wish, you could testify on your own behalf and present evidence in your defense. On the other hand, if you did not wish to testify or present evidence, that fact could not be used against you and a jury would be so instructed. You would also have the right to call witnesses on your behalf. By pleading guilty, you will be giving up all of these rights. By pleading guilty, you further understand that you will be waiving any and all rights to pursue any applicable affirmative defenses, any Fourth Amendment or Fifth Amendment claims, and any other actual or potential pretrial motions previously filed or to be filed. Finally, by pleading guilty, you understand that you may have to answer questions posed to you by the Court both about the rights that you will be giving up and about the facts of this case. Any statements made by you during such a hearing could be used against you in a criminal prosecution for perjury or false statements.

#### WAIVER OF APPEAL

14. You understand that Title 18, United States Code, Section 3742 gives you the right to appeal the sentence imposed by the Court. Acknowledging this, you knowingly and voluntarily waive your right to appeal any sentence imposed by the Court and the manner in which the sentence is determined so long as your sentence is within the statutory maximum specified above.

15. This agreement does not affect in any way the right of this Office, under Section 3742, to appeal the sentence imposed by the Court.

#### PARTIES TO AGREEMENT

16. You understand that the Court is not a party to this agreement.

17. This agreement is limited to this Office and cannot bind any other federal, state or local prosecuting, administrative or regulatory authorities. This agreement applies only to criminal violations relating to you. This agreement does not apply to any forfeiture proceedings, judicial, administrative, or otherwise, and shall not preclude any past, present, or future forfeiture actions.

#### NO ADDITIONAL AGREEMENTS

18. Except as expressly set forth herein, there are no additional promises, understandings or agreements between the government and you or your counsel concerning any other criminal prosecution, civil litigation or administrative proceeding relating to any other federal, state or local charges that may now be pending or hereafter be brought against you, or the sentence that might be imposed as a result of your guilty plea pursuant to this Agreement. Nor may any additional agreement, understanding or condition be entered into unless in writing and signed by all parties.

19. If a fully executed copy of this agreement is not returned to the undersigned attorneys for the United States by 5:00 p.m. on July 28, 1997, it will be automatically withdrawn and thereafter of no legal effect or force. This agreement shall be effective upon execution by you and this Office.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

NORA M. MANELLA  
United States Attorney



STEPHEN A. MANSFIELD  
Assistant United States Attorney  
Senior Litigation Counsel



EDWARD B. MORETON, JR.  
Assistant United States Attorney  
Public Corruption and Government Fraud Section

I have read this agreement and have carefully reviewed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to each of the terms. Before signing this agreement, I consulted with my attorney. My attorney fully advised me of my rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of entering into this agreement. No other promises or inducements have been made to me, other than those contained in this agreement. Furthermore, no one has threatened or forced me in

any way to enter into this agreement. Finally, I am satisfied with the representation of my attorney in this matter.

1-28-97  
Date

June C. Kim  
JUNE C. KIM  
Defendant

I am June C. Kim's attorney. I have carefully reviewed every part of this agreement with my client. Further, I have fully advised my client of her rights, of possible defenses, of the Sentencing Guideline provisions, and of the consequences of entering into this agreement. To my knowledge, my client's decision to enter into this agreement is an informed and voluntary one.

50 7/29/97  
Date

Robert Corbin  
ROBERT CORBIN  
Counsel for Defendant

## STATEMENT OF FACTS

1. Defendant JAY C. KIM, also known as Changjoon Kim, ("defendant JAY KIM") was the President of JayKim Engineers, Inc. from 1978 to 1992. Defendant JAY KIM was the Mayor of Diamond Bar, California, from 1991 through 1992. On February 10, 1992, defendant JAY KIM registered with the Federal Election Commission as a candidate for the United States House of Representatives. In November 1992, defendant JAY KIM was elected to the United States House of Representatives. Defendant JAY KIM was re-elected in November 1994 and in November 1996.

2. Defendant JUNE C. KIM, also known as June Ock Kim, ("defendant JUNE KIM"), is the wife of defendant JAY KIM. Defendant JUNE KIM assisted defendant JAY KIM in managing campaign finances and expenditures and supervising the campaign finance reporting activities of defendant JAY KIM FOR CONGRESS COMMITTEE and its employees, officers, volunteers, and other agents.

3. Defendant JAY KIM FOR CONGRESS COMMITTEE (FEC No. C00260133) is a federal campaign committee formed by defendant JAY KIM on or about February 10, 1992, and registered with the Federal Election Commission. Defendant JAY KIM authorized defendant JAY KIM FOR CONGRESS COMMITTEE to solicit, accept and receive contributions, and to make expenditures for the purpose of electing defendant JAY KIM to the United States House of Representatives. Defendant JAY KIM FOR CONGRESS COMMITTEE is responsible under the law for the acts of its employees, officers, volunteers and other agents that are within the course and scope of their duties or are done, in part, to benefit the campaign committee. From March 1992 until July 1993, the headquarters of defendant JAY KIM FOR CONGRESS COMMITTEE was located within the office space of JayKim Engineers, Inc., in Diamond Bar, California.

4. JayKim Engineers, Inc., was incorporated as a California corporation under the laws of the State of California in 1978. JayKim Engineers, Inc., was a civil engineering firm with its principal place of business located in Diamond Bar, California. In February 1992, JayKim Engineers, Inc., had approximately ninety employees and had contracts with the federal government and municipalities. In May 1994, JayKim Engineers, Inc., changed its corporate name to Avacon Corporation.

5. The Federal Election Commission is the agency of the United States responsible for: (a) detecting illegal campaign contributions to candidates in federal elections; (b) enforcing the Federal Election Campaign Act; (c) receiving campaign finance reports; and (d) making these reports available to the public.

6. The Federal Election Campaign Act ("the law") governs contributions to, and expenditures by, candidates and their campaign committees in federal elections. The law requires the candidate's campaign committee to submit campaign finance reports to the Federal Election Commission specifying all contributions and expenditures in excess of \$200. The law requires that these campaign finance reports be made available to the public for inspection and copying throughout the campaign and thereafter.

7. It is illegal for a corporation, a foreign national, or a person who enters a contract with an agency of the United States to make a contribution of any amount to a candidate in a federal election. It is also illegal for any person to make a contribution in excess of \$1,000 to a federal candidate in a primary or general election, to make a cash contribution of more than \$100, or to make a contribution by using the name of another person.

8. A federal candidate is required by law to designate a campaign committee to solicit, accept and receive contributions and to make expenditures for the campaign. Under the law, a candidate who receives a contribution or any loan for use in connection with the candidate's campaign receives such a contribution or loan as an agent of the campaign committee.

9. In or before October, 1993, as defendant JUNE KIM knew, Amko Advertising Inc., a New York corporation, paid at least \$14,000 to Samas Telecom, a business owned by Seokuk Ma, with an understanding the money was to be used as a contribution to the congressional campaign of defendant JAY KIM. Thereafter in October, 1993, as defendant JUNE KIM knew, Seokuk Ma used the \$14,000 from Amko Advertising, Inc., to reimburse various individuals for making apparently legal contributions to defendant JAY KIM FOR CONGRESS COMMITTEE. Defendant JUNE KIM knew that the contributions were, in fact, illegal corporate and excessive contributions, but accepted them on behalf of defendant JAY KIM FOR CONGRESS COMMITTEE.

10. On January 21, 1994, defendant JAY KIM FOR CONGRESS COMMITTEE held a fundraiser at the Radisson Wilshire Hotel in Los Angeles. In connection with that fundraiser, from on or about January 20, 1994, through on or about January 25, 1994, defendant JUNE KIM, on behalf of defendant JAY KIM FOR CONGRESS COMMITTEE, received and accepted corporate contributions totalling \$5,450 from the following seven corporations in the following amounts: Haitai America, Inc. (\$1,000), Bacco, Inc. (\$500), Korean Federation of Los Angeles, Inc. (\$500), Sun Princess Cosmetics, Inc. (\$2,500), Dong-A America Corp. (\$150), Universal Market Supply Corporation (\$600), and Tiger Contract Services, Inc. (\$200). Defendant JUNE KIM knew that it was illegal to accept these contributions.

## Kim's office aided wife's partner

By Jack Friedly

The election law violations that Rep. Jay Kim (R-Calif.) and his wife pleaded guilty to Monday may raise new questions about whether he misused taxpayer funds by blurring the lines between his campaign, his congressional office, and the couple's various business interests.

In one striking example uncovered by The Hill, a business partner of Kim's wife received unusual payments from his congressional office totaling \$14,000 for newspaper clipping and translation service beginning weeks after becoming a heavy contributor and fundraiser for Kim's campaign.

Kim and his wife June Ock Kim were arraigned Monday on misdemeanor charges that they collected \$230,000 in illegal donations for the Los Angeles-area congressman's 1992 and 1994 campaigns. The congressman also pleaded guilty to felonies on behalf of his campaign committee.

Matt Reynolds, Kim's chief of staff, said the congressman would not answer any media questions until after his sentencing, expected later this month.

Largely ignored since the plea agreement was announced last Thursday was the fact that Kim's admitted crimes personally benefited him.

The most explicit example was an illegal \$12,000 payment Kim received in September 1992 from Nikko Enterprises Inc., which Kim acknowledged was endorsed by his wife and deposited in their joint bank account. Kim admitted that the check was intended for the campaign. Campaign records, however, show no such amount was transferred to the campaign.

Kim also profited more indirectly. The massive inflations of illegal money — including \$50,000 from a foreign national that was laundered through his own bank account —

# Rep. Kim personally profited from deals

**Continued from page 1**

... Kim, who was with the state of Virginia, allowed the campaign to repay the debt. Kim had given to the campaign \$100,000 in private funds. The repayment to Kim was made in the form of a check for \$100,000. Kim's private funds were used to pay for the campaign's expenses. Kim's private funds were used to pay for the campaign's expenses. Kim's private funds were used to pay for the campaign's expenses.

funded congressional office hired Ahn's firm at \$1,250 a month to clip Korean news articles and translate them. By the time of the last publicly available payment in May 1996, when it was receiving reduced payments, Kim's office paid \$14,950 to Image Media in all.

For Kim's office, hiring the clipping and translation service was rather unusual. Before or after Image Media was retained, the congressman had not required such outside services, according to expense records. Reynolds, Kim's administrative assistant, said he did not recall the arrangement, but he said Image Media, although he could not recall details of how he originally found the company.

C. Bruce Allen, Kim's former press secretary, said that, while the service lasted, he would get a file of Korean-American newspaper clips and English translations from Image Media once a month.

Both Allen and Reynolds said they were unaware of the business relationship between June Kim and Ahn, whom they knew simply as Jennifer Ahn. Not, they said, did they know of any campaign connections.

Reynolds said he did not know of the connection because Ahn's maiden name was Ling, which is how her name is listed in contributor reports. "There was absolutely no 'strings attached' or 'loose' being given by using Image Media's clipping/translation services," he said.

"The congressional office was whitewashed," Allen said. "Everything was done by the book."

The relationship may raise ethics questions, however. According to the House ethics manual, acquisition issued by the Committee on House Administration state that nobody "with whom the member has a professional or legal relationship may directly benefit monetarily from the expenditure of official expenses."

*Peter Brand, Amanda Ping and Amy Kimball provided research assistance for this report.*

## Wife's memoirs windfall for Kim

As he struggles under mountains of personal debts and continuing legal bills, Rep. Jay Kim (R-Calif.) has been rescued by a foreign company that published his wife's memoirs.

June Kim's contract follows her husband's own success in landing a lucrative contract for his 1994 book, "I'm Conservative." The congressman's book, which was co-authored, was written in Korean and published by a small Seoul-based company.

The ethics committee did not give its seal of approval for his own book deal. In Kim's 1994 financial disclosure form, which he filed three months late in August 1995, he wrote that book "proceeds" totaling \$132,298 were "being refunded per 5/15/95 Standards Cite. Communication."

Because ethics committee decisions are made behind closed doors, why Kim returned the book money is not clear. The House ethics manual specifies that for income to be valid "a book must be published by an established publisher pursuant to a usual and customary royalty agreement."

Reynolds portrayed the return of the money as a purely voluntary step designed to eliminate appearance issues, not to obey a dictate from the ethics committee. "We were actually more con-

cerned than they were," he said.

According to Joobong Kim, a Korean specialist at the Library of Congress, such income would suggest that Kim's book was a hot seller if sold mainly in South Korea, whose population is one-fifth the size of this country and has a correspondingly smaller book market.

The ethics committee's decision cut into sales. "We didn't do well," said Jennifer Ahn, who helped market the book with June Kim.

Later that year, freed from the tighter ethics rules restricting her husband, June Kim published her own memoirs. Jay Kim reported on his financial disclosures that his wife has earned at least \$125,000 and as much as \$1.05 million so far on the book titled "There is an Opportunity."

The book's publisher is Hantutt Publishing Co., an obscure press in Seoul that Joobong Kim and other Korean librarians at the Library of Congress had not heard of. The publisher is listed in a publishing directory as primarily producing finance and technical books, not political memoirs.

Reynolds said he knew little about the book and that June Kim would not be available for comment.

## Kim paid company after donations

A computer service provider received modest payments for work from Rep. Jay Kim's (R-Calif.) personal office after making a contribution to his campaign.

Kim's office denies any connection.

CNS Compunet Systems, a sole proprietorship run by John Yoon, donated \$500 to Kim's campaign in October 1992. Kim later paid CNS Compunet \$840 in two separate payments from his congressional office.

Yoon also performed nearly \$20,000 in computer work for Kim's 1992 cam-

paign. Five years later, after Kim withdrew tens of thousands of dollars from his campaign for himself, Yoon has yet to be paid. The non-payment led prosecutors to question whether Yoon's services were actually intended as an illegal contribution.

Harland Braun, a prominent criminal defense attorney whom Yoon hired, said his client is an innocent victim of the sloppy business practices of Kim's campaign aides. He said Yoon billed the campaign and Kim's office for work that was never

EXH. 6

The Hill  
September 10, 1997

## Senate Democrats urge new probe of Rep. Kim

By Joek Friedly

It was July 28 of this year when Rep. Jay Kim's (R-Calif.) campaign sent its bi-annual report to the Federal Election Commission (FEC), barely ahead of schedule.

The report's accuracy was crucial. Federal prosecutors had been tracking him for nearly four years, pursuing every lead, hounding every donor. In fact, Kim's lawyers were in final negotiations over a criminal plea agreement that would appear later that week in which the Los Angeles-area lawmaker admitted knowingly disguising scores of illegal contributions on his election filings.

And yet, Kim's FEC filing that July day contradicted the plea agreement he would sign three days later and then swear to in court.

One of Kim's statements in the report may give Senate Democrats another reason to insist that Kim's violations of campaign finance law should be investigated by the Senate Governmental Affairs Committee, as Chairman Fred Thompson (R-Tenn.) has suggested.

For prosecutors, though, it is too late. The plea agreement Kim signed made it impossible for them to pursue any other campaign-related charges against him that occurred before July 31.

Kim's spokesman, P.J. O'Neill, said he and the congressman could not comment on any matter related to his plea agreement until Kim's expected sentencing on Oct. 23.

The statement in a July 28 report to the Federal Election Commission concerned a \$25,000 loan to his campaign that Kim, only three days later, admitted had come from a Taiwanese national named Chi-Hu Yu, but was laundered through his bank account.

Nevertheless, Kim's campaign claimed that it came from the congressman's personal funds.

As Kim himself admitted in the plea on behalf of himself and his campaign committee, virtually every one of his federal election filings contained knowing falsehoods, from "personal loans" that really had been laundered from others — including a Taiwanese national — to corporate contributions described as legitimate individual donors.

But based on the facts presented in his plea, Kim also made misleading statements on his personal financial disclosure forms. While the plea agreement

does not directly say so, these statements can be inferred readily by comparing the facts reported in the plea with the earlier sworn disclosures.

For example, Kim pleaded guilty to taking a campaign loan of \$12,000 from Nikko Enterprises Inc. in 1992. Yet not until four years later, as FBI agents were scouring his financial records, did Kim decide to disclose the loan on his financial disclosure form. Even then Kim listed the loan as coming from David Chang, the firm's president.

In actuality, according to a report first published in the Los Angeles Times, and confirmed by The Hill, the Nikko contribution — written on a blank check — was intended to be distributed to the campaign of Kim, President George Bush and Sen. Alfonse D'Amato (R-N.Y.). Instead, according to Chang, a New Jersey businessman named Yung Soo Yoo, who has been a fundraiser for D'Amato and Sen. Jesse Helms (R-N.C.), diverted the entire amount to Kim.

Yoo was convicted in the early 1980s of making false statements to a bank to obtain financing. He also played a key role in the "Koreagate" scandal of the 1970s. Korea's former top spy, Hyung Wook Kim, named Yoo as a Korean operative, a charge Yoo has denied. Yoo admitted in testimony that he tried to dissuade Hyung Wook Kim, who was later assassinated, from giving damaging testimony in congressional hearings at the advice of the

then-head of the Korean Central Intelligence Agency.



FILE PHOTO/THE HILL

Rep. Jay Kim (R-Calif.)

Nikko's \$12,000 never actually reached Kim's campaign. Instead, the congressman pocketed the money, according to the plea agreement.

In a later conversation with the congressman, Chang complained that he received no recognition for the money. "He said he never received a contribution from me," Chang said. "He never sent a thank you letter."

As with Nikko, Kim dissembled on his financial disclosure report in his portrayal of other loans from private sources. For the first time on his 1995 financial disclosure, more than a year after prosecutors had begun to suspect foul play, Kim is listed as having given \$15,001 to \$50,000 as a personal loan.

When The Hill first asked Kim's office about this loan in the weeks preceding the plea agreement, Chief of Staff Matt Reynolds reported that the loan strictly dealt with a financing issue regarding the congressman's sale of his firm JayKim Engineers Inc. He could not explain, however, why Jaycee Kim, who bought the firm and renamed it Avacon Corp., would loan the congressman the money.

The true purpose of the Jaycee Kim loan was revealed in the plea. The congressman admitted taking \$18,000 as an illegal loan to his campaign which he laundered through a private account held by Jay Kim and his wife June. Even though the loan occurred in 1992, it was not reported on his financial disclosures for the next three years as required.

In another instance, Kim first claimed on his 1993 disclosure to have received a "personal loan" from a Jerry Yhee worth from \$15,001 to \$50,000. Yet the loan of \$50,000 actually came during 1992 from Song Nien Yeh, a relative of Yhee's who was a Taiwanese foreign national. The disclosure for 1992 lists no such payment.

The misleading disclosures to the ethics committee could present a further problem for Kim, if the committee ever takes up the case, as expected.

Meanwhile, the FEC has decided to close its investigations of Kim with no action, according to notifications sent to his office. The Aug. 29 letters, which the agency has yet to make public, said only that it had "exercised its prosecutorial discretion."

While Kim's office hailed the decision as a victory, an agency spokesman, Ian Stirton, said it appeared from the wording presented to him that the agency probably dropped the case because Kim had already pleaded guilty.

JAMES V. HANSEN, UTAH  
CHAIRMAN

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
SUITE HY-2, THE CAPITOL  
DSD 228-7100

**EXH. 7**

ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

September 11, 1997

STATEMENT OF CHAIRMAN JIM HANSEN AND RANKING MINORITY  
MEMBER HOWARD BERMAN

We intend to recommend an investigation of the Jay Kim matter and have instructed Committee staff to meet with Department of Justice officials in Washington, D.C. and Los Angeles to gather additional information.

## EXH. 8

The Washington Post  
September 13, 1997

## House Panel May Probe Kim Financial Reports

*Marketing of Memoir by Wife Questioned*

By Walter Pincus  
Washington Post Staff Writer

Major South Korean corporations bought in bulk thousands of copies of a Korean-published memoir by the wife of Rep. Jay Kim (R-Calif.), according to the president of the Seoul-based publisher.

Royalties to June Kim on the purchases, which her husband reported in his 1995 and 1996 House financial disclosure reports, totaled at least \$115,000 and perhaps up to \$1 million.

Eight years ago, bulk purchasing of a book written by then-House Speaker Jim Wright (D-Tex.) was determined by the House ethics panel to have been a scheme to evade House limits on outside income.

This week, the House ethics committee's senior members said they will recommend an investigation of Kim when the newly revised panel holds its first meeting, probably next week. In addition, they have directed the committee staff to meet with Justice Department officials in Washington and Los Angeles "to gather information" on the case.

In 1994, after a review by the House Committee on Standards of Official Conduct, official name of the ethics panel, Kim agreed to refund \$132,298 he reported earning in 1994 from his autobiography also published in Korea. The refund was made because it appeared Kim's book was being purchased in bulk by unnamed buyers in Korea, according to congressional sources.

June Kim's book, "There Are Opportunities," was printed only in Korean and published by Handut Publishing Co. of Seoul. Im Myung Uk, president of Handut, said in an interview that "a number of well-known companies bought her book in bulk ... several thousands." Im refused to disclose names of the companies, sales figures or royalties on the book. "I don't want to cause Mr. Kim, who is so far the only Korean-born congressman, any trouble," Im said.

Because bulk book purchases offer corporations or individuals a way to channel funds to members of Congress, House and Senate rules have limited earnings of royalties for lawmakers to books sold under "usual and customary contractual terms." However there is no mention of how much in royalties can be earned by spouses.

Kim and his wife recently pleaded guilty to campaign fund violations and are awaiting sentencing in October. Among the counts was their knowing receipt of illegal corporate contributions from Korean companies such as Korean Air, Daewoo Electronics Corp. and Samsung America Inc.

The Justice Department investigation of the Kims is continuing, according to government sources. Part of the plea agreement signed by Kim requires him to cooperate "fully" with government prosecutors as well as congressional committees and the Federal Election Commission.

Kim's book, "I Am a Conservative," was published in Korean by Sung-



Rep. Kim leaves court in August. He and his wife admitted campaign violations.

moon Publishing Co. of Seoul. Park Myong Sook, who worked for Sungmoon on the congressman's book, said the company paid Kim \$25,000. She said that of the 20,000 copies printed only several hundred were sold through book stores. She called it "impossible" for the book to have earned the congressman more than \$100,000 even if all 20,000 were sold.

P.J. O'Neil, Kim's press secretary, said neither Kim nor his wife would comment on their book royalties. O'Neil said the \$132,298 Kim reported in 1994 from "book publishing" was paid not only by Sungmoon, the publisher, but also by "a marketing company" that may have distributed the bulk of the sales. He said he did not know the name of that marketing organization. Neither Sungmoon nor the marketing company was listed on the congressman's financial disclosure form although House rules call for providing the "source" of outside earned income.

June Kim's book, according to O'Neil, describes her life with Kim in Korea and the United States. O'Neil added, "We don't have anything to do with it."

Handut printed 100,000 copies of June Kim's book, according to an official at the company. Im said he paid an advance in 1995 and a 10 percent royalty on sales in 1996, less the advance, which is normal in U.S. publishing. Im said \$1 million was "way, way too much" while the other company official estimated June Kim's earnings on the book would be

"less than \$70,000" including the advance.

Jay Kim faces other questions about his financial disclosure statements.

In February 1995, when federal prosecutors were investigating what were later determined to be large illegal contributions, Kim filed an amendment to his 1993 financial disclosure statement with the clerk of the House. At that time, he reported for the first time a personal loan that he said had been made to him and his wife by David Chang for \$10,000 to \$15,000.

Chang, a New Jersey businessman who is president of Nikko Enterprises Inc., said in an interview, "I never lent him [Kim] any money." Chang said he did make a \$12,000 political contribution in 1992 after attending a GOP fund-raising event in New York honoring then President George Bush and some of that money was supposed to go to Kim.

As part of Kim's guilty plea in U.S. District Court in Los Angeles last month to violating federal election laws, the GOP congressman acknowledged he had "willfully accepted and received an excessive and illegal \$12,000 corporate campaign contribution . . . from Nikko Enterprises, Inc."

Filing a false statement on a financial disclosure form is against House rules and the attorney general can bring a civil suit against anyone who does it "knowingly and willfully."

*Special correspondent Catherine Lee in Seoul contributed to this report.*

JAMES V. HANBICK, Utah  
CHAIRMAN

HOWARD L. BERMAN, California  
RANKING DEMOCRATIC MEMBER  
SUITE HT-2, THE CAPITOL  
DMS 225-7163

**EXH. 9**

ONE HUNDRED FIFTH CONGRESS  
**H.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

September 25, 1997

Hon. Nora Manella  
United States Attorney for the Central  
District of California  
312 North Spring St.  
Los Angeles, CA 90012

Re: Representative Jay Kim

Dear Ms. Manella:

We are writing to request your office's assistance regarding a matter now before the Committee on Standards of Official Conduct of the U.S. House of Representatives ("Committee").

Under Rule X, clause 4(e)(1) of the Rules of the House of Representatives, the Committee is authorized "to investigate . . . any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities . . ." In light of the fact that Representative Jay Kim recently pleaded guilty to certain violations of law prosecuted by your office, we publicly stated on September 11, 1997, that "[w]e intend to recommend an investigation of the Jay Kim matter and have instructed Committee staff to meet with Department of Justice officials in Washington, D.C. and Los Angeles to gather additional information."

In that regard, we would like to arrange for Committee staff attorneys to meet in Los Angeles with you, Assistant U.S. Attorney Stephen A. Mansfield, and other government attorneys and investigators who worked on the Kim case and related cases.

In addition, we would be appreciative if your office provided the following documents to the Committee at your earliest convenience:

1. Copies of indictments and plea agreements relating to the prosecution of Jay Kim and June Kim.

Hon. Nora Manella  
September 25, 1997  
Page Two

2. Copies of any other documents that you may release relating to the above prosecutions, including but not limited to interviews by the Federal Bureau of Investigation of Jane Chong, a former employee of Representative Kim's campaign organization. (According to press reports, the Department of Justice publicly released the contents of the FBI interview of Ms. Chong in April 1996.)
3. Indictments, pre-trial motions and pleadings, court orders, trial transcripts, and trial evidence relating to the prosecution of Seokuk Ma and Paul Koh.

Thank you for your cooperation in this matter. To discuss scheduling of the meeting we have requested, or any questions you may regarding this letter, please contact Chief Counsel Theodore J. Van Der Meid or Counsel David H. Laufman at (202) 225-7103.

Sincerely,



James N. Hansen  
Chairman



Howard L. Berman  
Ranking Democratic Member

cc: Hon. John C. Keeney  
Acting Assistant Attorney General, Criminal Division  
Department of Justice

JVH/HLB:dhl

EXH. 10



UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

11	UNITED STATES OF AMERICA,	)	CR 97- <u>220</u>
12	Plaintiff,	)	
13	v.	)	<b>I N F O R M A T I O N</b>
14	JAY C. KIM,	)	[18 U.S.C. § 1001: False
15	JUNE O. KIM, and	)	Statements; 2 U.S.C. §§ 441b,
16	THE JAY KIM FOR	)	437g: Illegal Corporate Campaign
17	CONGRESS COMMITTEE,	)	Contributions; 2 U.S.C. §§ 441f,
	Defendants.	)	437g: Illegal Foreign Campaign
		)	Contributions]

The United States Attorney charges:

GENERAL ALLEGATIONS

At all times relevant to this Information:

A. DEFENDANTS

1. Defendant JAY C. KIM, also known as Changjoon Kim, ("defendant JAY KIM") was the President of JayKim Engineers, Inc. from 1978 to 1992. Defendant JAY KIM was the Mayor of Diamond

///

EBM:ebm

*EBM*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 Bar, California, from 1991 through 1992. On February 10, 1992,  
2 defendant JAY KIM registered with the Federal Election Commission as  
3 a candidate for the United States House of Representatives. In  
4 November 1992, defendant JAY KIM was elected to the United States  
5 House of Representatives. Defendant JAY KIM was re-elected in  
6 November 1994 and in November 1996.

7       2. Defendant JUNE O. KIM, also known as June Ock Kim,  
8 ("defendant JUNE KIM"), is the wife of defendant JAY KIM. Defendant  
9 JUNE KIM assisted defendant JAY KIM in managing campaign finances  
10 and expenditures and supervising the campaign finance reporting  
11 activities of defendant JAY KIM FOR CONGRESS COMMITTEE and its  
12 employees, officers, volunteers, and other agents.

13       3. Defendant JAY KIM FOR CONGRESS COMMITTEE (FEC  
14 No. C00260133) is a federal campaign committee formed by defendant  
15 JAY KIM on or about February 10, 1992, and registered with the  
16 Federal Election Commission. Defendant JAY KIM authorized defendant  
17 JAY KIM FOR CONGRESS COMMITTEE to solicit, accept and receive  
18 contributions, and to make expenditures for the purpose of electing  
19 defendant JAY KIM to the United States House of Representatives.  
20 Defendant JAY KIM FOR CONGRESS COMMITTEE is responsible under the  
21 law for the acts of its employees, officers, volunteers and other  
22 agents that are within the course and scope of their duties or are  
23 done, in part, to benefit the campaign committee.

24  
25  
26  
27  
28

1 B. JAYKIM ENGINEERS, INC.

2 JayKim Engineers, Inc., was incorporated as a California  
3 corporation under the laws of the State of California in 1978.  
4 JayKim Engineers, Inc., was a civil engineering firm with its  
5 principal place of business located in Diamond Bar, California. In  
6 February 1992, JayKim Engineers, Inc., had approximately ninety  
7 employees and had contracts with the federal government and  
8 municipalities. In May 1994, Jay Kim Engineers, Inc., changed its  
9 corporate name to Avacon Corporation.

10 C. FEDERAL ELECTION AND PUBLIC DISCLOSURE LAWS

11 1. The Federal Election Commission is the agency of the  
12 United States responsible for: (a) detecting illegal campaign  
13 contributions to candidates in federal elections; (b) enforcing the  
14 Federal Election Campaign Act; (c) receiving campaign finance  
15 reports; and (d) making these reports available to the public.

16 2. The Federal Election Campaign Act ("the law") governs  
17 contributions to, and expenditures by, candidates and their campaign  
18 committees in federal elections. The law requires the candidate's  
19 campaign committee to submit campaign finance reports to the Federal  
20 Election Commission specifying all contributions and expenditures in  
21 excess of \$200. The law requires that these campaign finance  
22 reports be made available to the public for inspection and copying  
23 throughout the campaign and thereafter.

24 3. It is illegal for a corporation, a foreign national, or a  
25 person who enters a contract with an agency of the United States to  
26 make a contribution of any amount to a candidate in a federal

1 election. It is also illegal for any person to make a contribution  
2 in excess of \$1,000 to a federal candidate in a primary or general  
3 election, to make a cash contribution of more than \$100, or to make  
4 a contribution by using the name of another person.

5 4. A federal candidate is required by law to designate a  
6 campaign committee to solicit, accept and receive contributions and  
7 to make expenditures for the campaign. Under the law, a candidate  
8 who receives a contribution or any loan for use in connection with  
9 the candidate's campaign receives such a contribution or loan as an  
10 agent of the campaign committee.

11 D. INCORPORATION BY REFERENCE

12 These General Allegations are incorporated into each count of  
13 this Information.

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT ONE

[18 U.S.C. § 1001]

1  
2  
3 From in or about March 1992, through on or about July 30, 1993,  
4 in Los Angeles County, within the Central District of California,  
5 defendant JAY KIM FOR CONGRESS COMMITTEE, by means of a scheme and  
6 device, knowingly and willfully concealed a material fact in a  
7 matter within the jurisdiction of the Federal Election Commission.  
8 Specifically, beginning in or about March 1992, through on or about  
9 July 30, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE received  
10 thousands of dollars in in-kind corporate resources provided by  
11 JayKim Engineers, Inc. Thereafter, from on or about April 13, 1992  
12 through on or about July 30, 1993, defendant JAY KIM FOR CONGRESS  
13 COMMITTEE submitted to the Federal Election Commission campaign  
14 finance reports which failed to report that JayKim Engineers, Inc.,  
15 provided in-kind corporate resources to defendant JAY KIM FOR  
16 CONGRESS COMMITTEE. As a result, defendant JAY KIM FOR CONGRESS  
17 COMMITTEE submitted reports to the Federal Election Commission that  
18 concealed these illegal contributions.

19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT TWO

[18 U.S.C. § 1001]

1 From on or before May 2, 1992, through on or about January 27,  
2 1993, in Los Angeles County, within the Central District of  
3 California, defendant JAY KIM FOR CONGRESS COMMITTEE, by means of a  
4 scheme and device, knowingly and willfully concealed material facts  
5 in a matter within the jurisdiction of the Federal Election  
6 Commission. Specifically, from on or before May 21, 1992, through  
7 on or about January 27, 1993, defendant JAY KIM FOR CONGRESS  
8 COMMITTEE knowingly received thousands of dollars of illegal  
9 corporate contributions, but falsely reported those contributions by  
10 omitting corporate designations from the names of the corporations  
11 and falsely stating that the contributors had been verified as not  
12 incorporated. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE  
13 submitted reports to the Federal Election Commission which concealed  
14 that the contributions were from corporations.  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## COUNT THREE

[18 U.S.C. § 1001]

1  
2  
3 On or about May 26, 1992, in Los Angeles County, within the  
4 Central District of California, defendant JAY KIM FOR CONGRESS  
5 COMMITTEE, knowingly and willfully made a false and fraudulent  
6 statement in a matter within the jurisdiction of the Federal  
7 Election Commission. Specifically, on or about May 26, 1992,  
8 defendant JAY KIM FOR CONGRESS COMMITTEE submitted a report to the  
9 Federal Election Commission which stated that it had received a  
10 \$1,000 contribution from Korean Air Travel, and that Korean Air  
11 Travel was a travel agency. In truth, as defendant JAY KIM FOR  
12 CONGRESS COMMITTEE knew, the \$1,000 contribution had been received  
13 from Korean Air, an airline corporation based in South Korea.  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## COUNT FOUR

[18 U.S.C. § 1001]

1  
2  
3 From in or about September, 1992, through on or about January  
4 11, 1993, in Los Angeles County, within the Central District of  
5 California, defendant JAY KIM FOR CONGRESS COMMITTEE, by means of a  
6 scheme and device, knowingly and willfully concealed material facts  
7 in a matter within the jurisdiction of the Federal Election  
8 Commission. Specifically, from in or about September, 1992, through  
9 on or about January 11, 1993, defendant JAY KIM FOR CONGRESS  
10 COMMITTEE knowingly received \$19,000 in illegal corporate  
11 contributions in the form of personal checks from individuals who  
12 had been reimbursed by corporations, namely, Daewoo Electronics  
13 Corporation, Pusan Pipe America Inc., Rocket Electric Company, Inc.,  
14 and Samsung America Inc. Thereafter, defendant JAY KIM FOR CONGRESS  
15 COMMITTEE reported the contributions as being from the reimbursed  
16 individuals, rather than from the corporations that defendant JAY  
17 KIM FOR CONGRESS COMMITTEE knew were the true sources of the funds  
18 used to make the contributions. As a result, defendant JAY KIM FOR  
19 CONGRESS COMMITTEE submitted reports to the Federal Election  
20 Commission which concealed that the true sources of the  
21 contributions were corporations.

## COUNT FIVE

[18 U.S.C. § 1001]

1  
2  
3 From in or about April, 1992, through on or about January 24,  
4 1997, in Los Angeles County, within the Central District of  
5 California, defendant JAY KIM FOR CONGRESS COMMITTEE, by means of a  
6 scheme and device, knowingly and willfully concealed material facts  
7 in a matter within the jurisdiction of the Federal Election  
8 Commission. Specifically, in or about April through June, 1992, Jay  
9 Kim and June Kim received payments totalling \$98,000, namely,  
10 \$18,000 from Jaycee Kim; \$50,000 from Song Nien Yeh, a Taiwanese  
11 national; and \$30,000 from Chi-Hu Yu, a Taiwanese national, Robert  
12 Yu, and Michael Li. After receiving each of these payments Jay Kim  
13 and June Kim would deposit the money in their personal and business  
14 accounts. Shortly after receiving each of the payments, Jay Kim and  
15 June Kim would transfer by check all or most of the money, totalling  
16 \$93,000, into the account of defendant JAY KIM FOR CONGRESS  
17 COMMITTEE, with the money characterized as loans from Jay Kim.  
18 Thereafter, defendant JAY KIM FOR CONGRESS COMMITTEE reported to the  
19 Federal Election Commission that the source of the loan  
20 contributions was Jay Kim, rather than the individuals whom  
21 defendant JAY KIM FOR CONGRESS COMMITTEE knew were the true sources  
22 of the money. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE  
23 submitted reports to the Federal Election Commission which concealed  
24 the true sources and illegal nature of the loan contributions.

COUNT SIX

[2 U.S.C. §§ 441b, 437g]

1  
2  
3 From in or about March, 1992, through in or about July, 1993,  
4 in Los Angeles County, within the Central District of California,  
5 defendant JAY KIM knowingly and willfully contributed, and caused to  
6 be contributed, to a federal campaign committee thousands of dollars  
7 of illegal corporate contributions, aggregating more than \$2,000 in  
8 a calendar year. Specifically, from in or about March, 1992,  
9 through in or about July, 1993, defendant JAY KIM knowingly and  
10 willfully contributed, and caused to be contributed, thousands of  
11 dollars of in-kind contributions, with an aggregate value of more  
12 than \$2,000 in 1992 and more than \$2,000 in 1993, from JayKim  
13 Engineers, Inc., a corporation, to the Jay Kim for Congress  
14 Committee.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT SEVEN

[2 U.S.C. §§ 441f, 437g]

1  
2  
3 On or about May 26, 1992, in Los Angeles County, within the  
4 Central District of California, defendant JAY KIM knowingly and  
5 willfully accepted and received on behalf of the Jay Kim for  
6 Congress Committee an illegal \$50,000 campaign contribution from a  
7 foreign national in violation of the Federal Election Campaign Act.  
8 Specifically, defendant JAY KIM knowingly and willfully accepted and  
9 received on behalf of the Jay Kim for Congress Committee an illegal  
10 excessive loan of funds from Song Nien Yeh, a Taiwanese national, in  
11 the amount of \$50,000.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT EIGHT

[2 U.S.C. §§ 441b, 437g]

In or about October, 1992, in Los Angeles County, within the Central District of California, defendant JAY KIM knowingly and willfully accepted and received an excessive and illegal \$12,000 corporate campaign contribution in violation of the Federal Election Campaign Act. Specifically, defendant JAY KIM knowingly and willfully accepted and received a \$12,000 campaign contribution from Nikko Enterprises, Inc.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT NINE

[2 U.S.C. §§ 441b, 437g]

1  
2  
3 In or about October 1993, in Los Angeles County, within the  
4 Central District of California, defendant JUNE KIM knowingly and  
5 willfully accepted and received illegal corporate contributions  
6 aggregating \$2,000 or more during 1993 in violation of the Federal  
7 Election Campaign Act. Specifically, defendant JUNE KIM knowingly  
8 and willfully accepted and received on behalf of the Jay Kim for  
9 Congress Committee \$14,000 in contributions which she knew had been  
10 made using funds provided by Amko Advertising Inc., a corporation,  
11 that were paid to Samas Telecom and then used to reimburse  
12 individuals who then wrote personal checks to the Jay Kim for  
13 Congress Committee.

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COUNT TEN

[2 U.S.C. §§ 441b, 437g]

1 From on or about January 20, 1994 through January 25, 1994, in  
2 Los Angeles County, within the Central District of California,  
3 defendant JUNE KIM knowingly and willfully accepted and received  
4 illegal corporate contributions aggregating \$2,000 or more during  
5 1994 in violation of the Federal Election Campaign Act.  
6 Specifically, defendant JUNE KIM knowingly and willfully accepted  
7 and received on behalf of the Jay Kim for Congress Committee illegal  
8 corporate contributions totalling \$5,450 from seven corporations,  
9 namely, Haitai America, Inc., Bacco, Inc., Korean Federation of Los  
10 Angeles, Inc., Sun Princess Cosmetics, Inc., Dong-A America Corp.,  
11 Universal Market Supply Corporation, and Tiger Contract Services,  
12 Inc.

13  
14  
15  
16  
17 NORA M. MANELLA  
18 United States Attorney

19 DAVID C. SCHEPER  
20 Assistant United States Attorney  
21 Chief, Criminal Division

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HIFLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KROLLENBERG, MICHIGAN

## EXH. 11

## U.S. House of Representatives

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6326

December 17, 1997

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
MARTIN OLAV SANO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
JOE LOFORINI, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
2051 225-7193

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Kim:

We have established an investigative subcommittee to examine matters related to plea agreements that you and June Kim entered into with the Department of Justice in July 1997. The investigative subcommittee also shall have authority to investigate: (1) alleged improprieties concerning Financial Disclosure Statements that you have filed pursuant to the Ethics in Government Act; (2) whether the facts relating to the publication of a book by June Kim entitled *There Are Opportunities*, and any royalties or other payments tendered in connection with the book, complied with House rules and applicable laws; (3) your failure to comply with an agreement with the Committee to return outside income from the publication of your book, *I'm Conservative*, which exceeded the statutory limit of \$20,040; and (4) your knowledge, if any, regarding illegal contributions made to your 1992 congressional campaign by Korean Airlines, Co., Ltd., and other companies.

According to the House Parliamentarian, the Department of Justice's transmittal to the Committee of indictments and plea agreements relating to your campaigns for election to the House of Representatives, as well as related official documents obtained by the Committee, may be considered by the Committee to meet the requirements of House and Committee rules for what constitutes a complaint. Consequently, pursuant to Committee Rule 17(c), we have exercised our authority to establish an investigative subcommittee to examine the matters set forth above.

The investigative subcommittee shall be chaired by Representative Lamar S. Smith with Representative Ed Pastor serving as the Ranking Democratic Member. The other two members of the subcommittee are Representative Ed Bryant and Representative Robert C. Scott. Pursuant to Committee Rule 18(g), you have ten days after this letter is transmitted to you to object to the participation of any subcommittee member. Such objection must be in writing and must be on the grounds that the subcommittee member in question cannot render an impartial and unbiased decision. The subcommittee member against whom the objection is made shall be the sole judge of his disqualification.

In connection with the establishment of the investigative subcommittee, we invite you to provide any additional information you may desire to the subcommittee regarding the matters under investigation. In addition, we ask that you submit written responses to the subcommittee to the following requests and questions:

1. Attached to this letter are plea agreements with the U.S. Attorney's Office for the Central District of California, entered into by you and your wife, June Kim. Also attached is a plea agreement that you entered into on behalf of the Jay Kim for Congress Committee. Please state whether you dispute any element of those plea agreements, including the Statements of Facts attached to those plea agreements and incorporated therein.
2. Paragraph 13 of the Statement of Facts attached to your plea agreement (hereafter "Statement of Facts") states that "[o]n or about October 14, 1992, through on or about January 11, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports that reported . . . contributions as being from . . . reimbursed individuals, rather than from the corporations that were the true sources of the funds used to make the contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission that the true sources of the contributions were corporations." Please state what contemporaneous knowledge you had that the Jay Kim for Congress Committee would, or did, submit reports to the FEC that concealed the true source of the contributions referenced in Paragraph 13.
3. What contemporaneous knowledge did you have regarding the events discussed in Paragraph 14 of the Statement of Facts?
4. Regarding Paragraph 16 of the Statement of Facts, what contemporaneous knowledge did you have concerning the deposit of the \$30,000 check drawn on the account of Chi-Hu Yu into a joint personal bank account that you shared at that time with June Kim? What contemporaneous knowledge did you have that \$25,000 from that joint personal bank account subsequently would be, or was, transferred to the account of the Jay Kim for Congress Committee? If the \$25,000 check drawn on your personal bank account on or about June 19, 1992, was derived from, or made possible by, the \$30,000 check drawn on the account of Chi-Hu Yu, what was the disposition of the remaining \$5,000 from the \$30,000 check drawn on the account of Chi-Hu Yu?
5. Regarding Paragraph 18 of the Statement of Facts, what contemporaneous knowledge did you have that June Kim would, or did, deposit the \$12,000 check from Nikko Enterprises, Inc. ("Nikko") in the joint personal bank account that you shared at that time with June Kim? What was the subsequent disposition of the \$12,000 in proceeds from the Nikko check?

6. Regarding Paragraph 19 of the Statement of Facts, what contemporaneous knowledge did you have regarding the \$14,000 payment by Amko Advertising, Inc., to Samas Telecom? In addition, what contemporaneous knowledge did you have regarding the use of the \$14,000 from Amko Advertising to reimburse various individuals for making contributions in their names to the Jay Kim for Congress Committee?
7. What contemporaneous knowledge did you have regarding the receipt or acceptance of corporate contributions discussed in Paragraph 20 of the Statement of Facts?
8. What is the relationship, if any, between the \$12,000 payment by Nikko referenced in Paragraph 18 of the Statement of Facts and a loan by David Chang reported in a February 24, 1995, amendment to your Financial Disclosure Statement for calendar year 1993? Please provide a copy of the loan agreement with Mr. Chang and any other documentation regarding the loan by Mr. Chang. In addition, please state how you used the proceeds from that loan and provide supporting documentation, if any, regarding such use.
9. What is the relationship, if any, between the \$50,000 loan from Song Nien Yeh referenced in Paragraph 15 of the Statement of Facts and a loan by Jerry Yhee reported on your Financial Disclosure Statements for calendar years 1993, 1994, 1995, and 1996? Please provide a copy of the loan agreement concerning the loan by Mr. Yhee and any other supporting documentation relating to that loan. In addition, please state how you used the proceeds from that loan, and provide supporting documentation, if any, regarding such use.
10. What is the relationship, if any, between the \$30,000 payment drawn on the account of Chi-Hu Yu, referenced in Paragraph 16 of the Statement of Facts, and a loan from Robert Yu reported in your Financial Disclosure Statement for calendar year 1993? Please provide a copy of the loan agreement concerning the loan by Mr. Yu reported on your Financial Disclosure Statement and any other supporting documentation relating to that loan. In addition, please state how you used the proceeds from that loan and provide supporting documentation, if any, regarding such use.
11. Please provide a copy of the loan agreement relating to a personal loan by Jaycee Kim reported on your Financial Disclosure Statement for calendar year 1996, as well as any other documentation regarding that loan. In addition, please state how you used the proceeds from the loan by Jaycee Kim and provide supporting documentation, if any, regarding such use.
12. On September 13, 1997, the *Washington Post* published an article regarding a book by June Kim entitled "There Are Opportunities." (See the attached.) Please provide any comments you may have regarding that article. In particular, please comment on the reported bulk purchases of that book, provide a full account of the events resulting in those bulk purchases, and identify the Korean companies that reportedly made the bulk purchases. Please provide a full accounting of any royalties or other payments that June Kim or you received in connection with the book. In addition, please state

whether any royalties or other proceeds from the book were transmitted, directly or indirectly, to the account of the Jay Kim for Congress Committee or any other campaign account.

13. What contemporaneous knowledge did you have, if any, regarding illegal contributions made to your 1992 congressional campaign by Korean Airlines, Co., Ltd.; Hyundai Motor America; Samsung America, Inc.; Daewoo International America; and Haitai America, Inc.?
14. Please provide a list, including locations and account numbers, of all accounts with financial institutions, including corporate or other business accounts, for which you or June Kim has exercised signature authority from January 1, 1992, to the present.

Please submit responses to the above requests and questions to the investigative subcommittee by January 20, 1998. In that regard, the Committee respectfully reminds you that under the terms of your plea agreement with the U.S. Attorney's Office, you are obligated to "cooperate fully" with the Committee in this matter, "including providing truthful and complete testimony, interviews, documents, and other information."

Thank you for your assistance in this matter. If you have any questions regarding this letter, please contact Chief Counsel Theodore J. Van Der Meid, Counsel David H. Laufman, or Counsel Paul Lewis at (202) 225-7103.

Sincerely,

  
James V. Hansen  
Chairman

  
Howard L. Berman  
Ranking Democratic Member

Attachments

JVH/HLB:dhl

JAMES V. HANSEN, UTAH  
CHAIRMAN

**EXH. 12**

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
SUITE HT-3, THE CAPITOL  
BOX 225-7163

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

December 18, 1997

PRESS STATEMENT

The Chairman and Ranking Minority Member have established an investigative subcommittee in the Matter of Representative Jay Kim. The Subcommittee will be chaired by Representative Lamar Smith with Representative Ed Pastor serving as the Ranking Minority Member. The other two subcommittee members appointed by the Chairman and Ranking Minority Member pursuant to section 1 of H.Res. 168 are Representative Ed Bryant and Representative Robert C. Scott.

EXH. 13

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HESLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEID,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHARA FATTAM, PENNSYLVANIA  
JOE LOFGREN, CALIFORNIA  
SUITE H7-2, THE CAPITOL  
(202) 225-7103

September 16, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: Representative Jav Kim

Dear Mr. Lotkin:

On September 10, 1998, the Investigative Subcommittee denied Representative Kim's Motion to Dismiss ("Motion") pursuant to Rule 23(c)(1) of the Rules of the Committee on Standards of Official Conduct. The purpose of this letter is to provide you further information regarding the Subcommittee's denial of the Motion.

This letter also responds to your letter of September 11, 1998, requesting a delay of your answer to the Statement of Alleged Violation (hereinafter "SAV"). Your request for an extension of time to file an answer is denied. The answer remains due by September 25, 1998.

Committee Rule 23(c)(2) provides that a Motion to Dismiss "may be made on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement." In the Motion, you assert that the Committee lacks jurisdiction to consider the allegations contained in the SAV and that the SAV served on Representative Kim on or about August 7, 1998 fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct.

The Subcommittee thoroughly considered Representative Kim's Motion and the supporting Memorandum of Points and Authorities ("Memorandum") and determined that each of the counts comprising the SAV states facts that constitute a violation of the Code of Official Conduct or other

applicable law, rule, regulation, or standard of conduct. The Subcommittee also determined that the Committee has jurisdiction to consider the allegations contained in each count of the SAV. Consequently, on September 10, 1998, a majority of the members of the Investigative Subcommittee, a quorum being present, voted to deny Representative Kim's Motion.

The Motion raised six grounds for dismissing all or parts of the SAV. The Subcommittee's consideration of each ground is discussed below.

1. Alleged Improper Establishment of the Investigative Subcommittee

The first ground alleges that the Committee lacks jurisdiction to consider the allegations contained in the SAV because the Investigative Subcommittee was improperly established. You advanced several different theories in support of that argument.

a. Determination of Complaint

You first assert that the Chairman and Ranking Democratic Member did not act within the required time period (under Committee Rule 17(b)) to determine whether information meets the requirements of the Committee rules for what constitutes a complaint. You assert that the time periods specified under Rule 17(b) began on the date Representative Kim pleaded guilty in federal court or on the date the Committee received information from the Department of Justice about Representative Kim.

Your assertion is incorrect. The dates of the events you cite do not require action by the Committee under Rule 17(b).

In late October 1997, the Committee received information from the Department of Justice regarding Representative Kim's criminal case. The Parliamentarian informed the Committee in early December that this information could be considered by the Committee to meet the requirements of House and Committee rules for what constitutes a complaint. The Parliamentarian also advised that the Committee had jurisdiction under House Rule X, Clause 4(e), to investigate allegations of misconduct relating to a successful campaign for the House. Consequently, the Chairman and Ranking Democratic Member exercised their authority under Committee Rule 17(c) to establish an investigative subcommittee to conduct an inquiry concerning Representative Kim, well within any time limitations established by Committee rules. This decision was conveyed to Representative Kim by the letter dated December 17, 1997.

b. Use of Term "Indictment"

You also assert that the Committee lacks jurisdiction on the grounds that the December 17, 1997, letter incorrectly states that the Department of Justice transmitted "indictments" to the Committee. As you know, the legal instrument to which Representative Kim pleaded guilty was an information, and the use of the term "indictment" was simply an error. It was an error without any substantive significance, however, as the Parliamentarian's ruling was based on the fact that Representative Kim had been convicted of the criminal misdemeanors to which he pleaded guilty

and on the transmittal of documents by the Department of Justice manifesting Representative Kim's guilty plea, not on any distinction between an "indictment" and an "information."

c. Footnote 4

Finally, you argue in footnote 4 of the Memorandum that the December 17, 1997, letter violated Committee Rule 17(d) because the Committee Chairman and Ranking Democratic Member improperly exercised their authority after the Subcommittee was established.<sup>1</sup> We disagree. Representative Kim was asked to submit his responses to questions in the letter to the Subcommittee and not to the full Committee.<sup>2</sup>

2. Scope of Committee's Jurisdiction

You assert that the Committee does not have jurisdiction to investigate any campaign matter not explicitly addressed by Clause 6 of House Rule XLIII. That view is without merit. House Rule X states in part that the Committee is authorized "to investigate...any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or *of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities...*"<sup>3</sup> The scope of House Rule X or House Rule XLIII, Clause 1, is not circumscribed by Clause 6 of House Rule XLIII.

3. Selective Prosecution

You assert the Committee lacks jurisdiction on the grounds that the SAV is the product of selective prosecution. Your assertion is incorrect. The record indicates that the Investigative Subcommittee was established to examine matters related to plea agreements Representative Kim entered into with the Department of Justice and Representative Kim's knowledge of illegal corporate contributions to his 1992 campaign.<sup>4</sup> The plea agreements involved three misdemeanor convictions by Representative Kim, five felony convictions by Representative Kim's campaign committee, and two misdemeanor convictions by Representative Kim's wife. As noted by the Department of Justice in its sentencing memorandum, these convictions constituted the most serious violations of the Federal Election Campaign Act (hereinafter "FECA") since the law was passed.<sup>5</sup>

<sup>1</sup> As indicated above, your arguments analyzing the Committee's action working backward from December 17, 1997 and assuming a hypothetical query are moot.

<sup>2</sup> Letter of Dec. 17, 1997, at 2.

<sup>3</sup> House Rule X, Clause 4(e)(1)(B)(emphasis added).

<sup>4</sup> Letter of Dec. 17, 1997, at 1.

<sup>5</sup> Government's Sentencing Memorandum, February 6, 1998, at 3.

In addition, the record indicates the Subcommittee was established to investigate three areas in addition to FECA violations: 1) alleged improprieties concerning Financial Disclosure Statements; 2) Mrs. Kim's book; and 3) Representative Kim's failure to comply with an agreement with the Committee to return excess outside income concerning his book.

Accordingly, your argument that Representative Kim has been the victim of selective prosecution is without merit.<sup>6</sup>

4. Allegation of Duplicitous Charges

You assert the SAV fails to state facts that constitute a violation of House Rule XLIII, Clause 1, because several counts assert two separate theories of conduct: committing the alleged improper act and acknowledging it by pleading guilty. You assert that the Subcommittee has, in effect, charged Representative Kim twice for the same conduct in an effort to "pile on" additional violations.

Your assertion is incorrect. In each count, Representative Kim is only charged with one violation. Alternative theories of guilt within the same count do not constitute additional violations.

We reject as without merit your argument that Representative Kim's convictions do not bring discredit upon the House. The admission by a Member that he committed criminal violations, in and of itself, may bring discredit and disrepute upon the House.

5. Committee's June 29, 1998 Advisory Opinion to Representative Kim

You assert the SAV fails to state facts that constitute a violation on the grounds that the SAV contradicts an advisory opinion to Representative Kim regarding Financial Disclosure Statements. You assert that Representative Kim was required to report the liabilities charged in the SAV. Your argument is without merit. The SAV addresses false statements contained in the Financial Disclosure Statements--not the act of filing.

6. Differences Between the Draft SAV and the SAV Served on Representative Kim

You assert the Committee lacks jurisdiction because, in your view, allegations contained in the SAV served on Representative Kim on August 7, 1998 were not contained in the draft SAV provided on July 27, 1998 pursuant to Committee Rule 27(c). You assert the changes affected your ability to engage in settlement negotiations with the Subcommittee.

The SAV served on Representative Kim on August 7, 1998, contained certain changes in comparison with the draft SAV provided to Representative Kim on July 28, 1998, but there are no additional charges. Both the draft SAV and the final SAV contain six counts. We agree that the final SAV contains additional theories under two counts, but Representative Kim does not face any

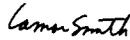
<sup>6</sup> The matter of alleged witness mistreatment has been previously addressed by the Subcommittee.

additional charges.<sup>7</sup> As we indicated in our August 7, 1998, letter, we do not view any of the changes as material changes to the SAV for purposes of Committee rules.<sup>8</sup>

You are mistaken in your analysis that the Subcommittee employed a separate theory of liability in charging that Representative Kim contributed, as well as caused to be contributed, in-kind contributions from JayKim Engineers, Inc. to his campaign committee. In light of the fact that JayKim Engineers, Inc. was a closely held corporation, the Subcommittee did not intend any substantive distinction between the two theories of liability on which Count I of the SAV is based.<sup>9</sup>

Under Committee Rule 23(c)(1), Representative Kim may submit an answer to the SAV within 15 days after the Subcommittee has replied to the Motion to Dismiss. The Subcommittee replied to your Motion on September 10, 1998. Pursuant to Committee Rule 23(a)(1), the failure to file an answer within the time prescribed will be considered a denial of each count in the SAV. If Representative Kim submits an answer, it must be in writing and under oath, and it must be signed by both you (his attorney) and Representative Kim. Committee Rule 23(a)(2) states that the answer "shall contain an admission to or denial of each count set forth in the Statement of Alleged Violation and may include negative, affirmative, or alternative defenses and any supporting evidence or other relevant information." As stated above, the answer is due by September 25, 1998.

Sincerely,



Lamar Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

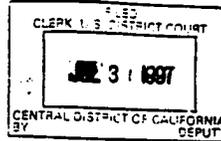
<sup>7</sup> Counsel for the Subcommittee briefed you in detail on the differences between the draft and final SAV and also provided you a draft copy of the SAV that highlighted the changes. Additional language added in Section B of Count II merely restated the conduct charged in Section A of that Count. The change to Section A of Count III conformed it to Count I and Section A of Count II. The changes to Counts V and VI merely clarified the original charges.

<sup>8</sup> Letter from Hon. Lamar Smith and Hon. Ed Pastor to Hon. Jay Kim, August 7, 1998, at 2. As you know, you are free to discuss a settlement of this matter with the Subcommittee at any time.

<sup>9</sup> Insofar as you appear to object to the "contribution" language, the Subcommittee is willing, upon your request, to excise it from Count I. Please understand, however, that the Subcommittee is no way would view the deletion of the "contribution" language from Count I as an amendment of the SAV for purposes of Committee Rule 21.

EXH. 14

1 NORA M. MANELLA  
 United States Attorney  
 2 DAVID C. SCHEPER  
 Assistant United States Attorney  
 Chief, Criminal Division  
 3 STEPHEN A. MANSFIELD  
 Assistant United States Attorney  
 Senior Litigation Counsel  
 4 EDWARD B. MORETON, JR.  
 Assistant United States Attorney  
 Public Corruption & Government Fraud Section  
 5 1300 United States Courthouse  
 312 North Spring Street  
 6 Los Angeles, California 90012  
 Telephone: (213) 894-3358



7 Attorneys for Plaintiff  
 UNITED STATES OF AMERICA

8 UNITED STATES DISTRICT COURT  
 FOR THE CENTRAL DISTRICT OF CALIFORNIA

9 UNITED STATES OF AMERICA,	)	CR 97-1111
	)	
10 Plaintiff,	)	<u>NOTICE OF FILING PLEA</u>
	)	<u>AGREEMENTS</u>
11 v.	)	
	)	
12 JAY C. KIM,	)	
13 JUNE O. KIM, and	)	
14 THE JAY KIM FOR	)	
15 CONGRESS COMMITTEE,	)	
	)	
16 Defendant.	)	

17 The United States hereby files copies of the plea agreements  
 18 entered into by defendants Jay C. Kim (Exhibit 1), June 0.

19 ///  
 20 ///  
 21 ///  
 22 ///  
 23 ///  
 24 ///  
 25 ///  
 26 ///  
 27 ///  
 28 ///

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Kim Exhibit 2), and Jay Kim for Congress Committee (Exhibit 3).

DATED: July 3, 1997.

Respectfully submitted,

NORA M. MANELLA  
United States Attorney

DAVID C. SCHEPER  
Assistant United States Attorney  
Chief, Criminal Division

  
STEPHEN A. MANSFIELD  
Assistant United States Attorney

  
EDWARD B. MORETON, JR.  
Assistant United States Attorney

Attorneys for Plaintiff  
UNITED STATES OF AMERICA

EXH. 15

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA **COPY**

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

---

HONORABLE RICHARD A. PAEZ, DISTRICT JUDGE PRESIDING

---

UNITED STATES OF AMERICA,	)	
	)	
PLAINTIFF,	)	
	)	
VS.	)	CASE NO. CR 97-726-RAP
	)	
JAY C. KIM,	)	
JUNE O. KIM,	)	
THE JAY KIM FOR CONGRESS	)	
COMMITTEE,	)	
	)	
DEFENDANTS.	)	

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
MOTIONS CALENDAR

LOS ANGELES, CALIFORNIA  
MONDAY, MARCH 9, 1998

MARGARET J. BABYKIN  
COURT REPORTER  
429J - U. S. DISTRICT COURTHOUSE  
312 NORTH SPRING STREET  
LOS ANGELES, CALIFORNIA 90012

1 APPEARANCES:

2 IN BEHALF OF THE PLAINTIFF:

3 NORA M. MANELLA  
4 UNITED STATES ATTORNEY  
5 DAVID C. SCHEPER  
6 ASSISTANT UNITED STATES ATTORNEY  
7 CHIEF, CRIMINAL DIVISION  
8 BY: RICHARD E. DROOYAN  
9 - AND -  
10 STEPHEN MANSFIELD  
11 - AND -  
12 EDWARD MORETON  
13 ASSISTANT UNITED STATES ATTORNEYS  
14 UNITED STATES DISTRICT COURT  
15 312 NORTH SPRING STREET  
16 LOS ANGELES, CALIFORNIA 90012

17 ON BEHALF OF THE DEFENDANT JAY C. KIM:

18 GIBSON, DUNN & CRUTCHER LLP  
19 BY: THOMAS E. HOLLIDAY  
20 ATTORNEY AT LAW  
21 333 SOUTH GRAND AVENUE  
22 LOS ANGELES, CALIFORNIA 90071-3197

23 ON BEHALF OF THE DEFENDANT JUNE O. KIM:

24 ROBERT L. CORBIN  
25 ATTORNEY AT LAW  
601 WEST FIFTH STREET  
12TH FLOOR  
LOS ANGELES, CALIFORNIA 90071-2025  
U.S. PROBATION OFFICER  
NANCY O'CONNOR  
600 U.S. COURTHOUSE  
312 NORTH SPRING STREET  
LOS ANGELES, CALIFORNIA 90012

		3
1	<u>I N D E X</u>	
2	CR 97-726-RAP	MARCH 9, 1998
3	SENTENCINGS:	
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1           LOS ANGELES, CALIFORNIA; MONDAY, MARCH 9, 1998; 1:31 P.M.  
2           THE CLERK: ALL RISE. THE HONORABLE RICHARD A. PAEZ  
3           PRESIDING.  
4           PLEASE BE SEATED AND COME TO ORDER.  
5           CRIMINAL 97-726-RAP, UNITED STATES OF AMERICA VERSUS  
6           JAY C. KIM, JUNE O. KIM, AND THE JAY KIM FOR CONGRESS  
7           COMMITTEE.  
8           COUNSEL, APPEARANCES, PLEASE.  
9           MR. MANSFIELD: GOOD AFTERNOON, YOUR HONOR.  
10          STEPHEN MANSFIELD, EDWARD MORETON, AND RICHARD  
11          DROOYAN FOR THE UNITED STATES.  
12          THE COURT: YES. GOOD AFTERNOON.  
13          MR. CORBIN: GOOD AFTERNOON, YOUR HONOR.  
14          ROBERT CORBIN APPEARING WITH JUNE KIM.  
15          THE COURT: YES, MR. CORBIN.  
16          MR. HOLLIDAY: GOOD AFTERNOON, YOUR HONOR.  
17          TOM HOLLIDAY WITH MR. JAY KIM FOR MR. KIM AND THE  
18          COMMITTEE.  
19          THE COURT: RIGHT. LET ME JUST PUT A FEW PRELIMINARY  
20          MATTERS AT REST.  
21          MR. HOLLIDAY AND MR. CORBIN, HAVE YOUR CLIENTS HAD A  
22          SUFFICIENT OPPORTUNITY TO REVIEW THE PROBATION OFFICER'S REPORT  
23          AND RECOMMENDATIONS WITH THE ADDENDUM?  
24          MR. HOLLIDAY: WE HAVE JUST RECEIVED THE ADDENDUM,  
25          YOUR HONOR, IF YOU'RE TALKING ABOUT THE RESPONSE BY THE

1 PROBATION OFFICE. FOR SOME REASON, THERE WAS A MIX-UP IN THE  
2 MAILS, AND NEITHER MR. CORBIN NOR I RECEIVED IT. AND THEY HAVE  
3 JUST BEEN HANDED THEM.

4 THE COURT: DO YOU NEED A FEW MINUTES TO TAKE A LOOK  
5 AT THAT BEFORE I PROCEED?

6 MR. HOLLIDAY: I WOULD AT LEAST LIKE MR. KIM --

7 THE COURT: ALL RIGHT.

8 MR. HOLLIDAY: -- TO BE ABLE TO READ IT.

9 THE COURT: ALL RIGHT. WE'LL TAKE A -- WHEN YOU'RE  
10 FINISHED READING IT AND CAREFULLY GOING OVER IT WITH YOUR  
11 CLIENT, IF YOU'LL LET MY CLERK KNOW.

12 MR. HOLLIDAY: THAT'S FINE.

13 THANK YOU, YOUR HONOR.

14 THE CLERK: COURT'S IN RECESS.

15 (RECESS AT 1:33 P.M.)

16 THE CLERK: REMAIN SEATED AND COME TO ORDER.

17 CR 97-726, UNITED STATES OF AMERICA VERSUS JAY C.

18 KIM, JUNE O. KIM, AND THE JAY KIM FOR CONGRESS COMMITTEE.

19 COUNSEL, APPEARANCES, AGAIN, PLEASE.

20 MR. MANSFIELD: GOOD AFTERNOON, YOUR HONOR.

21 STEPHEN MANSFIELD, EDWARD MORETON, AND RICHARD

22 DROOYAN FOR THE UNITED STATES.

23 THE COURT: RIGHT.

24 MR. CORBIN: GOOD AFTERNOON, AGAIN, YOUR HONOR.

25 ROBERT CORBIN APPEARING WITH JUNE KIM.

1 THE COURT: YES.  
2 MR. HOLLIDAY: GOOD AFTERNOON, YOUR HONOR.  
3 TOM HOLLIDAY WITH JAY KIM FOR JAY KIM --  
4 THE COURT: RIGHT.  
5 MR. HOLLIDAY: -- AND FOR THE COMMITTEE.  
6 THE COURT: OKAY. NOW, LET'S TRY THIS AGAIN.  
7 NOW, HAVE YOU HAD AN OPPORTUNITY TO CAREFULLY REVIEW  
8 THE PROBATION OFFICER'S REPORT, RECOMMENDATION, AND ADDENDUM  
9 WITH YOUR CLIENTS?  
10 MR. HOLLIDAY?  
11 MR. HOLLIDAY: YES, WE HAVE, YOUR HONOR.  
12 THANK YOU FOR THE TIME.  
13 THE COURT: MR. CORBIN?  
14 MR. CORBIN: YES, YOUR HONOR.  
15 THE COURT: OKAY. IS THERE ANY REASON WHY WE SHOULD  
16 NOT PROCEED WITH THIS SENTENCING THIS AFTERNOON?  
17 MR. HOLLIDAY: NO, YOUR HONOR.  
18 MR. CORBIN: NO, YOUR HONOR.  
19 THE COURT: OKAY. THEN, FOR THE RECORD, IT SHOULD BE  
20 NOTED THAT I HAVE CAREFULLY READ ALL OF THE VARIOUS PROBATION  
21 OFFICERS' REPORTS, RECOMMENDATIONS, THE LETTERS THAT WERE  
22 ATTACHED TO THE PROBATION OFFICER'S REPORT, THE LETTERS THAT  
23 WERE SENT TO THE COURT IN A SEPARATE -- COMPILED SEPARATELY.  
24 I'VE READ THE GOVERNMENT'S POSITION STATEMENT AND ALL  
25 THE OTHER DOCUMENTATION THAT THE GOVERNMENT FILED. SO, I'M

1 FAIRLY FAMILIAR WITH ALL THE ISSUES THAT HAVE BEEN RAISED  
2 HERE. AND I'VE ALSO CAREFULLY CONSIDERED THE PROBATION  
3 OFFICER'S RECOMMENDATION.

4 HAVING SAID ALL OF THAT, WHY DON'T WE TAKE UP THE  
5 MATTER OF THE JAY KIM FOR CONGRESS COMMITTEE FIRST.

6 MR. HOLLIDAY: YOUR HONOR, I ASSUME THE COURT HAS  
7 ALSO READ OUR SENTENCING MEMORANDUM --

8 THE COURT: YES, I HAVE.

9 MR. HOLLIDAY: -- BOTH THE ONE UNDER SEAL AND THE ONE  
10 WE FILED --

11 THE COURT: YES --

12 MR. HOLLIDAY: -- IN OPEN COURT.

13 THE COURT: -- I HAVE. I'VE READ -- I'VE READ  
14 EVERYTHING VERY CAREFULLY -- JUST LET ME ASSURE YOU THAT.

15 LET ME -- WITH THIS ONE, MAYBE THIS WILL TAKE -- WE  
16 CAN TAKE CARE OF SOME ISSUES THAT OVERLAP ON EACH ONE OF THE  
17 SENTENCINGS -- THE POSITION STATEMENTS TAKEN BY THE GOVERNMENT,  
18 WHICH IS, THE GOVERNMENT HAD A FEW OBJECTIONS TO SEVERAL OF THE  
19 PARAGRAPHS CONTAINED IN THE PROBATION OFFICER'S REPORT.

20 THE OBJECTIONS DIFFER WITH EACH ONE, BUT, BASICALLY,  
21 THE CONTENT, I THINK, IS THE SAME. AND THE NUMBERING CHANGED,  
22 I THINK, WITH RESPECT TO EACH OF THE REPORTS -- SOME  
23 DIFFERENCES, BUT I HAVE LOOKED AT EACH OF THOSE OBJECTIONS THAT  
24 THE GOVERNMENT FILED. AND AS THE PROBATION OFFICER NOTES IN  
25 THE ADDENDUM, THOSE OBJECTIONS RELATE MAINLY TO POSITION

1 STATEMENTS AS ARTICULATED BY THE PROBATION OFFICER TO REFERENCE  
2 DEFENSE COUNSEL.

3 MR. HOLLIDAY: (NODDING.)

4 THE COURT: AND I DON'T THINK -- AT LEAST, IT'S MY  
5 ASSESSMENT AFTER READING EACH OF THOSE OBJECTIONS AND THE  
6 PARAGRAPHS AND THE STATEMENTS THAT ARE BEING ATTRIBUTED TO  
7 DEFENSE COUNSEL, THAT THOSE -- THAT WE NEED TO RESOLVE THOSE  
8 ISSUES BECAUSE THEY'RE NOT GOING TO AFFECT THE OUTCOME OF THE  
9 SENTENCING.

10 MR. HOLLIDAY: I AGREE WITH THAT, YOUR HONOR. I  
11 DON'T WANT TO SPEAK FOR MR. CORBIN, BUT THE WAY THIS HAS PLAYED  
12 OUT, IF YOU WILL, IS THAT THE PROBATION OFFICER WAS KIND  
13 ENOUGH, FRANKLY, TO RECOGNIZE THAT WE CAME INTO THIS LATE --  
14 THAT A LOT OF WORK ON THE ONE SIDE AND NOT ON THE OTHER. WE  
15 CAUGHT UP A BIT. AND THE ONLY WAY WE WERE GOING TO GET A  
16 PROBATION REPORT TO YOU --

17 THE COURT: RIGHT. IT TOOK A LONG TIME.

18 MR. HOLLIDAY: IT TOOK A LONG TIME -- WAS TO SIT DOWN  
19 AND SAY, LET'S DO A GIVE AND TAKE, A THIS AND THAT. AND THAT'S  
20 THE WAY SHE DID IT, AND SHE DID IT QUITE ABLY. SO, OUR  
21 POSITIONS ARE THERE. AND I WOULD AGREE WITH THE COURT,  
22 FRANKLY.

23 THE COURT: RIGHT.

24 DOES THE GOVERNMENT HAVE ANY POSITION ON THAT?

25 MR. MANSFIELD? -- WHOEVER IS GOING TO SPEAK FOR THE

1 GOVERNMENT.

2 (GOVERNMENT COUNSEL CONFERRING.)

3 MR. MANSFIELD: WE HAVE NO PROBLEM WITH THAT, YOUR  
4 HONOR.

5 THE COURT: OKAY.

6 WITH RESPECT TO THE CAMPAIGN COMMITTEE AND THERE  
7 BEING -- THE OTHER -- THERE BEING NO OTHER OBJECTIONS TO THE  
8 FACTUAL REPRESENTATIONS IN THE REPORT WITH RESPECT TO THE  
9 CAMPAIGN COMMITTEE, I WOULD JUST SIMPLY NOTE FOR THE RECORD  
10 THAT WITH RESPECT TO THE COMMITTEE, THE BASE OFFENSE LEVEL WAS  
11 A LEVEL 6. THERE WAS NO ADJUSTMENT FOR LOSS WITH RESPECT TO  
12 THE COMMITTEE. AND THAT ISSUE APPLIES TO EACH OF THE OTHER  
13 DEFENDANTS AS WELL.

14 AND I'VE READ CAREFULLY THE PROBATION OFFICER'S  
15 ASSESSMENT OF THAT ISSUE. AND I AGREE WITH HER ASSESSMENT --  
16 THAT THE -- THAT THERE SHOULD BE NO ADJUSTMENT. AND I THINK  
17 THAT'S THE POSITION THAT THE GOVERNMENT TAKES AS WELL.

18 MR. MANSFIELD: (NODDING.)

19 THE COURT: BECAUSE THERE WAS MORE THAN MINIMAL  
20 PLANNING INVOLVED HERE, IT'S ADJUSTED UPWARD BY TWO LEVELS.  
21 SO, WE END UP WITH A TOTAL OFFENSE LEVEL OF 8.

22 AND THEN THE PROBATION OFFICER GOES THROUGH VERY  
23 CAREFULLY AND ASSESSES ALL OF THE OTHER CONSIDERATIONS THAT  
24 LEAD US TO A -- ONE FURTHER ADJUSTMENT OF -- LET ME TURN TO HER  
25 OTHER NOTES.

WITH RESPECT TO THE CULPABILITY SCORE, WE END UP WITH  
A CULPABILITY SCORE OF 5. AND I BASICALLY AGREE WITH ALL OF  
HER -- HER RECOMMENDATIONS THERE. SO, THAT HERE WE END UP WITH  
A GUIDELINE FINE RANGE OF \$300,223 TO \$600,446. AND I THINK  
THAT'S WHERE WE BEGIN.

MR. HOLLIDAY: I WOULD LIKE, IF I COULD, YOUR HONOR,  
TO ADDRESS A COUPLE OF POINTS.

THE COURT: SURE.

MR. HOLLIDAY: I AGREE WITH THE -- I GUESS, I CAN'T  
DISAGREE WITH THE ACTUAL FINE RECOMMENDATION OF THE GOV- -- OF  
THE PROBATION OFFICER BECAUSE -- ALTHOUGH AS I SAID IN MY  
PAPERS, SHE GETS TO IT A DIFFERENT WAY -- SHE GETS THE SAME  
RANGE I WOULD GET TO, BUT I WOULD END UP WITH A SLIGHTLY LOWER  
NUMBER. AND I WOULD END UP WITH A CULPABILITY SCORE OF 3.

AND I THINK THE DIFFERENCE, YOUR HONOR, IS THAT THE  
PROBATION OFFICER TAGS ON A POINT FOR THE SIZE OF THE  
ORGANIZATION, 10 TO 49 EMPLOYEES. AND I JUST DON'T THINK THERE  
WERE REALLY EVER 10 OR MORE EMPLOYEES OF THE COMMITTEE. THEY  
HAD A --

THE COURT: WELL --

MR. HOLLIDAY: -- LOT OF VOLUNTEERS AND A LOT OF  
STAFFERS.

THE COURT: YOU KNOW, AS THE PROBATION OFFICER POINTS  
OUT, THE -- THIS IS NOT -- THIS IS KIND OF A UNIQUE  
ORGANIZATION IN THE SCHEME OF ORGANIZATIONS. IT'S NOT A

ORPORATION. IT'S NOT AN UNINCORPORATED ASSOCIATION. IT'S NOT  
NONPROFIT CORPORATION.

MR. HOLLIDAY: RIGHT.

THE COURT: IT'S NOT A PARTNERSHIP. IT'S DIFFERENT.  
IT'S A DIFFERENT ANIMAL. AND THE PROBATION OFFICER DID THE  
BEST SHE COULD IN TRYING TO CLASSIFY ALL OF THESE VARIOUS  
PEOPLE THAT WERE PAID FOR THEIR SERVICES THAT WERE RENDERED TO  
THE COMMITTEE.

MR. HOLLIDAY: I DON'T DISAGREE WITH HER. IT'S A  
DIFFERENT ENTITY. IT'S A CREATURE OF CONGRESS, YOUR HONOR.  
THIS WHOLE SET OF LAWS IS A CREATURE OF CONGRESS.

BUT I THINK THAT WHEN WE TRY AND APPLY CHAPTER 8, WE  
SHOULD TRY AS BEST WE CAN TO PUT ROUND PEGS INTO ROUND HOLES.  
AND I JUST THINK IN THIS PARTICULAR CASE TO PUT -- TO PUT  
PEOPLE WHO ARE NOT TRUE EMPLOYEES IN THE CATEGORY OF EMPLOYEE  
FOR THE PURPOSE OF ADDING A POINT ISN'T NECESSARILY  
APPROPRIATE.

THE OTHER POINT I TAKE OFF IS THAT I, FRANKLY, GIVE  
THE COMMITTEE AN EXTRA POINT FOR ITS COOPERATION. BUT AT THE  
END OF THE DAY, WHETHER YOU USE THE CULPABILITY SCORE NUMBER I  
GET, OR WHAT THE PROBATION OFFICER RECOMMENDS IN TERMS OF THE  
FINE, THE NUMBER IS THE SAME.

SO, I'M NOT SURE WHERE THE COURT -- I GUESS I'M NOT  
QUIBLING IF WE END UP WITH THE SAME FINE. I GUESS I WOULD  
QUIBBLE IF WE END UP AT A HIGHER NUMBER. I AM TRYING TO AVOID

THE COMMITTEE BEING LITERALLY PUT INTO BANKRUPTCY.

THE COURT: OKAY. WELL, LET'S HEAR -- LET ME HEAR WHAT THE GOVERNMENT HAS TO SAY ABOUT THAT CULPABILITY SCORE.

MR. MANSFIELD: YOUR HONOR, WE AGREE WITH THE PROBATION DEPARTMENT'S ANALYSIS AND THE COURT'S VIEW OF IT THAT THIS IS A UNIQUE ORGANIZATION.

CAMPAIGN ORGANIZATIONS DO NOT TYPICALLY HAVE A LARGE NUMBER OF EMPLOYEES LIKE A CORPORATION. THEY BASICALLY RUN ON VOLUNTEERS. THAT WAS WHAT THE PROBATION OFFICER WAS STRUGGLING WITH IN MAKING HER RECOMMENDATION AND HER DETERMINATION. I THINK IT'S THE CORRECT ANALYSIS IN THIS CASE.

THE COURT: WHAT ABOUT THE -- MR. HOLLIDAY'S SUGGESTION THAT THE PROBATION OFFICER COULD HAVE BEEN A LITTLE MORE GENEROUS WITH ACCEPTANCE OF RESPONSIBILITY?

MR. MANSFIELD: WELL, I HAVE A SERIOUS PROBLEM WITH THAT, YOUR HONOR. AND I THINK THAT, PERHAPS, THE BEST ILLUSTRATION OF THE PROBLEM WITH THIS CAMPAIGN COMMITTEE IS WHAT IT DID AT THE TIME OF ITS PLEA AGREEMENT IN THIS CASE.

IT SUBMITTED YET ANOTHER FALSE REPORT TO THE FEDERAL ELECTION COMMISSION LYING AGAIN ABOUT THE ILLEGAL LOANS THAT ARE THE SUBJECT OF THIS CASE.

AND I'M TOLD FROM SPECIAL AGENT ANTHONY GORDON OF THE FBI THIS MORNING, THAT THEY AGAIN -- THIS CAMPAIGN COMMITTEE, AGAIN, IN ITS JANUARY FILING LIED FURTHER ABOUT THESE ILLEGAL LOANS. SO, I THINK WE'VE GOT A CAMPAIGN ORGANIZATION THAT FAR

1 FROM COOPERATING IS CONTINUING TO MAKE FALSE STATEMENTS TO THE  
2 FEDERAL ELECTION COMMISSION AND THE PUBLIC.

3 MR. HOLLIDAY: YOUR HONOR, I'M NOT SURE WHAT THE  
4 CURRENT ISSUE IS. LIE HAS A PEJORATIVE CONTEXT TO IT AS  
5 OPPOSED TO IF THERE'S INACCURACY IN THE REPORT, IT GETS FIXED.  
6 THAT'S WHAT'S SUPPOSED TO HAPPEN. AND THEY HAPPEN ALL THE  
7 TIME.

8 THIS IS A VERY SMALL ORGANIZATION THAT IS DEALING  
9 WITH ONE REPRESENTATIVE. THEY'RE DOING THE BEST THEY CAN.  
10 THEY ACTUALLY HAVE A NEW TREASURER NOW, WHO IS A LAWYER, WHO IS  
11 SUPPOSEDLY DOING THIS RIGHT. THEY'RE TRYING TO FOLLOW THE LAWS  
12 AND THE RULES. THEY DID COOPERATE DURING THE INVESTIGATION.  
13 AND I THINK THEY OUGHT TO GET CREDIT FOR IT.

14 THE COURT: WELL, AFTER READING ALL OF THIS MATERIAL,  
15 I THINK THE PROBATION OFFICER DID A VERY THOROUGH JOB HERE --  
16 ANALYSIS OF ALL THESE ISSUES, AND I AGREE WITH HER CALCULATIONS  
17 ON THIS.

18 AND I MIGHT ALSO SAY THAT I THINK HER ASSESSMENT --  
19 AND THIS -- WE'LL TALK ABOUT THIS NEXT -- AND, THAT IS, EVEN  
20 ASSUMING YOU END UP WITH A FINE RANGE -- THE RANGE OF 300 TO  
21 600,000, APPROXIMATELY, THE PROBATION OFFICER HAD HER OWN  
22 ASSESSMENT OF THE VIABILITY OF THE COMMITTEE AND THE POTENTIAL  
23 FOR INCOME AND WHATNOT. AND SHE DID THAT AFTER LOOKING  
24 CAREFULLY AT THE HISTORY OF THE COMMITTEE AND THE AMOUNT OF  
25 MONEY IT'S RAISED AND WHERE IT'S AT TODAY, AND THE LIKELIHOOD

1 OF FUTURE CONTRIBUTIONS TO THE COMMITTEE. AND HER  
2 RECOMMENDATION IS -- IS JUST ABOUT 110,000.

3 MR. HOLLIDAY: I BELIEVE THE RECOMMENDATION IS AN  
4 UP-FRONT PAYMENT, WHICH, I THINK, CHANGES IN HER ADDENDUM, AND  
5 THEN A PAYMENT OVER TIME.

6 AND THAT -- NO, AS I SAID, YOUR HONOR, THAT NUMBER  
7 ACTUALLY IS WITHIN THE SAME RANGE THAT I WOULD HAVE BEEN IN  
8 ANYWAY. SO, I CAN'T QUARREL WITH THE NUMBER.

9 I WOULD ASK THAT THE -- TWO OBSERVATIONS -- ONE, THAT  
10 THE COURT STRUCTURE THE PAYMENT SO THAT THE COMMITTEE CAN,  
11 INDEED, MEET ITS PAYMENT OBLIGATIONS TO THE COURT AND CONTINUE  
12 AS A VIABLE ENTITY.

13 IN ADDITION, I WOULD POINT OUT THAT ANY MONIES THAT  
14 THE COMMITTEE STILL HAS THAT ARE IMPROPER OR IN VIOLATION OF  
15 THE LAW, THOSE WOULD ALSO BE REFUNDED. AND THEY'RE WORKING ON  
16 DOING THAT AS TIME GOES ON. SO, IT'S NOT AS THOUGH THEY'RE  
17 TRYING TO KEEP MONIES THAT ARE IMPROPER. THOSE ARE GOING  
18 BACK. AND THE ISSUE REALLY IS THE AMOUNT OF THE FINE.

19 THE COURT: WELL, ONE THING THAT I NOTE IS THAT THE  
20 PROBATION OFFICER DID NOT HAVE -- AT THE TIME SHE FILED HER  
21 INITIAL RECOMMENDATION WITH ME, I BELIEVE -- BECAUSE IT DOESN'T  
22 APPEAR UNTIL WE GET THE ADDENDUM -- THAT SHE DID NOT HAVE THE  
23 MOST RECENT FILING.

24 AND SHE WAS -- I DON'T BELIEVE THAT SHE WAS AWARE OF,  
25 I THINK, AS IS BROUGHT OUT IN THE GOVERNMENT'S BRIEF, THAT

1 THERE WAS AN ESTIMATE THAT THE COMMITTEE WAS ANTICIPATING  
2 COLLECTING ABOUT 600,000 THIS YEAR OR RAISING 600,000 THIS  
3 YEAR.

4 AND IN HER ADDENDUM, AS YOU NOTE, SHE SUGGESTS THAT  
5 THAT MIGHT BE A -- THAT SHOULD PROBABLY BE A FACTOR THAT I  
6 OUGHT TO CONSIDER. SOMEBODY MADE THAT ASSESSMENT.

7 MR. HOLLIDAY: THE QUESTION IS, WHAT THE REAL NUMBER  
8 IS GOING TO BE, YOUR HONOR. AND I THINK THAT FROM YOUR VANTAGE  
9 POINT, PUTTING A NUMBER ON THE COMMITTEE -- A FINE NUMBER ON  
10 THE COMMITTEE THAT, IN ESSENCE, BANKRUPTS IT, GUARANTEES THERE  
11 WILL BE NO MONEY. AND I THINK THAT'S COUNTERPRODUCTIVE.

12 I THINK, INSTEAD, IT WOULD BE APPROPRIATE FOR THE  
13 COURT TO TAKE THE NUMBER THE PROBATION OFFICER HAS RECOMMENDED,  
14 AND WE'LL WORK FROM THERE. AND I'M TRYING TO SORT OF CATCH THE  
15 BIRD YOU DON'T HAVE. I'M NOT SURE OF THE WAY TO BASE A FINE.  
16 AND I'M NOT SURE WHOSE IDEA IT WAS THAT WE CAN RAISE \$600,000  
17 -- THE COMMITTEE CAN RAISE \$600,000. IT WON'T BE ME. BUT  
18 THAT, I THINK, MAY BE PIE IN THE SKY.

19 THE COURT: WELL, THE GOVERNMENT SUGGESTS THAT THE  
20 WAY IN WHICH TO MEASURE THE FINE SHOULD BE THE \$300,000,  
21 APPROXIMATELY, WHICH THEY CONTEND IS THE AMOUNT THAT WAS  
22 IMPROPERLY CONTRIBUTED TO THE CAMPAIGN.

23 MR. HOLLIDAY: I UNDERSTAND THAT'S THE GOVERNMENT'S  
24 POSITION. AND THE POINT I'M MAKING -- AND NOW I'M SIDING WITH  
25 THE PROBATION OFFICER -- IS THAT IT WILL PUT THE COMMITTEE OUT

1 OF BUSINESS, IN ESSENCE. THERE WILL BE LESS THERE FOR THE  
2 GOVERNMENT.

3 BUT IN ADDITION TO THE MONIES THEY WOULD PAY IN THE  
4 WAY OF A FINE, IF THERE ARE MONIES THAT ARE STILL IMPROPER --  
5 THAT WERE TAKEN IMPROPERLY, THEY'LL BE RETURNED, TOO. THERE'S  
6 NO SUGGESTION THAT WE'LL KEEP MONEY THAT WAS IMPROPER. THAT'S  
7 NOT THE PURPOSE. THAT'S NOT WHAT THE NEW MANAGEMENT COMMITTEE  
8 IS DOING. THEY'RE TRYING TO CLEAN THIS UP AS WE GO ALONG. AND  
9 THEY HAVE GOTTEN BETTER AT IT.

10 THE COURT: WELL, I WOULD HOPE.

11 MR. MANSFIELD, DID YOU WANT TO BE HEARD ON THIS?

12 MR. MANSFIELD: YES, YOUR HONOR.

13 THE COURT: GO AHEAD.

14 MR. MANSFIELD: YOUR HONOR, I THINK THE SENTENCE HERE  
15 FOR THIS CAMPAIGN COMMITTEE MUST BE FAIR. AND IT MUST TAKE  
16 INTO CONSIDERATION THE AMOUNT OF ILLEGAL CAMPAIGN CONTRIBUTIONS  
17 RECEIVED BY THIS CAMPAIGN COMMITTEE, SPENT BY THIS CAMPAIGN  
18 COMMITTEE, AND USED BY THE COMMITTEE. AND IT'S APPROXIMATELY  
19 \$300,000, WHICH IS AT THE LOW END OF THE RANGE THAT THE  
20 PROBATION DEPARTMENT DETERMINED.

21 AND I THINK, AT A MINIMUM, THAT FINE SHOULD BE  
22 IMPOSED TO SHOW TO THIS CAMPAIGN ORGANIZATION AND ALL OTHERS  
23 THAT CRIME IN THIS AREA DOES NOT PAY. THEY'VE ALREADY  
24 BENEFITED FROM THIS ILLEGAL MONEY.

25 WE HAVE, AS THE COURT HAS NOTED, DEFENDANT JAY KIM'S

1 CAMPAIGN CONSULTANT, ROBERT GOWDY, WHO HAS ON RECORD, SAID,  
2 "THIS CAMPAIGN COMMITTEE IS GOING TO RAISE OVER \$600,000 BY  
3 THE TIME OF THE JUNE PRIMARY." THIS IS THE INDIVIDUAL WHO WAS  
4 INVOLVED FROM THE BEGINNING, FROM THE 1992 PRIMARY. HE'S AN  
5 EXPERT IN FEDERAL POLITICAL CAMPAIGNS. IN FACT, HE'S RUN THE  
6 PRIOR CAMPAIGNS FOR THIS CRIMINAL DEFENDANT.

7 HE'S INDICATED, AND THE PAST TRACK RECORD IS, THAT  
8 THIS CAMPAIGN ORGANIZATION CAN AND DOES RAISE A LOT OF MONEY.  
9 I THINK HE SHOULD BE TAKEN AT HIS WORD. AND, IN FAIRNESS, THIS  
10 CAMPAIGN ORGANIZATION SHOULD BE DISGORGED OF THE ILLEGAL MONIES  
11 IT RECEIVED AND IT USED.

12 THE COURT: DO YOU HAVE ANY ESTIMATE, BY THE WAY,  
13 ABOUT WHAT -- SOME OF THE AMOUNT WAS IDENTIFIED, AND THEY  
14 RETURNED SOME MONEY AND WHATNOT, BUT IS IT \$300,000? DOES THAT  
15 REPRESENT ALL THAT STILL HAS -- THAT HAS NOT YET BEEN  
16 DISGORGED?

17 (GOVERNMENT COUNSEL CONFERRING.)

18 MR. MANSFIELD: YOUR HONOR, MY UNDERSTANDING IS THE  
19 AMOUNTS THAT HAVE BEEN DISGORGED TO DATE ARE VERY, VERY SMALL.  
20 WE'RE TALKING A FEW THOUSAND DOLLARS. I THINK UNDER \$10,000 OR  
21 ABOUT THAT AMOUNT. SO, THE LION SHARE OF THIS MONEY HAS NOT  
22 BEEN DISGORGED TO DATE.

23 THE COURT: OKAY.

24 MR. HOLLIDAY: THAT'S NOT MY UNDERSTANDING. AND MY  
25 UNDERSTANDING IS THAT THE \$300,000 -- THE NUMBER I GET IS

1 SMALLER, BUT I TAKE THE GOVERNMENT AT THEIR WORD BECAUSE THEY  
2 DID THE ANALYSIS AND WORK UP. IT INCLUDES IN-KIND MONIES FROM  
3 MR. KIM HIMSELF.

4 THE COURT: RIGHT.

5 MR. HOLLIDAY: \$85,000 BY STIPULATION ALMOST COMES  
6 FROM THE USE OF SPACE, THE USE OF XEROX MACHINES. I MEAN, IT'S  
7 NOT AS THOUGH THERE'S CASH OUT THERE.

8 AND MY UNDERSTANDING IS A LOT OF IT HAS BEEN GIVEN  
9 BACK OR IS IN THE PROCESS OF BEING GIVEN BACK. AND,  
10 ULTIMATELY, ALL OF IT WILL BE GIVEN BACK. NO DOUBT ABOUT  
11 THAT.

12 THE COURT: LET'S SEE. MR. KIM IS HERE ON BEHALF OF  
13 THE KIM FOR CONGRESS COMMITTEE. DID HE WISH TO BE HEARD ON  
14 THIS PARTICULAR ONE?

15 MR. HOLLIDAY: NO, AS COUNSEL, YOUR HONOR, I'M --

16 THE COURT: YOU'RE SPEAKING FOR THE COMMITTEE.

17 MR. HOLLIDAY: YES, THE PLAINTIFF.

18 THE COURT: DID YOU WISH TO ADD ANYTHING ELSE TO THIS  
19 ONE?

20 MR. HOLLIDAY: THE ONLY THING I WOULD ADD, YOUR  
21 HONOR, IS THAT AT THE END OF THE DAY, DEPENDING ON WHAT THE  
22 COURT DOES, HOPEFULLY, THE PEOPLE ARE GOING TO DECIDE WHETHER  
23 MR. KIM SHOULD BE THEIR ELECTED OFFICIAL IN THE FUTURE OR NOT.

24 AND AS A PRACTICAL MATTER, THE ONLY WAY TO ACCOMPLISH  
25 THAT IS FOR THERE TO BE A CAMPAIGN COMMITTEE THAT CAN

1 FACILITATE AND ASSIST IN THAT REGARD. AND I WOULD ASK THE  
2 COURT, ON BEHALF OF THE COMMITTEE AND ALL ITS VOLUNTEERS, TO  
3 NOT DESTROY IT BY PENALIZING IT IN A WAY THAT IT REALLY HAS TO  
4 GO INTO BANKRUPTCY. INSTEAD, GIVE IT AN OPPORTUNITY TO PAY ITS  
5 FINE, WHATEVER THAT FINE MAY BE, IN AN APPROPRIATE AMOUNT OF  
6 TIME, AND CONTINUE ITS EFFORTS TO DISGORGE ANY MONIES THAT CAME  
7 IN IMPROPERLY.

8 THE COURT: NOW, JUST ONE LAST THING BEFORE I  
9 SENTENCE THE COMMITTEE. IT WAS MY UNDERSTANDING FROM THE  
10 PROBATION OFFICER, AT LEAST, WHEN SHE DID HER ADDENDUM FOR ME,  
11 SHE NOTED THAT THE CASH ON HAND AS OF JANUARY --

12 MR. HOLLIDAY: 34,000, I THINK, IS THE NUMBER SHE  
13 GOT.

14 THE COURT: JANUARY 30TH WAS APPROXIMATELY 34,000.

15 MR. HOLLIDAY: I HAVE NO REASON TO QUESTION THAT  
16 NUMBER, YOUR HONOR.

17 THE COURT: DOES THE GOVERNMENT HAVE ANYTHING -- KNOW  
18 ANYTHING DIFFERENT? I MEAN --

19 MR. MANSFIELD: WE HAVE NO OTHER INFORMATION, YOUR  
20 HONOR.

21 THE COURT: OKAY.

22 ALL RIGHT. ANYTHING ELSE TO BE SAID ABOUT THE  
23 COMMITTEE, MR. MANSFIELD?

24 MR. MANSFIELD: YES, YOUR HONOR, JUST VERY BRIEFLY.  
25 I WANT TO POINT OUT -- I THINK THE COURT IS AWARE

1 THAT THIS IS A CAMPAIGN COMMITTEE THAT HAS LIED TO THE FEDERAL  
2 ELECTION COMMISSION AND THE PUBLIC FOR OVER FIVE YEARS, THREE  
3 CONGRESSIONAL ELECTIONS INVOLVING APPROXIMATELY \$300,000 OF  
4 ILLEGALLY OBTAINED MONEY.

5 WE FEEL STRONGLY THAT, AT LEAST, THE AMOUNT OF  
6 ILLEGAL MONEY SHOULD BE THE SUBJECT OF THE FINE.

7 AND, IN ADDITION, BECAUSE OF ITS RECENT CONTINUING  
8 CONDUCT INVOLVING LIES TO THE F.E.C., THAT IT SHOULD BE PLACED  
9 ON PROBATION ACCORDING TO THE TERMS RECOMMENDED IN OUR  
10 SENTENCING MEMORANDUM.

11 THE COURT: YOU WERE RECOMMENDING THAT THEY BE  
12 SUBJECTED TO CONTINUED SUPERVISION BY THE PROBATION DEPARTMENT  
13 FOR AUDIT REPORTS AND THE FURTHER REQUIREMENT THAT ANY -- ANY  
14 IDENTIFIED ILLEGAL CONTRIBUTIONS BE REFUNDED?

15 MR. MANSFIELD: YES, YOUR HONOR.

16 THAT THE COMMITTEE SHOULD BE SUBJECT TO A FULL AUDIT  
17 OF ALL OF ITS INCOMING RECEIPTS AND EXPENDITURES PRIOR TO THE  
18 TIMELY SUBMISSION OF F.E.C. REPORTS. AND THIS IS, I THINK, AN  
19 IMPORTANT TERM AND CONDITION TO ENSURE THE PUBLIC THAT IT'S  
20 GETTING ACCURATE AND TRUTHFUL INFORMATION FROM THIS COMMITTEE  
21 THAT SINCE ITS INCEPTION HAS NOT PROVIDED THAT.

22 THE COURT: MR. HOLLIDAY.

23 MR. HOLLIDAY: YOUR HONOR, THE CONTINUED SUPERVISION  
24 OF THE PROBATION OFFICE -- MS. O'CONNOR HAS BEEN VERY HELPFUL  
25 IN MANY AREAS. I HAVE NO PROBLEM WITH THAT. I QUESTION THE

1 EXTENT TO WHICH IT NEEDS TO BE DONE IN TERMS OF CREATING EITHER  
2 A MORASS FOR THE PROBATION OFFICE IN TERMS OF AUDITS, BUT WE  
3 CAN --

4 THE COURT: WELL, I CAN --

5 MR. HOLLIDAY: -- CONTINUE TO PROVIDE REPORTS.

6 THE COURT: I CAN GIVE THE PROBATION OFFICE  
7 DISCRETION TO REQUIRE AUDITS OR FILING OF REPORTS WITH THE  
8 PROBATION OFFICE AS WELL SO THEY CAN MONITOR IT AS WELL. I  
9 DON'T HAVE ANY PROBLEM -- AND THAT'S PROBABLY A GOOD  
10 RECOMMENDATION.

11 MR. HOLLIDAY: YOUR HONOR, WE HAVE NO PROBLEM WITH  
12 THAT SO LONG AS THE WAY IT'S SET UP IS IN A MANNER THAT ALLOWS  
13 THAT COMMITTEE TO SURVIVE.

14 THE COURT: OKAY. THEN, HERE'S WHAT I'M GOING TO  
15 DO. I'M GOING TO SENTENCE THE COMMITTEE NOW, AND, THEN, I'LL  
16 GO THROUGH MRS. KIM AND MR. KIM SEPARATELY BECAUSE THE  
17 COMMITTEE IS KIND OF DIFFERENT. IT WILL ONLY BE SUBJECTED TO A  
18 FINE.

19 LET'S SEE. THE COURT HAVING DETERMINED THAT THE  
20 GUIDELINE FINE RANGE IS 300,000 TO 223,000 TO 600,446 BASED  
21 UPON A 300,223 PECUNIARY GAIN TO THE ORGANIZATION FROM THE  
22 OFFENSE, WITH A TOTAL CULPABILITY SCORE OF 5 AND A MINIMUM  
23 MULTIPLIER OF 1, AND A MAXIMUM MULTIPLIER OF 2, IT IS THE  
24 JUDGMENT OF THE COURT -- IT IS ORDERED BY THE COURT THAT THE  
25 DEFENDANT COMMITTEE SHALL PAY TO THE UNITED STATES A TOTAL FINE

1 OF \$170,000 CONSISTING OF THE FOLLOWING:

2 COUNT ONE, A FINE OF 34,000; COUNT TWO, A FINE OF  
3 34,000; COUNT THREE, A FINE OF 34,000; COUNT FOUR, A FINE OF  
4 34,000; AND COUNT FIVE, A FINE OF 34,000.

5 AN INITIAL LUMP SUM FINE PAYMENT OF \$20,000, PAID ON  
6 OR BEFORE APRIL 1, 1998, FOLLOWED BY QUARTERLY FINE PAYMENTS IN  
7 THE AMOUNT OF \$7,500 DURING THE PERIOD OF SUPERVISION ARE  
8 ORDERED AS THE COURT FINDS THAT THE DEFENDANT'S ECONOMIC  
9 CIRCUMSTANCES DO NOT ALLOW FOR IMMEDIATE PAYMENT OF THE ENTIRE  
10 AMOUNT ORDERED.

11 PURSUANT TO THE SENTENCING REFORM ACT OF 1984, IT IS  
12 THE JUDGMENT OF THE COURT THAT THE DEFENDANT JAY KIM FOR  
13 CONGRESS COMMITTEE IS HEREBY PLACED ON PROBATION ON COUNT ONE  
14 OF THE 10-COUNT INFORMATION FOR A TERM OF 5 YEARS.

15 THIS TERM CONSISTS OF FIVE YEARS ON EACH OF COUNTS  
16 ONE, TWO, THREE, FOUR AND FIVE OF -- THE INDICTMENT, I BELIEVE,  
17 IN THIS PARTICULAR --

18 MR. HOLLIDAY: INFORMATION, YOUR HONOR.

19 THE COURT: -- INFORMATION.

20 ALL SUCH TERMS TO RUN CONCURRENTLY UNDER THE  
21 FOLLOWING TERMS AND CONDITIONS:

22 ONE, THE DEFENDANT SHALL COMPLY WITH THE RULES AND  
23 REGULATIONS OF THE UNITED STATES PROBATION OFFICE AND GENERAL  
24 ORDER 318.

25 IF THE AMOUNT OF MANDATORY ASSESSMENT IMPOSED BY THIS

1 JUDGMENT REMAINS UNPAID AT THE COMMENCEMENT OF THE TERM OF  
2 PROBATION, THE DEFENDANT SHALL PAY SUCH REMAINDER AS DIRECTED  
3 BY THE PROBATION OFFICER.

4 THE DEFENDANT SHALL NOTIFY THE COURT OF ANY MATERIAL  
5 CHANGE IN THE DEFENDANT'S ECONOMIC CIRCUMSTANCES THAT MIGHT  
6 AFFECT THE DEFENDANT'S ABILITY TO PAY FINES OR SPECIAL  
7 ASSESSMENT.

8 THE DEFENDANT -- AS DIRECTED BY THE PROBATION  
9 OFFICER, THE DEFENDANT SHALL PROVIDE TO THE PROBATION OFFICER  
10 AN ACCURATE QUARTERLY FINANCIAL STATEMENT WITH SUPPORTING  
11 DOCUMENTATION AS TO ALL SOURCES AND AMOUNTS OF INCOME AND ALL  
12 EXPENSES OF THE DEFENDANT.

13 THE DEFENDANT SHALL PAY AN INITIAL LUMP SUM FINE  
14 PAYMENT OF \$20,000 PAID ON OR BEFORE MARCH 1, 19-- APRIL 1,  
15 1998, AND THE DEFENDANT SHALL MAKE QUARTERLY FINE PAYMENTS IN  
16 THE AMOUNT OF \$7,500 DURING THE PERIOD OF COMMUNITY SUPERVISION  
17 OR PROBATION.

18 IF THE DEFENDANT IS UNABLE TO MAKE THE SCHEDULED FINE  
19 PAYMENTS, THE DEFENDANT SHALL PROVIDE THE PROBATION OFFICER  
20 WITH AN ACCOUNTING OF ITS INCOME, EXPENDITURES, WHICH SHALL BE  
21 SUBSTANTIATED BY RECEIPTS AND OTHERWISE FULLY DOCUMENTED.

22 AND, FINALLY, WITH RESPECT TO THE TERMS OF PROBATION,  
23 IT IS FURTHER ORDERED THAT THE DEFENDANT SHALL SUBMIT PERIODIC  
24 AUDIT REPORTS AS DIRECTED BY THE PROBATION OFFICER. AND THE  
25 DEFENDANT SHALL REFUND ANY UNLAWFUL CONTRIBUTIONS IDENTIFIED IN

1 ANY OF THE AUDIT REPORTS OR ANY F.E.C. FILINGS, WHETHER  
2 ORIGINAL OR AMENDED.

3 LASTLY HERE, IT IS FURTHER ORDERED THAT THE DEFENDANT  
4 SHALL PAY TO THE UNITED STATES A SPECIAL ASSESSMENT OF \$1,200.

5 HAVING DONE THAT, I'D LIKE TO TAKE UP THE MATTER OF  
6 JUNE KIM AT THIS TIME.

7 MR. CORBIN.

8 (PAUSE IN PROCEEDINGS.)

9 THE COURT: LET ME JUST -- BEFORE -- MR. CORBIN,  
10 BEFORE I TAKE UP YOUR MATTER, I SHOULD NOTE THAT I'VE JUST BEEN  
11 ADVISED THAT THE MARSHALS PICKED UP A TAPE RECORDER.

12 IF ANYBODY IN THE AUDIENCE HAS A TAPE RECORDER, IF  
13 YOU'D LET ME KNOW. YOU'RE NOT SUPPOSED TO HAVE TAPE -- YOU'RE  
14 PROHIBITED FROM HAVING TAPE RECORDERS IN HERE, AND I WANT THEM  
15 SHUT OFF RIGHT NOW.

16 DOES ANYBODY HAVE A TAPE RECORDER?

17 (GENTLEMAN IN AUDIENCE RAISING HIS HAND.)

18 THE COURT: IS IT ON?

19 UNIDENTIFIED GENTLEMAN: NO.

20 THE COURT: JUST HAND IT TO THE MARSHAL. AND HE'LL  
21 HOLD IT WHILE WE'RE IN SESSION. TAPE RECORDERS AND MOVIE  
22 CAMERAS ARE PROHIBITED IN FEDERAL COURT.

23 OKAY, MR. CORBIN.

24 MR. CORBIN: THANK YOU, YOUR HONOR.

25 THE COURT: TAKING UP THE MATTER OF MS. JUNE KIM

1     HERE.

2             MR. CORBIN: YOUR HONOR, HAS THE COURT GOTTEN DR.  
3     WARDROSE'S LETTER?

4             THE COURT: YES. I'VE READ THAT CAREFULLY.

5             MR. CORBIN: THANK YOU.

6             THE COURT: DID THEY PROVIDE A COPY OF THAT? WAS A  
7     COPY OF THAT LETTER PROVIDED TO THE GOVERNMENT?

8             MR. CORBIN: I DIDN'T EVEN SEE IT. IT WAS WRITTEN  
9     DIRECTLY TO THE COURT. I DON'T HAVE A COPY OF IT. I JUST KNOW  
10    IT WAS SENT.

11            THE COURT: WELL, ONE WAS SENT. I DON'T KNOW -- THE  
12    PROBATION OFFICER DIDN'T EVEN SEE IT EITHER; IS THAT CORRECT?

13            MR. CORBIN: NOBODY HAS SEEN IT EXCEPT THE COURT.

14            THE COURT: WELL --

15            MR. CORBIN: I DON'T HAVE A COPY OF IT. I DON'T EVEN  
16    KNOW WHAT'S IN IT. I JUST KNOW IT WAS SENT.

17            THE COURT: WELL, I HAVE READ IT, AND THE GOVERNMENT  
18    SHOULD PROBABLY BE APPRISED OF IT AS WELL. I MEAN, THERE'S  
19    NOTHING CONFIDENTIAL ABOUT IT BECAUSE I HAVE READ IT.

20            MR. CORBIN: YOUR HONOR, IT WAS NOT PART OF MY  
21    PAPERS. I JUST KNOW THAT IT WENT DIRECTLY TO YOU. AND I KNOW  
22    THAT IT CONTAINS VERY DISCREET MATTERS, AND MORE THAN THAT, I  
23    DON'T KNOW.

24            THE COURT: THE PROBATION OFFICER SHOULD HAVE AT  
25    LEAST HAD THE ADVANTAGE OF IT.

1 MR. CORBIN: YOUR HONOR, I DON'T HAVE THE ADVANTAGE  
2 OF IT. I JUST KNOW IT WAS SENT.

3 THE COURT: WELL, YOU KNOW, IT HAS -- IT'S SUCH THAT,  
4 YOU KNOW, I NEED TO CONSIDER IT. AND IF I'M GOING TO CONSIDER  
5 IT, I THINK THE GOVERNMENT AND THE PROBATION OFFICER, AT LEAST,  
6 OUGHT TO HAVE THE ADVANTAGE OF HAVING -- HAVE THEM TAKE A LOOK  
7 AT IT.

8 SO, I'M GOING TO GIVE IT TO THE CLERK. AND WE'RE  
9 GOING TO TAKE A TWO-MINUTE RECESS. AND AFTER THE PROBATION  
10 OFFICER AND THE GOVERNMENT HAVE HAD A CHANCE TO LOOK AT IT, LET  
11 ME KNOW.

12 THE CLERK: COURT IS IN RECESS.

13 (RECESS AT 2:15 P.M.)

14 THE CLERK: REMAIN SEATED AND COME TO ORDER.

15 THE COURT: OKAY, NOW, MR. CORBIN.

16 MR. CORBIN: THANK YOU, YOUR HONOR.

17 THE COURT: DID YOU GET A CHANCE TO LOOK AT IT AS  
18 WELL?

19 MR. CORBIN: YES, I DID.

20 THE COURT: OKAY. GOOD.

21 NOW, I THINK THE SAME IS TRUE HERE WITH RESPECT TO  
22 THE GOVERNMENT'S OBJECTIONS TO CERTAIN FACTUAL REPRESENTATIONS  
23 THAT ARE MADE IN THE REPORT -- BASICALLY, WHERE THEY OBJECT TO  
24 INCLUSION OF DEFENDANT -- DEFENSE COUNSEL'S VARIOUS POSITIONS  
25 ON VARIOUS ISSUES.

1           AND I DON'T THINK IT'S NECESSARY TO RESOLVE THOSE  
2 MATTERS BECAUSE THEY'RE NOT GOING TO AFFECT THE IMPOSITION OF  
3 ANY SENTENCE IMPOSED BY THE COURT.

4           MR. CORBIN: THAT'S FINE, YOUR HONOR. AS I POINTED  
5 OUT IN MY PAPERS, I'M COMING SO LATE INTO THIS CASE AND BECAUSE  
6 THIS MATTER WAS RESOLVED, IT'S KIND OF HARD TO RESPOND POINT BY  
7 POINT TO UNCHARGED CONDUCT.

8           AND I HAVEN'T ATTEMPTED TO DO THAT EXCEPT TO TELL THE  
9 PROBATION OFFICER AND PRESENT TO HER OUR SIDE OF THE STORY,  
10 ACCEPTING RESPONSIBILITY FOR THE THINGS THAT WE'VE BEEN CHARGED  
11 WITH, AND GIVING SOME CONTEXT TO SOME OF THE OTHER THINGS THAT  
12 WE HAVE NOT.

13           YOUR HONOR, AS YOU KNOW, THE GOVERNMENT IS NOT ASKING  
14 FOR TIME IN THIS CASE.

15           THE COURT: I UNDERSTAND.

16           MR. CORBIN: AND IN TALKING ABOUT MRS. KIM, I FIRST  
17 WANT TO TALK TO YOU ABOUT HER ROLE AS A MOTHER AND AS A WIFE,  
18 AS A FAMILY MEMBER. I THINK THAT MS. O'CONNOR'S REPORT AT  
19 PARAGRAPH 243 SUMS UP EXACTLY WHAT JUNE KIM HAS STOOD FOR  
20 THROUGHOUT HER 60 YEARS.

21           SHE'S DESCRIBED AS A PERSON WHO HAS MADE TREMENDOUS  
22 SACRIFICES TO HER CHILDREN -- HAS NURTURED THEM, HAS CARED FOR  
23 THEM; A PERSON WHO HAS WORKED EXTREMELY HARD IN THE SUPPORT OF  
24 THE FAMILY.

25           AS YOU KNOW, DURING THE EARLY YEARS OF THE MARRIAGE,

1 SHE HELPED PUT HER HUSBAND THROUGH SCHOOL, NECESSITATING A  
2 SEPARATION WITH A COUPLE OF YOUNG CHILDREN UNTIL THEY WERE ABLE  
3 TO SURVIVE ECONOMICALLY.

4 SHE IS A PERSON WHO HAS NEVER BEFORE BEEN BEFORE THE  
5 COURT. THIS IS AN UNUSUAL CASE BECAUSE IT HAS BEEN WIDELY  
6 REPORTED. IT IS ALSO A CASE INVOLVING A VERY PRO-SOCIAL  
7 INDIVIDUAL WHO HAS GIVEN HERSELF TO HER CHILDREN, HER FAMILY,  
8 HER CHURCH. SHE HELPED FOUND THE CHURCH, AS YOU KNOW, FROM  
9 REVEREND CHO'S LETTER.

10 AND IN ORDINARY CIRCUMSTANCES, YOUR HONOR, I THINK  
11 THAT IT WOULD BE PRETTY REASONABLE TO HOPE THAT A FIRST  
12 OFFENDER WOULD BE SENTENCED TO A NON-CUSTODIAL SENTENCE WITH A  
13 PERSON WHO HAS THIS KIND OF BACKGROUND, WHO IS INVOLVED IN A  
14 NON-VIOLENT OFFENSE, WHICH IS A MISDEMEANOR. AND I HOPE THAT  
15 THE COURT WILL IMPOSE THAT KIND OF A SENTENCE.

16 THE COURT: WELL, LET'S JUST FOR ONE MOMENT HERE JUST  
17 FOR THE BENEFIT OF THE RECORD, I SIMPLY WOULD NOTE THAT THE  
18 BASE OFFENSE LEVEL HERE IS A LEVEL 6. IT'S ADJUSTED FOR TWO  
19 POINTS FOR MORE THAN MINIMAL PLANNING. THE ADJUSTED OFFENSE  
20 LEVEL IS THEN REDUCED FOR TWO POINTS FOR ACCEPTANCE OF  
21 RESPONSIBILITY. SHE ENDS UP WITH AN OFFENSE LEVEL OF 6.  
22 THERE'S NO PRIOR CRIMINAL RECORD OR ANYTHING OF THAT NATURE.  
23 AND, SO, SHE ENDS UP WITH A SENTENCING GUIDELINE RANGE OF 0 TO  
24 6 MONTHS FOR A MISDEMEANOR.

25 AND I'LL HEAR FROM THE GOVERNMENT BECAUSE THE

1 GOVERNMENT HAS A PARTICULAR VIEW HERE THAT SHOULD BE CONSIDERED  
2 AS WELL.

3 MR. MANSFIELD: THANK YOU, YOUR HONOR.

4 THE COURT: I'LL HEAR FROM THE GOVERNMENT.

5 AND, THEN, IF YOU HAVE ANYTHING ELSE YOU WANT TO SAY,  
6 I WILL LET YOU SAY IT. AND THEN IF MS. KIM WOULD LIKE TO  
7 SPEAK, THAT'S FINE.

8 MR. CORBIN: THANK YOU, YOUR HONOR.

9 MR. MANSFIELD: YOUR HONOR, DEFENDANT JUNE KIM IS  
10 LESS CULPABLE THAN DEFENDANT JAY KIM IN THIS CASE. SHE WAS NOT  
11 THE PRINCIPAL BENEFICIARY OF THESE CRIMES, BUT, NEVERTHELESS,  
12 SHE PLAYED A SIGNIFICANT ROLE IN THE CRIMINAL SCHEME IN THIS  
13 CASE.

14 DEFENDANT JUNE KIM COMMITTED HER CRIMES IN OCTOBER OF  
15 1993 AND JANUARY 1994. THOSE DATES ARE SIGNIFICANT BECAUSE  
16 THESE CRIMES WERE COMMITTED AFTER IT WAS KNOWN THAT THE  
17 CAMPAIGN COMMITTEE WAS UNDER CRIMINAL INVESTIGATION. THAT FACT  
18 DID NOT STOP HER. AND HER CRIMES INVOLVED DELIBERATE  
19 STRUCTURING AS A WAY TO CONCEAL THE ILLEGAL CONTRIBUTIONS.

20 THE AMKO CORPORATE MONEY WAS LAUNDERED THROUGH  
21 CONDUITS. SHE KNEW THAT, AND SHE ACCEPTED ON BEHALF OF THE  
22 CAMPAIGN COMMITTEE.

23 SHE DIRECTED THE USE OF SEVEN CORPORATE CONTRIBUTION  
24 CHECKS TO PAY DIRECTLY A HOTEL BILL FOR A FUNDRAISER AS A WAY  
25 TO AVOID HAVING THOSE ILLEGAL CHECKS ENTER THE CAMPAIGN

1 ACCOUNTS, WHICH WERE LIKELY TO BE SCRUTINIZED BY  
2 INVESTIGATORS.

3 FOR HER CRIMES, THE PROBATION DEPARTMENT HAS  
4 RECOMMENDED A PERIOD OF HOME DETENTION, COMMUNITY SERVICE, AND  
5 A CRIMINAL FINE. THE GOVERNMENT CONCURS WITH THAT  
6 RECOMMENDATION AND BELIEVES THAT IT'S CONSISTENT WITH WHATEVER  
7 HEALTH CONCERNS HAVE BEEN RAISED.

8 THE COURT: MR. CORBIN.

9 MR. CORBIN: YOUR HONOR, I DON'T KNOW WHAT'S HAPPENED  
10 IN THE LAST COUPLE OF WEEKS SINCE THE GOVERNMENT FILED ITS  
11 PAPERS TO MAKE IT CHANGE ITS POSITION. I DON'T THINK THAT  
12 ANYTHING HAS REALLY HAPPENED. SO, I FIND IT A LITTLE BIT  
13 DISARMING AND DISAPPOINTING THAT THERE WOULD BE AN OFFICIAL  
14 CHANGE OF POSITIONS.

15 ANYBODY WHO HAS BEEN INVOLVED IN THIS CASE HAS PLAYED  
16 A SIGNIFICANT ROLE. IMMUNIZED WITNESSES HAVE PLAYED A  
17 SIGNIFICANT ROLE. PEOPLE LIKE MR. MA, WHO WERE PROSECUTED, AND  
18 GIVEN STRAIGHT PROBATION HAVE PLAYED A SIGNIFICANT ROLE.

19 AND I DON'T WANT YOU TO THINK, YOUR HONOR, THAT  
20 ANYTIME I STAND IN THE COURTROOM WITH A DEFENDANT WHO'S BEEN  
21 CONVICTED OF ANY CRIME -- IT COULD BE A HEALTH AND SAFETY CODE  
22 VIOLATION INVOLVING A RESTAURANT, WHICH IS A MISDEMEANOR --  
23 THAT I WOULD EVER MINIMIZE OR TRY TO GET THE COURT TO MINIMIZE  
24 THE FACT THAT I HAVE A CLIENT BEFORE THE COURT. THAT'S NOT  
25 WHAT I'M TRYING TO DO.

1           BUT WHAT I AM TRYING TO DO IS TO SAY THAT WHEN A  
2 60-YEAR-OLD MOTHER AND WIFE WORKS AND WORKS AND LOVES AND LOVES  
3 HER FAMILY, HER CHILDREN, WHO GIVES TO HER COMMUNITY BY  
4 FOUNDING A CHURCH, BY DOING THESE THINGS OVER TIME, AND WHEN  
5 THAT PERSON COMES FROM THE KIND OF BACKGROUND THAT THIS CLIENT  
6 OF MINE, MRS. KIM, COMES FROM, WHERE YOU GO ALONG WITH FAMILY,  
7 YOU DON'T DO ANYTHING TO LOSE FACE OR TO CAUSE A FAMILY MEMBER  
8 TO LOSE FACE, THAT THERE IS A CONTEXT HERE THAT PERHAPS THE  
9 GOVERNMENT HASN'T GRASPED.

10           AND WITH ALL DUE RESPECT TO MS. O'CONNOR, I THINK  
11 THAT WHILE SHE PROBABLY GRASPED IT, HER ANALYSIS JUST DIFFERS  
12 FROM MINE. OBVIOUSLY, OUR ROLES ARE DIFFERENT.

13           BUT THIS IS A PERSON WHO HAS WITHOUT DOUBT BEEN  
14 TREMENDOUSLY SHAMED AND AFFECTED BY THIS CASE, BY THIS  
15 INVESTIGATION. SHE HAS ACKNOWLEDGED HER RESPONSIBILITY FOR  
16 IT. SHE HAS LED A PRETTY SEVERE LIFE OF LATE. AND I'M ASKING  
17 THE COURT TO ELIMINATE THE CONFINEMENT. I THINK THAT COMMUNITY  
18 SERVICE IS A TERRIFIC IDEA FOR ALL THE REASONS THAT THE COURT  
19 WOULD HOPE TO ACHIEVE IN SENTENCING ANY DEFENDANT.

20           AND I THINK THAT COMMUNITY SERVICE WOULD BE AN  
21 APPROPRIATE SENTENCE IN THIS CASE. I ASK YOU TO IMPOSE IT.

22           THE COURT: NOW, LET ME SEE IF MS. KIM WOULD LIKE TO  
23 SPEAK. SHE HAS THE RIGHT TO SPEAK IF SHE WOULD LIKE TO. AND  
24 I'D LIKE TO ASK HER IF SHE WANTS TO SAY ANYTHING.

25           DEFENDANT JUNE KIM: YOUR HONOR, I'M VERY SORRY --

1 REALLY SORRY. WHAT HAS HAPPENED THE LAST FIVE YEARS, IT WILL  
2 NEVER HAPPEN AGAIN.

3 THANK YOU.

4 THE COURT: ANYTHING ELSE, MR. CORBIN?

5 MR. CORBIN: NO, SIR.

6 THE COURT: ANYTHING ELSE FROM THE GOVERNMENT?

7 MR. MANSFIELD: NO, YOUR HONOR.

8 THE COURT: OKAY. LOOK, MS. KIM, YOU MIGHT AS WELL  
9 JUST STAY UP THERE. I MIGHT AS WELL JUST GO AHEAD AND IMPOSE  
10 THE SENTENCE FOR YOU NOW. AND THEN I CAN TAKE UP MR. KIM  
11 SEPARATELY.

12 WHY DON'T YOU JUST GO UP THERE WITH MR. CORBIN.

13 THE COURT HAVING DETERMINED THAT THE GUIDELINE  
14 SENTENCING RANGE FOR JUNE KIM IS 0 TO 6 MONTHS BASED UPON AN  
15 OFFENSE LEVEL OF 6 AND A CRIMINAL HISTORY CATEGORY OF ONE, IT  
16 IS ORDERED THAT THE DEFENDANT SHALL PAY TO THE UNITED STATES A  
17 TOTAL FINE OF \$5,000 CONSISTING OF THE FOLLOWING:

18 COUNT NINE, A FINE OF \$2,500.

19 COUNT TEN, A FINE OF \$2,500.

20 THE TOTAL FINE SHALL BEAR INTEREST AS PROVIDED BY LAW  
21 AND BE PAID IN FULL BY APRIL 1, 1998.

22 PURSUANT TO THE SENTENCING REFORM ACT OF 1984, IT IS  
23 THE JUDGMENT OF THE COURT THAT THE DEFENDANT JUNE O. KIM IS  
24 HEREBY PLACED ON PROBATION ON COUNTS NINE AND TEN OF THE  
25 TEN-COUNT INFORMATION FOR A TERM OF ONE YEAR.

1           THIS TERM CONSISTS OF ONE YEAR ON EACH COUNT. ALL  
2 SUCH TERMS TO RUN CONCURRENTLY UNDER THE FOLLOWING TERMS AND  
3 CONDITIONS:

4           ONE, THE DEFENDANT SHALL COMPLY WITH ALL THE RULES  
5 AND THE REGULATIONS OF THE UNITED STATES PROBATION OFFICE AND  
6 GENERAL ORDER 318.

7           TWO, IF THE AMOUNT OF ANY MANDATORY ASSESSMENT  
8 IMPOSED BY THIS JUDGMENT REMAINS UNPAID AT THE COMMENCEMENT OF  
9 THE TERM OF COMMUNITY SUPERVISION, THE DEFENDANT SHALL PAY SUCH  
10 REMAINDER AS DIRECTED BY THE PROBATION OFFICER.

11           AS DIRECTED BY THE PROBATION OFFICER, THE DEFENDANT  
12 SHALL PROVIDE TO THE PROBATION OFFICER AN ACCURATE FINANCIAL  
13 STATEMENT WITH SUPPORTING DOCUMENTATION AS TO ALL SOURCES AND  
14 AMOUNTS OF INCOME, AND ALL EXPENSES OF THE DEFENDANT.

15           IN ADDITION, THE DEFENDANT SHALL PROVIDE FEDERAL AND  
16 STATE INCOME TAX RETURNS AS REQUESTED BY THE PROBATION  
17 OFFICER.

18           NEXT, THE DEFENDANT SHALL PERFORM 250 HOURS OF  
19 COMMUNITY SERVICE AS DIRECTED BY THE PROBATION OFFICER.

20           NOW, THE DRUG TESTING CONDITION MANDATED BY LAW IS  
21 SUSPENDED BASED ON THE COURT'S DETERMINATION THAT THE DEFENDANT  
22 POSES A LOW RISK OF FUTURE SUBSTANCE ABUSE.

23           IT IS FURTHER ORDERED THAT THE DEFENDANT SHALL PAY TO  
24 THE UNITED STATES A SPECIAL ASSESSMENT OF \$50.

25           MR. CORBIN: THANK YOU, YOUR HONOR.

1 THE COURT: YOU ARE WELCOME, MR. CORBIN.

2 MR. KIM.

3 LET'S SEE, I'VE GOT THE WRONG ONE.

4 OKAY. MR. HOLLIDAY, AGAIN, HERE WITH THIS ONE,  
5 AGAIN, THERE WERE A NUMBER OF OBJECTIONS FILED BY THE  
6 GOVERNMENT TO CERTAIN PARAGRAPHS AND STATEMENTS CONTAINED IN  
7 THE PROBATION OFFICER'S REPORT. AND I DON'T THINK IT'S  
8 NECESSARY TO RESOLVE ANY OF THOSE BECAUSE THE PROBATION OFFICER  
9 WAS PRIMARILY SETTING FORTH WHAT THE DEFENSE POSITION WAS ON  
10 VARIOUS MATTERS. AND RESOLUTION OF THEM WILL NOT -- THERE'S NO  
11 NEED TO RESOLVE THOSE. IT'S NOT GOING TO AFFECT THE OUTCOME OF  
12 THE DISPOSITION HERE.

13 MR. HOLLIDAY: THAT'S FINE, YOUR HONOR.

14 THE COURT: AND THEN JUST FOR THE RECORD, I THINK WE  
15 SHOULD NOTE FOR MR. KIM -- AND I THINK WE MAY HAVE A LITTLE  
16 DISCUSSION HERE ABOUT MR. KIM.

17 THE GUIDELINE CALCULATION IS A BASE OFFENSE LEVEL OF  
18 6. AND IT'S ADJUSTED UP TWO POINTS FOR MORE THAN MINIMAL  
19 PLANNING. AND THEN THE PROBATION OFFICER ADJUSTED UPWARD  
20 ANOTHER THREE FOR HIS ROLE IN THE OFFENSE, WHICH ENDED UP WITH  
21 AN ADJUSTED OFFENSE LEVEL OF 11. AND THEN THE PROBATION  
22 OFFICER RECOMMENDED A REDUCTION FOR TWO FOR MR. KIM'S  
23 ACCEPTANCE OF RESPONSIBILITY LEAVING US AT A TOTAL OFFENSE  
24 LEVEL OF 9. AND MR. KIM HAS NO -- NO PRIOR RECORD.

25 SO, UNDER THE PROBATION OFFICER'S CALCULATION, WE END

1 UP WITH A 4 TO 10 MONTHS WITH A SUPERVISED RELEASE PERIOD OF  
2 ONE YEAR FOR THESE THREE MISDEMEANORS.

3 AND ON THIS MATTER, I THINK, YOU HAVE A PARTICULAR  
4 POSITION WITH THE ROLE. AND THE GOVERNMENT HAS A POSITION WITH  
5 RESPECT TO ACCEPTANCE. SO, GO AHEAD.

6 MR. HOLLIDAY: YOUR HONOR, THIS CASE FOR ME IS  
7 DIFFICULT AND UNUSUAL FOR PERSONAL REASONS, WHICH I'D LIKE TO  
8 TELL THE COURT. MY FATHER PASSED AWAY ON FATHER'S DAY. HE WAS  
9 A LIFER IN THE MILITARY. HE WAS IN THE ARMY. HE SPENT MOST OF  
10 HIS PROFESSIONAL CAREER IN KOREA. HE WAS THERE FIVE DIFFERENT  
11 TIMES, INCLUDING DURING THE KOREAN WAR.

12 THE STORIES HE HAS TOLD ME ABOUT KOREA AND THE KOREAN  
13 PEOPLE DURING THAT WAR AND AFTERWARDS IN TRYING TO REBUILD A  
14 COUNTRY HAVE A PROFOUND IMPACT ON ME AND MY VIEWS ABOUT MR. KIM  
15 AND MRS. KIM, FOR THAT MATTER, AND THEIR FAMILY AND WHAT THEY  
16 HAVE BEEN THROUGH.

17 AND AS I SAID IN OUR PAPERS, THIS SHOULD HAVE BEEN  
18 THE AMERICAN SUCCESS STORY AND NOW BECOMES WHAT AMOUNTS TO A  
19 GREEK TRAGEDY. AND IT'S TERRIBLE. MR. KIM IS HAVING A  
20 DIFFICULT TIME DEALING WITH IT. MRS. KIM, YOU KNOW, FEELS THE  
21 SAME WAY. THESE ARE BOTH GOOD PEOPLE. AND I'M GOING TO FOCUS  
22 ON MR. KIM, BUT I WOULD IN NO WAY WANT TO DIMINISH MY FINE  
23 THOUGHTS ABOUT MRS. KIM AND THE KIDS.

24 MR. KIM HAS BEEN A MAJOR CONTRIBUTOR TO HIS  
25 COMMUNITY. THE THINGS HE HAS DONE IN CONGRESS -- I THINK THE

1 COURT HAS SEEN A LETTER FROM -- IN FACT, A CONGRESSMAN FROM THE  
2 DEMOCRATIC SIDE OF THE HOUSE -- WHETHER IT'S HELPING WITH THE  
3 NEW ONTARIO AIRPORT, OR REBUILDING THE FREEWAYS, OR GETTING  
4 EMERGENCY AID RECENTLY FOR VICTIMS OF EL NINO, HE'S BEEN THERE  
5 WHEN HE'S BEEN NEEDED. HE HAS BEEN A TREMENDOUSLY POSITIVE  
6 FORCE IN THIS COMMUNITY.

7 AND HE STANDS BEFORE YOU, HAVING ADMITTED TO  
8 VIOLATIONS OF THE FEDERAL CAMPAIGN LAWS. THEY ARE  
9 MISDEMEANORS. THAT DOESN'T DIMINISH THEM. IN MR. KIM'S EYES,  
10 HIS JOB IS TO UPHOLD AND TO BASICALLY PASS LAWS, NOT BREAK  
11 THEM.

12 BUT, NONETHELESS, THEY ARE MISDEMEANORS. AND THEY  
13 ARE CRIMES THAT, AS WE SAY IN OUR PAPERS, IF CONGRESS WANTED  
14 TO, THEY COULD FLIP THEM ALL AROUND. AND SOME OF THE THINGS  
15 THAT HE DID WERE WRONG -- WERE CLEARLY WRONG. THEY ARE,  
16 NONETHELESS, IN A GENRE OR AN AREA IN WHICH PEOPLE DO VIOLATE  
17 THE LAW. AND IT'S HAPPENING EVERYDAY. THAT DOESN'T MAKE IT  
18 RIGHT. AND I'M NOT HERE TO SAY THAT MR. KIM IS ENTITLED TO  
19 SOME BREAK BECAUSE HE'S A SITTING CONGRESSMAN OR BECAUSE IT'S A  
20 MISDEMEANOR.

21 BUT, RATHER, THIS IS AN AREA OF LAW THAT IS IN  
22 TREMENDOUS FLUX. AND IT'S AN AREA THAT CONGRESS MAY CHANGE  
23 TOMORROW. I DON'T KNOW. IT'S TALKED ABOUT ALL THE TIME.  
24 EVERY SINGLE DAY, SOME CONGRESSMAN'S COMMITTEE, SOME SENATOR'S  
25 COMMITTEE IS GIVING BACK MONEY BECAUSE IT WASN'T PROPER. THE

1 SAME HOLDS TRUE FOR CONGRESSMAN KIM'S COMMITTEE. AND THINGS  
2 THAT WERE DONE WERE WRONG, AND THEY SHOULDN'T HAVE BEEN DONE.  
3 AND HE KNOWS THAT. AND HE IS HUMILIATED BY IT. THE PRESS HAS  
4 BEEN VERY DIFFICULT.

5 BUT THAT ON ONE SIDE OF THE PLATE, IF YOU WILL,  
6 SHOULDN'T -- SHOULDN'T LEAD US TO FORGET ALL THE GREAT THINGS  
7 HE HAS DONE FOR THE PEOPLE THAT HE SERVES, AND FOR HOW HE GOT  
8 HERE, AND FOR HIS BACKGROUND, AND FOR HIS EFFORTS, AND FOR THE  
9 EFFORTS OF BOTH OF THEM TO RAISE THEIR KIDS AND TO BETTER  
10 HIMSELF.

11 HE CAME HERE AS A YOUNG MAN WHO COULDN'T SPEAK  
12 ENGLISH. LOOK HOW FAR HE HAS COME. AND NOW LOOK HOW FAR HE  
13 HAS FALLEN. IT IS VERY, VERY TRAGIC AND VERY, VERY DIFFICULT  
14 FOR HIM.

15 I ASK THIS COURT TO IMPOSE A STRAIGHT PROBATIONARY  
16 PERIOD. AND I BELIEVE THE LEVEL OUGHT TO BE 0 TO SIX WITH  
17 COMMUNITY SERVICE, OBVIOUSLY, INCLUDED IN THAT AND WHATEVER  
18 FINE THE COURT THINKS IS APPROPRIATE.

19 IF HE IS INCARCERATED, YOUR HONOR, HE CANNOT MAINTAIN  
20 HIS POSITION IN CONGRESS. WE'RE TAKING AWAY AN ELECTED  
21 OFFICIAL. AND I WOULD URGE THE COURT TO CONSIDER THE  
22 ALTERNATIVES OF ALLOWING HIM TO HAVE COMMUNITY SERVICE AND  
23 ALLOWING HIM A FINE. AND LET THE PEOPLE DECIDE THIS SPRING AND  
24 THIS FALL.

25 THE COURT: ALL RIGHT. WELL, LET ME JUST PICK UP A

1 FEW POINTS THAT YOU'VE SAID JUST TO CLARIFY SOME MATTERS.

2 ONE, AS YOU NOTED IN YOUR PAPERWORK, WITH RESPECT TO  
3 THE ADJUSTMENT FOR ROLE IN THE OFFENSE -- AND THE GOVERNMENT  
4 AGREES WITH YOU ON THIS POINT -- IT WAS CONTEMPLATED THAT THERE  
5 WOULD BE NO ADJUSTMENT FOR THE ROLE IN THE OFFENSE.

6 MR. HOLLIDAY: THAT'S RIGHT, YOUR HONOR. AND I  
7 APPRECIATE THE WORK THAT MS. O'CONNOR DID. BUT I WOULD SUBMIT  
8 THAT THE GOVERNMENT IN THIS CASE PROBABLY KNOWS THE FACTS  
9 BETTER THAN ANYBODY, AND THEY DIDN'T ASK FOR IT. AND THEY  
10 AGREED TO THE 0 TO 6 WITH YOUR HONOR DECIDING WHAT SHOULD  
11 HAPPEN IS THE APPROPRIATE RESULT.

12 I REALLY BELIEVE AT THE END OF THE DAY THE REASON IS  
13 THAT CONGRESSMAN KIM'S ROLE IN FUNDRAISING IS TRULY TO BE THE  
14 PERSON THAT COMES IN THE FOR THE FUNDRAISER IN TERMS OF MAKING  
15 STATEMENTS OR COMMENTS OR GREETING PEOPLE. THAT'S PART OF WHAT  
16 AMERICAN POLITICIANS DO.

17 BUT I THINK THE GOVERNMENT'S POSITION IS THE RIGHT  
18 ONE. HE DOES NOT HAVE A ROLE IN THE OFFENSE, AN ENHANCEMENT,  
19 BECAUSE HE DIDN'T PLAY A ROLE IN THE COMMITTEE IN CONNECTION  
20 WITH THE COMMITTEE'S PROBLEMS. AND THERE SHOULDN'T BE A  
21 THREE-POINT ADDITION FOR THAT REASON, YOUR HONOR.

22 THE COURT: NOW, THE GOVERNMENT ALSO QUESTIONS HIS  
23 ACCEPTANCE OF RESPONSIBILITY. MS. O'CONNOR RECOMMENDED THAT HE  
24 BE GIVEN IT. AND I HAVE READ CAREFULLY HIS LETTER THAT HE  
25 SUBMITTED TO THE COURT ALONG WITH ALL THE OTHER MATERIAL THAT

1 WAS SUBMITTED ON HIS BEHALF.

2 AND I'M GOING TO HEAR THE GOVERNMENT ON THIS POINT  
3 BECAUSE I THINK THEY WISH TO BE HEARD, BUT MR. KIM'S LETTER  
4 THAT HE SUBMITTED TO THE COURT IS PRETTY FORTHRIGHT IN THE WAY  
5 IN WHICH HE ACCEPTS RESPONSIBILITY FOR WHAT HE DID.

6 MR. HOLLIDAY: YOUR HONOR, MS. O'CONNOR DID IN HER  
7 REPORT TO YOU, PARAGRAPH 223, RECOGNIZE THAT HE ACCEPTED  
8 RESPONSIBILITY. AND HE DOES. AND I THINK WHAT STARTED THIS  
9 WAS THE DIALOGUE BETWEEN MR. CORBIN AND MYSELF ON THE ONE HAND,  
10 AND MS. O'CONNOR ON THE OTHER, WHO, IN TURN, WAS HAVING  
11 DIALOGUE WITH THE GOVERNMENT OR THE AGENTS FOR THE GOVERNMENT.

12 MR. KIM ACCEPTS RESPONSIBILITY. HE KNOWS WHAT HE DID  
13 WAS WRONG. HE KNOWS IT VIOLATED THE LAW. AND HE KNEW THERE  
14 WAS A LAW THERE AT THE TIME. AND HE KNEW THERE WERE THINGS YOU  
15 COULD DO AND THINGS YOU COULDN'T DO.

16 (BEEPER INTERRUPTION.)

17 MR. HOLLIDAY: THAT'S NOT ME. IT'S NOT -- I DON'T  
18 KNOW WHO IT IS.

19 THE COURT: JUST CONTINUE, MR. HOLLIDAY.

20 WE HAVE A FULL HOUSE HERE TODAY. SO, IT COULD BE  
21 ANYBODY OUT THERE.

22 MR. HOLLIDAY: YEAH, THAT'S PROBABLY FAIR ENOUGH.

23 HE KNEW THERE WAS A LAW THERE. BUT WE WERE TRYING TO  
24 EXPLAIN -- AND WE PUT IT IN OUR PAPERS THE SAME WAY -- THE LAWS  
25 ARE VERY COMPLICATED, BUT HE HAD AN OBLIGATION AND A

1 RESPONSIBILITY TO KNOW THAT WHEN HE TOOK MONEY OR LOANS, OR  
2 WHEN HE USED HIS PERSONAL CORPORATION TO MAKE CONTRIBUTIONS,  
3 IN-KIND TO THE CAMPAIGN COMMITTEE, THAT'S WRONG. AND HE  
4 ACCEPTS RESPONSIBILITY FOR IT.

5 AND I'M NOT SURE WHAT CAUSED THE HUBBUB, BUT THERE'S  
6 NO DOUBT THAT MR. KIM ACCEPTS RESPONSIBILITY FOR VIOLATING  
7 THESE LAWS. AND HE'S SICK ABOUT IT. AND THIS HAS BEEN A  
8 HORRIBLE FIVE YEARS FOR HIM. THERE'S NEVER A THOUGHT THAT HE  
9 WOULDN'T ACCEPT RESPONSIBILITY.

10 THE COURT: NOW, SINCE I HAVE YOU UP THERE, JUST LET  
11 ME ASK YOU ONE OR TWO MORE QUESTIONS, AND THEN WE'LL HEAR FROM  
12 THE GOVERNMENT.

13 ONE OF THE POINTS THE GOVERNMENT MAKES IS THAT THESE  
14 VIOLATIONS CONTINUED FOR AN EXTENDED PERIOD OF TIME, WHEN MR.  
15 KIM WAS -- HAD BEEN APPRISED OF THE DEFICIENCIES IN THE  
16 COMMITTEE'S REPORTS. AND THE GOVERNMENT POINTS TO THE FACT  
17 THAT ALL CANDIDATES FOR A FEDERAL OFFICE HAVE ACCESS TO  
18 INFORMATION REGARDING THE MANNER IN WHICH RECORDING IS TO BE  
19 DONE, WHAT'S PROHIBITED AND WHAT'S NOT PROHIBITED, YOU KNOW,  
20 WHAT'S OKAY AND WHAT NOT.

21 AND THE GOVERNMENT ATTACHED TO THE LITTLE BRIEF THAT  
22 THEY FILED BOTH A COPY OF THE REGULATIONS OR SUMMARY OF THE  
23 LAWS PROVIDED BY THE F.E.C., THE FEDERAL ELECTIONS COMMISSION,  
24 AS WELL AS A LITTLE VIDEOTAPE THAT SETS FORTH AN ORAL  
25 PRESENTATION REGARDING THE LAWS AND HOW A CAMPAIGN SHOULD

1 COMPLY.

2 AND MANY OF THE PROBLEMS THAT LED THIS COMMITTEE TO  
3 WHERE IT IS TODAY ARE READILY IDENTIFIED IN THESE REPORTS.  
4 PRETTY CLEAR.

5 AND I REALIZE THAT THEY'RE COMPLEX. AND I REALIZE  
6 THAT BUT/FOR, AS YOU POINT OUT IN YOUR PAPERS, BUT/FOR THE FACT  
7 THAT J.K.E. WAS INCORPORATED, HAD BEEN A DBA, THAT WOULDN'T  
8 HAVE BEEN A PROBLEM HERE. BUT IT'S INCORPORATED -- EVEN THOUGH  
9 IT'S A CLOSED CORPORATION, PROBABLY -- IT MAKES A DIFFERENCE  
10 BECAUSE THE COMMISSION HAS TO DRAW A LINE SOMEPLACE. AND THIS  
11 IS WHERE THEY DRAW THE LINES. AND THE GOVERNMENT POINTS THAT  
12 ALL OUT IN ITS -- IN ITS SUBMISSION TO ME.

13 MR. HOLLIDAY: AND I THINK THE COURT -- THE COURT IS  
14 RIGHT, THESE ARE COMPLEX LAWS. BY THE SAME TOKEN, MR. KIM  
15 ISN'T TRYING TO RUN FROM THEM.

16 AND, ACTUALLY, I THINK THAT ONE OF THE DEBATES THAT  
17 WE HAD ON AN ONGOING BASIS ONCE MR. CORBIN AND I CAME INTO THIS  
18 CASE, WAS THAT WE BELIEVE THAT THINGS WERE GETTING BETTER, THAT  
19 THERE WERE IMPROVEMENTS GOING ON. THEY WERE TRYING TO DO A  
20 BETTER JOB. THEY WERE REFUNDING CHECKS. AND THEY WERE TRYING  
21 TO DO A BETTER JOB OF IT.

22 COULD THEY HAVE DONE BETTER STILL? SURE. COULD THEY  
23 STILL DO BETTER? SURE.

24 BUT, FOR EXAMPLE, ONE OF THE THINGS THAT AGENT GORDON  
25 POINTED OUT TO US THAT WE DIDN'T KNOW IS THAT MR. KIM ACTUALLY

1 SENT ONE OF HIS EMPLOYEES, ONE OF HIS STAFFERS, UP TO  
2 SACRAMENTO TO LOOK AT WHETHER OR NOT VARIOUS ENTITIES WERE  
3 REALLY INCORPORATED OR NOT.

4 NOW, THAT PERSON WENT ON HER OWN. WHAT HE HAD TOLD  
5 HER TO DO WAS PLEASE FIND OUT IF THESE ARE CORPORATIONS. AND  
6 SHE FLEW TO SACRAMENTO AND DID A BUNCH OF WORK.

7 SHE COMES BACK, AND HE SAYS, FOR GOD'S SAKE, DON'T GO  
8 TO SACRAMENTO AGAIN. WE CAN DO IT OTHER WAYS. AND THEY DID DO  
9 IT OTHER WAYS.

10 YOU CAN TAKE THAT AS A NEGATIVE COMMENT OR A POSITIVE  
11 COMMENT. HE'S TRY TO GET IT DONE IN A WAY THAT MAKES SENSE.  
12 HE HAD CAMPAIGN PEOPLE WORKING FOR THE CAMPAIGN COMMITTEE THAT  
13 WERE WATCHING THIS. HE WAS DOING OTHER THINGS.

14 AND, YES, THERE WERE PROBLEMS, JUDGE. I'M NOT GOING  
15 TO STAND HERE AND KID YOU. BUT THEY WERE TRYING TO CORRECT  
16 THOSE PROBLEMS.

17 AT THE END OF THE DAY, YOUR HONOR, THIS CASE DID NOT  
18 PROVE TO BE A CASE ABOUT CORRUPTION OR BRIBERY OR FOREIGN  
19 INFLUENCE OR FOREIGN GOVERNMENTS. THIS CASE IS A VIOLATION OF  
20 THE CAMPAIGN FINANCING LAWS. IT IS A -- FOR MR. KIM -- A  
21 SERIOUS VIOLATION. HE DOESN'T MINIMIZE IT. AND HE WOULD LIKE  
22 IT TO BE PERFECT. AND HE WOULD LIKE IT TO HAVE BEEN BETTER.

23 AND THEY DID DO A JOB IN GETTING BETTER, FRANKLY,  
24 YOUR HONOR, AND THEY DID WORK PRETTY HARD IN TRYING TO GET  
25 BETTER. THEY HAD A LONG WAY TO GO. THEY'RE A SMALL

1 ORGANIZATION. AND MR. KIM WAS DOING OTHER THINGS, INCLUDING  
2 BEING AN ELECTED OFFICIAL. IT DOESN'T EXCUSE HIM. I'M NOT  
3 TRYING TO EXCUSE HIM. I'M JUST TRYING TO PUT IN CONTEXT WHAT  
4 WAS GOING ON DURING THE TIME.

5 NOW, I THINK THE GOVERNMENT THINKS, WELL, IT'S A LOT  
6 BIGGER. THEY THINK IT'S ANOTHER ICEBERG OUT THERE. I THINK  
7 IT'S AN ICE CUBE. I THINK AT THE END OF THE DAY, THINGS GOT  
8 BETTER. AND THEY'RE STILL GETTING BETTER. AND THEY'RE STILL  
9 WORKING AT MAKING IT BETTER.

10 BUT IS IT PERFECT? NO, YOUR HONOR. AND AS I SAID,  
11 THIS IS A PROBLEM THAT EVERY FEDERAL-ELECTED OFFICIAL HAS. AND  
12 THEY DEAL WITH IT DAY IN AND DAY OUT. AND IT'S PART OF THE  
13 REASON WHY THEY HAVE A CAMPAIGN BACK THERE. I MEAN, THAT'S WHY  
14 THEY HAVE THE COMMISSION BACK THERE. IT CAN'T BE PERFECT. AND  
15 I'M NOT GOING TO EXCUSE IT. I'M JUST TRYING TO SUGGEST THAT --

16 THE COURT: WELL --

17 MR. HOLLIDAY: -- RIGHT NOW, THIS IS THE MOST BURNING  
18 AND IMPORTANT THING IN THIS COURTROOM -- FOCUSING ON WHETHER OR  
19 NOT YOU CAN MAKE A LOAN OR NOT, FOCUSING ON WHETHER OR NOT  
20 YOU'RE A DBA OR YOU'RE A PRIVATELY-HELD CORPORATION. THAT IS A  
21 BIG DEAL RIGHT THIS MOMENT.

22 BUT, YOUR HONOR, IN THE HEAT OF WHAT THEY'RE DOING  
23 AND AT THE TIME, I'LL BET YOU IT DIDN'T SEEM LIKE QUITE AS BIG  
24 A DEAL. IT SHOULD HAVE. AND IF HE GETS A SECOND CHANCE, YOU  
25 WILL BET IT IS GOING TO. BUT AT THE TIME IT WAS, WELL, WE CAN

1 JUST DO THIS FOR NOW, AND WE'LL WORRY ABOUT IT LATER. WE'LL  
2 TAKE THE MONEY IN. IF IT'S A CORPORATION, WELL, WE'LL SEND IT  
3 BACK. THEY HAD LETTERS FROM THEIR CAMPAIGN CONSULTANT SAYING,  
4 IF YOU GET A LETTER FROM A CORPORATION -- GET MONEY FROM A  
5 CORPORATION -- SEND IT BACK TO THEM AND TELL THEM, IT'S GOT TO  
6 BE FROM AN INDIVIDUAL. IF SOMEBODY GIVES TOO MUCH MONEY, SEND  
7 IT BACK AND SAY, YOU'VE GOT TO SPLIT THE CAMPAIGN CONTRIBUTION  
8 BETWEEN YOU AND YOUR WIFE -- YOU AND YOUR SPOUSE.

9 THAT WAS GOING ON ALL THE TIME. AND RIGHT NOW, WE  
10 ARE FOCUSED ON THIS AS THOUGH THIS IS -- THIS IS IT. AND THIS  
11 IS IT. THIS RIGHT NOW IS THE MOST IMPORTANT THING GOING ON IN  
12 HIS LIFE AND IN MRS. KIM'S LIFE.

13 THE COURT: WELL, WE'LL HEAR FROM THE GOVERNMENT IN  
14 JUST A FEW MINUTES, BUT I AM NOT -- YOU KNOW, I HAVE NO IDEA  
15 WHETHER MR. KIM WOULD BE HERE OR NOT IF IT WERE SIMPLY THE  
16 IN-KIND CONTRIBUTION FROM J.K.E. TO THE CAMPAIGN COMMITTEE.  
17 BECAUSE THE VIOLATIONS AND WHAT HAPPENED WERE A LITTLE MORE  
18 SERIOUS THAN THAT OVER A MUCH LONGER PERIOD OF TIME.

19 MR. HOLLIDAY: OH, YOUR HONOR, I AM NOT TRYING TO  
20 SUGGEST IT'S JUST THAT. I USE THAT AS AN EXAMPLE. THE LOANS  
21 WERE IMPROPER. HE -- WHEN WE SAT DOWN TO WORK THIS THING OUT,  
22 MR. KIM SAID, YES, I'LL ACCEPT RESPONSIBILITY FOR THAT. THAT  
23 WAS WRONG, AND I SHOULDN'T HAVE DONE IT.

24 AND ALL I'M TRYING TO SAY NOW IS THIS HAS BECOME A  
25 VERY FOCUSED PROBLEM. BUT AT THE TIME, I DON'T THINK IT WAS

1 FOCUSED AS WELL ON AS IT SHOULD HAVE BEEN. AND SMARTER MORE  
2 KNOWLEDGEABLE PEOPLE SHOULD HAVE DONE BETTER.

3 THE COURT: ALL RIGHT.

4 MR. HOLLIDAY: THANK YOU.

5 THE COURT: LET ME HEAR FROM MR. MANSFIELD OR WHOEVER  
6 IS GOING TO SPEAK FOR THE GOVERNMENT.

7 MR. MANSFIELD: YES, YOUR HONOR.

8 YOUR HONOR, THE DEFENSE IS SEEKING A PROBATIONARY  
9 TERM. THE PROBATION OFFICE AND THE GOVERNMENT RECOMMEND A  
10 PERIOD OF INCARCERATION.

11 IN LOOKING AT THIS CAMPAIGN FINANCE FRAUD CASE, THE  
12 COURT REALLY, I THINK, NEEDS TO FOCUS ON WHAT IT IS AND WHAT IT  
13 IS NOT. IT IS NOT A SMALL-DOLLAR CASE IN THE AREA OF CAMPAIGN  
14 FINANCE VIOLATIONS. IT'S NOT A CASE INVOLVING A SINGLE ACT OF  
15 WRONGDOING. IT'S NOT A CASE INVOLVING JUST A CAMPAIGN  
16 CONTRIBUTOR. AND IT'S NOT A CASE ABOUT TECHNICAL NONCOMPLIANCE  
17 WITH THE LAW.

18 THE CRIMES IN THE CASE WERE SUBSTANTIAL, PROLONGED,  
19 DECEPTIVE, AND SERIOUS. THEY INVOLVED OVER \$145,000 BY  
20 DEFENDANT JAY KIM. THAT MAKES IT THE LARGEST CAMPAIGN FINANCE  
21 VIOLATION CASE EVER AGAINST A MEMBER OF THE UNITED STATES  
22 CONGRESS.

23 IT INVOLVED AN INCREDIBLY WIDE VARIETY OF VIOLATIONS  
24 -- IN-KIND -- ILLEGAL IN-KIND CONTRIBUTIONS, CORPORATE  
25 CONTRIBUTIONS, FOREIGN NATIONAL CONTRIBUTIONS, ILLEGAL LOAN

1       TRANSACTIONS.

2                 THE CONDUCT INVOLVING DEFENDANT JAY KIM ALONE LASTED  
3       FOR A PROLONGED PERIOD OF TIME. IT STARTED EARLY IN 1992 --  
4       CONTINUED THROUGH 1993 IN TERMS OF HIS RECEIPT OF THE ILLEGAL  
5       CONTRIBUTIONS, WHICH HE HAS PLEADED GUILTY. AND IT CONTINUED  
6       BY HIS CONCEALMENT ABOUT THESE ILLEGAL ACTS THROUGH UNTIL LAST  
7       SUMMER.

8                 THE CRIMES WERE ALSO DECEPTIVE AND DELIBERATE. HE  
9       STRUCTURED THIS ILLEGAL FIFTY-THOUSAND-DOLLAR LOAN FROM A  
10       TAIWANESE NATIONAL. HE STRUCTURED IT TO MAKE IT LOOK LIKE IT  
11       WAS A PERSONAL LOAN FROM HIM TO HIS CAMPAIGN, WHICH WOULD BE  
12       ALLOWABLE.

13                HE ATTEMPTED TO INDUCE THE PRESIDENT OF NIKKO TO SAY  
14       THAT THIS TWELVE-THOUSAND-DOLLAR ILLEGAL CORPORATE CONTRIBUTION  
15       WAS REALLY JUST A PERSONAL LOAN, NOT AN ILLEGAL CONTRIBUTION --  
16       DID THAT AFTER HE LEARNED THE FBI WAS ON TO IT.

17                AND THEN HE SUBMITTED A FALSE FINANCIAL DISCLOSURE  
18       FORM TO THE UNITED STATES CONGRESS FALSELY STATING THAT THAT  
19       TWELVE-THOUSAND-DOLLAR CONTRIBUTION FROM NIKKO WAS A PERSONAL  
20       LOAN TO HIM. THIS WAS DECEPTIVE, DELIBERATE CONDUCT. IT WAS  
21       NOT A SITUATION, AS HE SAYS IN HIS LETTER TO THE COURT, WHERE  
22       HE NEGLECTED THE MECHANICS OF CAMPAIGN FINANCE RULES. THIS  
23       WASN'T NEGLECTING MECHANICS. THIS WAS DELIBERATE, INTENTIONAL  
24       CONDUCT. AND IT'S SERIOUS CONDUCT.

25                THESE CRIMES WERE COMMITTED BY A FEDERAL CANDIDATE,

1 THE COVER-UP BY A MEMBER OF THE UNITED STATES CONGRESS. THE  
2 CRIMES UNDERMINED OUR DEMOCRATIC ELECTION PROCESS. THE ACTS OF  
3 CONCEALMENT IN THIS CASE DEPRIVED THE VOTING PUBLIC IN THREE  
4 CONGRESSIONAL ELECTIONS OF ACCURATE INFORMATION CONCERNING  
5 THEIR SELECTION OF THE NATIONAL REPRESENTATIVE.

6 NOW, AS WE'VE INDICATED IN THE SENTENCING MEMO,  
7 COURTS HAVE IMPOSED JAIL TERMS FOR VIOLATIONS OF THE FEDERAL  
8 ELECTION CAMPAIGN ACT -- CITED THE GOLAND CASE THAT WAS HERE IN  
9 THE CENTRAL DISTRICT OF CALIFORNIA. IT INVOLVED APPROXIMATELY  
10 THE SAME AMOUNT OF ILLEGAL CAMPAIGN CONTRIBUTIONS AND FECA  
11 VIOLATIONS. BUT THERE, UNLIKE THIS CASE, IT DID NOT INVOLVE A  
12 FEDERAL CANDIDATE.

13 U.S. V. TONRY INVOLVED A CONGRESSMAN -- INVOLVED FECA  
14 VIOLATIONS AND OTHER MISDEMEANOR VIOLATIONS. AND THERE,  
15 CONGRESSMAN TONRY WAS SENTENCED TO A YEAR IN PRISON AND ALSO,  
16 AS A TERM OF PROBATION, WAS PRECLUDED FROM RUNNING FOR OFFICE;  
17 WE'RE NOT --

18 THE COURT: RIGHT. THAT'S NOT --

19 MR. MANSFIELD: -- SEEKING THAT IN THIS CASE.

20 THE COURT: -- SOMETHING THAT HAS EVER BEEN RAISED  
21 HERE.

22 MR. MANSFIELD: THAT'S CORRECT.

23 THE COURT: THAT IS AN ISSUE THAT'S BEST LEFT TO  
24 CONGRESS.

25 MR. MANSFIELD: THAT'S CORRECT, YOUR HONOR.

1                   NOW, THE DEFENSE CITES TWO CASES AND SAYS THAT THE  
2 COURT SHOULD FOCUS ON THE MA CASE AND ANOTHER CASE INVOLVING  
3 MARY ROSE OAKAR.

4                   FIRST, THE MA CASE, THIS IS A CASE AGAINST DEFENDANT  
5 JAY KIM'S CAMPAIGN TREASURER. HE WAS LESS CULPABLE THAN  
6 DEFENDANT JAY KIM. HE RECEIVED PROBATION AS PART OF A DOWNWARD  
7 DEPARTURE. IT WAS A DOWNWARD DEPARTURE FOR A LESS CULPABLE  
8 DEFENDANT, WHO, BASICALLY, PROVIDED SUBSTANTIAL ASSISTANCE THAT  
9 HELPED MAKE THIS CASE. THAT WAS AN APPROPRIATE DISPOSITION.

10                   MR. DROOYAN HANDLED THE CASE. AND IT WAS AN  
11 EXTREMELY FAIR, APPROPRIATE DISPOSITION OF THAT CASE IN LIGHT  
12 OF ALL OF THE OTHER FACTORS OF THIS INVESTIGATION.

13                   U.S. V. MARY ROSE OAKAR, THAT CASE INVOLVED ONLY NINE  
14 MONTHS' DURATION, A MUCH SHORTER TIME PERIOD THAN THIS CASE.  
15 AND IT INVOLVED FAR LESS MONEY THAN THIS CASE. SO, IT WOULD  
16 NOT BE A FAIR BASIS TO IMPOSE A SENTENCE IN THIS CASE.

17                   I THINK, FRANKLY, THE GOLAND CASE IS AN EXCELLENT  
18 GUIDE FOR THE COURT IN VIEW OF THE FACT THAT IT INVOLVED  
19 APPROXIMATELY THE SAME AMOUNT OF ILLEGAL CONTRIBUTIONS  
20 ALTHOUGH, FRANKLY, THIS CASE IS MORE EGREGIOUS BECAUSE IT  
21 INVOLVED A FEDERAL CANDIDATE WHERE IN A COVER-UP PHASE, A  
22 MEMBER OF THE UNITED STATES CONGRESS.

23                   NOW, I THINK WHAT'S MOST IMPORTANT HERE, YOUR HONOR,  
24 IS THAT A SENTENCE IS IMPOSED THAT ADDRESSES WHAT IS REALLY AN  
25 EGREGIOUS SYSTEMATIC PATTERN OF CRIMINAL WRONGDOING. AND IT

1 MUST BE A SENTENCE THAT BOTH PUNISHES DEFENDANT JAY KIM AND  
2 DETERS OTHERS FROM THIS UNLAWFUL CONDUCT. AND WE THINK THAT AN  
3 APPROPRIATE PERIOD OF INCARCERATION SHOULD BE IMPOSED FOR THOSE  
4 REASONS.

5 THE COURT: OKAY.

6 MR. HOLLIDAY: YOUR HONOR --

7 THE COURT: MR. HOLLIDAY, DID YOU WANT TO RESPOND  
8 BEFORE I INVITE MR. KIM TO SPEAK, IF HE WISHES?

9 MR. HOLLIDAY: IF I MIGHT, YOUR HONOR.

10 THE COURT: SURE.

11 MR. HOLLIDAY: MR. MANSFIELD'S OUTLINE OF THEIR VIEW  
12 OF THE CASE IS PERHAPS NOT SURPRISING, BUT IS STRANGE IN LIGHT  
13 OF THE FACT THAT WE ENDED UP WITH AN AGREEMENT FOR THREE  
14 MISDEMEANORS AND A 0 TO 6 RANGE. AND, AGAIN, I'M NOT  
15 MINIMIZING THAT, BUT I THINK THAT PUTS IN CONTEXT WHAT THIS  
16 CASE IS REALLY ALL ABOUT. AND TO MR. KIM, IT'S PROBABLY FAR  
17 MORE SERIOUS THAN IT IS TO THE GOVERNMENT.

18 BUT THIS IS A CASE IN WHICH THE PROSECUTORS BELIEVED  
19 0 TO 6 WAS THE RIGHT CALL, AND, I SUBMIT, THAT'S WHERE WE STILL  
20 ARE.

21 THE GOLAND CASE, YOUR HONOR, AS THE COURT KNOWS --

22 THE COURT: WELL, THE GOVERNMENT NEVER AGREED TO NOT  
23 ASK FOR ANY PERIOD OF INCARCERATION, I DON'T THINK. AT LEAST

24 --

25 MR. HOLLIDAY: WELL --

1 THE COURT: -- WHEN I READ THE PLEA AGREEMENT THE  
2 OTHER DAY --

3 MR. HOLLIDAY: ACTUALLY, YOUR HONOR, MR. DROOYAN AND  
4 I HAVE A DISAGREEMENT ON THAT. I DON'T THINK THERE IS A  
5 BREACH. I THINK THERE MAY NOT HAVE BEEN A MEETING OF THE  
6 MINDS, BUT I'VE SPOKEN TO MR. KIM ABOUT IT. AND MR. KIM WANTS  
7 TO PROCEED WITH SENTENCING BEFORE YOU.

8 THE COURT: OH, I SEE. ALL RIGHT.

9 MR. HOLLIDAY: THE GOLAND CASE, YOUR HONOR, IS  
10 SOMEONE WHO IS TRYING TO RIG AN ELECTION THROUGH FALSE  
11 ADVERTISING. THE MAN GOES TO TRIAL TWICE, NEVER ACCEPTS  
12 RESPONSIBILITY. THAT'S NOT THIS CASE.

13 THE TONRY CASE, THAT'S AN OUTRIGHT CORRUPTION CASE.  
14 THE LEGISLATOR WAS CLEARLY TAKING BRIBES, AND HE WAS PROMISING  
15 THE OUTCOME OF VOTES ON CONGRESS. THAT'S NOT THIS CASE.

16 THIS IS A CASE ABOUT A MAN WHO HAS ACCEPTED  
17 RESPONSIBILITY FOR WHAT HE DID. AND WHAT HE DID WAS WRONG.  
18 BUT WHAT HE DID, YOUR HONOR, I SUBMIT, SHOULD BE RESOLVED IN  
19 TERMS OF A PROBATIONARY TERM HERE. LET THE FEDERAL ELECTION  
20 COMMISSION DEAL WITH IT. LET THE CONGRESSIONAL COMMITTEE DEAL  
21 WITH IT. AND LET THE PUBLIC DEAL WITH IT -- IN TERMS OF WHAT  
22 THEY WANT TO DO WITH THIS MAN.

23 SOME PERIOD OF INCARCERATION -- I BELIEVE THE  
24 PROBATION OFFICER RECOMMENDS A MONTH. I SUBMIT THAT DOESN'T  
25 ADVANCE THE BALL OR ACCOMPLISH ANYTHING, EXCEPT IT REMOVES FROM

1 670,000 AMERICANS, THEIR ELECTED OFFICIAL --

2 THE COURT: WELL --

3 MR. HOLLIDAY: -- AND WILL FORCE A NEW ELECTION.

4 THE COURT: YOU KNOW, MR. KIM WOULD NOT BE THE FIRST  
5 CANDIDATE OR FIRST CONGRESSMAN EVER TO BE SENT TO PRISON --

6 MR. HOLLIDAY: OH, I UNDERSTAND THAT.

7 THE COURT: -- OR TO BE INCARCERATED.

8 MR. HOLLIDAY: YOUR HONOR, I UNDERSTAND THAT. BUT I  
9 WOULD SUBMIT IT WOULD BE THE FIRST ONE SENT FOR A VIOLATION  
10 LIKE THIS. THAT'S WHAT'S DIFFERENT ABOUT THIS.

11 IF THIS CASE -- IF THIS CASE WERE A TRUE JAIL TIME  
12 CASE, YOUR HONOR, IF THIS GOVERNMENT BELIEVED THAT, WE'D BE IN  
13 YOUR COURTROOM, I SUSPECT, TRYING A MULTI-COUNT INDICTMENT  
14 BECAUSE WE WOULDN'T HAVE PLED TO IT. BUT THAT'S NOT WHAT THIS  
15 CASE IS ABOUT. AND THEY UNDERSTAND THAT.

16 AND I'M ASKING THE COURT TO IMPOSE SOMETHING THAT  
17 ALLOWS CONGRESSMAN KIM TO CONTINUE, IF THE PUBLIC WANTS IT, IF  
18 THE COMMISSION WANTS IT, AND IF HIS COLLEAGUES IN CONGRESS WANT  
19 IT. AND THAT IS A FAIR RESOLUTION. A 30-DAY JAIL SENTENCE, I  
20 SUBMIT, IF THAT'S WHAT THE PROBATION OFFICER RECOMMENDS, I  
21 SUBMIT THAT DOESN'T ADVANCE THE BALL EXCEPT FORCES A  
22 RESIGNATION. THAT'S THE OUTCOME. AND THAT IS A HORRIFIC  
23 OUTCOME GIVEN WHERE WE THINK WE SHOULD BE.

24 THE COURT: ALL RIGHT. DO YOU HAVE ANYTHING ELSE TO  
25 SAY, MR. MANSFIELD? IS THAT IT?

1 MR. MANSFIELD: NOTHING, YOUR HONOR. SUBMIT.  
2 THE COURT: OKAY. MR. -- WOULD MR. KIM LIKE TO  
3 SPEAK?  
4 DEFENDANT JAY KIM: YOUR HONOR, I JUST WANT YOU TO --  
5 THE COURT: SURE.  
6 DEFENDANT JAY KIM: -- KNOW THAT I -- HOW SORRY I AM  
7 FOR WHAT I HAVE DONE. I APOLOGIZE TO YOU -- MY FAMILY,  
8 ESPECIALLY MY WIFE AND MY FRIENDS AND MY SUPPORTERS. WHAT I  
9 WROTE IN MY LETTER TO YOU COMES FROM MY HEART. I ACCEPT  
10 COMPLETE RESPONSIBILITY FOR MY CONDUCT -- MY ACTIONS. IF YOU  
11 GIVE ME A SECOND CHANCE, I PROMISE THAT IT WILL NEVER HAPPEN  
12 AGAIN.  
13 THANK YOU.  
14 THE COURT: ANYTHING ELSE, MR. HOLLIDAY?  
15 MR. HOLLIDAY: NO, YOUR HONOR.  
16 THE COURT: ANYTHING ELSE FROM THE GOVERNMENT?  
17 MR. MANSFIELD: NO, YOUR HONOR.  
18 THE COURT: I SHOULD NOTE ACTUALLY BEFORE I SENTENCE  
19 MR. KIM THAT I AGREE WITH THE -- WELL, IN FIXING THE GUIDELINE  
20 RANGE, I WOULD NOTE THAT IT WAS CONTEMPLATED THAT THERE WOULD  
21 BE NO ADJUSTMENT FOR ROLE IN THE OFFENSE. AND THE GOVERNMENT  
22 IS NOT ASKING FOR IT, AND I THINK IT WAS PART OF THE --  
23 IMPLICIT IN THE PLEA AGREEMENT OR PART OF THE PLEA AGREEMENT.  
24 AND I'M NOT GOING TO ADJUST -- BECAUSE THE GOVERNMENT DOESN'T  
25 ASK ME TO. AND I RECOGNIZE, THOUGH, THAT THE PROBATION OFFICER

1 DID MAKE THAT ANALYSIS FOR ME, BUT, NONETHELESS, GIVEN THE PLEA  
2 AGREEMENT, I'LL STAND BY THAT.

3 WITH RESPECT TO THE ACCEPTANCE OF RESPONSIBILITY, I'M  
4 SATISFIED BY THE LETTER THAT MR. KIM SENT TO ME AND BY THE  
5 PROBATION OFFICER'S OWN ASSESSMENT AND BY MR. KIM'S OWN  
6 STATEMENT HERE IN COURT TODAY THAT HE HAS ACCEPTED  
7 RESPONSIBILITY FOR WHAT HAS BEEN CHARGED AND ALL THE RELATED  
8 CONDUCT THAT IS DETAILED IN THIS VERY LENGTHY PROBATION  
9 REPORT.

10 SO, THAT -- SO, WE END UP WITH A SENTENCING GUIDELINE  
11 RANGE OF 0 TO 6 MONTHS BASED UPON AN OFFENSE LEVEL OF 6 AND A  
12 CRIMINAL HISTORY CATEGORY OF ONE.

13 NOW, IT IS ORDERED, FIRST, THAT THE DEFENDANT KIM  
14 SHALL PAY TO THE UNITED STATES A TOTAL FINE OF \$10,000  
15 CONSISTING OF THE FOLLOWING:

16 COUNTS SIX, A FINE OF \$3,000.

17 COUNT SEVEN, A FINE OF \$4,000.

18 AND COUNT EIGHT, A FINE OF \$3,000.

19 THE TOTAL FINE SHALL BEAR INTEREST AS PROVIDED BY LAW  
20 AND SHALL BE PAID IN FULL BY APRIL 1, 1998.

21 NOW, PURSUANT TO THE SENTENCING REFORM ACT OF 1984,  
22 IT IS THE JUDGMENT OF THE COURT THAT THE DEFENDANT JAY C. KIM  
23 IS HEREBY PLACED ON PROBATION ON COUNT SIX OF THE TEN-COUNT  
24 INFORMATION FOR A TERM OF ONE YEAR EACH.

25 THIS TERM OF PROBATION OF ONE YEAR IS ON EACH OF

1 COUNTS SIX, SEVEN, AND EIGHT OF THE INFORMATION ALL TO BE  
2 SERVED CONCURRENTLY AND ON THE FOLLOWING TERMS AND CONDITIONS:

3 ONE, THE DEFENDANT SHALL COMPLY WITH THE RULES AND  
4 REGULATIONS OF THE UNITED STATES PROBATION OFFICE AND GENERAL  
5 ORDER 318.

6 TWO, IF THE AMOUNT OF ANY MANDATORY ASSESSMENT  
7 IMPOSED BY THIS JUDGMENT REMAINS UNPAID AT THE COMMENCEMENT OF  
8 THE TERM OF COMMUNITY SUPERVISION, THE DEFENDANT SHALL PAY SUCH  
9 REMAINDER AS DIRECTED BY THE PROBATION OFFICER.

10 AS DIRECTED BY THE PROBATION OFFICER, THE DEFENDANT  
11 SHALL PROVIDE TO THE PROBATION OFFICER AN ACCURATE FINANCIAL  
12 STATEMENT WITH SUPPORTING DOCUMENTATION AS TO ALL SOURCES AND  
13 AMOUNTS OF INCOME AND ALL EXPENSES OF THE DEFENDANT.

14 IN ADDITION, THE DEFENDANT SHALL PROVIDE FEDERAL AND  
15 STATE INCOME TAX RETURNS AS REQUESTED BY THE PROBATION  
16 OFFICER.

17 THE DEFENDANT SHALL PARTICIPATE FOR A PERIOD OF TWO  
18 MONTHS IN A HOME DETENTION PROGRAM WHICH INCLUDES ELECTRONIC  
19 MONITORING AND SHALL OBSERVE ALL RULES OF SUCH PROGRAM AS  
20 DIRECTED BY THE PROBATION OFFICER.

21 THE DEFENDANT SHALL PAY THE COST OF ELECTRONIC  
22 MONITORING TO THE CONTRACT VENDOR NOT TO EXCEED THE SUM OF  
23 \$4.97 FOR EACH DAY OF PARTICIPATION IN THE ELECTRONIC  
24 MONITORING PROGRAM.

25 THE DEFENDANT SHALL PROVIDE PAYMENT AND PROOF OF

1 PAYMENT AS DIRECTED BY THE PROBATION OFFICER.  
2 THE DRUG TESTING CONDITION MANDATED BY STATUTE IS  
3 SUSPENDED BASED UPON THE COURT'S DETERMINATION THAT THE  
4 DEFENDANT POSES A LOW RISK OF FUTURE SUBSTANCE ABUSE.  
5 IT IS FURTHER ORDERED THAT THE DEFENDANT SHALL PAY TO  
6 THE UNITED STATES A SPECIAL ASSESSMENT OF \$75.  
7 MS. O'CONNOR: EXCUSE ME, YOUR HONOR.  
8 NANCY O'CONNOR WITH --  
9 THE COURT: YES.  
10 MS. O'CONNOR: -- THE UNITED STATES PROBATION.  
11 YOUR HONOR, THE PROBATION OFFICER'S RECOMMENDATION OF  
12 THE FINE OF \$10,000 WAS BASED ON AN OFFENSE LEVEL OF 9.  
13 IT'S MY UNDERSTANDING THAT THE COURT IS NOW BASING  
14 THE DEFENDANT'S --  
15 THE COURT: RIGHT.  
16 MS. O'CONNOR: -- SENTENCE ON AN OFFENSE LEVEL OF 6,  
17 WHICH WOULD PLACE THE MAXIMUM FINE, ACCORDING TO THE  
18 GUIDELINES, OF \$5,000.  
19 THE COURT: OKAY.  
20 MS. O'CONNOR: SO, THEN, IT WOULD BE MY UNDERSTANDING  
21 THAT THE COURT WOULD BE DEPARTING FROM THE GUIDELINES AND WOULD  
22 HAVE TO STATE ON THE RECORD THE REASONS FOR THAT.  
23 THE COURT: WELL, MY INTENT WAS TO APPLY THE MAXIMUM  
24 -- THE MAXIMUM FINE WITHIN THE GUIDELINE RANGE.  
25 SO, THEN, IT WOULD BE A \$5,000 MAXIMUM FINE ADJUSTED

1       DOWNWARD FOR -- THERE'S THREE COUNTS -- SO, WE'LL JUST MAKE IT  
2       3,000 ON COUNT SEVEN -- 3,000 ON COUNT SIX, 1,000 ON COUNT  
3       SEVEN, AND 1,000 ON COUNT EIGHT.

4               IS THAT RIGHT?

5               MS. O'CONNOR: SO, THE TOTAL FINE WAS 5,000?

6               THE COURT: YES.

7               MS. O'CONNOR: I'M SORRY. I MISUNDERSTOOD THE COURT.  
8       I THOUGHT THE COURT HAD SAID 10,000.

9               THE COURT: RIGHT. BUT MY INTENT WAS TO APPLY THE  
10       MAXIMUM FINE WITHIN THE GUIDELINE RANGE, WHICH HERE WOULD BE 0  
11       TO 6. AND YOU'RE TELLING ME IT'S -- \$5,000 IS THE MAXIMUM  
12       FINE?

13               MS. O'CONNOR: FOR THE SENTENCING -- UNDER THE  
14       GUIDELINES FOR THE SENTENCING --

15               THE COURT: ALL RIGHT. OKAY.

16               MS. O'CONNOR: -- YES, YOUR HONOR --

17               THE COURT: ALL RIGHT.

18               MS. O'CONNOR: AND YOUR HONOR --

19               THE COURT: YES.

20               MS. O'CONNOR: -- THERE WAS ALSO ADDITIONAL  
21       INFORMATION THAT I WANTED TO MAKE SURE THE COURT WAS AWARE OF  
22       IN REGARDS TO ELECTRONIC MONITORING.

23               THE COURT: YES.

24               MS. O'CONNOR: IT'S MY UNDERSTANDING -- AND I KNOW  
25       THAT THERE MAY BE SOME CHANGES IN MR. KIM'S PERSONAL SITUATION

1 -- THAT IF HE IS REQUIRED -- IF HE CONTINUES TO, AS HE HAS  
2 DONE, LIVE PART OF THE TIME IN WASHINGTON, D.C. AND PART OF THE  
3 TIME IN CALIFORNIA -- THAT IT WOULD BE QUITE DIFFICULT FOR  
4 ELECTRONIC MONITORING TO PERFORM THE ACTUAL ELECTRONIC  
5 MONITORING PROGRAM. SO, I JUST WANTED TO MAKE SURE THE COURT  
6 WAS AWARE --

7 THE COURT: I'M AWARE OF THAT. I'VE THOUGHT ABOUT  
8 THAT.

9 MS. O'CONNOR: THANK YOU, YOUR HONOR.

10 MR. HOLLIDAY: YOUR HONOR --

11 THE COURT: BUT I THINK IT'S DOABLE.

12 MR. HOLLIDAY: YOUR HONOR, MAY I INQUIRE IN  
13 CONNECTION WITH THE HOME DETENTION. IS IT THE COURT'S DESIRE  
14 THAT MR. KIM BE ALLOWED TO CONTINUE HIS WORK FUNCTION SO THAT  
15 HE CAN CONTINUE TO PERFORM --

16 THE COURT: WELL, MY USUAL UNDERSTANDING OF THIS IS  
17 THAT HOME DETENTION DOES ALLOW ONE TO --

18 MR. HOLLIDAY: THAT'S --

19 THE COURT: -- PERFORM THEIR WORK DUTIES.

20 MR. HOLLIDAY: THAT'S FINE.

21 THE COURT: THAT'S IT.

22 MR. HOLLIDAY: THANK YOU, YOUR HONOR.

23 THE COURT: ANYTHING ELSE?

24 OH, LET'S SEE, I'VE GOT TO EXONERATE THE BOND FOR MR.  
25 KIM AND MRS. KIM, I BELIEVE. AND I DON'T RECALL WHETHER THEY

1 EACH WAIVED THEIR RIGHT TO APPEAL.  
2 MR. HOLLIDAY: THEY DID.  
3 THE COURT: IS THAT RIGHT, MR. MANSFIELD?  
4 MR. MANSFIELD: YES, YOUR HONOR.  
5 THE COURT: OKAY. THEN, SINCE THEIR APPEAL RIGHTS  
6 HAVE BEEN WAIVED, I DON'T NEED TO ADVISE THEM ANY FURTHER.  
7 WAIT ONE SECOND.  
8 (PAUSE IN PROCEEDINGS.)  
9 THE COURT: OH, I'M SORRY. I'M SORRY. MY NOTES -- I  
10 DO HAVE ONE OTHER -- THERE'S ONE OTHER CONDITION THAT I FAILED  
11 TO INCLUDE, WHICH WAS ON MY WORKSHEET, BUT NOT ON MY -- ON THE  
12 PROBATION OFFICER'S LIST OF CONDITIONS, WHICH IS, I DO WANT MR.  
13 KIM TO PROVIDE -- TO ALSO DO SOME COMMUNITY SERVICE WORK OF 200  
14 HOURS IN ADDITION TO THE HOME DETENTION AS DIRECTED BY THE  
15 PROBATION OFFICER.  
16 MR. HOLLIDAY: THANK YOU VERY MUCH, YOUR HONOR.  
17 THE COURT: OKAY. THAT'S IT. THANK YOU.  
18 THE CLERK: COURT'S IN RECESS.  
19 MR. MANSFIELD: THANK YOU, YOUR HONOR.  
20 (PROCEEDINGS ADJOURNED AT 2:56 P.M.)  
21  
22  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T E

I, MARGARET J. BABYKIN, HEREBY CERTIFY THAT THE  
FOREGOING IS A TRUE AND ACCURATE TRANSCRIPT FROM THE RECORD OF  
PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

M. J. Babykin  
MARGARET J. BABYKIN, CSR

3.21.98  
DATED

EXH. 16

United States District Court  
Central District of California

UNITED STATES OF AMERICA vs. Docket No. CR97-726-RAP  
Defendant JAY C. KIM Social Security No. 555-62-1909  
AKAs: Chang Joon Kim, Jay Changjoon Kim, True Name: Jay Changjoon Kim  
& Residence Mailing Address:  
Address 2219 Rusty Pump Road  
Diamond Bar, CA 91765

JUDGMENT AND PROBATION/COMMITMENT ORDER

In the presence of the attorney for the government, the defendant appeared in person.  
on this date: March 9, 1998  
Month / Day / Year

COUNSEL: XX WITH COUNSEL Thomas E. Holliday, Retained  
(Name of Counsel)

PLEA: XX GUILTY, and the Court being satisfied that there is a factual  
basis for the plea. NOLO CONTENDERE NOT GUILTY

FINDING: There being a finding/verdict of GUILTY, defendant has been convicted as charged of the offense(s) of:  
Illegal Corporate Campaign Contributions in violation of 2 USC 441(b), 457(g) as charged in counts 6 and 8; Illegal  
Foreign Campaign Contributions in violation of 2 USC 441(e), 457(g) as charged in count 7 of the Information.

JUDGMENT AND PROBATION/COMMITMENT ORDER:

The Court asked whether defendant had anything to say why judgment should not be pronounced. Because no sufficient cause  
the contrary was shown, or appeared to the Court, the Court adjudged the defendant guilty as charged and convicted and ordered that:  
Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the court the defendant is hereby:  
IT IS ORDERED that the defendant shall pay to the United States a total fine of \$5,000.00, consisting of the  
following: count 6, a fine of \$3,000.00; count 7, a fine of \$1,000.00; and count 8, a fine of \$1,000.00. The total fine  
shall bear interest as provided by law, and be paid in full by April 1, 1998.

IT IS ORDERED, that the defendant shall be placed on Probation for a term of one year consisting of one year on  
each of counts 6, 7, and 8; and under the following terms and conditions: the defendant shall comply with the rules  
and regulations of U.S. Probation Office and General Order 318; if the amount of any mandatory assessment  
imposed by this judgment remain unpaid at the commencement of the term of community supervision, the defendant  
shall pay such remainder as directed by the Probation Officer; as directed by the Probation Officer, the defendant sha  
provide to the Probation Officer an accurate financial statement, with supporting documentation, as to all sources and  
amounts of income and all expenses of the defendant; in addition, the defendant shall provide federal and state income  
tax returns as requested by the Probation Officer; the defendant shall participate for a period of two months in a home  
detention program which includes electronic monitoring and shall observe all rules of such programs, as directed by  
the probation officer; the defendant shall pay the costs of electronic monitoring to the contract vendor, not to exceed  
the sum of \$4.97 for each day of participation in the electronic monitoring program; the defendant shall provide  
payment and proof of payment as directed by the Probation Officer; and the defendant shall perform 200 hours of  
community service, as directed by the Probation Officer. The drug testing condition mandated by statute is suspended  
based on the Court's determination that the defendant poses a low risk of future substance abuse. IT IS FURTHER  
ORDERED, that the defendant shall pay to the United States a special assessment of \$75.00. Bond exonerated.  
In addition to the special conditions of supervision imposed above, it is hereby ordered that the Standard Conditions of Probation and  
Supervised Release set out on the reverse side of this judgment be imposed. The Court may change the conditions of supervision, reduce or  
extend the period of supervision, and at any time during the supervision period or within the maximum period permitted by law, may issue  
a warrant and revoke supervision for a violation occurring during the supervision period.

Signed by: District Judge Richard A. Pérez

It is ordered that the Clerk deliver a certified copy of this Judgment and Probation/Commitment Order to the U.S. Marshal or other qualified officer.

Dated/Filed: 3-10-98 By Sherri R. Carter, Clerk  
Month / Day / Year Deputy Clerk

**JAY KIM**  
 41ST DISTRICT, CALIFORNIA  
 COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE  
 SUBCOMMITTEE:  
 PUBLIC BUILDINGS AND  
 ECONOMIC DEVELOPMENT  
 CHAIRMAN  
 WATER RESOURCES  
 COMMITTEE ON  
 INTERNATIONAL RELATIONS  
 CALIFORNIA TRANSPORTATION TASK FORCE  
 CHAIRMAN

**EXH. 17**

**Congress of the United States**  
**House of Representatives**

227 CANNON BUILDING  
 WASHINGTON, DC 20515-0841  
 202-225-3291  
 1131 WEST 8TH STREET  
 SUITE 160A  
 ONTARIO, CA 91762  
 909-985-1885  
 18200 YORBA LINDA BLVD.  
 SUITE 203A  
 YORBA LINDA, CA 92688  
 714-572-8874  
 INTERNET:  
 World Wide Web  
<http://www.house.gov/kim/welcome.html>

January 29, 1998

Honorable Lamar S. Smith, Chairman  
 Honorable Ed Pastor, Ranking Democrat  
 Special Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, The Capitol  
 Washington, D.C. 20515

RECEIVED  
 98 JAN 29 AM 3: 08  
 COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Dear Messrs. Smith and Pastor:

Please find attached my responses to the questions posed by the subcommittee. I received these questions as part of the December 17, 1997 correspondence from Representatives Hansen and Berman. I appreciate your willingness to accept these answers after the requested date. My delay in replying is the direct result of the difficulties I have encountered in trying to retain legal counsel to handle matters related to your investigation.

As you know from the exchanges my office has had with the Subcommittee's staff counsels, I have been unable, at this time, to retain legal counsel to represent me before the Subcommittee. You should be aware that at present, I am in negotiations with the law firm representing me before the U.S. District Court for the Central District of California in the hope that this legal team will also represent me before the Ethics Committee. However, a final decision has not yet been made by the firm and I do not expect any developments prior to Monday, February 1, 1998.

Therefore, I would like the Subcommittee to fully recognize that I am providing these answers on my own initiative and without the advice or review of any attorney. My answers are based on my best recollection of events. Many of these events occurred more than five years ago. Insofar as many of my personal, business and campaign records were seized by the FBI and remain with the U.S. Attorney's Office, please also be aware that I have tried my best to answer these questions without access to these records.

I hope that my answers help provide the Subcommittee with a better understanding of my own reasoning behind the actions described in the Statement of Facts. I hope that my explanations will help the Subcommittee understand that while these events did occur, it was never my intent to violate any laws.

Honorable Lamar S. Smith  
Honorable Ed Pastor  
January 29, 1998  
Page two

Again, thank you for your consideration of my comments. Please be assured that I will keep the Subcommittee apprised of any new developments regarding the status of my legal representation in this investigation. In the interim, should you have any further questions or need additional information or clarifications, please do not hesitate to let me know.

Sincerely,

A handwritten signature in black ink that reads "Jay Kim". The signature is written in a cursive, slightly slanted style.

JAY KIM  
Member of Congress

Enclosure

**RESPONSES BY U.S. REPRESENTATIVE JAY KIM**

1. *Attached to this letter are plea agreements with the U.S. Attorney's Office for the Central District of California, entered into by you and your wife, June Kim. Also attached is a plea agreement that you entered into on behalf of the Jay Kim for Congress Committee. Please state whether you dispute any element of those plea agreements, including the Statement of Facts attached to those plea agreements and incorporated therein.*

No, I do not dispute those plea agreements.

2. *Paragraph 13 of the Statement of Facts attached to your plea agreement (hereafter "Statement of Facts") states that "[o]n or about October 14, 1992, through on or about January 11, 1993, defendant JAY KIM FOR CONGRESS COMMITTEE submitted to the Federal Election Commission campaign finance reports that reported...contributions as being from...reimbursed individuals, rather than from the corporations that were the true sources of the funds used to make the contributions. As a result, defendant JAY KIM FOR CONGRESS COMMITTEE concealed from the Federal Election Commission that the true sources of the contributions were corporations." Please state what contemporaneous knowledge you had that the Jay Kim for Congress Committee would, or did, submit reports to the FEC that concealed the true sources of the contributions referenced in Paragraph 13.*

None. While I knew about the individual contributions ( which appeared to me at that time to be legal, personal contributions), only later, beginning in December 1995, did I learn through newspaper articles that these personal contributions had, in fact, been reimbursed by the contributors' employers. (Please see the answer to Question 13 for additional details.)

3. *What contemporaneous knowledge did you have regarding the events discussed in Paragraph 14 of the Statement of Facts?*

None that I recall at this time. My wife June accepted the checks from Jaycee Kim and deposited the funds in our personal accounts. The day-to-day financial management of my household is handled by my wife. It should also be noted that Jaycee Kim is the father-in-law of my daughter Kathy and is considered part of our family.

4. *Regarding Paragraph 16 of the Statement of Facts, what contemporaneous knowledge did you have concerning the deposit of the \$30,000 check drawn on the account of Chi-Hu Yu into a joint personal bank account that you shared at that time with June Kim? What contemporaneous knowledge did you have that \$25,000 from that joint personal bank account subsequently would be, or was, transferred to the account of the Jay Kim for Congress Committee? If the \$25,000 check drawn on your personal bank account on or about June 19, 1992, was derived from, or made possible by, the \$30,000 check drawn on the account of Chi-Hu Yu, what was the disposition of the remaining \$5,000 from the \$30,000 check drawn on the account of Chi-Hu Yu?*

I asked Michael Li, a senior employee at JayKim Engineers, Inc. who is known in the local Chinese community, to approach Mr. Robert Yu for a \$30,000 loan. I have borrowed money for business purposes from Chinese friends several times in the past. Please realize that in 1992, while I was asset rich, these assets--a business and real estate holdings--were not liquid. For short-term cash-flow shortages, I found it much easier to borrow money than liquidate an asset. Borrowing from friends is much easier with far less paperwork than borrowing from a financial institution.

As I recall, the loan from Mr. Yu was a short-term loan with an interest rate slightly higher than the going commercial rate. Therefore, I knew of the deposit of \$30,000 from Mr. Yu into my personal bank account. I understood that Mr. Yu was lending the money to me as a result of my personal guarantee. Ultimately, it was my reputation and personal assets which served as the collateral for repayment. Upon receipt of these funds, I deposited them in my personal account where they became commingled with other personal funds already there.

Insofar as I now considered the \$30,000 as my own money, especially since I was personally liable for its repayment, I believed at that time that it was acceptable, in turn, to lend such funds to my campaign. (I now realize how legalistic, complex and confusing federal election law is. Back then I was first-time federal candidate with no professional, legal background. I hadn't even had the experience of running for a state-level office.) It seemed to me at the time to be no different than borrowing from a bank. I was obliged to repay this money personally and what I did with it was my business with no input from the lender. My interpretation of federal election campaign law and FEC regulations was that unrestricted lending of *personal* funds to my own campaign was acceptable.

While, technically speaking, there is no way to ascertain whether the *exact* funds lent to me by Robert Yu were later part of the personal funds that were transferred to my campaign, I do not disagree with the Statement of Facts that my wife's deposit of \$25,000 included some portion of the funds from Robert Yu.

I believe to the best of my recollection that any funds borrowed from Robert Yu that were not transferred to the Jay Kim for Congress Committee were used for business expenses at JayKim Engineers, Inc.

At the time of accepting Robert Yu's loan, I did not know that the actual source of the funds was Chi-Hu Yu, a Taiwanese national who is Robert Yu's sister. As noted in the Statement of Facts, I was told by Michael Li, the individual who actually arranged the loan, that the loan was from Robert Yu. Until I read about this situation in a newspaper article, I believed that Robert Yu himself was the source of these funds. I repaid the loan with interest in 1993 to Robert Yu.

5. ***Regarding Paragraph 18 of the Statement of Facts, what contemporaneous knowledge did you have that June Kim would, or did, deposit the \$12,000 check from Nikko Enterprises, Inc. ("Nikko") in the joint personal bank account that you shared at that time with June Kim? What was the subsequent disposition of the \$12,000 in proceeds from the Nikko check?***

I seem to recall that according to Mr. Yung Soo Yoo, an intermediary at the New York fundraiser described in Paragraph 18 of the Statement of Facts, Mr. David Chang of Nikko Enterprises was willing to lend me, personally, \$12,000. Through Mr. Yoo, he sent a \$12,000 check, drawn from Nikko Enterprises, Inc., which my wife endorsed and deposited in our personal bank account. As with the loan from Robert Yu, I was personally liable for repaying the \$12,000 and once it was deposited in our account, it became commingled with other personal funds therein.

I think that some of the funds from our personal account were provided to the Jay Kim for Congress Committee in the form of a personal loan to the Committee. The \$12,000 from David Chang was commingled with the other funds in the account and at that time I considered all of these funds to be personal funds which I thought at that time could be lent to my campaign. On December 17, 1994, \$2,000 was paid back to Mr. David Chang. (See Attachment A)

6. ***Regarding Paragraph 19 of the Statement of Facts, what contemporaneous knowledge did you have regarding the \$14,000 payment by Amko Advertising, Inc. to Samas Telecom? In addition, what contemporaneous knowledge did you have regarding the use of \$14,000 from Amko Advertising to reimburse various individuals for making contributions in their names to the Jay Kim for Congress Committee?***

I had no knowledge of either situation until I learned about them from Korean newspaper articles in 1996.

7. ***What contemporaneous knowledge did you have regarding the receipt of acceptance of corporate contributions discussed in Paragraph 20 of the Statement of Facts?***

None.

8. ***What relationship, if any, between the \$12,000 payment by Nikko referenced in Paragraph 18 of the Statement of Facts and a loan by David Chang reported in a February 24, 1995, amendment to your Financial Disclosure Statement for calendar year 1993? Please provide a copy of the loan agreement with Mr. Chang and any other documentation regarding the loan by Mr. Chang. In addition, please state how you used the proceeds from that loan and provide supporting documentation, if any, regarding such use.***

As stated in the answer to Question 5, at the time the money was accepted, I was led to believe that Mr. David Chang had agreed to provide me with a \$12,000 personal loan. The loan came in the form of a check from Nikko Enterprises, Inc. As with other loans, I was personally liable for repaying the \$12,000 and once it was deposited in our account, it became commingled with other personal funds therein. There was no written loan agreement. I recall this as a gentleman's agreement with a "pay what you can when you can" arrangement.

As explained earlier, I believed at that time that any and all funds in my personal account were personal and could be used for anything, including my campaign.

The \$12,000 loan was reported in my February 23, 1995 amendment to my 1993 Financial Disclosure. As noted in the February 1995 letter, its previous omission was due to an accounting oversight. In reviewing this matter recently, I realize that I should have also amended my 1992 FD at the time I amended my 1993 FD. Quite frankly, I have no idea why at that time I did not make a complete set of amendments. Insofar as only \$10,000 remained following December 17, 1994, and that only obligations above the \$10,000 threshold need to be reported, I did not report this loan in the 1994 Financial Disclosure. However, in re-reading the disclosure language, I realize I should have also disclosed this in my 1994 FD insofar as I did owe David Chang more than \$10,000 for most of calendar year 1994. I did report this \$10,000 liability on my 1995 Financial Disclosure, though this was not required. I did not report it in the subsequent 1996 filing because my liability to Mr. Chang was not greater than \$10,000.

9. *What relationship, if any, between the \$50,000 loan from Song Nien Yeh referenced in Paragraph 15 of the Statement of Facts and a loan by Jerry Yhee reported on your Financial Disclosure Statements for calendar years 1993, 1994, 1995, and 1996? Please provide a copy of the loan agreement concerning the loan by Mr. Yhee and any other supporting documentation relating to that loan. In addition, please state how you used the proceeds from that loan, and provide supporting documentation if any, regarding such use.*

In May 1992, I obtained a personal loan from Mr. Jerry Yhee of Fullerton, California. (The discrepancy between the spellings of "Yeh" and "Yhee" is due to different English spelling of the translation of the same Chinese family name.) Song Nien Yeh is his real Chinese name. Here in the United States he goes by Jerry.

As I explained in my answer to Question 4, I preferred at that time going to friends for personal loans to cover personal cash-flow concerns rather than use the more burdensome process of going to a commercial lender or liquidate an asset.

At the time I originally approached Jerry Yeh for the loan, I needed it to cover immediate expenses at JayKim Engineers, Inc. While Jerry Yeh was unwilling to lend the money to

JayKim Engineers, Inc., he was willing to lend \$50,000 to me personally as I put up my office building as collateral. Please find attached a copy of the loan agreement (Attachment B). As this was the first time I had borrowed money from Jerry Yeh and considering the size of the loan, he insisted on a written loan agreement w/collateral. He was not interested in what I did with the money after I had borrowed it.

Though I had originally intended to use this money for businesses purposes, by the time I received it from Jerry Yeh, some outstanding receivables had been paid and my immediate cash-flow need at JayKim Engineers, Inc. had been satisfied. Therefore, I deposited it in my personal account.

As I also explained, I believed that if the loan was to me personally and I was guaranteeing it with my personal reputation and assets, then the borrowed funds became my personal cash.

Following the reasoning previously detailed in my answer to Question 4, I considered this personal money and believed at the time that it was acceptable to provide any amount to my campaign committee in the form of a personal loan to the campaign.

I have already repaid \$20,000 of this loan and in discussion with Jerry Yeh have agreed to repay the remaining \$30,000 with whatever interest I owe in September 1998.

10. *What is the relationship, if any, between the \$30,000 payment drawn on the account of Chi-Hu Yu, referenced in Paragraph 16 of the Statement of Facts, and a loan from Robert Yu reported in your Financial Disclosure Statement for calendar year 1993? Please provide a copy of the loan agreement concerning the loan by Mr. Yu reported on your Financial Disclosure Statement and any other supporting documentation relating to that loan. In addition, please state how you used the proceeds from that loan and provide supporting documentation, if any, regarding such use.*

Please refer to my answer to Question 4. However, I want to reiterate that I was not aware of any relationship between Chi-Hu Yu and Robert Yu at the time of receiving the loan from Robert Yu. I had no knowledge of Chi-Hu Yu at that time. As stated in my answer to Question 4, since I was borrowing the money from Robert Yu and believed he to be the true source of the funds, I reported it in that way.

As I also described in my answer to Question 4, there was no written loan agreement for this transaction. I have borrowed money for business purposes from Chinese friends several times in the past. As a result of my record of borrowing and repaying successfully, Mr. Yu and I mutually agreed that a level of trust had been established which precluded the need for a written agreement. Robert Yu was repaid in 1993.

11. ***Please provide a copy of the loan agreement relating to a personal loan by Jaycee Kim reported on your Financial Disclosure Statement for calendar year 1996, as well as any other documentation regarding that loan. In addition, please state how you used the proceeds from the loan by Jaycee Kim and provide supporting documentation, if any, regarding such use.***

As described in the answer to Question 3, Mr. Jaycee Kim is the father-in-law of my daughter Kathy and is considered to be "family," especially in the Korean cultural context. East Asian familial relationships tend to be broader than the immediate nuclear family. In April 1992, my household faced a number of financial demands. As a result, my wife borrowed \$18,000 from Jaycee Kim. As he is a family member, there was no written agreement or any other documentation.

As with the other personal loans I have discussed already, the similar personal nature of this loan from Jaycee Kim led my wife to conclude that the \$18,000 was personal money for her personal use. Jaycee Kim's loan was deposited in our personal accounts and, as a result, became commingled with other personal funds.

Insofar as my wife was handling all of our personal transactions at that time, I do not remember exactly what she did with the money and, in fact, I don't really even remember her borrowing the money from Jaycee. I do not dispute the Statement of Facts narrative that my wife transferred \$18,000 to my campaign shortly after receipt of a similar sum from Jaycee.

In 1993, I sold JayKim Engineers, Inc. to Jaycee Kim. The \$18,000 owed to him was settled by deducting this sum from the debt he now owed me (over \$1.5 million) from purchasing my company.

In filling out my Financial Disclosure forms for Calendar Years 1992 and 1993, I neglected to report the Jaycee Kim loan because I thought I did not have to as he is a member of my family. Insofar as this loan was settled in 1993, I should not have reported it in my 1995 or 1996 Financial Disclosures. I have no idea why I did.

With regard to the three other loans (Robert Yu, Jerry Yhee and David Chang), I failed to properly record them on my 1992 Financial Disclosure because I improperly read the reporting requirements at the time I was drafting my disclosure and in my haste to submit the FD, I did not review it with the care or attention it warranted. All of these loans were accepted prior to my election to Congress. In my answers to other specific questions herein, I have explained the other reporting anomalies.

12. ***On September 13, 1997, the Washington Post published an article regarding a book by June Kim entitled, There Are Opportunities. Please provide any comments you may have regarding that article. In particular please comment on the reported bulk purchases of that book, provide a full account of the events resulting in those bulk purchases, and***

*identify the Korean companies that reportedly made the bulk purchases. Please provide a full accounting of any royalties or other payments that June Kim or you received in connection with the book. In addition, please state whether any royalties or other proceeds from the book were transmitted, directly or indirectly, to the account of the Jay Kim for Congress Committee or any other campaign account.*

The Washington Post article is inaccurate and overly speculative in nature. The only "bulk" purchases with which either my wife or I am familiar were my wife's own purchasing of a number of books directly from the publisher (hence, in "bulk") which she then sold herself to family and friends on her own.

As quoted in the Washington Post, the publisher apparently sold sets of books in bulk to various companies. However, neither my wife nor I am aware of any of the details of these reported sales, including to whom the sales were made. That has always been the business of the publisher. We neither asked him about how he was marketing the book nor did he volunteer such specific information. The transactions he entered into have always been his business only.

In terms of income, June Kim received approximately \$20,000 in contract fees from the publisher as reported in my 1995 Financial Disclosure. June Kim received approximately \$121,000 in income from sales of the book in 1996, as reported in my 1996 Financial Disclosure. My wife received approximately \$3,000 in income from sales in 1997. Please note that these figures are not exact (but close approximations) because most income came in Won (Korean currency) and the exchange rate fluctuates. The approximations were made using the exchange rate at that time.

June Kim used the income she received from her book for family and personal expenditures. She did not provide any to the Jay Kim for Congress Committee or any other campaign account.

13. *What contemporaneous knowledge did you have, if any regarding illegal contributions made to your 1992 congressional campaign by Korean Airlines, Co., Ltd.; Hyundai Motor America; Samsung America, Inc.; Daewoo International America; and Haitai America, Inc.?*

As described in the answer to Question 2, I had no contemporaneous knowledge. I did not learn that the contribution from "Korean Air Travel" was, in fact, a contribution from Korean Airlines until September 1993. On September 14, 1993, this contribution was returned Korean Airlines, the actual source. In April 1994, I was informed that the personal contributions my campaign received from Jong Seung Won and In Jin Kim should not have been accepted as these Korean Airlines employees were foreign nationals and, unbeknownst to me, had been reimbursed by Korean Airlines. My campaign returned these contributions on April 21, 1994.

Upon discovery from newspaper stories that other, American corporations listed above had reimbursed the personal contributions of their employees, all contributions were refunded in accordance with FEC regulations and/or FEC Advisory Opinion 1996-5. The dates of my learning of these (from the media) are as follows: Hyundai Motor America, December 14, 1995, with reimbursements to Paul Koh, Myung Ryong Suh and Deborah Kang on December 28, 1995 and to the U.S. Treasury on April 8, 1996 (delay incurred due to FEC consideration of A.O. 1995-6); Samsung America, Inc., February, 1, 1996, with reimbursement to the U.S. Treasury on April 8, 1996 (delay incurred due to FEC consideration of A.O. 1996-5); Daewoo International America, March 28, 1996, with reimbursement to the U.S. Treasury on May 2, 1996; Haitai America, Inc., December 4, 1996, with reimbursement to the U.S. Treasury on December 19, 1996.

14. *Please provide a list, including locations and account numbers, of all accounts with financial institutions, including corporate or other business accounts, for which you or June Kim has exercised signature authority from January 1, 1992, to the present.*

Insofar as my wife manages all of our household finances, I have asked her to provide this list. I expect to have it within the next few days and will forward it to the Subcommittee upon receipt.

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL MEFLRY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN

EXH. 18

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOFKOREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
2052 225-7103

**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6326

April 2, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
227 Cannon House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Colleague:

In connection with your scheduled testimony before the investigative subcommittee on Monday April 27, 1998, we direct you to submit written responses to the requests and questions listed below. For each question and response, we also direct you to provide any documents that you possess that are related to the question or response. If you have any question as to whether a document is related to the question asked, please consult with our staff counsel.

1. Please list any and all trips that you have taken to the Republic of Korea (South Korea) from November 1, 1992 to date. Also list who accompanied you on each trip and each person or group you met or visited with. Finally, please list the purpose of each trip, meeting and visit.
2. Have you or anyone on your behalf ever engaged in fundraising for any of your congressional campaigns while in South Korea? Have you or anyone on your behalf ever raised funds or tried to raise funds for any of your congressional campaigns from the government of South Korea, citizens of South Korea or businesses located or headquartered in South Korea? Have you ever directed, encouraged or suggested to any employee or volunteer of any of your congressional campaigns to raise funds for any of your congressional campaigns from South Korea, citizens of South Korea or businesses located or headquartered in South Korea? Have you ever directed, encouraged or suggested to any employee of your congressional office to raise funds for any of your congressional campaigns from South Korea, citizens of South Korea or businesses located or headquartered in South Korea?
3. Please describe any involvement by Mrs. June Kim in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and state whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail. In addition, please indicate for each activity

listed whether she had your permission to engage in the activity and whether she discussed it with you.

4. Please describe any involvement by Mr. Seokuk Ma in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to him to act on your behalf in these matters. Please list any activities he performed for your campaigns in detail. In addition, please indicate for each activity listed whether he had your permission to engage in the activity and whether he discussed it with you.

5. Please describe any involvement by Ms. Carmen Suarez in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail. In addition, please indicate for each activity listed whether she had your permission to engage in the activity and whether she discussed it with you.

6. Please describe any involvement by Ms. Jennifer Ahn (also known as Mrs. Jennifer Ling) in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail. In addition, please indicate for each activity listed whether she had your permission to engage in the activity and whether she discussed it with you.

7. Please describe in detail any business or financial relationships you have had with Ms. Jennifer Ahn (also known as Mrs. Jennifer Ling) from 1992 to date, including but not limited to the marketing and publishing of I'm Conservative, the marketing and publishing of There Are Opportunities, Image International, Inc., Image Media Services, Inc., and the clipping and translating services performed for your congressional office by Ms. Ahn's firm.

8. Please provide any and all documents that demonstrate the basis for the approximately \$132,000 in income you have listed for your book, I'm Conservative. If you do not have these documents, please direct the person who has them to provide them to you or the Committee. Please include any and all documents from your publisher, Ms. Ahn, Mr. Hyun Song or Korean Weekly Publishing Co.

9. Please list any and all people involved in any way in the writing, publishing, or marketing of I'm Conservative and There Are Opportunities. For each individual listed, please describe in detail their involvement in either book.

10. Please specify the source of the funds used to purchase the \$10,000 cashier's check tendered to the Standards Committee on December 31, 1997. Please specify where the funds were obtained from and who obtained them. If someone acting on your behalf obtained the funds, please identify the individual and describe their activities.

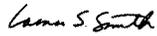
11. Please specify the source of the funds used to purchase the \$20,000 cashier's check tendered to the Standards Committee on January 23, 1998. Please specify where the funds were obtained from and who obtained them. If someone acting on your behalf obtained the funds, please identify the individual and describe their activities.
12. Please provide all monthly and annual statements in your possession for each of the personal and financial accounts provided to the Committee on February 5, 1998, for the period January 1, 1996 to present. If your wife is in possession of these documents, we direct you to ask her to provide them to either you or the Committee.
13. Please provide all financial records relating to your congressional campaign, including monthly bank statements, records of deposit, and records concerning cashier's checks, for the period of January 1, 1996, to the present.
14. Please provide copies of your office and personal appointment books and daily/monthly calendars for the period of January 1, 1996, to the present.
15. Please provide copies of all your personal, home and office telephone records, including any cell phones, for the period of January 1, 1996, to the present. If your wife is in possession of these documents, we direct you to ask her to provide them to either you or the Committee.
16. Please describe in detail, any meetings or conversations you have had with Mr. Elliot Kang regarding the events described in Paragraph 19 of the Amended Statements of Facts.
17. Please provide a transcript of your guilty plea on August 11, 1997, if you or your attorneys possess a copy of this document.
18. Please provide a list of all employees, interns, and fellows of your congressional offices from January 1993 to date. Please indicate if any of these individuals is able to speak or write the Korean language and their degree of fluency.
19. Please describe the circumstances surrounding Mr. Dobun Kim's payment of \$30,000 to buy copies of your book, I'm Conservative. Please describe your relationship, if any, with Mr. Dobun Kim.
20. Please describe the circumstance surrounding Mr. Moon Jae Lee's role as the treasurer of your campaign committee, including hiring, duties and termination.
21. Please provide any and all documents that demonstrate the basis for the \$125,000 to \$1,000,000 attributed to income from There Are Opportunities in your 1995 Financial Disclosure Statement. If you do not have these documents, please direct the person who has them to provide them to you or to the Committee.
22. Please describe in detail what knowledge you had of the FEC laws and regulations regarding financial contributions to congressional campaigns as of February 10, 1992, and how you

obtained that knowledge. In addition, please describe in detail any additional knowledge of FEC regulations regarding contributions to congressional campaigns you obtained after February 10, 1992, and how you obtained that knowledge. Specifically describe what materials you have read on this subject, what briefings you have received, who you have discussed this issue with, etc.

Please submit your response to the investigative subcommittee by Monday, April 13, 1998. In that regard, the subcommittee respectfully reminds you that under the terms of your plea agreement with the U.S. Attorney's Office, you are obligated to "cooperate fully" in this matter, "including providing truthful and complete testimony, interviews, documents and other information."

Thank you for your assistance in this matter. If you have any questions regarding this letter, please contact counsel for the subcommittee, David H. Laufman or Paul M. Lewis, at (202) 225-7103.

Sincerely,

  
Lamar S. Smith  
Chairman

  
Ed Pastor  
Ranking Democratic Member

LSS/EP:pmi

**EXH. 19**

JOHNIE L. COCHRAN, JR.  
RALPH L. LOTKIN  
\*ALSO MEMBER OF  
THE CALIFORNIA BAR

LULPMAN & LULPMAN  
CAPITOL HILL WEST BUILDING  
201 MASSACHUSETTS AVENUE, N.W.  
WASHINGTON, D.C. 20543  
PHONE (202) 547-9225  
FAX (202) 547-9228

May 21, 1998

MAY 21 PM 3:52  
COMMITTEE ON STANDARDS

LOS ANGELES OFFICE  
WILSHIRE HIGHLAND BUILDING  
4929 WILSHIRE BOULEVARD  
SUITE 1010  
LOS ANGELES, CALIFORNIA 90010  
PHONE (213) 931-6200  
FAX (213) 931-9521

OF COUNSEL  
DCHOA & SILLAS\*  
LOS ANGELES, CALIFORNIA  
ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEXICO CITY, MEXICO  
\*ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This letter responds to questions contained in April 2 and May 11, 1998 letters to, and clarifies certain information previously submitted by, Congressman Kim.

The Subcommittee's questions and the Congressman's answers follow:

I. MAY 11, 1998 LETTER

In this letter your Subcommittee Counsel, Mr. Lewis, asked a series of questions regarding the issuance of a \$50,000 cashier's check dated March 30, 1998, from Representative Kim's Wright Patman Congressional Federal Credit Union account payable to the Committee to Reelect Jay Kim. Mr. Lewis inquired about the circumstances surrounding issuance of this check as well as sources of money used to purchase the item; Representative Kim's involvement in obtaining the funds; and the involvement of other individuals in obtaining

\* Responses are in both 1st and 3rd person for clarity and ease of presentation. Nonetheless, all information should be construed as being submitted by Representative Kim.

the money. Mr. Lewis also requested information regarding the purposes for which the cashier's check was obtained as well as a detailed list of what, if any, expenditures the check was used to pay for. Finally, Mr. Lewis requested any copy of any relevant documents.

**Response:** The subject cashier's check was derived from a partial payment of a pre-existing indebtedness owed to Representative Kim by Mr. Jaycee J. Kim (the Congressman's daughter's father-in-law who is considered a member of the family) arising out of Mr. Jaycee Kim's purchase from the Congressman of JayKim Engineers, Inc. The fact of such transaction has been reflected in the Congressman's Financial Disclosure Statement since 1994 (his 1993 report). Unfortunately, the purchaser had fallen into arrears in connection with his payment schedule. In order to take steps to bring his installment purchase up to date, Mr. Jaycee Kim separately and personally borrowed \$50,000 from Mr. Young Kyo Shinn on March 19, 1998. A copy of this promissory note is attached. Representative Kim's recollection is that Mr. Jaycee Kim received a check from his lender (Mr. Shinn) and endorsed it over to Congressman Kim. The Congressman thereupon deposited the check into his credit union account. The funds so deposited were used to issue the subject cashier's check.

The transfer of the \$50,000 from Congressman Kim's account to his campaign committee was a personal loan by the Congressman to that organization. As noted, the facts establish that the subject funds were involved in two separate transactions, both involving the personal funds of Representative Kim -- partial payment to the Congressman of a pre-existing debt of Mr. Jaycee Kim and a loan by Representative Kim to his campaign.

The specific uses to which the funds have been put are within the responsibility of the campaign treasurer, Mr. Greg Annigian. We suggest you contact Mr. Annigian for the specific details of any expenditures he authorized for which such funds were used. We have obtained from the campaign committee copies of checks in its possession that it has issued since receipt of the \$50,000 loan from Representative Kim. See attached materials. We also invite the Subcommittee to contact Mr. Jaycee Kim to obtain his confirmation of the foregoing transaction details. To the best of his knowledge, the only other persons who participated in this matter were Representative Kim's corporate and personal attorney, David P. Christianson, and Mr. Annigian, campaign treasurer and attorney.

## II. APRIL 2, 1998 LETTER

In this correspondence the Subcommittee asked 22 separate questions in connection with its inquiry. By letter dated April 13, 1998, Representative Kim responded to questions 13, 14, 15, 17,

and 18. Representative Kim also sent to Mrs. Kim (through his Chief of Staff, Mr. Reynolds) a request that she provide information or documents with respect to questions 7, 9, 12, 15, and 21.

Since the date of his April 13, 1998, letter we have obtained a copy of the Plea Hearing of August 11, 1997, requested in Question 17. A copy is attached.

By memos dated April 13 and 15, 1998, Mrs. Kim responded in two communications to the Congressman's earlier requests for assistance. Those communications are attached. We believe Mrs. Kim's responses are self-explanatory and indicate that she has, under separate cover, responded to questions 7, 9, and 12. She has not provided copies of any such information to her husband. Therefore, we trust the Subcommittee already has in its possession relevant information from Mrs. Kim raised by those inquiries.

In light of the above, Representative Kim will attempt to respond to the other matters not addressed in his April 13, 1998, submission or, presumably, provided by Mrs. Kim.

1. Please list any and all trips that you have taken to the Republic of Korea (South Korea) from November 1, 1992 to date. Also list who accompanied you on each trip and each person or group you met or visited with. Finally, please list the purpose of each trip, meeting and visit.

**Response:** As the Subcommittee is well aware, Mrs. Kim has refused to provide the Congressman with his personal passport unless he first pays her \$5,000 associated with her court penalty. Notwithstanding assertions attributed to her in the media, there never has been any agreement between the Congressman and Mrs. Kim under which he would bear responsibility to satisfy the financial penalty imposed upon her. However, in order that he can not only fulfill his financial disclosure responsibilities but also provide documents and information to the Subcommittee, the Congressman acceded to Mrs. Kim's demand. Attached are copies of a fax from this office to Mrs. Kim dated May 15, 1998, informing Mrs. Kim that the Congressman would take steps to pay her. Also attached is a copy of the FedEx shipping label prepared in connection with sending Mrs. Kim the \$5,000 she demanded. We understand from FedEx the delivery was effected on May 18, 1998, at 10:36 A.M.

As of this writing, we have not received any communications from Mrs. Kim or her accountant with respect to either Representative Kim's personal passport or information necessary to the preparation of his 1997 Financial Disclosure Statement. Accordingly, and under separate cover, the

Congressman has no choice but to seek a further extension on the filing of that disclosure report since the circumstances underlying his initial extension request have not changed except for the payment to his wife of the \$5,000.

Against this backdrop, the Congressman's response to this question is constrained by his lack of access to his personal passport in order to verify precise dates of travel. (Except for the March, 1997 trip, below, all travel was on his personal passport.) Accordingly, the bases for response will be his Financial Disclosure Statements for calendar years 1992 through 1996, information that will be used to prepare his 1997 Financial Disclosure Statement, and correspondence with the Committee on Standards of Official Conduct. Listed below are the sources and dates of travel subsumed in your question.

November 1992:

Source: Invited by Republic of Korea  
 Purpose: Meeting with government officials and the President.  
 Invited as Mayor of Diamond Bar, California, and Congressman-elect.

August 1994:

Personally paid trip to Korea with Mrs. Kim and Ms. Ahn to attend a book-signing reception promoting the Congressman's book.

November 14 - November 27, 1994:

Source: Young President's Organization  
 Itinerary: LA-Seoul, Korea-LA  
 Purpose: Seminar on U.S. economy and politics of U.S.-South Korean relations. Attended multiple meetings; was keynote speaker; and met with CEOs/Presidents of sponsoring organizations.

August 7 - August 18, 1995:

Source: Academy of Korean Studies  
 Itinerary: LA-Tokyo, Japan-Seoul, Korea-LA  
 Purpose: Seminar focusing on liberation of Korea from Japanese colonial rule. Also keynote speaker at Korean International Sports Festival. Met with representatives of the sponsoring organization.

November 7 - November 16, 1996:

Source: Assoc. of Secretaries to Members of the National Assembly of Korea  
 Itinerary: LA-Seoul, Korea-LA  
 Purpose: Seminar on leadership training and briefing on american politics. Met with representatives of the sponsoring organization.

March 25-26, 1997

Travel to South Korea as part of congressional delegation led by Speaker Gingrich. The Speaker's office has a complete list of the Members and staff who were included in the CODEL.

June 29 - July 7, 1997

Source: Korea Venture Business Assoc.

Itinerary: LA-Seoul, Korea-LA

Purpose: Seminar on U.S.-Korean economic relations and future economic outlook. Met with representatives of the sponsoring organization.

My wife accompanied me on the 1994, 1995, and 1996 trips. With regard to the 1995, 1996, and 1997 trips, such travel was reviewed and approved by the Committee on Standards of Official Conduct through written advisory opinions dated September 7, 1995, October 25, 1996, and June 26, 1997, respectively. In addition, I recall Ms. Ahn accompanied me and my wife although her travel and related expenses were not a part of the invitations to me.

2. (a) Have you or anyone on your behalf ever engaged in fundraising for any of your congressional campaigns while in South Korea?

Response: Not to my knowledge.

- (b) Have you or anyone on your behalf ever raised funds or tried to raise funds for any of your congressional campaigns from the government of South Korea, citizens of South Korea or businesses located or headquartered in South Korea?

Response: Not to my knowledge.

- (c) Have you ever directed, encouraged or suggested to any employee or volunteer of any of your congressional campaigns to raise funds for any of your congressional campaigns from South Korea, citizens of South Korea or businesses located or headquartered in South Korea?

Response: No.

- (d) Have you ever directed, encouraged or suggested to any employee of your congressional office to raise funds for any of your congressional campaigns from South Korea, citizens of South Korea or businesses located or headquartered in South Korea?

Response: No.

3. Please describe any involvement by Mrs. June Kim in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and state whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail. In addition, please indicate for each activity listed whether she had your permission to engage in the activity and whether she discussed it with you.

**Response:** Mrs. Kim assumed, undertook or directed implementation of some campaign activities, such as fundraising. Such activities embraced preparation of reports, disbursements and deposits, as well as interacting with campaign staff regarding other political activities. She did not necessarily or regularly consult or discuss with me her activities prior to their being undertaken. Moreover, she rarely, if ever, informed me of actions taken after the fact. While I do not dispute the Plea Agreement, it does not necessarily mean, nor have I understood it to mean that I was aware of all of the improper conduct referred to therein contemporaneous with all such events. See the discussion of the "and/or" phraseology under Section III, below.

4. Please describe any involvement by Mr. Seokuk Ma in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to him to act on your behalf in these matters. Please list any activities he performed for your campaigns in detail. In addition, please indicate for each activity listed whether he had your permission to engage in the activity and whether he discussed it with you.

**Response:** Mr. Ma became involved in my campaigns as a volunteer fundraiser and as treasurer for a period of time in early 1993 and continued to pursue such activities among the Korean-American community, primarily on the West Coast, on my behalf until 1996. I do not believe he had any substantial involvement in my campaign activities during 1997 or 1998. It is my understanding that Mr. Ma would discuss his day-to-day fundraising activities with Mrs. Kim. At no time did I delegate any authority to Mr. Ma for any purpose, he either undertook actions on his own or discussed matters with Mrs. Kim. I subsequently realized that Mr. Ma was under the impression that Mrs. Kim was keeping me up to date on his activities. In fact, I did not know if, or when, Mr. Ma was involved with a specific fundraising event until after the fact, and sometimes, not then.

5. Please describe any involvement by Ms. Carmen Suarez in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail.

Response: Ms. Suarez was a marketing director when I was running JayKim Engineers, Inc. To the best of my recollection, she put together a fundraiser-reception in 1992 (primarily involving engineering groups) on behalf of the campaign.

6. Please describe any involvement by Ms. Jennifer Ahn (also known as Mrs. Jennifer Ling) in your congressional campaigns (1992, 1994, 1996, 1998), including but not limited to campaign finances and fundraising, and whether you delegated any authority to her to act on your behalf in these matters. Please list any activities she performed for your campaigns in detail. In addition, please indicate for each activity listed whether she had your permission to engage in the activity and whether she discussed it with you.

Response: I believe I met Ms. Ahn in 1993. She has an advertising/public affairs business. She wanted to volunteer at the campaign. She said she would help me on the East Coast with fundraising; I accepted. As campaign manager, Mrs. Kim would presumably know what Ms. Ahn specifically did. On occasion, Ms. Ahn helped organize campaign functions. I was not involved in her activities except to attend events she helped organize.

7. Please describe in detail any business or financial relationships you have had with Ms. Jennifer Ahn (also known as Mrs. Jennifer Ling) from 1992 to date, including but not limited to the marketing and publishing of I'm Conservative, the marketing and publishing of There are Opportunities, Image International, Inc., Image Media Services, Inc., and the clipping and translating services performed for your congressional office by Ms. Ahn's firm.

Response: To begin, I have no knowledge and had no role in any activities undertaken with regard to the marketing or publishing of my wife's book, There are Opportunities. I had no role in any of the financial transactions related to its sale, nor in any publishing or other agreement associated with it.

Ms. Ahn did undertake to assist in the marketing and sale of my book, I'm Conservative. At Ms. Ahn's suggestion, her brother-in-law, Mr. Hong Kim, in South Korea was engaged to participate in securing such sales. He would deposit money

into my wife's personal checking account as royalty or other income was derived per Mrs. Kim's instructions.

Separately, Ms. Ahn and Mrs. Kim formed an organization called Image International, Inc. in 1994, the purpose of which was to pursue other business opportunities in South Korea. To my knowledge, this effort was wholly unsuccessful.

Finally, my congressional office obtained clipping and translating services by Ms. Ahn's firm, Image Media Services, Inc. This contract was reviewed and approved by the Committee on House Oversight. Neither I nor Mrs. Kim derived any financial benefit from this contract and I am totally mystified as to the basis of any purported allegations that this undertaking involved a misuse of official resources. Ms. Ahn helped facilitate repayment of funds owed to me by her brother-in-law (see Questions 10-11.) However, this was not because of a financial relationship between me and Ms. Ahn.

8. Please provide any and all documents that demonstrate the basis for the approximately \$132,000 in income you have listed for your book, I'm Conservative. If you do not have these documents, please direct the person who has them to provide them to you or the Committee. Please include any and all documents from your publisher, Ms. Ahn, Mr. Hyun Song or Korean Weekly Publishing Co.

Response: All information related to this question (and any documents in support of that information) must be in the custody and control of my wife. Mrs. Kim was the sole source of the data utilized in preparing any income or other disclosure reports associated with my book. As noted above, any revenues received from the sales of my book were deposited directly into Mrs. Kim's bank account in South Korea. I did not participate in such transactions either by deposits or withdrawals. I have relied entirely upon Mrs. Kim as a source of all such information. The only exception to this is in connection with questions 11 and 12, below.

9. Please list any and all people involved in any way in the writing, publishing, or marketing of I'm Conservative and There are Opportunities. For each individual listed, please describe in detail their involvement in either book.

Response: As noted above, I am not in a position to provide any documents or information in connection with my wife's book except as noted.

As stated in the publishing contract which has been the subject of prior Committee review and is on file with the Committee, the publisher of my book was Sungmoon Publishing Company, and the ghostwriter was Chong Hwan Kim. In addition,

I believe that Ms. Ahn, through her brother-in-law, Mr. Hong Kim, also assisted the publisher's efforts, under the contract, to market and sell the book. See Response to Question 7, above.

10. Please specify the source of the funds used to purchase the \$10,000 cashier's check tendered to the Standards Committee on December 31, 1997. Please specify where the funds were obtained from and who obtained them. If someone acting on your behalf obtained the funds, please identify the individual and describe their activities.

Response: See Answer to Question 11, below.

11. Please specify the source of the funds used to purchase the \$20,000 cashier's check tendered to the Standards Committee on January 23, 1998. Please specify where the funds were obtained from and who obtained them. If someone acting on your behalf obtained the funds, please identify the individual and describe their activities.

Response: At approximately the time funds were being deposited into my wife's personal checking account in South Korea as a result of sales of my book, Ms. Ahn's brother-in-law, Mr. Hong Kim, inquired if he could borrow approximately \$30,000 because of medical and financial problems. I agreed to lending Mr. Kim the money. Accordingly, Mr. Kim retained \$30,000 of book sale proceeds instead of depositing such sums into my wife's bank account. This was an interest-free loan to be repaid when Mr. Kim was financially able to do so.

Subsequently, Mr. Kim was able to repay to me the \$30,000 and I recently learned that he did so by transferring such sums to his sister-in-law, Ms. Ahn, over a period of time. It is my further understanding that the funds were on deposit in one of Ms. Ahn's equity or other banking accounts. Ms. Ahn did not immediately remit the repayment to me nor did I press her for it. When I became responsible to repay what was considered to be excessive outside earned income as a result of sales of my book, it became necessary to acquire the funds previously repaid by Mr. Hong Kim. To this end, Ms. Ahn transferred to me the \$30,000 addressed in questions 10 and 11 in two checks of \$10,000 and \$20,000.

12. Please provide all monthly and annual statements in your possession for each of the personal and financial accounts provided to the Committee on February 5, 1998, for the period January 1, 1996 to present. If your wife is in possession of these documents, we direct you to ask her to provide them to either you or the Committee.

**Response:** As noted above, Representative Kim has already requested that Mrs. Kim provide to you information covered by this inquiry.

16. Please describe in detail, any meetings or conversations you have had with Mr. Elliot Kang regarding the events described in Paragraph 19 of the Amended Statement of Facts.

**Response:** My knowledge of this transaction is limited to the facts that Mr. Kang is a friend of Ms. Ahn and that he has an advertising company with which Ms. Ahn has been associated. My understanding is that Mr. Kang gave Mr. Ma permission for a business transaction involving Amko Advertising, Inc. Apart from these facts, my only information regarding Paragraph 19 of the Amended Statement of Facts is limited to what is stated in that Paragraph inasmuch as Mrs. Kim undertook actions related to the campaign contribution attributed to funds from Amko.

19. Please describe the circumstances surrounding Mr. Dobum Kim's payment of \$30,000 to buy copies of your book, I'm Conservative. Please describe your relationship, if any, with Mr. Dobum Kim.

**Response:** I do not know who Dobum Kim is or any of the circumstances subsumed in your question.

20. Please describe the circumstance surrounding Mr. Moon Jae Lee's role as the treasurer of your campaign committee, including hiring, duties and termination.

**Response:** Mrs. Kim was responsible for arranging Mr. Lee's role as treasurer of my campaign committee and assigning to him his duties and oversight of those activities. I did not participate in the selection of Mr. Lee nor in assigning him tasks or in terminating his responsibilities, although I supported this action. (I believe he voluntarily quit.)

21. Please provide any and all documents that demonstrate the basis for the \$125,000 to \$1,000,000 attributed to income from There are Opportunities in your 1995 Financial Disclosure Statement. If you do not have these documents, please direct the person who has them to provide them to you or to the Committee.

**Response:** I have no documents or other information related to this transaction. As the Subcommittee knows, I have been attempting to secure all information related to my Financial Disclosure Statements from my wife, albeit unsuccessfully. As for this particular entry, the information was based upon what my wife told me had been received and deposited into her personal checking account in South Korea. Apart from such

information from my wife, I have never seen any of the banking documents associated with such income. I trust I was not misinformed by my wife.

22. Please describe in detail what knowledge you had of the FEC laws and regulations regarding financial contributions to congressional campaigns as of February 10, 1992, and how you obtained that knowledge. In addition, please describe in detail any additional knowledge of FEC regulations regarding contributions to congressional campaigns you obtained after February 10, 1992, and how you obtained that knowledge. Specifically describe what materials you have read on this subject, what briefings you have received, who you have discussed this issue with, etc.

**Response:** Prior to becoming a candidate for the House of Representatives, I had no specific knowledge or experience with regard to FEC laws and regulations. Any "knowledge" I obtained subsequent to February 10, 1992, would have been on a hearsay basis in reliance upon the statements or assertions of others. I depended upon my campaign manager and campaign consultant to undertake all reasonable and necessary steps to assure compliance with relevant guidelines. At the time I became a congressional candidate, I was the President of my own company with approximately 125 employees and did not devote significant portions of my time to "learning" FECA laws and regulations. Instead, I focused my political activities on developing name recognition and addressing issues. The campaign manager, campaign CPA, and office manager were primarily responsible for campaign finance matters. I did not attend seminars or interact with the FEC.

### III. JANUARY 29, 1998 LETTER

On February 25, 1998, Representative Kim was notified that the Committee had decided to expand the scope of its inquiry to include a review of whether he made false statements in his January 29, 1998, letter to the Investigative Subcommittee. Upon review of that document Congressman Kim is not aware of any knowing incorrect statements contained in the communication. As you know, questions 2, 3, 4, 5, 6, 7, and 13 sought Mr. Kim's "contemporaneous knowledge" with respect to the matters addressed in those inquiries. Inasmuch as Mrs. Kim was directly responsible for the activities of the campaign committee including fundraising, it would have been she and not the Congressman who would have had the "contemporaneous knowledge" referred to in the questions.

The only exceptions to the Congressman's lack of contemporaneous are those addressed in those Plea Agreement paragraphs charging Mr. Kim with improper conduct -- Paragraphs 9 (concerning in-kind contributions from JayKim Engineers, Inc.), 15 (\$50,000 contribution from Mr. Yeh), and 18 (\$12,000 contribution

from Nikko Enterprises, Inc.). In fact, as to the matter of contemporaneous knowledge, the 20 paragraphs of the Plea Agreement identify the relevant individuals/organization as follows:

Paragraphs 1 through 8:	Not applicable
Paragraph 9-10:	Representative Kim and/or the Jay Kim for Congress Committee
Paragraphs 11-13:	Jay Kim for Congress Committee
Paragraph 14:	Mrs. Kim
Paragraph 15:	Mr. Kim
Paragraph 16:	Mr. and Mrs. Kim
Paragraph 17:	Jay Kim for Congress Committee
Paragraph 18:	Mr. Kim
Paragraph 19-20:	Mrs. Kim

Consequently, the above-referenced questions in the January 29, 1998, letter only implicated Paragraph 16 as to the matter of the Congressman's contemporaneous knowledge regarding conduct for which Representative Kim was not convicted. Moreover, our understanding of the Plea Hearing is that in discussing the Congressman's involvement vis the actions of the campaign committee, the language specifically stated "Defendant Jay Kim and/or other agents of Defendant Jay Kim for Congress Committee." Thus, our understanding is that the government did not specifically charge the Congressman necessarily as having knowledge of all of the improper conduct cited but, rather, referred to him "and/or" other agents of the campaign organizations as having such knowledge. Those charges, of course, were against the campaign committee, not Representative Kim.

As to responses 8 and 9, the Plea Agreement asserted the transactions as improper campaign contributions. Representative Kim's explanation of those transactions in his January 29, 1998, letter and his use of the word "loans" was by no means an attempt to rationalize or retract the existing understanding with the government. Rather, this reference was intended to reflect his separate personal liability to repay the sources of the funds, notwithstanding the fact that for purposes of the FECA the money was considered a campaign contribution. The conviction did not vitiate his personal debts and the Ethics in Government Act does not state a personal debt secured for campaign purposes is not still a reportable liability of the filer/debtor. That the campaign committee may have repaid a portion of any of the debt does not mean that Representative Kim did not feel an underlying responsibility to repay the contributors.

\* \* \*

Unless we are mistaken, we believe the above information provides the balance of Representative Kim's responses due to the

Subcommittee. We appreciate the cooperation of the Investigative Subcommittee in providing additional time in which to prepare this correspondence. Should you have any further inquiries, we trust you will so advise us.

Sincerely,



Ralph L. Lotkin  
Counsel for Representative Kim

Attachments

Reviewed and Approved by:



JAY KIM  
Member of Congress

May 21, 1998  
Date

EXH. 20

---

**MEMORANDUM**

---

**To:** All Staff  
**From:** Jay Kim *JK*  
**Date:** March 9, 1992  
**Subject:** Political Campaign

**Jaykim Ref:**

**Copies to:**

---

Gregg Irwin told me today that he noticed Lert painting a sign for my campaign sometime last week.

I must ask all Jaykim employees to stop working on my campaign during business hours. No one is allowed to work on the campaign during company time under any circumstances.

If you would like to volunteer, then please let me know in advance.

JK:lf-M-09

EXH. 21

**MEMORANDUM**

<p><b>To :</b> All Diamond Bar Staff</p> <p><b>From :</b> Jay Kim <i>JK</i></p> <p><b>Date :</b> March 18, 1992</p> <p><b>Subject :</b> Time Spent on Campaign</p>	<p><b>Jaykim Ref :</b></p> <p><b>Copies to :</b></p>
--	--

---

I understand there is a concern among you that Dennis Bustamante and Carmen Suarez are spending time on my campaign and, thus, hindering the company operation.

Dennis works more than 8 hours each day and anything over eight hours is donated to my campaign. In addition, Dennis is also working every Saturday; we have been keeping track of his time to make sure he spends a minimum of 40 hours per week on Jaykim Engineers Inc. business. The same is true of Carmen's time.

JCK:lf-M-13

**EXH. 22**

**Promissory Note**

May 13, 1992

On demand, I, Jay C. Kim, Promise to pay to the order of Song Nien Yeh, 1728 North Ladera Vista, Fullerton, CA 92631, as follows: 1) Twenty-five thousand and 00/100 dollars (\$25,000.00) on August 18, 1992, and 2) Twenty-five thousand and 00/100 dollars (\$25,000) on November 18, 1992. No interest will be paid or due on the promissory note. As collected to Mr. Song Nien Yeh for granting this short-term loan to Mr. Jay C. Kim, Mr. Kim pledges his two-third interest in 1300 South Valley Vista Drive, Diamond Bar, Ca. Mr. Kim's equity in said building (including tenant improvements) is approximately five hundred thousand dollars (\$500,000).

Jay C. Kim

A handwritten signature in black ink, appearing to read "Jay C. Kim", is written over a horizontal line.



PLEASE LIST EACH CHECK SEPARATELY BY BANK NUMBER

CHECK #	BANK	DATE	AMOUNT	MEMO
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
CASH COUNT				
TOTAL				5

Deposit only  
to Jerry Kim Account

202095224

SUNWEST BANK  
 AIRPORT BRANCH 752-1471  
 4770 CAMPUS DRIVE  
 NEWPORT BEACH CA 92660

I  
 JAY KIH  
 2219 RUSTY PUMP RD  
 DIAMOND BAR CA 91765-3376

06/10/92  
 017002\*CY

202095224

780.85 1 50000.00 1 50000.00 .50 780.35

CHECKING ACCOUNT TRANSACTIONS SOC SEC NBR 555-62-1909  
 DATE AMOUNT DESCRIPTION

5/22 50000.00 DEPOSIT  
 5/10 .50- SERVICE CHARGE

CHECKS  
 DATE CHECK NO AMOUNT DATE CHECK NO AMOUNT  
 5/27 1027 50000.00

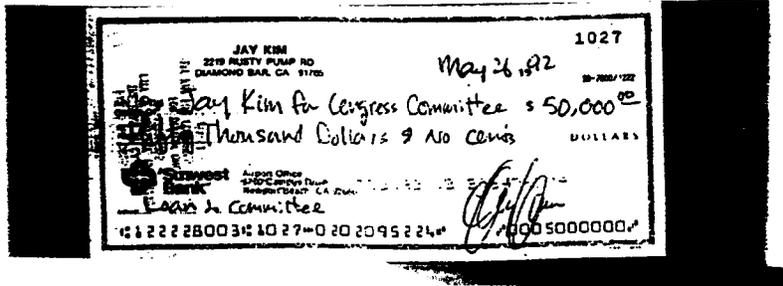
DAILY BALANCE INFORMATION  
 DATE.....BALANCE DATE.....BALANCE DATE.....BALANCE

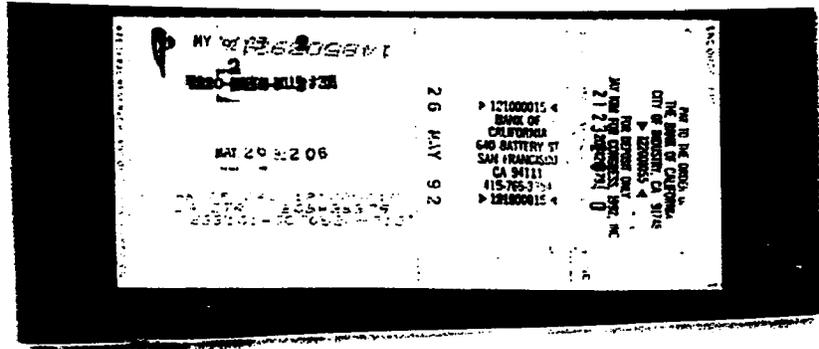
5/13 780.85 05/22 50780.85 05/27 780.85  
 5/10 780.35

AVERAGE CURRENT BALANCE 9,709.40

1

MAXIMIZE EARNINGS - ASK ABOUT OUR SUPER CHECKING/SAVINGS





**EXH. 23**

February 25, 1998

Honorable Richard A. Paez  
United States District Judge  
United States Courthouse  
Los Angeles, CA 90012

Re: *Kim, Jay C.; Kim, June O.; Jay Kim for Congress Comm.; Docket No. 97-00726*

Dear Judge Paez:

I cannot express how deeply I regret my actions which have brought me before you. I have apologized to my family and friends and to those who have elected me to Congress and I apologize to you and others who have had to consider my conduct. I was wrong in what I did and I recognize that I have brought dishonor to those who depended upon me as well as to myself.

Having come to America as a young man with nothing but spirit, I learned English and raised a family and built a business from scratch. I never asked for any government assistance and took whatever job I could. Having lived the American dream, I wanted to give something back to my country. In my enthusiasm of running for Congress, I neglected the very important mechanics of my campaign finances and broke the law.

The humiliation and embarrassment I have faced personally have been very substantial. The personal, political and financial costs have been tremendous. As a result of my actions, my son lost his job, and my wife has undergone so much mental stress that she is on medication and under close observation. As a father and husband, this has been devastating to me. I am truly sorry and I have learned a great lesson. As a result of this experience, I have dedicated myself to become a positive example for others and to work to alleviate the pain and repair the harm that I have caused.

Honorable Richard A. Paez  
February 25, 1998  
Page 2

I hope that you will accept my plea not only as an admission of guilt, but also as a statement of contrition and that you will afford mercy to me in imposing my sentence.

Sincerely,

Jay Kim

A handwritten signature in black ink that reads "Jay Kim". The signature is written in a cursive style with a large, stylized "J" and "K".









<b>PART VI—AGREEMENTS (FOR NEW EMPLOYEES ONLY, NOT CANDIDATES)</b>		Reporting Individual's Name <b>Jay C. Kim</b>
Identify the date, parties to, and terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer. For further information, see Instructions, page 25.		
Date	Parties To	Terms of Agreement
n/a		<b>NONE</b>
<b>PART VII—COMPENSATION IN EXCESS OF \$5,000 PAID BY ONE SOURCE</b>		
Report sources of such compensation received by you or your business affiliation for services provided directly by you during the two prior years. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source. For further information, see Instructions, page 23.		
Source (Name and Address)	Accounting services	Brief Description of Duties
Examples: Doe-Jones & Smith, Hometown, USA Nitero University (client of Doe-Jones & Smith), Monroeville, USA	Legal services in connection with university construction	<b>NONE</b>
Jaykim Engineers, Inc.	salary	
Wyatt-Jaykim Engineers, Inc.	salary	
Various rental properties (see Part II)	rental income	
<b>PART VIII—ADDITIONAL INFORMATION AND CERTIFICATION</b>		
<p><b>TRUSTS</b>—Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "Qualified Blind Trust" or other excepted trust? A Qualified Blind Trust is a trust which has been specifically approved by the Committee on Standards of Official Conduct. (See Instructions, page 15.)</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA <input type="checkbox"/></p> <p><b>EXEMPTION TEST</b>—Have you omitted any assets or liabilities of a spouse or dependent child because they meet the three tests for exemption? (See Instructions, page 4.)</p> <p style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA <input type="checkbox"/></p>		
<p>The Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (5 U.S.C. 505, 5 101 et seq.). The Statement will be made available to any requesting person upon written application and will be performed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (See 5 U.S.C. App. 6 § 104 and 18 U.S.C. § 1001).</p>		
SIGNATURE OF REPORTING INDIVIDUAL		DATE (Month, Day, Year)
		5 of 5
GPO: 1981 O-587194		Financial Disclosure B-4









**Reporting Individual's Name**  
Jay C. Kim

**PART VI—AGREEMENTS (FOR NEW EMPLOYEES ONLY, NOT CANDIDATES)**

Identify the date, parties to, and terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer. For further information, see Instructions, page 23.

Date	Parties To	Terms of Agreement
01/92		NONE

**PART VII—COMPENSATION IN EXCESS OF \$5,000 PAID BY ONE SOURCE**

Report sources of such compensation received by you or your business affiliation for services provided directly by you during the two prior years. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source. For further information, see Instructions, page 23.

Source (Name and Address)	Brief Description of Duties	NONE
<i>Example</i> Doe Jones & Smith, Hometown, USA Meno University (c/o Dr. Jones & Smith), Hometown, USA	Accounting services Legal services in connection with university construction	<input type="checkbox"/>
Jaykim Engineers, Inc.	salary	<input type="checkbox"/>
Wyatt-Jaykim Engineers, Inc.	salary	<input type="checkbox"/>
Various rental properties (see Part II)	rental income	<input type="checkbox"/>

**PART VIII—ADDITIONAL INFORMATION AND CERTIFICATION**

**TRUSTS**—Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "Qualified Blind Trust" or other exempted trust? A Qualified Blind Trust is a trust which has been specifically approved by the Committee on Standards of Official Conduct. (See Instructions, page 15)

Yes  No  NA

**EXEMPTION TEST**—Have you omitted any assets or liabilities of a spouse or dependent child because they meet the three tests for exemption? (See Instructions, page 5)

Yes  No  NA

The Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (5 U.S.C. app. 5, § 101 et seq.). The Statement will be made available to any interested party upon request and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully violates, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (See 5 U.S.C. app. 5 § 104 and 18 U.S.C. § 1001).

**SIGNATURE OF REPORTING INDIVIDUAL**

DATE (Month, Day, Year)  
July 25, 1992

Page 5 of 5 Financial Disclosure B-4

**EXH. 26**

**UNITED STATES HOUSE OF REPRESENTATIVES**  
**FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1982**

RECEIVED  
 CLERK OF HOUSE OF REPRESENTATIVES  
 1000 MAY 17 PM 3 03  
 OFFICE OF CLERK OF HOUSE OF REPRESENTATIVES

JAY C. KIM (Full Name)  
 202-225-3201 (Home Address)  
 202-225-3201 (Office Address)

Diamond Bar, California 91765 (Home Address)  
 Diamond Bar, California 91765 (Office Address)

Member of the U.S. House of Representatives:  Member  Former  Candidate

State: CA District: 43E

Employing Office:  Officer or Employee  Self-employed  Other  None

Report Type:  Annual (May 15)  Amendment  Termination

Termination Date: \_\_\_\_\_

**HAND DELIVERED**  
 NYC (Office Use Only)

**PRELIMINARY INFORMATION - ANSWER EACH OF THESE QUESTIONS**

Did you or your spouse have "unearned" income (i.e., interest or fees) of more than \$200 from any source in the reporting period? If yes, Complete and Attach Schedule I. Yes  No

Did any individual or organization make a donation to charity in lieu of paying you, for a speech, appearance, or article in the reporting period? If yes, Complete and Attach Schedule II. Yes  No

Did you, your spouse, or a dependent child receive any "unearned" income of more than \$200 in the reporting period or hold any "unearned" assets worth more than \$1,000 at the end of the reporting period? If yes, Complete and Attach Schedule III. Yes  No

Did you, your spouse, or a dependent child receive any "unearned" income of more than \$1,000 in the reporting period? If yes, Complete and Attach Schedule IV. Yes  No

Did you, your spouse, or a dependent child have any "reportable" assets worth more than \$10,000 in the reporting period? If yes, Complete and Attach Schedule V. Yes  No

Did you, your spouse, or a dependent child receive any "reportable" income (i.e., interest or fees) of more than \$200 and not otherwise "reported"? If yes, Complete and Attach Schedule VI. Yes  No

Did you, your spouse, or a dependent child receive any "reportable" travel or entertainment for travel in the reporting period? If yes, Complete and Attach Schedule VII. Yes  No

Did you have any "reportable" agreement or arrangement with any individual or organization? If yes, Complete and Attach Schedule IX. Yes  No

**Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.**

**EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION - ANSWER EACH OF THESE QUESTIONS**

FINANTS - Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See Instructions, page 10.) Yes  No

EXEMPTION - Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet at three tests for exemption? (See Instructions, page 11.) Yes  No

**CERTIFICATION - THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED**

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (5 U.S.C. app. 6, § 101 et seq.). The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (See 5 U.S.C. app. 6, § 104 and 18 U.S.C. § 1001).

SIGNATURE OF REPORTING INDIVIDUAL: *Jay Kim*

DATE (Month, Day, Year): May 15 1982

Page 1 of 2 Financial Disclosure Act







Reporting Individual's Name  
**JAY C. KIM**

**SCHEDULE V—LIABILITIES**

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence (unless it is rented out); loans secured by automobiles, boats, furniture, or appliances; and liabilities owed to a spouse, child, parent, or sibling at the reporting individual's or the reporting individual's spouse's. For further information, see instructions, page 21.

S, DC, JT	Creditor	Type of Liability	Category of Amount of Value (X)										
			A	B	C	D	E	F	G	H			
	<i>Example:</i> First Bank of Wilmington, Delaware	Mortgage on 187 Main St. Dover, Del.						X					
JT	The Money Store, Sacramento, CA.	Mortgage on 885 S. Balboa Dr., San Diego, CA.								X			
JT	Coast Federal Bank, Burbank, CA	Mortgage on 750 State St., San Diego, CA.									X		
JT	National Bank, Dallas Texas	Mortgage on 2891 Canyon Crest Drive, Riverside, Ca.											X
JT	Bank of California	Mortgage on 1300 S. Valley Vista Drive, Diamond Bar, CA											X

**SCHEDULE VI—GIFTS**

Report the source, a brief description, and the value of all gifts totaling more than \$250 in value received by you, your spouse, or a dependent child from any source during the calendar year.

Exclusion: Gifts from qualified, gifts of medical hospitality of an individual, and local health care need not be reported. Gifts with a value of \$100 or less need not be added towards the \$250 exclusion threshold. Gifts to a spouse or dependent child that are fully dependent on the donor's income for the calendar year to \$250 in most instances. For further information, see instructions, page 21.

Note: House Rule XIII, clause 4, limits the total value of gifts a Member, officer, or employee of the House may accept from any one source in a calendar year to \$250 in most instances. For further information, see instructions, page 21.

Source: Mrs. Joseph H. Smith, Anytown, USA

Brief Description: Silver Platter (value received from Committee on Standards)

Value: \$270

Use additional sheets if more space is required.

Schedules V and VI

Reporting Individual's Name  
**JAY C. KIM**

**SCHEDULE VIII - POSITIONS**

Report all positions, compensated or uncompensated, held during the current calendar year as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or independent contractor in any business, profession, occupation, or service, in any labor organization, or any additional office, institution other than the United States. Exclude positions listed on Schedule I. For further information see instructions, page 28.

**EXCLUSIONS:** Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature need not be shown.

Positions	Name of Organization
President	JAYKIM Engineers, Inc.
President	Wyatt-JAYKIM Engineers
Proprietorship	J&J Properties

**SCHEDULE IX - AGREEMENTS**

Identify the date, parties to, and terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of future employment; or continuing participation in an employee welfare or benefit plan. For further information, see instructions, page 28.

Date	Parties To	Terms of Agreement

SPD-1082 (8-2004) (4)

**EXH. 27**

**UNITED STATES HOUSE OF REPRESENTATIVES**  
**FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1992**

JAY C. KIM  
 2219 RUSTY PUMP ROAD  
 DIAMOND BAR, CALIFORNIA 91765

Member of the U.S. House of Representatives District 41st State CA

Residence: 202-225-3201

Employing Other: [ ]

Remuneration: [ ]

Termination Date: [ ]

RECEIVED  
 OFFICE OF THE CLERK  
 U.S. HOUSE OF REPRESENTATIVES  
 MAY 16 AM 11:08  
 (Check One Only) **9**

A \$200 penalty shall be assessed against anyone who files more than 30 days late.

**PRELIMINARY INFORMATION - ANSWER EACH OF THESE QUESTIONS**

Did you or your spouse have "earned" income (e.g., salaries or fees) of more than \$250 during the reporting period?  
 If yes, complete and attach Schedule I. Yes  No

Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period?  
 If yes, complete and attach Schedule II. Yes  No

Did you or your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than \$50 from one source)?  
 If yes, complete and attach Schedule III. Yes  No

Did you, your spouse, or dependent child purchase, sell, or otherwise dispose of reportable assets worth more than \$1,000 in the reporting period?  
 If yes, complete and attach Schedule IV. Yes  No

Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period?  
 If yes, complete and attach Schedule V. Yes  No

Did you, your spouse, or a dependent child receive any gifts or inheritances worth more than \$250 and not otherwise exempt?  
 If yes, complete and attach Schedule VI. Yes  No

Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than \$50 from one source)?  
 If yes, complete and attach Schedule VII. Yes  No

Did you have any reportable agreement or arrangement with any outside party during the reporting period?  
 If yes, complete and attach Schedule IX. Yes  No

**Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.**

**EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION - ANSWER EACH OF THESE QUESTIONS**

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10-11.) Yes  No

EXEMPTION—Have you excluded from this report any other assets, "unearned" income, liabilities, or liabilities of a spouse or dependent child because they meet all three tests of exemption? (See Instructions, page 11.) Yes  No

**CERTIFICATION -- THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED**

This Financial Disclosure Statement is required by the Ethics in Government Act of 1976, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct of this Congress. Any individual with knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (See 2 U.S.C. app. 5, §104 and 10 U.S.C. §1604.)

SIGNATURE OF REPORTING INDIVIDUAL: *Jay Kim*

DATE (Month/Day/Year): 5/13/94

Name **JAY KIM** Page 2 of 9

**SCHEDULE I — EARNED INCOME**

List the source, type, and amount of earned income from any source (other than the filer's current employment by the U.S. Government) totalling \$200 or more during the preceding calendar year. For a spouse, list the source and amount of any honoraria; list only the source for other spouse earned income exceeding \$1,000. For further information, see instructions, pages 12-13.

Source	Type	Amount
Jefferson University State of Maryland Examples: Civil War Roundtable (Oct. 2nd) Fairfax County Board of Education	Approval/Teaching Fee Legislative Pension Spouse Speech Spouse Salary	\$4,000 \$6,000 \$1,000 NA
J & J, Diamond Bar, CA	Spouses Salary Management Fee	\$1,400

For payments to charity in lieu of honoraria, use Schedule II.

Name: **JAY KIM** Page 3 of 9

**SCHEDULE II - PAYMENTS IN LIEU OF HONORARIA MADE TO CHARITY**

List the source, activity (i.e., speech, appearance, or article), date, and amount of any payment made by the sponsor of an event to a charitable organization in lieu of an honorarium. A separate confidential list of charities receiving such payments must be filed directly with the Committee on Standards of Official Conduct. An envelope for transmitting the list is included in each Member's filing package. For further information, see instructions, pages 13-14.

Source	Activity	Date	Amount
Example: Association of American Associations, Wash., D.C. XYZ Magazine	Speech Article	Feb. 2, 1993 Aug. 19, 1993	\$2,000 \$500
N/A			

This page may be copied if more space is required.





Page 6 of 9

**SCHEDULE IV — TRANSACTIONS**

Name: **JAY XIM**

Report any purchase, sale, or exchange by you, your spouse, or dependent child during the reporting year of any real property, stocks, bonds, commodities futures, or other securities when the amount of the transaction exceeded \$1,000. Include transactions that resulted in a loss. Do not report a transaction between you, your spouse, or your dependent child, or the purchase or sale of your personal residence, unless it is rented out. For further information, see Instructions, pages 20-21.

SP, DC, JT	Asset	Type of Transaction	Date	Amount of Transaction										
				A	B	C	D	E	F	G	H			
	Example: Mega Corporation Common Stock	PURCHASE	10-12-83			X								
	Rental Property located at 2891 Canyon Cresl in Riverside, CA	SALE	12-30-93						X					

This page may be copied if more space is required.

Name: **JAY KIM** Page 7 of 9

**SCHEDULE V - LIABILITIES**

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. Exclude: Any mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000. For further information, see instructions, pages 21-22.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability										
			A	B	C	D	E	F	G	H			
	<i>Example:</i> First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.	\$10,001	\$15,001	\$50,001	\$100,001	\$500,001	\$1,000,001	\$1,000,001	\$1,000,001	\$1,000,001	\$1,000,001	\$1,000,001
JT	The Money Store, Sacramento, Ca	8865 S. Balboa Dr Mortgage - San Diego, Ca							X				
JT	Coast Federal Bank, Burbank, CA	750 State St. Mortgage - San Diego, CA								X			
JT	National Bank, Dallas, Texas	2891 Canyon Crest Mortgage - Riverside, CA											
JT	Bank of California	1300 S. Valley Vista Mortgage - Diamond Bar, CA											X
JT	Jerry Ylvec	Personal Loan											X
JT	Robert Yu	Personal loan											X

**SCHEDULE VI - GIFTS**

Report the source, a brief description, and the value of all gifts totaling more than \$250 received by you, your spouse, or a dependent child from any source during the year. Exclude: Gifts from relatives, gifts of personal hospitality of an individual, local meals, and gifts to a spouse or dependent child that are totally independent of his or her relationship to you. Gifts with a value of \$100 or less need not be added towards the \$250 disclosure threshold.  
 Note: House Rule 43, clause 4, prohibits most gifts exceeding \$250. For further information, see instructions, pages 22-23.

Source	Description	Value
<i>Example:</i> Mr. Joseph H. Smith, Anytown, Anystate	Silver Platter (waiver received from Committee on Standards)	\$270

Use additional sheets if more space is required

Name **JAY KIM** Page 8 of 9

**SCHEDULE VII —FACT-FINDING, SUBSTANTIAL PARTICIPATION, AND OTHER TRAVEL**

Identify the source and list travel itinerary, dates, and nature of expenses provided for travel and travel-related expenses totalling more than \$250 received by you, your spouse, or a dependent child during the reporting period. Indicate whether a family member accompanied the traveler at the sponsor's expense, and the amount of time, if any, that was not at the sponsor's expense. Disclosure is required regardless of whether the expenses were reimbursed or paid directly by the sponsor.

Exclude: Travel-related expenses provided by federal, state, and local governments, or by a foreign government required to be separately reported under the Foreign Gifts and Decorations Act (5 U.S.C. § 7342); travel paid for by campaign funds; travel provided to a spouse or dependent child that is totally independent of his or her relationship to you. For further information, see instructions, pages 24–25.

Source	Date(s)	Point of Departure—Destination(s)— Point of Return	Lodging? (Y/N)	Food? (Y/N)	Was a Family Member Included? (Y/N)	Any time not at sponsor's expense
Examples: Chicago Chamber of Commerce Mega Corporation	Mar. 2 Aug. 9–13					
Houston Korean Festival Timothy Seo	July 24–25	Wash D.C.—Houston-D	C	Y	N	N
Seton Hall University	April 16 17	Wash D.C.—Newark-D.C.	Y	Y	N	N

This page may be copied if more space is required.

Name **JAY KIM** Page 9 of 9

**SCHEDULE VIII -- POSITIONS**

Report all positions, compensated or uncompensated, held during the current calendar year as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. For further information, see instructions, pages 25-26.  
 Exclude: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule I.

Position	Name of Organization
President President	JAYKIM Engineers (First 3 months--Sold on April 1, 1993) Wyatt--JAYKIM Engineers (First 6 month--Sold middle of year)

**SCHEDULE IX -- AGREEMENTS**

Identify the date, period to, and general terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer. For further information, see instructions, page 26.

Date	Period To	Terms of Agreement
	N/A	

OMB FORM 2780-104

Use additional sheets if more space is required.

JAY KIM  
41st District, California  
COMMITTEE ON PUBLIC WORKS  
AND TRANSPORTATION  
SUBCOMMITTEE  
AVIATION  
SURFACE TRANSPORTATION  
ECONOMIC DEVELOPMENT  
COMMITTEE ON SMALL BUSINESS  
SUBCOMMITTEE  
REGULATION, BUSINESS  
OPERATIONS AND TECHNOLOGY

INSIDE MAIL



Congress of the United States  
House of Representatives

802 Cannon Building  
Washington, DC 20515-0840  
202-225-3201  
1131 West 8th Street  
Suite 180a  
Oakland, CA 94612  
908-888-1068  
18200 Yorba Linda Blvd  
Suite 202A  
Yorba Linda, CA 92686  
714-972-8874

May 19, 1994.

Mr. Charles J. Willoughby  
Committee on Standards of  
Official Conduct  
HT-2 The Capitol  
Washington, D. C. 20515

Dear Mr. Willoughby:

Please be advised that due to an oversight, some information was left off of my financial disclosure statement which was filed in your office on May 16, 1994.

Page 4 -- The OMNI I Partnership should reflect an income in the 5th column reflecting the range of \$5,001 - \$15,000.

Page -- The payment from the sale of JAYKIM Engineers and Wyatt-JAYKIM Engineers should reflect the following income amounts:

JAYKIM Engineers - \$50,000 - \$100,000  
Wyatt-JAYKIM -----\$15,000 - \$50,000

Thank you.

Sincerely,

JAY KIM  
Member of Congress

RECEIVED  
OFFICE OF RECORDS & INFORMATION  
MAY 20 PM 4:07  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES

**JAY KIM**  
41ST DISTRICT, CALIFORNIA  
REPUBLICAN WHIP  
SOPHOMORE CLASS  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEES:  
AVIATION  
PAVING  
SURFACE TRANSPORTATION  
COMMITTEE ON  
INTERNATIONAL RELATIONS



**Congress of the United States**  
**House of Representatives**

428 CANNON BUILDING  
WASHINGTON, DC 20515-0541  
202-225-3201  
1121 WEST 8TH STREET  
SUITE 180A  
OAKLAND, CA 94612  
909-988-1066  
16300 YORBA LINDA BLVD.  
SUITE 203A  
YORBA LINDA, CA 92686  
714-872-8574

194

February 24, 1995

HAND DELIVERED

The Honorable Robin H. Carle  
Clerk of the House of Representatives  
1036 Longworth House Office Building  
Washington, D.C. 20515

①  
mc ✓

RECEIVED  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES  
95 FEB 24 AM 11:53

Dear Ms. Carle:

In preparing my new financial disclosure form that is due this May, I realized that I had inadvertently made two mistakes on the form I filed in last year (the Financial Disclosure Statement for Calendar Year 1993). Therefore, I respectfully request that this letter serve as an amendment to my 1993 Statement.

In Schedule III (Assets and "Unearned Income"), the asset listed as JAYKIM Engineers should have been listed in Category H as the year-end value of asset. Its initial placement in another category was purely a mistake. As reported, JAYKIM Engineers was an asset I sold. However, I am still owed for the sale. Thus, I believe this item should be listed as an asset in Category H (as I have yet to receive the proceeds from the sale), but not as income.

In Schedule V (Liabilities), due to an accounting oversight, the final line item in this section is missing. It should have been reported as: JT David Chang (creditor), Personal Loan (Type of Liability), Category B (Amount of Liability). This liability was incurred for only part of 1993.

Thank you for your consideration of this amendment.

Sincerely,

JAY KIM  
Member of Congress

RECEIVED  
HOUSE OF REPRESENTATIVES

95 AUG -3 AM 11:18

OFFICE OF THE CLERK  
HOUSE OF REPRESENTATIVES

7

UNITED STATES HOUSE OF REPRESENTATIVES  
FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1994

EXH. 28

JAY C. Kim  
2219 Rusty Pump Drive, Diamond Bar, CA 91765  
(202) 225-3201

MC  
HAND DELIVERED

Filer Status	<input checked="" type="checkbox"/> X	Member of the U.S. House of Representatives	Sal. CA	Office of Employee	Employing Office: (202) 225-3201
Report Type	<input checked="" type="checkbox"/> X	Annual (May 15)	Amendment	Termination	Termination Date:

A \$200 penalty shall be assessed against anyone who files more than 30 days late.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I. Yes  X No

II. Did any individual or organization make a donation to charity in the reporting period for a speech, appearance, or article in the reporting period? If yes, complete and attach Schedule II. Yes  No  X

III. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or had any reportable asset worth more than \$10,000 at the end of the period? If yes, complete and attach Schedule III. Yes  X No

IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than \$1,000 in the reporting period? If yes, complete and attach Schedule IV. Yes  X No

V. Did you, your spouse, or dependent child have any reportable trust income of \$10,000 or more in the reporting period? If yes, complete and attach Schedule V. Yes  No  X

VI. Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than \$200 and not otherwise exempt)? If yes, complete and attach Schedule VI. Yes  No  X

VII. Did you, your spouse, or a dependent child receive any reportable interest or dividend in the reporting period (worth more than \$250 from one source)? If yes, complete and attach Schedule VII. Yes  No  X

VIII. Did you hold any reportable positions on or before the date of filing in the current calendar year? If yes, complete and attach Schedule VIII. Yes  No  X

IX. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule IX. Yes  No  X

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Debits regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "accepted trusts" need not be disclosed. Have you excluded from the report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10-11.) Yes  No  X

EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.) Yes  No  X

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written notification and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (See 5 U.S.C. app. 6, § 104 and 18 U.S.C. § 1001).

SIGNATURE OF REPORTING INDIVIDUAL: *Jay C. Kim* DATE (Month/Day/Year): 8/2/95









Name **Jay C. Kim** Page **6** of **7**

**SCHEDULE V — LIABILITIES**

Report liabilities of over \$10,000 owed to any creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. Exclude: Any mortgage or your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000. For further information, see instructions, pages 21-22.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability																	
			B	C	D	E	F	G	H											
	<i>Example</i> First Bank of Wilmington, Delaware	Mortgage on 123 West St., Dover, Del.									X									
JT	The Money Store, Sacramento, CA	Mortgage on 865 Balboa Dr., San Diego, CA																		X
JT	Coast Federal Bank, Burbank, CA	750 State St., San Diego, CA																		X
JT	Bank of California	Mortgage on 1300 S. Valley Vista, Diamond Bar, CA																		X
	California Korea Bank	Line of Credit																		X
	Jerry Yhee	Personal Loan																		X

**SCHEDULE VI — GIFTS**

Report the source, a brief description, and the value of all gifts totaling more than \$250 received by you, your spouse, or a dependent child from any source during the year. Exclude: Gifts from relatives; gifts of personal hospitality of an individual; local meals; and gifts to a spouse or dependent child that are totally independent of his or her relationship to you. Gifts with a value of \$100 or less need not be added towards the \$250 disclosure threshold. Note: House Rule 43, clause 4, prohibits most gifts exceeding \$250. For further information, see instructions, pages 22-23.

Source	Description	Value
<i>Example</i> Mr. Joseph F. Smith, Anytown, Anystate	Silver Platter (value received from Committee on Standards)	\$270
Golf Tournament	Golf Tournament Prizes (trophy & golf gifts) (prize won at public event due to winning golf score)	\$500

Use additional sheets if more space is required.



LEGISLATIVE RESOURCE CENTER  
96 MAY 15 PM 12:12  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES

EXH. 29

UNITED STATES HOUSE OF REPRESENTATIVES  
FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1985

Jay Kim  
2219 Rusty Pump Rd., Diamond Bar, CA 91765 (202) 225-3201  
Daytime Telephone

(Full Name)  
2219 Rusty Pump Rd., CA 91765 (202) 225-3201  
(Mailing Address)

MC (Office Use Only)  
HAND DELIVERED

A \$200 penalty shall be assessed against anyone who files more than 30 days late.

Filer Status:  Member of the U.S. House of Representatives; District: 41; State: California  
 Report Type:  Annual (May 15);  Amendment  
 Employment Office:  Office or Employee; Termination Date:  Termination

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "unearned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I. Yes  No

II. Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period? If yes, complete and attach Schedule II. Yes  No

III. Did you, your spouse, or a dependent child receive "unearned" income of more than \$1,000 in the reporting period? If yes, complete and attach Schedule III. Yes  No

IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than \$1,000 in the reporting period? If yes, complete and attach Schedule IV. Yes  No

V. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule V. Yes  No

VI. Did you, your spouse, or a dependent child receive any reportable income from a trust, estate, or other arrangement in the reporting period? If yes, complete and attach Schedule VI. Yes  No

VII. Did you, your spouse, or a dependent child receive any reportable travel or reimbursements for travel in the reporting period (worth more than \$250 from one source)? If yes, complete and attach Schedule VII. Yes  No

VIII. Did you hold any reportable position on or before the reporting period? If yes, complete and attach Schedule VIII. Yes  No

IX. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule IX. Yes  No

Each question in this part must be answered and the appropriate schedule attached for each "yes" response.

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See Instructions, pages 10-11.) Yes  No

EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See Instructions, page 11.) Yes  No

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully fails to file this report may be subject to civil penalties. (See 5 U.S.C. app. 6, § 104.)

SIGNATURE OF REPORTING INDIVIDUAL: *Jay Kim*  
 DATE (Month/Day/Year): May 15, 1986







**SCHEDULE V — LIABILITIES**

Name Jay KIM Page 4 of 7

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. Exclude: Any mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000. For further information, see instructions, pages 21-22.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability												
			B	C	D	E	F	G	H	I	J	K			
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.				X									
JT	The Money Store, Sacramento, CA	8865 Balboa Mortgage San Diego, CA					X								
JT	Coast Federal Bank, Burbank, CA	Mortgage 750 State St. San Diego, CA			X										
JT	Bank of California	Mortgage 1300 S.Valley Vista San Diego, CA								X					
	California Korea Bank	Line of Credit			X										
	Jerry Yhee, Fullerton, CA	Personal Loan													

**SCHEDULE VI — GIFTS**

Report the source, a brief description, and the value of all gifts totaling more than \$250 received by you, your spouse, or a dependent child from any source during the year. Exclude: Gifts from relatives, gifts of personal hospitality of an individual, local meals, and gifts to a spouse or dependent child that are totally independent of his or her relationship to you. Gifts with a value of \$100 or less need not be added towards the \$250 disclosure threshold. Note: House Rule 43, clause 4, prohibits most gifts exceeding \$250. For further information, see instructions, pages 22-23.

Source	Description	Value
Example: Mr. Joseph H. Smith, Arlington, Virginia	Silver Platter (value received from Committee on Standards)	\$270

Use additional sheets if more space is required.



**SCHEDULE VIII — POSITIONS**

Report all positions, compensated or uncompensated, held during the current calendar year as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. For further information, see instructions, pages 25-26.

Excludes: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule I.

Position	Name of Organization
Mbr. Board of Directors	Congressional Asian Pacific American Caucus Institute (non-compensatory)

**SCHEDULE IX — AGREEMENTS**

Identify the date, parties to, and general terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer. For further information, see instructions, page 26.

Date	Parties To	Terms of Agreement

SCHEDULE V -- LIABILITIES (continued from pg. 4)

<u>CREDITOR</u>	<u>TYPE OF LIABILITY</u>	<u>AMOUNT</u>
Jaycee Kim, Encino, CA	Personal Loan	"C" (\$15,001-50,000)
David Chang, New York, NY	Personal Loan	"B" (\$10,001-15,000)



**SCHEDULE III - ASSETS AND "UNEARNED" INCOME**

BLOCK A Asset and/or Income Source Identify (a) each asset held for investment or production of income with a fair market value exceeding \$1,000 at the end of the reporting year, and (b) any retirement plan that has generated more than \$200 in "unearned" income during the year. For rental property or bank, provide an address. Provide full names of any mutual funds. For an IRA or retirement plan that is self-directed, list the underlying assets worth more than \$1,000. For an IRA or retirement plan that is not self-directed, name the institution holding the account. Exclude: Your personal residence(s) (unless there is rental income); any debt owed to you by your spouse, or by your or your spouse's child, parent, or sibling; any deposits totaling \$5,000 or less in any bank, credit union, or other financial institution; or income derived from U.S. Government retirement programs. If you so choose, you may indicate that an asset or income source is that of your spouse (SP) or dependent child (DC) or is jointly held (JT), in the optional column on the far left.	BLOCK B Value of Asset as close of reporting year. If you use a valuation method other than fair market value, specify the type of method used. If an asset was sold and is included only because it generated income, the value should be "None."	BLOCK C Type of Income If other than one of the listed categories, specify the type of income by using a brief description in this block.	BLOCK D Amount of Income For IRAs and retirement plans that are not self-directed, you may write in "NA" for income.	BLOCK E Transaction Indicate if asset was purchased(P), sold(S), or exchanged(E) in reporting year.
SP Further information: see Instructions, pages 14-20 Mega Corp. Stock 172 Main St., Dover, OH	\$15,001 - \$50,000	Dividends	\$501 - \$1,000	P
JT Example: SP 172 Main St., Dover, OH 1st Bank of Prokhorov, KY, accounts	\$50,001 - \$100,000	Interest	\$1,001 - \$2,500	
JT Rental Property, 2805 Babcock Ave., San Diego, CA	\$250,001 - \$500,000	Rent	\$5,001 - \$15,000	NA
JT Rental Property, 759 State Street, San Diego, CA	\$50,001 - \$100,000	Rent	None - \$200	NA
JT Rental Property, 1091 Phetland, Path Depot, CA	\$15,001 - \$50,000	Rent	None - \$200	NA
JT Rental Property, 1300 S. Valley Vista, Diamond Bar, CA	\$1,000,001 - \$5,000,000	Rent	None - \$200	NA
SP Dean Witter Reynolds (IRA - Edison International Utility (S&PB))	\$1,001 - \$15,000	Interest	None - \$200	NA
SP Union Bank (IRA - CD#)	\$15,001 - \$50,000	Interest	None - \$200	NA
SP Merrill Lynch (IRA Reserve Retirement Money Market Fund)	\$15,001 - \$50,000	Interest	None - \$200	NA

Name Jay Kim Page 3 of 6

**SCHEDULE III -- ASSETS AND "UNEARNED" INCOME**

SP	Merrill Lynch (RA) Treasury Note	\$15,001 - \$50,000	Interest	None - \$200	NA
SP	Merrill Lynch (RA) Fed. Insured Cbs	\$15,001 - \$50,000	Interest	None - \$200	NA
JT	Jay Kim for Congress Cbs	\$100,001 - \$250,000		\$15,001 - \$50,000	NA
SP	HAN, Du Publishing Co., Seoul, Korea (book publishing royalties)	Indefinite		\$100,001 - \$1,000,000	NA
SP	Grant Wilson Savings Acct. (Savings CD)	None - \$1,000	Interest	None - \$200	NA
JT	JayKim Engineers (retirement payment from sale of company)	\$1,000,001 - \$5,000,000	Capital Gain	\$2,501 - \$5,000	

**SCHEDULE V -- LIABILITIES**

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the year. Exclude: Any mortgage on your personal residence (unless it is rented out), loans secured by automobiles, household furniture, or appliances, and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000. For further information, see Instructions, pages 2-1-22.

SP, DC, J	Creditor	Type of Liability	Amount of Liability
	<i>Example:</i> First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.	\$100,001 - \$250,000
JT	The Money Store, Sacramento, CA	Mortgage on 8888 Balboa, San Diego, CA	\$100,001 - \$250,000
JT	Coast Federal Bank	Mortgage on 750 State St., San Diego, CA	\$50,001 - \$100,000
JT	Bank of California, Los Angeles, CA	Mortgage on 1300 S. Valley Vista, Diamond Bar, CA	\$1,000,001 - \$5,000,000
JT	California Korea Bank	Line of Credit	\$50,001 - \$100,000
	Jerry Yook, Fullerton, CA	Personal Loan	\$15,001 - \$50,000
	Jaycee Kim, Encho, CA	Personal Loan	\$15,001 - \$50,000

Name Jay Von Page 5 of 6

**SCHEDULE VII -- TRAVEL PAYMENTS AND REIMBURSEMENTS**

Identify the source and list travel itinerary, dates, and return of expenses provided for travel and travel-related expenses totaling more than \$250 received by you, your spouse, or a dependent child during the reporting period. Indicate whether a family member accompanied the traveler at the sponsor's expense, and the amount of fare, if any, that was not at the sponsor's expense. Disclosure is required regardless of whether the expenses were reimbursed or paid directly by the sponsor. Exclude: Travel-related expenses provided by federal, state and local governments, or by a foreign government required to be separately reported under the Foreign Gifts and Decorations Act (5 U.S.C. 7542); travel paid for by a Federal political committee; travel provided to a spouse or dependent child that is totally independent of the other relationship to you. For further information, see instructions, pages 24-26.

Source	Date(s)	Point of Departure--Destination-- Point of Return	Logging? (Y/N)	Food? (Y/N)	Was a Family Member included? (Y/N)	Any time spent at sponsor's expense (Y/N)
Chicago Chamber of Commerce Noble Corporation	Mar 2 Aug 3-5	Wash, D.C.-Chicago-Wash, D.C. Wash, D.C.-Los Angeles-Cleveland	Y	Y	Y	4 088
MIRAE Foundation, NY, NY (Speech to Korean American Students Conference)	Mar 28-Mar 30	WDC-Austin, TX-WDC	Y	Y	N	
Korea-Southeast US Chamber of Commerce	May 3-5	WDC, Atlanta, GA-WDC	Y	Y	N	
American Citizens for Justice	July 19-20	WDC-New, MI-NYC, NY	Y	Y	N	
Korean American Assoc. of Greater NY	Sept. 20	WDC-NYC-WDC	N	Y	N	
Assoc. of Secretaries to Members of the National Assembly of Korea	Nov. 7-18	Los Angeles, CA-Seoul, Korea-Los Angeles, CA	Y	Y	Y	Yes

Name <u>Jay Kim</u>		Page <u>6</u> of <u>6</u>
<b>SCHEDULE VIII -- POSITIONS</b>		
Report all positions, compensated or uncompensated, held during the current calendar year as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. For further information, see Instructions, page 28.		
Exclude: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule I.		
	Position	Organization
Member, Board of Directors		Congressional Asian Pacific American Caucus Institute (non-compensatory)



Name Jaylon		Page 2 of 2				
<p><b>SCHEDULE VII -- TRAVEL PAYMENTS AND REIMBURSEMENTS</b></p> <p>Identify the source and list travel itinerary, date, and nature of expense provided for travel and travel-related expenses totaling more than \$250 received by you, your spouse, or a dependent child during the reporting period. Indicate whether a family member accompanied the traveler at the sponsor's expense, and the amount of fees, if any, that was not at the sponsor's expense. Disclosure is required regardless of whether the expenses were reimbursed or paid directly by the sponsor.</p> <p>Exclude: Travel-related expenses provided by federal, state and local governments, or by a foreign government required to be separately reported under the Foreign Gifts and Inclusions Act (5 U.S.C. 7202); travel paid for by a federal political committee; travel provided to a spouse or dependent child that is totally independent of his or her relationship to you. For further information, see instructions, pages 24-26.</p>						
Source	Date(s)	Point of Departure--Destination-- Point of Return	Lodging? (Y/N)	Food? (Y/N)	Was a Family Member included? (Y/N)	Any amount at sponsor's expense
Chicago Chamber of Commerce Home Conference	Mar 2 April 13	Wash, DC--Chicago--Wash, DC Wash, DC--Los Angeles--Chicago	N	Y	Y	4 Days
NAFPE Foundation, NY, NY (Speech to Korean American Students Conference)	Mar 28-Mar 30	WDC-Austin, TX-WDC	Y	Y	N	
Korea-Southwest US Chamber of Commerce	Mar 3-5	WDC, Atlanta, GA-WDC	Y	Y	N	
American Citizens for Justice	July 18-20	WDC-Wash, DC-NYC, NY	Y	Y	N	
Korean American Assoc. of Greater NY	Sept. 28	WDC-NYC-WDC	N	Y	N	
Assoc. of Secretaries to Members of the National Assembly of Korea	Nov. 7-18	Los Angeles, CA-Stock, Korea-Los Angeles, CA	Y	Y	Y	Year-1 Day

**JAY KIM**  
11ST DISTRICT, CALIFORNIA  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEES:  
PUBLIC UTILITIES AND  
ECONOMIC DEVELOPMENT  
CHAIRMAN  
WATER RESOURCES  
COMMITTEE ON  
INTERNATIONAL RELATIONS  
CALIFORNIA TRANSPORTATION TASK FORCE  
CHAIRMAN

**EXH. 31**

**Congress of the United States  
House of Representatives**

227 Cannon Building  
Washington, DC 20515-1041  
202-225-2201  
1121 WEST 6TH STREET  
SUITE 1800  
OAKLAND, CA 94612  
908-888-1055  
18200 YORBA LINDA BLVD.  
SUITE 200A  
YORBA LINDA, CA 92786  
714-572-8574  
INTERNET:  
World Wide Web  
<http://www.house.gov/unic/ico/mi.html>

May 22, 1998

The Honorable Robin H. Carle  
Clerk of the House  
B-106 Cannon H.O.B.  
Washington, D.C. 20515

Dear Ms. Carle:

I am submitting a partial Financial Disclosure Statement for 1997 because of the continued lack of access to information regarding either jointly held assets and liabilities or assets and liabilities of my spouse. I intend to amend my filing to include such additional information as soon as it becomes available and can be reviewed by my attorney.

Thank you for your consideration of this matter.

Sincerely,

JAY KIM  
Member of Congress

*mc*

(6)

HAND DELIVERED

RECEIVED  
58 MAY 22 PM 4:38  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES

RECEIVED

55 MAY 22 PM 4:42

OFFICE OF THE CLERK

UNITED STATES HOUSE OF REPRESENTATIVES  
 FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 1997

Form A  
 For use by Members, officers, and employees

JAY KIM  
 (Full Name)

2219 Rusty Pump Road  
 Diamond Bar, CA 91765  
 (Mailing Address)

Daytime Telephone:  
 (909) 255-5201

Member of the U.S. House of Representatives  
 Status:  Member of the U.S. House of Representatives  
 Officer or Employee

Report Type:  Annual (May 15)  Amendment  Termination

Termination Date:

**MC HAND DELIVERED**  
 (Office Use Only)

**A \$200 penalty shall be assessed against anyone who files more than 30 days late.**

**PRELIMINARY INFORMATION - ANSWER EACH OF THESE QUESTIONS**

I. Did you, your spouse, or a dependent child receive any reportable gift in the reporting period (i.e., aggregating more than \$250 and not otherwise exempt)?  
 Yes  No

If yes, complete and attach Schedule I.

II. Did any individual or organization make a donation to charity in lieu of paying you for a speech, appearance, or article in the reporting period?  
 Yes  No

If yes, complete and attach Schedule II.

III. Did you, your spouse, or a dependent child receive "unearned" income of more than \$10,000 in the reporting period or was any reportable interest earned in excess of \$1,000 at the end of the period?  
 Yes  No

If yes, complete and attach Schedule III.

IV. Did you, your spouse, or dependent child purchase, sell, or exchange any reportable asset worth more than \$1,000 in the reporting period?  
 Yes  No

If yes, complete and attach Schedule IV.

V. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period?  
 Yes  No

If yes, complete and attach Schedule V.

**EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION - ANSWER EACH OF THESE QUESTIONS**

TRUSTS: Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "exempt trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or dependent child? (See instructions, pages 10-11.)  
 Yes  No

EXEMPTION: Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? (See instructions, page 11.)  
 Yes  No

**CERTIFICATION - THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED**

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. This Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil penalties and criminal sanctions (See 5 U.S.C. app. 4, 104 and 18 U.S.C. 1001).

SIGNATURE OF REPORTING INDIVIDUAL: *Jay Kim* DATE: 05/22/98

**SCHEDULE III - ASSETS AND "UNEARNED" INCOME**

<p><b>BLOCK A</b>  <b>Asset and/or Income Source</b>                      Identify (a) each asset held for investment or production of income with a fair market value exceeding \$1,000 at the end of the reporting year, and (b) any other asset or source of income which generated more than \$200 in "unearned" income during the year. For real property or stock, provide the name of the issuer or issuer of the stock. For an IRA or retirement plan that is self-directed, list the underlying assets with more than \$1,000. For an IRA or retirement plan that is not self-directed, name the institution holding the account.                      Exclude: Your personal residence (unless there is a second home); any car or other personal property; any IRA or other retirement account; any deposits holding \$5,000 or less in personal savings accounts; any Thrift Savings or income derived from U.S. Government retirement programs.</p>	<p><b>BLOCK B</b>  <b>Value of Asset</b>                      at close of reporting year. If you use a valuation method other than fair market value, please specify the method used. If an asset was sold and is included only because it generated income, the value should be "None."</p>	<p><b>BLOCK C</b>  <b>Type of Income</b>                      If other than one of the listed categories, specify the type of income by writing a brief description in this block.</p>	<p><b>BLOCK D</b>  <b>Amount of Income</b>                      For IRAs and retirement plans that are not self-directed, you may write in "NA" for income.</p>	<p><b>BLOCK E</b>  <b>Transaction</b>                      Indicate if asset was purchased (P), added, or exchanged (E) in reporting year.</p>
<p>For further information, see Instructions, pages 14-20                      SP: Home Corp. West                      DC: Example: 57 150 Main St., Dover, DE                      JT: THE BANK OF AMERICA, N.A. BOSTON</p>	<p>\$15,000 - \$50,000                      \$25,000 - \$50,000                      \$50,001 - \$100,000</p>	<p>Dividends                      Rent                      Interest</p>	<p>None - \$200</p>	<p>P</p>

**SCHEDULE V -- LIABILITIES**

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child, less: the highest amount owed during the year. Exclude: Any mortgage on your personal residence (unless it is rented out); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000. For further information, see Instructions, pages 51-52.

SP, DC, J	Creditor	Type of Liability	Amount of Liability
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main St., Dover, Del.	\$100,001 - \$250,000
	Glenn, Owen & Crutcher	Legal Fees	\$100,001 - \$250,000
	Jerry Yook, Fullerton, CA	Personal Loan	\$15,001 - \$50,000
	David Chang	Personal Loan	\$10,001 - \$15,000

**SCHEDULE VI - TRAVEL PAYMENTS AND REIMBURSEMENTS**

Identify the source and all travel itinerary, dates, and nature of expenses provided for travel and travel-related expenses totaling more than \$200 received by you, your spouse, or a dependent child during the reporting period. Indicate whether a family member accompanied the traveler at the sponsor's expense, and the amount of time, if any, that was not at the sponsor's expense. Disclosure is required regardless of whether the expenses were reimbursed or paid directly by the sponsor. Exclude: Travel-related expenses provided by federal, state and local governments, or by a foreign government required to be separately reported under the Foreign Gifts and Inclusions Act (5 U.S.C. 7542); travel paid for by a Federal political committee; travel provided to a spouse or dependent child that is fully independent of the reporting individual. For further instructions, see Instructions, pages 24-26.

Source	Date(s)	Point of Departure-Destination-Point of Return	Accompanying?	Food?	Was a Family Member Included?	Any time(s) at sponsor's expense
			(Y/N)	(Y/N)	(Y/N)	(Date)
Example: Chicago Chamber of Commerce North Carolina	Mar 2 Apr 2-13	Wash, DC-Chicago/Wash, DC Wash, DC-Chicago-Chicago	N	N	N	N
Aceman Institute	Mar 7-9	DC-Hanover, PA-DC	Y	Y	Y	N
Korea Veterans Business Assoc.	Jan 25-Jul 7	LA-Seoul, Korea-LA	Y	N	N	N
North Park University	Oct 10-11	DC-Chicago, IL-DC	Y	Y	N	N

**SCHEDULE VIII -- POSITIONS**

Report all positions, compensated or uncompensated, held during the current calendar year as an officer, director, trustee of an organization, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, or any educational or other institution other than the United States. For further information, see instructions, page 28.

Exclude: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule A.

Position

Member, Board of Directors  
Congressional Asian Pacific American Caucus (non-compensatory)

--	--

## EXH. 32

FD-302 (Rev. 3-10-82)

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/17/95

SONG NIEN YEH, dob, June 24, 1942, 74 Number 195 DUN HUA Road Section 1, Taipei, Taiwan was interviewed from the Offices of the United States Attorney for the Central District of California, 312 N. Spring Street, Los Angeles, California. Also present during the interview was Assistant United States Attorney's STEVEN A MANSFIELD and EDWARD B. MORETON from the Offices of the United States Attorney for the Central District of California, in Los Angeles, Ca. and Certified Court Interpreter STEPHEN S. LAI. After being advised of the identity of the interviewing Agent and the nature of the interview YEH provided the following information:

YEH currently owns a construction company called LUNG LIAN CONSTRUCTION COMPANY, 114 Number 8, Sung Deh Road, Taipei, Taiwan. YEH stated that he is married to SANDRA YEH, (SHIN SANDY YEH), and has a son by the name of JERRY K. YEH who resides in the United States. YEH is an Taiwanese citizen and a native of China. YEH was asked about his application for political amnesty in the United States. YEH stated that he applied for amnesty in the United States and that he also wanted to apply for immigration to the United States. YEH indicated that it was his belief that he got denied for amnesty in the United States because as a young man he had a fight in Taiwan and has a small criminal record because of it. Finally, YEH indicated that he came to the United States twice in 1992, once before the 1992 election and once after the 1992 election. YEH stated that at the time YEH's wife, SANDY YEH, and himself came to the United States in 1992, they stayed at JERRY YEH's house.

YEH was asked about whether he had ever met Congressman JAY C. KIM. YEH stated that KIM, his son JERRY YEH, and himself, had a lunch in a restaurant in Diamond Bar, Ca., soon after KIM was elected to Congress in 1992. YEH stated that an individual by the name of MICHAEL LI was also in attendance at the lunch. YEH indicated that this was more of a social lunch and that the three of them they did not talk much and that this was the first time that he had met KIM. YEH indicated that

Investigation on 2/13/95 at Los Angeles, Ca. File # 56C-LA-161136-256  
 by SA ANTHONY R. GORDON Date dictated 2/16/95

FBI-00000975  
 This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

56C-LA-161136

Continuation of FD-302 of SONG NIEN YEH , On 2/13/95 , Page 2

previously he had only dealt with KIM through his son JERRY YEH. YEH stated that also at this lunch, KIM had asked him about what type of work he was doing and when YEH told him that he was involved in construction, KIM at that time tried to get YEH to buy KIM's company JAYKIM ENGINEERS' INC. (JKE), in Diamond Bar, Ca., as KIM was trying to sell the company.

YEH was asked about a \$50,000 loan that he made to JAY KIM and that was wired to his wife SANDY YEH. This loan was identified as coming through an "official check" number #04-411940882 from UNITED NATIONAL BANK, made out to SANDY SHIN YEH, dated May 19, 1992, for the amount of \$50,000 which referenced incoming wire # IN-11679, as well as shown by a cashier's check #02208 from CATHAY BANK in Los Angeles, Ca, dated 5/19/92, and made out to JAY KIM for \$50,000. YEH stated that KIM at that time had a campaign going on to be a Congress member and as a result did not have the time to take care of his business. According to YEH, he talked to his son JERRY YEH and he then he gave JERRY YEH a loan to give to KIM. YEH stated that KIM then issued him a note to secure the loan which was given to JERRY YEH. This note was determined to be a Promissory Note from JAY C. KIM to SONG NIEN YEH, 1728 North Ladera Vista, Fullerton, Ca. 92631. YEH stated that prior to the election in 1992, he also donated money to KIM's Congressional campaign. YEH stated that his \$50,000 loan to KIM was for KIM's business and that the loan occurred sometime before the election in 1992.

YEH mentioned that prior to his loan to KIM he was aware that his son, JERRY YEH, was very busy with KIM's election and had wanted, "friends". YEH stated that he believed that the campaign assistance of KIM was legal. YEH stated that JERRY YEH was assisting the orientals in KIM's Congressional campaign and was spending part of his time on the campaign. YEH stated that JERRY YEH was distributing pamphlets and registering voters for KIM's campaign. YEH indicated that he gave the loan to KIM approximately one month before the election, through his son JERRY YEH, and that YEH had no contact was KIM directly on the loan. YEH noted that at the time of the loan to KIM, he was in Taiwan and that before the actual loan to KIM, he realized that JERRY YEH was involved in KIM's campaign. YEH stated that he was not aware of any specific primary date in 1992.

YEH was asked about whether he knew that his \$50,000 loan to KIM went directly to KIM's Congressional campaign. YEH

FBI-00000976

56C-LA-161136

Continuation of FD-302 of SONG NIEN YEH, On 2/13/95, Page 3

stated that he did not know that the \$50,000 went to KIM's campaign. YEH indicated again that he his son, JERRY YEH, had told him that KIM's business had financial difficulties and that the money, "was supposed to go to the business". According to YEH, KIM did not have time to take care of his business.

YEH indicated that there were three reasons why he made the loan to KIM. First, YEH stated that he believed that KIM was his son's, (JERRY YEH), friend and that his son needed some friends because JERRY YEH had initially just come over to the United States; Second, YEH stated KIM was running as an oriental candidate; Finally, YEH stated that the amount of money, \$50,000, did not mean that much to him. YEH stated that he did not know what the money was used for and that if KIM had asked him for money for his campaign, he would have loaned it to him. YEH also stated that at the time that he loaned KIM money for his business, if YEH had known the money might be used in KIM's Congressional campaign, he would not have asked him for a promissory note, because it would have been considered a donation. YEH again stated that it was his understanding that the \$50,000 loan to KIM was to be used in his business. YEH stated that he has no business record regarding the \$50,000 loan to KIM and that a promissory note was issued for it by KIM.

YEH noted that he was giving JERRY YEH \$20,000 to support himself and his family and that he would send money to JERRY YEH if he needed it. YEH stated that he has given money to Taiwanese businesses before, but that this was his first time that he had given money to a United States business. YEH also indicated that this is the first time also that he has ever given money to a United States politician. YEH stated that at the time of his contributions to KIM, he had no understanding of United States Election law.

YEH was asked regarding the pay back of the loan from KIM. YEH stated that, "well I just loaned him, (KIM), money", and that his son, JERRY YEH, "told him money was used in business". YEH noted that he remembers that his son, JERRY YEH, had talked to an individual by the name of MICHAEL LI and that JERRY YEH told him that LI worked in KIM's business. YEH stated that JERRY YEH had to have LI, "have KIM give him, (LI), money,"

YEH additionally noted that at the lunch that he had with KIM after the 1992 election, which was also attended by

FBI-00000977

FD-302a (Rev. 11-15-83)

56C-LA-161136

Continuation of FD-302 of SONG NIEN YEH, On 2/13/95, Page 4

MICHAEL LI, KIM thanked YEH for his assistance and the assistance of his son, JERRY YEH, to KIM's campaign. YEH stated that KIM said something to the effect that YEH, "gave him a lot of assistance". YEH stated again that KIM wanted to sell his business and had asked him at this lunch if YEH wanted to buy KIM's business, because YEH business because both of their businesses was construction related. YEH noted that at this lunch with KIM after the election in 1992, that this was the first time that he learned the type of business that KIM was involved in. YEH stated that at the lunch with KIM in California, KIM knew his business, (YEH's) was in Taiwan as YEH had told him about it.

YEH was asked why the remainder of the \$50,000 loan to KIM has not been paid back. YEH stated that according to JERRY YEH, JERRY YEH indicated to him that it was because the financial condition of KIM's business was getting worse. YEH stated that KIM had told him, through MICHAEL LI, "that KIM would pay it back". YEH stated that he did know about the sale of KIM's company, JKE.

YEH was asked about other donations he had made to KIM's campaign. YEH indicated that before the election he had also donated money to KIM's campaign as he was aware that his son, JERRY YEH, was involved before the election of KIM to congress. YEH stated that in approximately April of 1992, he had heard through his son JERRY YEH that a couple of thousand dollars were given to the campaign, however YEH did not recall the number of checks. YEH was asked whether he reimbursed his children for the donations to KIM's campaign. YEH indicated that these are, "just young people, don't have money," and that if they usually ask, he would give it. YEH stated that he did not remember any specific incidents regarding donation checks to KIM's campaign, but that he gave them, (his kids) money every month. YEH was asked about a \$5,000 check given to KIM's Congressional campaign and signed by his wife SANDY YEH in October of 1992. This check was identified as check #1486, dated October 28, 1992, written on the account of SANDY S. YEH and JERRY K. YEH, at a BANK OF AMERICA Branch in Fullerton, Ca., for \$5,000, signed by SANDY S. YEH and made payable to JAY KIM. YEH stated the he did not remember this particular check and that he gave KIM quite a lot of money through JERRY YEH at that time.

YEH indicated that during the first six months after the 1992 election, KIM went on a trip to China, Southeast Asia

FBI-00000978

FD-302a (Rev. 11-15-83)

56C-LA-161136

Continuation of FD-302 of SONG NIEN YEH , On 2/13/95 , Page 5

and Taiwan on a formal visit. YEH stated that he had no idea who paid for KIM's trip to Asia. YEH stated that LI had called him up for courtesy sake and invited YEH to eat together in Taiwan with KIM. According to YEH, the talk about at the conversation at the meal was about the local elections to Taiwan and that LI was there also at the meal.

YEH was asked about if he had given anymore money to KIM since KIM's election to Congress in 1992. YEH stated that he has given no more money to KIM because he was never re-paid for the loan that he gave KIM initially. YEH also stated that he was not aware of LI giving any money to KIM and that he neither talked with LI or JUNE KIM about money.

FBI-00000979

EXH. 33

(909) 992-8026  
714

TO: Congressman  
From: Michael Li  
Date: 8/10/93  
Subject: JERRY YEH

---

On August 8, 1993, Jerry Yeh had called me to request a meeting on the next day. Therefore, a meet was held at my house with him. The focus of the meeting is about \$50,000.00 loan that he wants to be returned by the end of August, 1993.

His reasons are as follows:

1. Since Southern California land developments are very slow, he is planning to move business back to Taiwan.
2. He cannot face his dad about the loan, if he return to Taiwan.

I think we shall pay him back on he requested date. The note is carried by JKE.  
My suggestion is; Make a personal call, set a date, and pay him.

( EXHIBIT "D" )

PAY TO THE ORDER OF		2645	
Twelve thousand and 00/100		September 28 1992	
		\$ 12,000.00	
		DOLLARS	
FOR <i>Parasol</i>		<i>AKK</i>	
CHEMICAL BANK			
*00 2645* :021000128: 006 08 2173*			

ENDORSE HERE  
*Pay to Order to  
10098787  
[Signature]*  
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
FEDERAL RESERVE BOARD OF GOVERNORS REG. CO.

UNION BANK OF CALIF.  
SAN FRANCISCO, CALIF.  
011062550

1 01 14  
1 0212-0408-5  
1 0212-0408-5

3795  
[Signature]

PAID

FEDERAL RESERVE BOARD OF GOVERNORS REG. CO.

PAY TO THE ORDER OF JUNE O. KIR Twelve Thousand and 00/100 <b>CHEMICAL BANK</b> 111 FEDERAL RESERVE BANK OF SAN FRANCISCO #00 2545* -#0 2100 1 24# 008-08 2473-2	<b>NIKKO ENTERPRISES, INC.</b> ATTENTION SERVICE ENGLEWOOD CLIFFS, NJ 07038 2645 200812290000
---	---

## EXH. 35

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/5/94

On 12/5/94, DAVID CHANG, Korean-American male, dob 10/12/43, pob Beijing, China, employment Senior Managing Director, Nikko Enterprises Inc., 464 Hudson Terrace, Englewood Cliffs, New Jersey, residence 210 Hillside Ave., Cresskill, New Jersey was interviewed by SAs EUGENE C. LEE and EDWARD R. RICHARDSON. At the outset of the interview CHANG was told that the FBI was investigating allegations of election law violations concerning Congressman JAY KIM, 41st Congressional District, California.

At first, CHANG denied any involvement with the election of JAY KIM. He recalled that about one year ago he received some correspondence from the FBI, Los Angeles concerning this matter and that he forwarded that correspondence to his attorney. CHANG was of the belief that the investigation into JAY KIM's election had been dropped.

CHANG was then shown a copy of \$12,000, NIKKO ENTERPRISES, INC. canceled check number 2845, dated 9/28/92, made out to JUNE O. KIM. CHANG then made efforts to recall the circumstances surrounding the issuance of the check. The signature on the check, although difficult to read, was that of ANGELINE CHO, who is no longer employed by NIKKO. CHANG authorized the issuance of the check.

Several days before 9/28/94, he attended a Republican Party fund raiser at the Waldorf Astoria, New York, New York. While he was there, he met YU Young-su who represented the Korean Republican Political Committee. YU is a Korean male who is believed to be in the grocery business. CHANG does not know YU well and only had a telephone number, 201 939-4700, for YU. In addition to GEORGE BUSH and ALPHONSE D'AMATO, CHANG met JAY KIM at this event.

YU encouraged CHANG to contribute to the Korean Republican Political Committee and CHANG pledged a \$12,000 donation. CHANG orally specified that the contribution was to be allocated as follows: \$2,000 to GEORGE BUSH, \$5,000 to JAY KIM,

Investigation on 12/5/94 at Englewood Cliffs, N.J. File # 56C-LA-161136  
 by SA EUGENE C. LEE *EL* SA EDWARD R. RICHARDSON *ER* Date dictated 12/5/94

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and its contents are not to be distributed outside your agency.

FD-302a (Rev. 11-15-83)

GC-LA-161136

Continuation of FD-302 of DAVID CHANG , On 12/5/94 , Page 2

and \$5,000 to ALPHONSE D'AMATO. CHANG thought that he later asked YU to whom to make the check payable and was told to make the check payable to JUNE O. KIM. CHANG never met JUNE O. KIM and assumed that KIM was an associate of YU who was involved in the Korean Republican Political Committee. CHANG advised that while the copy of check 2845 shows that the reason for the check was scratched out, the reason for the check was originally entered as "political contribution". CHANG did not know who was responsible for that alteration but was certain the "political contribution" appeared on the check when he personally gave it to YU.

CHANG made the donation on behalf of Nikko Enterprises which is wholly U.S. owned. CHANG claimed to have no knowledge concerning election law illegalities. He has heard from other Korean-American contributors that YU has encouraged others to make questionable donations.

EXH. 36

12-17-94

To Mr. Yung Soo Yoo.

지난 92년에 빌려받은 \$10,000-  
동량의 유대금 지불했습니다.

더위 다음날은 상의할 약속 하여 빨리 돌려드리겠습니다.

유대금 \$2,000- 먼저 돌려드립니다.

Thank you.

June O. Kim

Translation:

12-17-94

To Mr. YUNG SOO YOO,

Back in 1992, which I borrow from you \$10,000. It is inconvenience to you in delay. I will repay back to you as soon as possible. However, I send you a \$2,000 initially.

Thank-you.

JUNE O. KIM

EXH. 37

1112

12-17-94 10 94 \$2,000.00  
 4-09/128  
 DPLTARS

PAID TO THE ORDER OF *David Charles*

*Two thousand dollars to me*

MEMO *James B. King*

2019 Identity Group, 909-465-1744  
 Document ID: 91765

1112

MEMO :A120004964: 16 098781\* 1112

Handwritten: *James B. King*

Handwritten: *Two thousand dollars to me*

Handwritten: *12-17-94*

Handwritten: *10 94*

Handwritten: *\$2,000.00*

Handwritten: *4-09/128*

Handwritten: *DPLTARS*

Handwritten: *James B. King*

Handwritten: *MEMO*

Handwritten: *:A120004964: 16 098781\* 1112*

Handwritten: *1112*

Handwritten: *1112*

387

EXH. 38

COMPANY: \_\_\_\_\_

**PAYMENT VOUCHER**

DATE: \_\_\_\_\_

PAY TO:

OUR REF:

INVOICE NUMBER:

DATED:

AMOUNT:

PAYMENT INSTRUCTIONS:

PAYMENT DOCUMENT:

AUTHORIZED BY: \_\_\_\_\_

COMMENTS: *political Contribution*

CHECK # 2645  
DATE 9/28/92  
AMOUNT \$12000 -  
ACCOUNT NE/CHE

DISTRIBUTION: ORIGINAL TO FINANCE  
DUPLICATE TO ORIGINATOR  
TRIPPLICATE TO OFFICE

71

**EXH. 39**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/23/95

YOO, YUNG-SOO, date of birth September 25, 1936, SSAN# 136-39-4556, was interviewed from the Offices of the United States Attorney's Office (USAO) for the Central District of California 312 N. Spring St. Los Angeles, California. After being advised of the identity of the interviewing agent and the nature of the interview, YOO provided the following information:

YOO is currently Chairman of VITAC OPTICAL INC., 2 Carlton Avenue, East Rutherford, New Jersey, 07073, Phone (201)-939-4700.

The purpose of the telephone conversation was to set up a time to re-interview YOO regarding a September 28, 1992, political contribution check received by Congressman JAY KIM from NIKKO ENTERPRISES, INC. in Englewood Cliffs, New Jersey. YOO stated that this check arose out of a political fund-raiser at the Waldorf Astoria in New York City that he organized on approximately September 21 or 22, 1992. YOO stated that this fund-raiser was attended by KIM, U.S. Senator ALPHONSE D'AMATO from New York, and former President GEORGE BUSH.

YOO stated that at this fund-raiser for the first time he met DAVID CHANG of NIKKO ENTERPRISES, INC. According to YOO, CHANG appeared at the fund-raiser with former Deputy Director of the Central Intelligence Agency and former Navy Admiral DANIEL J. MURPHY, and another individual by the name of JEFF GRECO. YOO stated that the cost of the dinner was \$1,000 per plate and that CHANG had stated that he would pay this amount to YOO at a later date and that the money for the dinner was supposed to go to Senator D'AMATO's office.

During the fund-raiser YOO stated that KIM, CHANG, and himself were talking and that at this time KIM had asked for financial help and that CHANG mentioned that he would make a political donation for \$20,000. YOO stated that after this conversation, KIM took him aside and mentioned to YOO if he, KIM,

Investigation on 3/22/95 at Los Angeles, CA File # 56C-LA-161136-223

by SA ANTHONY R. GORDON/arg Date dictated 3/23/95

FBI-0000970

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD-302a (Rev. 11-15-83)

56C-LA-161136

Continuation of FD-302 of YOO, YUNG-SOO , On 3/22/95 , Page 2

did in fact "hear right", that the amount was \$20,000, and that he, KIM, in the past never got more than \$2,000 from any one person. According to YOO, YOO stated that KIM was surprised by the large amount of the donation and that KIM thought that he was going to get the entire amount.

YOO stated that approximately one week later, he had lunch with CHANG and that CHANG at this time produced a company check for \$12,000. YOO stated that CHANG told him that \$12,000 was all he could afford at this time and that he would have to give the remaining amount later. YOO stated that he had expected at this time to receive \$23,000 from CHANG, of which \$20,000 was for KIM and \$3,000 was supposed to go to Senator D'AMATO for payment of the dinners at the New York fund-raiser obtained by CHANG, MURPHY and GRECO. YOO stated that later he had called KIM to inquire about what should he, YOO, do with the \$12,000 check he obtained from CHANG. During this telephone conversation with KIM, YOO stated that he told KIM that he got a corporate check from CHANG for \$12,000, but that \$3,000 of this amount was supposed to go to Senator D'AMATO for the dinners. YOO stated that KIM told him to deliver the check to BYUNG-KYU LIM, aka BEN Q. LIMB, an attorney at that time located in the Empire State Building in New York City.

YOO stated that he subsequently gave the check to LIMB and told LIMB that the check had to be split, with \$3,000 of the \$12,000 amount going to Senator D'AMATO's office for the fund-raiser dinners and the remaining \$9,000 going to KIM. At the time YOO gave the check to LIMB, YOO stated that LIMB said he would call KIM regarding the check.

YOO stated that approximately two months ago, out of the blue, KIM had called him up wanting CHANG's address as he, KIM, wanted to return CHANG's money. According to YOO, KIM gave no reason why KIM wanted to return the money. YOO stated that during the events surrounding the NIKKO ENTERPRISES, INC check obtained from CHANG, the fact of any "loan" to KIM was never discussed by himself, KIM, CHANG or LIMB and that the \$12,000 was a political contribution. YOO stated further that he doesn't get involved in campaign finances and that he has seen Senator D'AMATO's office return corporate checks that were given to him, as D'AMATO's campaign doesn't want to get involved with them.

FBI-00000971

**EXH. 40**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/19/95

YUNG-SOO YOO, Date of Birth, September 25, 1936, SSAN# 135-39-4556, 28 Old Oak Road, Glen Ridge, New Jersey, 07028. Home phone (201) 748-5841, was interviewed at the LAW OFFICES OF FRANZINO AND ROSENBERG, 101 East 52nd Street, New York City, New York 10022, telephone number (212) 980-7878. Also present during the interview was YOO's attorney, DENNIS E. MILTON, SEUNGKYU LEE, Special Agent, FEDERAL BUREAU OF INVESTIGATION, New York City Field Office, and EDWARD T. MORETON, Jr. Assistant United States Attorney from the United States Attorney's Office for the Central District of California in Los Angeles, Ca. After being advised of the identity of the interviewing Agent and nature of the interview, YOO provided the following information:

YOO is currently Chairman of VITAC OPTICAL COMPANY, INC., 2 Carlton Avenue, East Rutherford, New Jersey 07073, telephone number (201) 939-4700.

YOO stated that he has been active raising money for the Republican Party since approximately 1988 at the State Gubernatorial level, as well as the Federal level. YOO stated that in January 1992, he was invited by CLAYTON YEUTTER, then Chairman of the Republican National Committee in Washington D.C., to serve as a member of the Republican National Committee's Asian-American Advisory Council. YOO stated that later in April of 1992, he was then invited by JAMES S. NATHANSON, then Director of Political Operations for the Republican National Committee, to serve as the Korean-American National Chairman for the Asian-American Victory '92 Committee. YOO stated that it was the Victory '92 Committee that later organized a reception and dinner for former PRESIDENT GEORGE and MRS. BUSH on Monday, September 21, 1992, at the Waldorf Astoria Hotel, Grand Ball Room, in New York City, New York.

YOO was asked about his relationship with an individual by the name of DANIEL MURPHY. YOO stated that from his acquaintance with the Consulate General in Korea in 1988, by the name of ANDREW ANTIPPAS, ANTIPPAS gave YOO's name to MURPHY and

Investigation on 4/5/95 at New York City, New York File # 56C-LA-161136-392  
 by SA ANTHONY R. GORDON Date dictated 4/12/95

FBI-00000960  
 This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency;

YOO was later contacted by an associate of MURPHY's by the name of JEFF GRECO, who asked for YOO's help in New York for the BUSH Campaign in 1988. MURPHY is a former Deputy Director for the CENTRAL INTELLIGENCE AGENCY (CIA) under the BUSH Administration. YOO additionally stated that he recalled meeting MURPHY and another individual by the name of DAVID CHANG, on an airplane to North Korea around this time, as YOO had gone to North Korea to meet the, then, Foreign Minister of North Korea, KIM YUNG-NAM. YOO stated that later during this trip he saw MURPHY and CHANG in the Foreign Minister's office as CHANG and MURPHY were leaving. MURPHY stated that thereafter he became involved in Republican Party politics in New York for various Republican candidates.

YOO was asked about his knowledge of Federal Election Campaign law. YOO stated that he knows the contribution limits generally and noted that when he works with campaigns, the campaign would tell him which checks were unacceptable. YOO stated that the campaign would return the checks if there were any problems and that the fund-raiser individual with the campaign would work with him and that on each occasion he is involved with, he would ask the campaign for the limits on what can or cannot be donated. YOO also indicated that the contribution limits and prohibitions are printed on the invitations, and that on each political occasion he is involved in has a different set of rules. YOO additionally stated that if people that are donating money ask him, he will call the campaign and would then give the contributor an answer. As to PRESIDENT GEORGE BUSH's former campaign, YOO stated that BUSH rejects corporate checks and that YOO will then get a personal check in return for the corporate checks. YOO stated that the checks are coded, explaining that he will follow-up after the campaign event if the campaign contacts him and asks him to exchange a corporate check for a personal check. YOO stated that as to his own contributions, he is familiar with the rules in general as to individual contributions and on each occasion he would ask the limits.

YOO was asked about his relationship with Congressman JAY KIM. YOO stated that KIM had gone to the Republican National Committee Headquarters in Washington, D.C., and was told by, then, Republican National Committee Chairman, RICHARD BOND, to talk to YOO, if KIM needed money. YOO stated that he then for the first time later met KIM at a Washington, D.C., hotel, whereupon, KIM had told YOO that BOND had high respect for YOO.

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO . On 4/5/95 . Page 3

YOO stated that he could not recall the time of the year in which this meeting took place other than it was during the election season. At this particular meeting, KIM told YOO that he needed help fund-raising and YOO had told KIM that he would see what he could do. YOO did indicate that the time of his meeting with KIM in Washington, D.C., was before the fund-raiser at the Waldorf Astoria Hotel was set up. YOO stated that he was aware there was a committee being formed in New York for KIM's campaign which was being headed by BEN LIMB. YOO noted that he met JUNE KIM, KIM's wife, at this time in Washington, D.C.

As to the Victory '92 Fund-raiser on September 21, 1992, YOO states that he was asked by the Victory '92 Chairman, TED WELCH approximately two to three months before, to set up the fund-raiser. YOO stated that this fund-raiser was for Korean-Americans and the goal was to obtain up to \$200,000 for PRESIDENT BUSH's 1992 Re-election Campaign. YOO stated that he had heard that KIM wanted to see PRESIDENT BUSH in order to obtain some publicity to raise further campaign funds. YOO stated that when he was organizing the fund-raiser in New York, he called KIM and asked him whether he, KIM, would want to sit next to PRESIDENT BUSH. YOO stated that KIM asked YOO who was going to be there and YOO responded PRESIDENT BUSH, First Lady BARBARA BUSH, AND Senator ALPHONSE D'AMATO of New York. YOO also stated that renowned Taikwondo Instructor, MASTER JHOON RHEE, of the JHOON RHEE FOUNDATION was going to be the Master of Ceremonies for the event. According to YOO, KIM said yes, that he would like to attend, and according to YOO, KIM's only motivation was to be seen with PRESIDENT BUSH to raise money from the Korean community. YOO denied that money or a percentage of money from this particular fund-raiser was promised to KIM in order to obtain KIM's attendance in New York. YOO stated that the Victory '92 Committee allowed YOO to run the show and that he assigned RHEE to be the Master of Ceremonies for the event. YOO finally noted that this was the only fund-raiser in which he attended with KIM and that YOO did not attend the previous fund-raiser put on by LIMB in the New Jersey area.

At the Victory '92 Fund-raiser on Monday, September 21, 1992, at the Waldorf Astoria Hotel in New York City, New York, YOO stated that both PRESIDENT BUSH and ALPHONSE D'AMATO spoke briefly about KIM at the fund-raiser as well as YOO himself meeting KIM at the dinner. YOO stated that at the fund-raiser he was in charge of setting up the photo opportunities with

FBI-0000962

FD-302a (Rev. 11-15-83)

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO, On 4/5/95, Page 4

PRESIDENT BUSH, which required the prior submission and approval by the White House Security Detail and the Secret Service, of the date of births and social security numbers of the people who were going to have their picture taken with the President. While at the fund-raiser in New York, YOO stated that at the end of the photo session, he was summoned by the Secret Service and was informed that three people had shown up to get their picture taken with the President were not on the list and these people indicated that they had known YOO. YOO identified these individuals as DANIEL MURPHY, JEFF GRECO and DAVID CHANG. According to YOO, MURPHY appeared to have had a few drinks and was possibly a little intoxicated at this particular time. YOO stated that he was not sure if CHANG was drunk at this time, but that MURPHY appeared to be so. YOO indicated that MURPHY had asked him for permission to get his picture taken with the President and YOO told MURPHY that there are certain protocols that had to be followed, such as, prior advanced approval before the picture could be taken and that he was not running the show since the information was required to be submitted in advance for approval. YOO indicated that he did not know if CHANG got his picture taken, however, he was informed later on by MURPHY, that MURPHY and GRECO was able to get their picture taken with PRESIDENT BUSH.

Subsequently, according to YOO, CHANG, MURPHY and GRECO came to YOO's table and YOO indicated that he gave up his seat and that of his wife's to CHANG and MURPHY. At this time YOO stated that GRECO told him to treat CHANG well. YOO stated that at this time KIM was at the podium sitting at the dias. YOO indicated that he told GRECO that, "you guys did not buy a ticket and are demanding the best seat", whereupon, CHANG indicated to YOO that he would pay \$3,000 later for the tickets and that he would send a check.

YOO stated that after the speakers got finished PRESIDENT BUSH was escorted off the podium to the elevator. YOO stated that subsequently people were coming up and greeting other people at the head table whereupon, according to YOO, KIM came over and thanked YOO. According to YOO, CHANG had indicated to YOO that he wanted to be introduced to KIM and thereupon, YOO then introduced KIM and CHANG together at this particular time. YOO indicated that before this introduction with KIM, CHANG had told YOO before the dinner that he had given money to various Congressman in the past.

FBI-00000963

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO On 4/5/95 Page 5

YOO stated that at this particular introduction between CHANG and KIM, only the three of them were present, as KIM's wife was not there at the dinner. According to YOO, both KIM and CHANG shook hands and exchanged cards, whereupon YOO stated to KIM, referring to CHANG, he is the guy who has donated money to Congressional campaigns before. According to YOO, KIM stated in response, "how about me". YOO stated that he told CHANG, "Why don't you help KIM out?", whereupon, CHANG asked, "how much?" In response to CHANG indicating how much, YOO stated, "how about \$20,000". YOO stated that they thanked each other and then YOO left them. According to YOO, KIM later pushed YOO aside into the corner, was surprised that he would receive this large amount of money from CHANG, and stated approximately the following to YOO, in a surprised tone of voice, "Is that \$20,000?, I never got more than \$2,000 from one guy before. \$20,000 from a Korean guy, what does he do?" YOO stated that he confirmed that it was \$20,000 and that, according to YOO, KIM thought he was going to get the entire amount. YOO stated that at this time, KIM did not know about NIKKO ENTERPRISES, INC. YOO also stated that when CHANG asked how much he should donate and YOO said \$20,000, YOO stated that he was, in a sense, testing CHANG to see how much he would come up with. YOO stated that there were no more conversations with CHANG or MURPHY at this particular fund-raiser and YOO denied at this time announcing CHANG's donation to KIM to the audience from the podium. YOO also stated that he had nothing to do with the money for the Victory '92 Fund-raiser as that was dealt predominantly by Senator ALPHONSE D'AMATO's campaign in New York.

YOO stated that CHANG called him a couple of days after the event and said he wanted to give YOO the check and that they should get together for lunch. YOO stated that at this particular lunch, he expected to get from CHANG, the \$3,000 for the dinner tickets for CHANG, GRECO, and MURPHY, as well as the \$20,000 that would go to KIM directly. Before this phone call from CHANG, YOO indicated that he thought CHANG would send the money directly to KIM instead of funneling it through YOO.

YOO indicated that he then met CHANG at the HANA HANA Restaurant in Fort Lee, New Jersey, around September 28, 1992, whereupon CHANG gave YOO the \$12,000 NIKKO ENTERPRISES, INC. check. YOO stated that at this particular time he noticed the corporate nature of the check, however, he did not know the California rules for election donations. YOO stated that he told

FBI-00000964

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO . On 4/5/95 . Page 6

CHANG that if the check was not acceptable, they will return the check. According to YOO, CHANG said that the \$3,000 was for the fund-raiser dinner at the Waldorf Astoria Hotel and that \$9,000 was to go to KIM directly. YOO at this time asked CHANG about the \$20,000 that was promised previously to KIM, whereupon YOO stated that CHANG stated that he will give KIM the rest of the money later. YOO stated that nothing was said at the time the check was passed about the contribution being excessive in any manner.

YOO at this time was asked why the payee section of the NIKKO ENTERPRISES INC. check was not made out to a particular party. YOO stated that CHANG had indicated to him this omission was because he, CHANG, did not know how to write the check or who to make it payable to and also because of the division between D'AMATO and KIM. YOO stated that he told CHANG that the check may be returned because it is a company check and that Victory '92 will not accept corporate checks. YOO stated that he told CHANG that if the check was not acceptable to Victory '92 or KIM that it will be returned to CHANG. YOO stated that CHANG noted in response, "we'll see when it comes". According to YOO, it was his impression at this time that it was a problem for CHANG to redo the check. YOO stated that during their meeting CHANG did not go back to the office or at anytime give him a personal check for the contribution.

YOO was asked about the memo section on the NIKKO ENTERPRISES INC. check given to him by CHANG. YOO stated that he did not notice this part of the check as he did not pay attention to it, and that he did not recall what it said. YOO stated that he did not touch this section of the check, did not see any scratching out on the check and further denied that he crossed out anything on the check. Finally, at the lunch according to YOO, CHANG asked if KIM was going to be elected, whereupon, YOO stated that KIM had a good chance.

YOO stated that he called KIM after lunch at his office and told him that he got a corporate check for \$12,000 from DAVID CHANG and that \$3,000 of it was supposed to go to D'AMATO for the dinners at the Waldorf Astoria Hotel in New York and \$9,000 was supposed to go to KIM. According to YOO, KIM said that, "didn't CHANG promise \$20,000?", whereupon, YOO stated to KIM, "Yes, but that he promised that he would give the amount to you later". YOO then asked what should he do with the \$12,000 NIKKO

FBI-0000965

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO , On 4/5/95 , Page 7

ENTERPRISES, INC. check and KIM told YOO to give it to BEN LIMB in New York and the call was then terminated. According to YOO, LIMB was the head of KIM's campaign in New York.

YOO stated that he therefore called LIMB up and stated that he had a corporate check for \$12,000, and he told LIMB that he had called KIM and told KIM about the check and KIM told YOO to bring the check to LIMB. YOO stated that he had business in New York and that when he got done he would call LIMB in order for them to meet. According to YOO, LIMB said okay and agreed to meet and accept check. YOO stated that when he arrived at the Empire State Building in New York City, where LIMB's office was, he called LIMB and went up to his office and presented the NIKKO ENTERPRISES INC. check to LIMB and told him that \$9,000 of this amount was supposed to go to KIM and that \$3,000 was for the dinners and that it was supposed to go to D'AMATO. At this particular time, YOO indicated that he delineated to LIMB how the check was supposed to be split and \$9,000 was supposed to go to KIM. YOO indicated that presently it is unclear to whether, concerning the \$3,000 portion of the check, LIMB gave a check to D'AMATO's campaign for the dinners or whether LIMB just sent the entire check to KIM. In order to clarify the point, YOO stated that he tried to call LIMB, but LIMB told YOO that he did not want to discuss it on the phone.

At LIMB's office in New York, YOO stated that he gave the check personally to LIMB for LIMB to give it to KIM. YOO stated that LIMB may have said something about the corporate nature of the check, but he does not recall. YOO stated that he does remember that LIMB was not happy about the check and that YOO sensed this was because it was a corporate check. YOO noted that the corporate nature of the NIKKO ENTERPRISES INC. check was obvious. YOO indicated that at the time he had talked to KIM after he had received the check, KIM did not object to the corporate nature of the check, and if KIM had objected at that time, YOO would not have given it to LIMB and it would have been returned to CHANG. YOO also stated that as to LIMB, this same check was not refused by LIMB because it was a corporate check. YOO also indicated at that time, he does not remember LIMB asking for a personal check and that LIMB voiced no objection to the amount of the check. According to YOO, LIMB stated that LIMB would call KIM about the check and that when he gave the check to LIMB, the payee section of the check was also blank.

FBI-0000966

YOO was asked about the blacked-out wording on the memo section of the NIKKO ENTERPRISES INC. check at the time YOO gave the check to LIMB. YOO stated that as far as he can remember, this section was not crossed out, however, he did not remember what it had said. YOO stated that LIMB never said anything about any crossing out on the check.

YOO was asked about a cover letter sent with the check to KIM by LIMB and was shown a copy of a cover letter dated September 29, 1992 to KIM from LIMB regarding the check LIMB had received from YOO. YOO indicated that he had never seen this particular cover letter before and that he did not call KIM after he had given the NIKKO ENTERPRISES INC. check to LIMB.

YOO indicated that he had one unrelated encounter with KIM in October 1992, after the contribution, where he had met KIM at a Korean Thanksgiving Festival in New York, however the next encounter with KIM regarding the contribution from NIKKO ENTERPRISES INC. was on approximately December 15, 1994. YOO stated that KIM had called him and wanted CHANG's address and, according to YOO, KIM stated that he was going to pay, "CHANG back his money", and that KIM wanted to return the money to DAVID CHANG. YOO also stated that KIM mentioned that he wanted to return the "loan to CHANG". YOO stated that KIM's words struck him as odd as the NIKKO contribution was not a "loan", was not mentioned previously as a loan, and that this was the first time YOO had heard that it was a "loan", as CHANG had never indicated to YOO that it was a loan before. According to YOO, there was never any agreement about a loan to KIM regarding this NIKKO contribution and that YOO had never loaned money to KIM and that he was aware of no such loan from CHANG to KIM. YOO stated that after he received the phone call from KIM, he told KIM that it was a contribution from CHANG and not a loan. According to YOO, during this time period in December of 1994, he smelled that something was wrong and that in the conversation between him and KIM in December 1994, KIM used the words, both loan and money. YOO stated that he has not had any subsequent conversations with KIM or CHANG since then.

After his phone conversation with KIM, YOO stated that he then gave his notes of the phone conversation to his secretary by the name of SALLY HA, asked her to call for CHANG's address, and who then typed a fax message sheet with the address, dated December 15, 1994, and faxed it to KIM. YOO stated that he

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO On 4/5/95 Page 9

According to YOO, he did not review the fax transmittal sheet before it was sent out and when he was shown a copy of it during this interview by this Agent, he indicated that this was the first time he had seen it. At this time, YOO was shown the Korean handwriting on the bottom of the December 15, 1994 fax transmittal sheet to KIM, which indicated in Korean the wording, "loan amount \$10,000". YOO stated that this was the first time he had seen this particular Korean writing on the fax transmittal sheet. YOO stated that he did not write the Korean lettering on the bottom of the fax transmittal sheet, that he did not direct anybody to write it and that he did not know why it was there as it is a "mystery to him". YOO stated that he does not recall KIM saying the words, "\$10,000" to him during his telephone conversation with him, but that KIM could have mentioned it to him during their telephone conversation and that he, YOO, wrote it down by accident. YOO says that his notes that he usually gives his Secretary are scratch notes and it might have been what KIM had told him. At this time, it was pointed out to YOO that there was a phone number of 201-871-7878 next to the name, DAVID CHANG, on the fax transmittal sheet. YOO indicated that this was not his or his secretary's handwriting and that KIM had never asked for CHANG's phone number from him.

Additionally, at this particular time, this Agent showed YOO a copy of a letter sent to DAVID CHANG addressed to MR. YUNG SOO YOO, dated December 17, 1994, from JUNE O.KIM. At this time, YOO denied ever seeing this letter before and indicated that he did not instruct KIM to send any money to CHANG in reference to a loan from YOO to KIM and that he has had no conversations with KIM or CHANG since December of 1994. YOO stated that his only acquaintance with JUNE KIM was when he met JUNE and JAY KIM in Washington, D.C., earlier in 1992 and that he never dealt with JUNE KIM regarding money and he had never loaned any money to JUNE KIM.

YOO was asked about whether he heard about an individual by the name of "PARK", or somebody named PARK, that was involved in political fund-raising. YOO indicated that the name "PARK" is quite common in Korean and it does not ring a bell as being, to him, a specific individual.

The conclusion of the interview, YOO produced various documents and letters relating to the Victory '92 Fund-raiser at the Waldorf Astoria Hotel in New York City on September 21, 1992,

FBI-00000968

FD-302a (Rev. 11-15-83)

56C-LA-161136

Continuation of FD-302 of YUNG-SOO YOO . On 4/5/95 . Page 10

as well as a National Victory '92 Committee letter, dated October 1, 1992, written in Korean which had been translated by YOO. YOO indicated that he believes that this letter was not sent out.

FBI-00000969

400



**EXH. 41**

**VITAC OPTICAL CO., INC.**  
2 Carlton Avenue, E. Rutherford, N.J. 07073  
Tel : (201) 939-4700 Fax : (201) 939-2334

FAX MESSAGE

Fax To : Congressman Jay Kim  
Fax No. 202-226-1485  
Fax From : Yung Soo Yoo  
Fax No. 201-939-2334

Date : December 15, 1994

Per our telephone conversation

David Chang  
Bright & Bright  
3 Nikko Bldg.  
464 Hudson Terrace  
Englewood Cliff, NJ 07632

차용액 만불

401

**EXH. 42**

Jaenam Coe\*

Of Counsel:  
Edward M. Steves, Esq.  
Ramón W. Pagán, Esq.  
\*Also admitted in N.J. & D.C.

**BEN QUINCY LIMB**  
Attorney at Law  
Empire State Building  
350 Fifth Avenue  
New York, N.Y. 10118-0090

4805  
Suites 4820-21  
Phone: (212) 244-0040

September 29, 1992

Jay Kim Engineering  
1300 S. Valley Vista Drive  
Diamond Bar, CA 91765

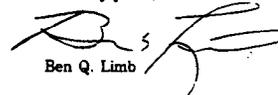
Attn: Mr. Jay Kim

Dear Jay:

I am mailing to you a check which Mr. Y.S. Yoo requested me this afternoon to forward to you. Mr. Yoo told me that he will call upon you later.

Say hello to your lovely wife.

Sincerely yours,

  
Ben Q. Limb

BQL:ms  
Enc: s.





JUL 16 '98 06:37PM CORPORATE CC

P.1

EXH. 44

July 16, 1998

David H. Laufman  
 Counsel  
 U.S. House of Representatives  
 Committee on Standards of  
 Official Conduct  
 Washington, DC 10516-8328

VIA FACSIMILE AND U.S. MAIL

Stephanie C. Ackerman  
 Staff Vice President  
 Corporate & Government Affairs

P.O. Box 30028  
 Honolulu, Hawaii 96820  
 Facsimile 808 838-0303  
 Telex: ALOHA 743-0125  
 Telephone 808 838-4172

Dear Mr. Laufman:

Aloha Airlines understands that you are representing a Congressional Investigative Subcommittee of the Committee on Standards of Official Conduct. As such, we are responding accordingly in writing to the list of questions related to the credit card purchase form that was referenced in your July 13, 1998 correspondence. I hope that these responses are sufficient, however, feel free to contact me should you need more clarification.

1. The cost of an unrestricted roundtrip first class ticket from Honolulu to Maui on Jan. 16, 1994 was \$206.00 and \$148.00 for an unrestricted roundtrip coach class ticket.
2. The credit card purchase form such as the one in question may be used to purchase tickets for more than one person.
3. Our records indicate that the credit card purchase form in question reflects the following:
  - One \$148 roundtrip nonresident fare for travel between Honolulu-Maui was made for Dobum Kim.
  - One \$206 roundtrip first class fare for travel between Honolulu-Maui was made for Dobum Kim.
  - One \$206 roundtrip first class fare for travel between Honolulu-Maui was made for Jay Kim.
 (Our records also indicate that a refund for one first class fare and one nonresident fare for Dobum Kim which totalled \$177.00 was credited to the American Express account 378340376251009 in February 1994.)
4. Clarified in response number 3.
5. Jay Kim was a passenger on flight 226 which departed Honolulu-Maui at 3:30 p.m. on Jan. 16, 1994. He was also on flight 288, Maui-Honolulu, on Jan. 17, 1994 which departed at 8:00 p.m.
6. Nobum Kim was a passenger on flight 417 which departed Honolulu-Maui on Jan. 16 at 1:15 p.m. He was also on flight 226, Honolulu-Maui, on Jan. 16, 1994 which departed at 3:30 p.m.
7. Jay Kim's ticket was purchased using the AMEX credit card account 378340376251009 noted on the credit card charge form in question.
8. All information regarding the credit card charge form in question has been provided in our responses above. Since all flight data is stored either by date, flight number or ticket number rather than by passenger name, it would be extremely difficult to obtain any additional information, if any, regarding travel by Dobum Kim or Jay Kim in January 1994.

Sincerely,



**Statement of Account**

**EXH. 45**

PT OF STATEMENT.



3 0003/0011  
018 1

Corporate Account Number: **3783-403762-51009**  
 Statement Closing Date: **01-08-94**  
 Total Amount Due: **\$407.04**

DOBUM KIM  
 HANBO LOS ANGELES  
 13047 ARTESIA 108  
 CERRITOS CA 90701-3369

MAIL PAYMENT TO:  
 AMERICAN EXPRESS  
 BOX 0001  
 LOS ANGELES CA 90096-0001



8340376253 000407040000407044

// PG 3810 / ST PG 1 OF 3 / OD: 02 / H BK: 90701336917 / MAIL / 000000817

**Summary of Account**

Corporate Cardmember Name: **DOBUM KIM**  
 Corporate Account Number: **3783-403762-51009**  
 Statement Closing Date: **01-08-94**

Previous Balance	New Charges	Other Debits	Payments Received	Other Credits	Balance Due
\$ .00	\$297.04	\$110.00	\$ .00	\$ .00	\$407.04

Card Number	Cardmember Name	Total Charges	Total Credits
	<b>PREVIOUS BALANCE</b>	<b>\$ .00</b>	
3783-403762-51009	DOBUM KIM	\$136.81	\$ .00
3783-403762-51017	SANG K HAN	\$270.23	\$ .00
	<b>TOTAL CHARGES AND CREDITS</b>	<b>\$407.04</b>	<b>\$ .00</b>
	<b>BALANCE DUE</b>	<b>\$407.04</b>	

Page 1 of 3

FOR FAST BALANCE AND PAYMENT INFORMATION, CALL OUR AUTOMATED SERVICE LINE AT 1(800)292-AMEX USING A TOUCH TONE PHONE. PLEASE HAVE YOUR ACCOUNT NUMBER READY. IF YOU HAVE ANY QUESTIONS ABOUT YOUR ACCOUNT, CALL 1-800-482-3344 (24 HOURS/7 DAYS) OR WRITE US AT P.O. BOX 63778, PHOENIX, AZ 85072-3778.

AP0082019  
 2819  
 201 02  
 (12 3 )

Watch for YOUR COMPANY small business magazine in the mail. Your complimentary copy is a benefit of Corporate Membership.



EXH. 46

**Registration Information**

Last Name	First Name	Room No.	Room Rate	Check In	Check Out	Room Number
CHUNG	T. S. MR	IC 6	950.00	01/15/94	1/21/94	161
TRAVELNG/NKK BLDNG 1F		1	GTD			
1-1-2 MARUNOUCHI,CHIYODA		Grp. 0-STES Pkg. RACK Res. HH-187131-1				
-KU, TOKYO, JAPAN		100	Prepayment \$ 1900.00			

T/A:  
Spec Svc. e  
F18:

May we suggest that you take advantage of our hotel in-room coffee, as we cannot be responsible for substitutes left in your room.  
Important - Please Take Notice: This room will not be responsible or liable for any loss of or injury to suit or any of its contents or any personal effects or valuables or baggage.

Check-Out Time is 12:00 Noon at Grand Wailea

Signature: *[Handwritten Signature]*

May we suggest that you take advantage of our hotel in-room coffee, as we cannot be responsible for substitutes left in your room.  
Important - Please Take Notice: This room will not be responsible or liable for any loss of or injury to suit or any of its contents or any personal effects or valuables or baggage.

Check-Out Time is 12:00 Noon at Grand Wailea

Signature: *[Handwritten Signature]*

14

9-17-88: 9:12AM:

:8088742922

\* 10/ 18

Guest History GRAND MAILEA RESORT Port201 13:36 By: 61198  
 Maintain History Records ID: MAS Cal: 61198  
 Enter 0 - Exit, 1 - Add, 2 - Change, 3 - Delete 2

History No.: 114519

1. Name : CHUNG T.S. MR  
 2. Address : TRAVELING/WORK BLDG 1F 1-1-2, MARUNOUCHI,CHIYODA  
 3. City : -KU, TOKYO, JAPAN 100  
 4. Telephone : 321-473-35  
 5. Last Paid : 1 00001  
 6. Last Quer. : 1 By 3761 7426 3701 004 7/96  
 7. Last Rm Typ: STER Rate 1300,00  
 8. Grouping : 0 STEER Reservations Prefix III  
 9. Special Svc: 0 Status 1  
 10. Comments :

	11. Last	12. Prev	13. ***** Total
Arrive :	011594		First : 011594
Nights :	5	0	Visits: 1
Room :	9038	0	Nights: 5
Package:	BACK		
Spent :	1900	0	Spent : 1900

Correct record ? (Yes, No, Exit)

EXH. 47

Registration Information

Car Make	Car Model	Year	Day/Year	Expiry Date	Expiry Month	Expiry Year	Price
KIM	JAY	STEO	990.00	01/16/94	1/17/94	3100	EX
C/O MR. KIM (RM 131)				GTD			
City		State		Zip Code		Registration Fee	
		Grp. O-STES		Pkg. RACK	Res. HH-168975-		
T/A:		Prepayment \$		.00			
Spec Svc:		Fit:		<small>May we request that you take advantage of our best-to-cost sales, as we cannot be responsible for vehicles sold by your agent.</small> <small>Insurance - Please Refer Member. Our best will not be responsible or liable for any loss of or injury to our vehicles or any or all other property of any individual, group, or business or foreign.</small> <small>(Check-Out Time is 1200 Hours at Grand Kyrat Valley)</small>			
Billing Address		Dachindang 3rd Singapore					
City		Sembok Korea					
Signature		<i>[Handwritten Signature]</i>					

(11)

Registration Information									
Last Name	First Name	Room	Rate	Arrival Date	Departure Date	Room Number			
KIR	DO BUM	YELB	350.00	02/13/94	1/21/94	151			
Room	Room	Rate	Arrival Date	Departure Date	Room Number				
#3111	1	GTU	378340276251009	1295					
Address		Group	Package	Rate					
3600 ORANGE THORPE AVE		Grp. 0-SLOW	Pkg. RACK	Reg. 11-187187-1					
City	State	Zip Code	Prepayment						
LA PALMA	CA	90623	\$ 700.00						
<p> <input type="checkbox"/> Please we request that you take advantage of our hotel in-room safes, as we cannot be responsible for valuables left in your room.  <input type="checkbox"/> Important - Please Take Notice: This hotel will not be responsible or liable for any loss of or injury to any articles or any of such contents or any individual guest, or contents of luggage.  <input type="checkbox"/> Check-Out Time is 12:00 Noon at Grand Wailea         </p>									
<p>           T/A: TRAVELNG            Spec Svc: eA            Fit:         </p>									
<p> <input type="checkbox"/> I agree that my liability for the balance of my bill shall be limited to the amount of my bill at the time of my departure.  <input type="checkbox"/> I agree that my liability for the balance of my bill shall be limited to the amount of my bill at the time of my departure.         </p>									

13



410

1462170000000000001  
BATCH: 024

WAILEA GOLF CLUB-BLUE COURSE  
120 KAIKAWI ST  
KINEI HI 96753  
TELEPHONE - 808-675-5155  
HAHALO!

DATE:01/16/94

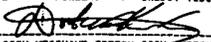
S-A-L-E-S D-R-A-F-T

REF: 0431  
CD TYPE: AE  
TR TYPE: PR

AMOUNT: \$2369.09

ACCT: 372882450942009 EXP: 0996  
AP: 000026  
NAME: D KIM

I AGREE TO PAY ABOVE TOTAL AMOUNT  
ACCORDING TO CARD ISSUER AGREEMENT  
(MERCHANT AGREEMENT IF CREDIT VOUCHER)

  
TOP COPY-MERCHANT BOTTOM COPY-CUSTOMER

**Statement of Account**

**EXH. 49**

2 0002/0048

TERMS - PAYMENT DUE IN FULL. PLEASE.

Account Number 3728-824509-42008 Pay By 11-14-93 Total Amount Due \$1,711.34

DOBUM KIM  
5600 ORANGETHORPE  
APT 3111  
LA PALMA CA 90623

MAIL PAYMENT TO:  
AMERICAN EXPRESS  
BOX 0001  
LOS ANGELES CA 90096-0001

2662450949 003711340001711348

**Summary of Account**

Card Member Name DOBUM KIM Account Number 3728-824509-42008 Closing Date 10-29-93

For fast balance and payment information, call our Automated Service Line at 1-800-292-AMEX using a touch tone phone. Please have your account number ready. If you have a question about your account, call 1-800-327-2177 (24 hours/7 days).

Page 1 of 4

Previous Balance \$2,605.11 Credits/Payments \$2,605.11 New Charges \$1,711.34 New Balance \$1,711.34

Amex Ref. No.	Item No.	Listing of Charges and Credits	Charges	Credits
831279-0		PAYMENT RECEIVED - THANK YOU 10/06		2,605.11
172288-2	001	TOKYO KITCHEN BUENA PARK CA INV#708909	75.50	
050293-2	002	DR S A WEINBARTEN CERRITOS CA INV#544374	268.00	
501280-1	003	MEHRDAD RAMIN CERRITOS CA		
501281-1	004	MOBIL OIL GAS OR OTHER GKAO168 10/06/93	29.22	
501284-2	005	UNDCAL 76 LA PALMA CA	10.95	
501291-2	006	P57917924 GASOLINE/SERVICES 10/06/93	38.02	
501292-2	007	SANUKI MO SATO GARDENA CA	16.14	
501292-2	008	03390848 FOOD/BEV LA PALMA CA	69.53	
501292-2	009	DENNY'S 4009 LA PALMA CA	18.03	
501292-2	010	00003890 FOOD/BEVERAGE 10/17/93	10.30	
501298-2	011	GTE AIRPHONE OAK BROOK IL	169.00	
501298-2	012	040808311 TO TEL NO. 206-874-5786 10/15/93	14.39	
501298-2	013	GTE AIRPHONE OAK BROOK IL	75.82	
501298-2	014	040777750 TO TEL NO. 310-926-5977 10/15/93	23.07	
501300-2		GTE AIRPHONE OAK BROOK IL	12.22	
		040777750 TO TEL NO. 510-236-0606 10/15/93		
		LA COSTA RESORT AND CARLSBAD CA		
		001840140 LODGING 10/21/93		
		WOOD LAE OAK OF SEOUL ARLINGTON VA		
		000029179 FOOD AND BEVERAGE 10/25/93		
		BUDGET RENT A CAR JAMAICA NY		
		2417757 BUDGET RENT A CAR 10/25/93		
		WOOD LAE OAK OF SEOUL ARLINGTON VA		
		000029206 FOOD AND BEVERAGE 10/26/93		
		WOOD LAE OAK OF SEOUL ARLINGTON VA		
		000029234 FOOD AND BEVERAGE 10/27/93		
		PAGE TOTAL	830.19	2,605.11

Join American Express in its Charge Against Hunger campaign from October 5 through December 31, 1993. See your newsletter for details.

80 002 02 (1/8 93)









**EXH. 52**



July 23, 1998

**VIA FACSIMILE 202-225-7392**

Mr. Paul Lewis  
Counsel  
U.S. House of Representatives  
Committee on Standards of Official Conduct  
Washington, DC 20515-6328

Dear Mr. Lewis:

Aloha from the Grand Wailea Resort, Hotel & Spa. Pursuant to a conversation with Mr. David Laufman I am able to offer the following information to you. This information was gathered after speaking to Mr. Laufman and getting the specific questions he wanted answered.

**1. WHO PAID FOR MR. JAY KIM'S ROOM CHARGES?**

It appears that Mr. Kim's charges were paid by the credit card which you have a copy of in the records we sent to you previously. All physical records have been destroyed as there is not enough space to keep physical records that old. Credit card #4599 5070 0137 8408 appears to be the credit card where the charges were billed. I cannot read the rest of the information accurately enough to make a determination as to exactly what it says. Your copy should be as good as mine. That is all I can tell you. The room was guaranteed with a credit card upon check-in and a signature was also obtained, although it is impossible to read the signature and appears in many places in the documents I forwarded to you. Therefore, at check-out, the guest can leave without even going to the front desk and the charges will automatically be posted to the credit card.

**2. WHEN?**

I believe that was on January 17, 1994.

MR. PAUL LEWIS  
July 23, 1998  
Page 2

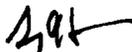
3. WITH WHAT?

I believe it is a VISA card with that number registered with the rest of the writing being as follows:

CORP...YEO  
HAN.... GEN. CONS. CO. LTD  
GRAND HYATT WAILEA  
WAILEA, MAUI, HI  
5510500648

That answers the questions I was asked and if I can be of any other service please do not hesitate to contact me.

Warmest Aloha,



Gregory A. Koesting  
Managing Director

GAK/mcl

**EXH. 53**

CREDIT CARD IMPRINT

4419 5070 0137  
 ...  
 ... CO. LTD.

COMMENTS:

*[Signature]*  
 SIGNATURE OF CARD HOLDER

I HEREBY AUTHORIZE USE OF MY CREDIT CARD FOR THE FOLLOWING CHARGES  
 ROOM AND TAX ONLY  
 INCIDENTALS ONLY  
 ALL CHARGES

DATE	AMOUNT	APPROVAL	G.S.A.
1/16	1100	99654	EBK

DRIVERS LICENSE NO.		STATE
DATE OF BIRTH		SEX
STREET ADDRESS		
CITY	STATE	ZIP





EXH. 54

5100 950.00 01/16/94 1/17/94 177616 3 CBANK STES 21 GPP 1

KIN JAY 4399507001378408 8/96 05:41 EGC 1/0  
 C/O MR. KIN (RM 151) \*\* DEPARTED \*\*  
 DAECHIDONG 316  
 GANGNAM GU SEOUL KR Reservation: NH-189558-0

0116	111	AMP ROOM RATE	950.00	950.00
0116	811	AMP ROOM TAX	87.09	1037.09
0117	551	19271 LAU GUEST LAUNDRY	10.40	1047.49
0116	712	783 GSV 909-861-1188	5.32	1052.81
0116	551	9271L GSV GUEST LAUNDRY	10.40	1063.21
0117	391	196 HAR PRIVATE BAR	2.50	1065.71
		TOTAL		1065.71

## EXH. 55

WATER GOLF CLUB  
GOLF COURSE

Desc/ SKU	Qty	Unit Price	Tax	Ext
HEADWEAR	1			
2874	1	12.00	Y	12.00
MENS SLACKS	1	54.00	Y	54.00
4838	1	54.00	Y	54.00
MENS GOLF SHIRT	2	21.00	Y	42.00
9987	2	21.00	Y	42.00
GLOVES	2	8.00	N	16.00
29787	2	8.00	N	16.00
SHOES	1	129.00	N	129.00
16213	1	129.00	N	129.00
GOLF CLUBS	1	299.00	N	299.00
12815	1	299.00	N	299.00
GOLF CLUBS	1	299.00	N	299.00
12774	1	299.00	N	299.00
GOLF CLUBS	1	1199.00	N	1199.00
12641	1	1199.00	N	1199.00
GOLF BAGS/TOTES	3	279.00	N	279.00
12922	3	279.00	N	279.00
GOLF BALLS	2	5.00	N	9.00
17352	2	5.00	N	9.00
GOLF BALLS	2	5.00	N	9.00
17352	2	5.00	N	9.00
GOLF BALLS	2	5.00	N	9.00
17352	2	5.00	N	9.00
GOLF BALLS	2	5.00	N	9.00
17352	2	5.00	N	9.00
GOLF BALLS	2	5.00	N	9.00
17352	2	5.00	N	9.00
	Subtotal	13		2364.00
	Tax	4.167%		4.49
	Total Amount			2369.09

You paid with ANEX 2369.09

01/16/1994 Slip 1 OF 1  
05:40 PM Trans: 0020102776  
Employee: 88

WELCOME FROM WATER GOLF CLUB!  
COME PLAY THE WATER-GOLF COURSE IN 941

**EXH. 56**

JOHNNIE L. COCHRAN, JR.  
RALPH L. LOTER  
\*ALSO MEMBER OF  
THE CALIFORNIA BAR

CAPITOL HILL WEST BUILDING  
201 MASSACHUSETTS AVENUE, N.E.  
SUITE D-1  
WASHINGTON, D.C. 20002  
PHONE (202) 647-9226  
FAX (202) 647-9228

LOS ANGELES OFFICE  
WILSHIRE HIGHLAND BUILDING  
4929 WILSHIRE BOULEVARD  
SUITE 1010  
LOS ANGELES, CALIFORNIA 90010  
PHONE (213) 921-6200  
FAX (213) 921-9821

OF COUNSEL  
"CHINA & BILLAR"  
LOS ANGELES, CALIFORNIA  
ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEXICO CITY, MEXICO  
\*ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

September 25, 1998

**HAND DELIVERY**

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

RECEIVED  
98 SEP 25 PM 2:33  
COMMUNICATIONS SECTION

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

Pursuant to Committee Rule 23(c)(1), attached is Representative Kim's Answer in response to the Statement of Alleged Violation that was issued on August 7, 1998. In accordance with Committee 23(a)(1), the Answer is in writing, under oath, and signed by Representative Kim and his counsel.

Based upon discussions with your Subcommittee Counsels on Friday, September 18, 1998, the form of the Answer will be to respond to each "charge" sentence included under each heading of the Statement of Alleged Violation, rather than an overall response to each of the six counts contained in that document.

Perhaps of equal significance to the Congressman's Answer is the status and process being utilized by the Subcommittee at this stage of the inquiry. On September 18, 1998, I met with Subcommittee Counsels David Laufman and Paul Lewis to provide them with third party, exculpatory documentary evidence refuting the accuracy of all or parts of Counts V and VI of the Statement of Alleged Violation.

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 2  
September 25, 1998

I pointed out that certain of these documents, which were either not sought by, or provided to, the Investigative Subcommittee, contradicted the sworn testimony of Mr. Dobum Kim. For example, I provided copies of a *Korean Times* newspaper article, the Congressman's American Airlines travel record, and a copy of his personal diary<sup>1</sup> establishing, without question, that Congressman Kim was in Dallas and Houston, Texas, during the weekend of September 28, 1994, and not in California (let alone at his home in Diamond Bar) as sworn to and alleged by Mr. Dobum Kim.

Further, on September 17, 1998, I received documentation from the Wailea Golf Club comprised of a copy of the actual sales slip underlying Mr. Dobum Kim's purported purchase of "gifts" for the Congressman. Based upon Mr. Dobum Kim's own sworn testimony to the Investigative Subcommittee, the sales slip belied the accuracy of his assertions -- the so-called golfing materials were purchased at a time when Mr. Dobum Kim, himself, testified he was not with Representative Kim or, even on the day of the alleged golf outing. In this specific regard, I stated that I was continuing to pursue efforts to obtain more specific information with regard to the precise nature (e.g., size or description) of the articles listed on the sales slip.

Finally, I provided Messrs. Laufman and Lewis with a copy of a notarized statement by Mr. Heon Kim which directly contradicts the Investigative Subcommittee's allegations in Count VI of the Statement of Alleged Violation.

In the light of the above, I respectfully requested that the September 25, 1998, deadline for filing an Answer be extended to some reasonable later date to allow the Subcommittee to undertake steps to satisfy both itself and, potentially, some future adjudicatory subcommittee that all of the Counts in the existing Statement of Alleged Violation were supported by documentary evidence. In view of the fact that I had presented to Subcommittee Counsel materials which clearly undermine and refute the credibility and accuracy of certain of the factual assumptions upon which Counts V and VI are based, I requested that such a filing delay and additional investigative steps be undertaken to avoid having Representative Kim respond to Counts in a Statement of Alleged Violation which quite likely would not have been adopted if the documents had been known by the Investigative Subcommittee.

In this connection, I point out that I neither physically had nor, in one case was aware of, all of the subject materials prior to either July 28, 1998 (the date of the

---

<sup>1</sup> Such diary portion was an extract of the Congressman's 1994 personal appointment calendar, maintained in his own handwriting, reflecting his activities during the time in question.

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 3  
September 25, 1998

draft Statement of Alleged Violation); August 7, 1998 (the date of the final Statement of Alleged Violation); or August 5, 1998 (the date on which an unsuccessful attempt was made to resolve this matter). I was aware, however, of the existence of certain of the information and alluded to this in our August 5, 1998, meeting as well as our August 24, 1998, Motion for a Bill of Particulars and Memorandum of Points and Authorities. (See, Memorandum, at page 6, item (1) under heading of Count V. See also, Memorandum at page 9, paragraphs 2 and 3.<sup>2</sup>

Had the Subcommittee given specific consideration to at least the items addressed in our August 24, 1998, Motion for a Bill of Particulars directly related to the subject materials (again, see Motion at pages 6-7, Count V, items 1 and 3; page 7, Count VI, item 2; and page 9, paras. 2-3) perhaps the current problem could have been avoided. Unfortunately, the August 25, 1998 and September 2, 1998 initial summary denial and later ratification of the Subcommittee do not reflect any Subcommittee steps taken to pursue such matters beyond the simple attempt to "direct" Representative Kim to divulge defense information. There is no indication that any efforts were made to identify or obtain such materials from third parties -- which, quite simply, is only what Representative Kim did in response to the Statement of Alleged Violation, and without the investigative resources or discovery power which the Investigative Subcommittee has had since it was established in December 1997. The Investigative Subcommittee was placed on clear notice as to possible

---

<sup>2</sup> Our decision not to submit the specific information prior to September 18, 1998, was based upon Committee Rule 24(g) and the fact that, to that time, the Investigative Subcommittee was, in our judgment, undertaking hitherto unprecedented and unexplained interpretations of Committee Rules and precedents and we perceived no basis to assume the material would not be summarily disposed of (i.e., ignored) as had apparently been the case in Mrs. Kim's withdrawal of all of her testimony before the Investigative Subcommittee or its review of Ms. Ahn's allegations. Moreover, the Subcommittee's August 6, 1998, "direction" to me to disclose the information (or that portion of which we had at such time) was in direct violation of Rule 24(g) and was, *per se*, improper. So, too, were the gratuitous and insulting commentary and characterizations of my actions associated with this "direction" in a letter dated August 25, 1998, in which the Subcommittee Chairman again used the opportunity (in his unilateral denial of our Motion) to again lecture counsel on the elements of the integrity of the ethics process *vis* the refusal to disclose exculpatory information to the Investigative Subcommittee. Interestingly, the Chairman's August 25, 1998 letter did acknowledge that such disclosure was not "required by House or Committee Rules" -- an obviously correct proposition -- which seemingly undermines the "lecture" on process which then followed. Simply stated, the Subcommittee Chairman has chosen to criticize Representative Kim and his counsel for complying with and exercising Representative Kim's rights under the Rules and not acquiescing to the Subcommittee's improper demands for premature disclosure of such material. Nonetheless, in order to promote a fair ethics process and having obtained all exculpatory information of which we were aware as of September 17, 1998, we immediately contacted the Investigative Subcommittee to provide all such documents although Representative Kim has no explicit or implied responsibility or duty to do so under the Rules prior to the Rule 24(g) requirements. This occurred on September 18, 1998, as noted above.

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 4  
September 25, 1998

factual deficiencies in the Statement of Alleged Violation through our August 24, 1998 Motion. It cannot now claim it has been treated unfairly because Representative Kim obtained in less than 1 month such exculpatory information and now it must go back to reinvestigate apparent and undeniable holes in the Statement of Alleged Violation.

To this end, I appreciate the fact that Mr. Laufman contacted the Subcommittee Chairman and raised the above issues for consideration in the context of my request for a delay in the filing of an Answer. It was my impression that Mr. Laufman and Mr. Lewis were of the view that further action would be warranted and appropriate to confirm the accuracy of the materials which I provided and, if necessary, possibly initiate additional inquiry of Mr. Dobum Kim. I believe that the Counsels' reaction was both reasonable and fair under the circumstances.

However, I do not think it is either reasonable or fair for the Investigative Subcommittee to insist upon the filing of an Answer when it has in its possession critical exculpatory information and the legal ability (by virtue of subpoena power) to compel the production of both testimony and documents that could put to rest the obvious contradictions of fact which exist between its August 7, 1998, Statement of Alleged Violation and the documentary materials I provided on September 18, 1998. There is nothing "magical" about September 25, 1998, which mandates that Representative Kim should be required to file an Answer to charges that quite likely may well be dropped because of the import and significance of the documents provided to the Investigative Subcommittee. Indeed, Mr. Lewis confirmed in a September 22, 1998, telephone call to me that the Investigative Subcommittee is pursuing the issues raised by the materials I provided. Of course, we agree such steps are both necessary and appropriate.

Nonetheless, as matters now stand, and regardless of the authority conferred by Committee Rule 23(e)(1), Subcommittee Chairman Smith has determined that an Answer must be filed by Representative Kim on September 25, 1998, notwithstanding the fact that the investigative efforts of his Subcommittee may not have been completed by that date -- that is, as noted above, the Investigative Subcommittee is likely to still be pursuing the accuracy and credibility of the materials provided to it after Representative Kim's Answer is filed on September 25, 1998. (On September 22, 1998, during our telephone conversation, Mr. Lewis informed me that the Investigative Subcommittee's Ranking Democratic Member, Representative Pastor, also concurred with Representative Smith's decision to insist on the September 25, 1998, filing date.)

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 5  
September 25, 1998

Having already exercised his authority under Rule 23(e)(2), to shorten the filing period (see Investigative Subcommittee letter dated September 2, 1998, page 1, paragraph 4), it is difficult to understand why "good cause" has not been shown by virtue of the above-referenced documents sufficient to trigger implementation of an extension of filing period under Rule 23(e)(1). Representative Kim and the disposition of his case have absolutely nothing to do with either the legislative calendar or other matters which may presently be before the House of Representatives or another of its committees.

In light of the above, the attached Answer is being submitted in the context of what the Investigative Subcommittee must admit is an incomplete investigation since at least major portions of Counts V and VI are undermined by documents in the Subcommittee's possession. In this regard, it also is reasonable that, since the Investigative Subcommittee has decided to pursue these issues and obtain further documents or testimony, Representative Kim should be given further opportunity to respond to such additional matters based upon the Investigative Subcommittee's future findings. In short, the Subcommittee's investigation continues, or, at the least, has been reopened. At a minimum, and regardless of characterization, the investigation is not complete.

On the other hand, it would not be surprising to us that a decision may be made to simply include the referenced materials in any report that may be submitted by the Investigative Subcommittee to the Chairman and Ranking Minority Member of the full Committee pursuant to Rule 23(g) without opportunity for response by Representative Kim. Under such circumstances, such a decision would clearly indicate that the Investigative Subcommittee preferred to terminate its work without giving due consideration to materials or the views of Representative Kim which, if corroborated and verified, could and should result in dismissal of at least two Counts of the existing Statement of Alleged Violation.

Referring the current matter to the Chairman and Ranking Minority Member of the full Committee without full and fair resolution of the issues presented on September 18, 1998, would signal that this Investigative Subcommittee gives greater deference to the calendar than the due process to which a Respondent is entitled. No Respondent should be required to file an Answer to charges contained in a Statement of Alleged Violation which the Investigative Subcommittee well knows may be factually defective. Neither should the Chairman and Ranking Minority Member of the full Committee accept as complete a report and accompanying materials which reflect such a situation.

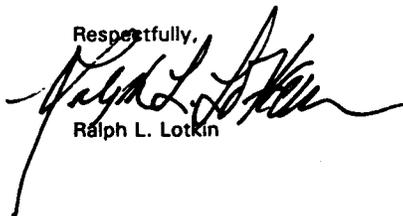
The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 6  
September 25, 1998

In our view, a decision by either the Investigative Subcommittee or the Chairman and Ranking Minority Member of the full Committee not to pursue to a reasonable conclusion an investigation of the issues raised by the documents recently submitted (including giving Representative Kim an opportunity to address any additional information obtained) raises issues of bias and predisposition.

Nonetheless and because we have not received any indication that the September 25, 1998, filing deadline has been, or will be, deferred, the attached "Answer" is submitted in fulfillment of Representative Kim's responsibility under Rule 23(c)(1), although under great protest. It cannot now be denied that the Congressman has been compelled to file an Answer prior to completion of the Investigative Subcommittee's inquiry -- i.e., either to "reinvestigate" or to pursue the information we provided on September 18, 1998. We do not understand the Committee's Rules of Procedure to contemplate or authorize such a chain of events. Indeed, Rule 20(e) says a Statement of Alleged Violation may only be adopted "upon completion of the inquiry." As noted above, Mr. Lewis has (quite properly) confirmed that the inquiry continues. The Statement of Alleged Violation should be withdrawn or held in suspense in light of Rule 20(e) until the issues are resolved. Not to do so represents a conscious disregard of the purported due process to be given to at least Representative Kim or any other Member.

Please inform us as to what next will occur under the Rules of Procedure given the current status of the investigation. In the meantime, we anticipate seeking, in the near future, formal guidance from the full Committee on Standards of Official Conduct as to the meaning and operation of other Rules not addressed in this correspondence. Such matters, of course, would be beyond the scope and authority of the Investigative Subcommittee under the current system of bifurcation. To such end, we would expect that neither Representatives Smith nor Pastor would participate in such deliberations.

Respectfully,



Ralph L. Lotkin

Attachment

ARLUCP RESORT COMPANY

Sale /Returns Transaction Report for 01/16/94  
 Copyright ADC Systems, Inc. 1985-1993  
 ALL RIGHTS RESERVED

Report No: NTE100  
 Page: 1  
 Run Date: 01/17/94

**EXH. 57**

Store: BLU BLUE

Dept	Type	Cl	Vend	Vendor Name	Style	Description	Col Desc	Size	Dia	Retail	Qty Sold	Short	SKU
001	Sales	001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	4SEA		1,980.00	18		00000001062
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	GNAIL				1,440.00	24		00000001107
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	INTCN				660.00	11		00000001125
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	KUJANI				180.00	3		00000001123
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	STOLF				360.00	6		00000001131
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	DIG				300.00	5		00000001149
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	WIND				1,200.00	20		00000001157
001	0999	PRO SHOP FEES	2	RESORT GREEN FEE	040 BLUE	SHAWA				120.00	2		00000002593
001	0999	PRO SHOP FEES	2	REP ASSOC MEMBER GRE	040 BLUE					210.00	14		00000001397
001	0999	PRO SHOP FEES	6	HONOLULU RESORT GREEN FEE	040 BLUE					60.00	1		00000002551
001	0999	PRO SHOP FEES	6	HONOLULU RESORT GREEN FEE	040 BLUE					480.00	8		00000002559
001	0999	PRO SHOP FEES	7	GENERAL RESORT GREEN FEE	040 BLUE					1,890.00	18		00000001529
001	0999	PRO SHOP FEES	9	EMPLOYEE GREEN FEE	040 BLUE					.00	1		00000001587
001	0999	PRO SHOP FEES	9	EMPLOYEE GREEN FEE	040 BLUE					30.00	1		00000001727
001	0999	PRO SHOP FEES	10	REP ASSOC MEMBER GRE	040 BLUE					15.00	2		00000001959
002	0999	PRO SHOP FEES	200	CART FEE	040 BLUE					0.00	116		00000002113
002	0999	PRO SHOP FEES	201	REP CART FEE	040 BLUE					10.00	1		00000002147
002	0999	PRO SHOP FEES	202	MEMBER CART FEE	040 BLUE					105.00	7		00000002171
002	0999	PRO SHOP FEES	205	RIDER CART FEE	040 BLUE					60.00	3		00000002288
002	0999	PRO SHOP FEES	206	ASSOCIATE MEMBER CAR	040 BLUE					210.00	14		000000012419
002	0999	PRO SHOP FEES	207	REP ASSOC MEMBER CAR	040 BLUE					15.00	2		000000012518
002	0999	PRO SHOP FEES	208	EMPLOYEE GUEST CART	040 BLUE					160.00	8		00000002379
003	0999	PRO SHOP FEES	381	CLUB RENTAL NON-MEMB	100 *					425.00	17		00000002452
007	0999	PRO SHOP FEES	383	SHOE RENTAL NON-MEMB	100 *					7.00	1		00000002486
Total Sales										11,337.00	383		
Net Totals for Dept 001 - PRO SHOP										11,337.00	383		

001	0010	DOCKE ISLAND DISTRIB	S2H2	RG CALLAWAY S2H2 IRONS	120	GRAPHITE	3-SM	REG		1,199.00	1		000000012641
001	0012	DOCKE ISLAND DISTRIB	BIGBERTHAR	CALLAWAY BIG BERTHA	120	GRAPHITE	10	REG		299.00	1		000000012774
001	0014	DOCKE ISLAND DISTRIB	BIGBERTHAR	CALLAWAY BIG BERTHA	120	GRAPHITE	SHOOD	REG		299.00	1		000000012815
003	0013	BEIDING SPORTS		TRAVEL BEIDING TRAVEL BAG	100 *					270.00	1		000000012922
006	0045	DRAMA	DATSLVNLCH	DRAMA GLOVE MENS CAD	100 *		L			32.00	2		000000029787

WALDEN RESORT COMPANY

Sales/Returns Transaction Report for 01/16/94  
 Copyright MDC Systems, Inc. 1985-1993  
 ALL RIGHTS RESERVED

Report No: NTE100  
 Page: 2  
 Run Date: 01/17/94

Store: BLU BLUE

Dept Type	Cl	Vend Vendor Name	Style	Description	Col Desc	Size	Die	Retail	Qty Sold	Short SKU
		004 0039 NIKE INC.	183000-110	NIKE AIR CLASSIC PRO 010	WHITE	9.5	W	129.00	1	000000016213
		005 0062 TITLEIST	DT 90	TITLEIST DT 90	100 *	*		54.00	6	000000017332
Total Sales										
Total Returns									10.00	1
Net Totals for Dept 002 - HARD GOODS									2,823.10	64

003 Sale

		002 0062 TITLEIST	85-100	MENS SOLID W/HC-POCK 093	ASSORTED *			82.00	2	000000099987
		001 0099 OLD MERCHANDISE	1060	caps	093 SORTED *			12.00	1	000000082174
		011 0099 OLD MERCHANDISE	3306		093 SORTED *			54.50	1	000000004838



EXH. 58

P.O. Box 30748  
Los Angeles, CA 90030-0748

008UM KIM  
5600 ORANGETHORPE 3111  
LA PALMA CA 90623-1208

**Your Bank of America  
Combined Account  
Statement**

Statement Date: March 22, 1984

At Your Service  
Call: 310-868-1448, 24 hours,  
7 days a week

Artesia-Norwalk Branch  
12221 E Artesia Blvd  
Cerritos, CA 90701-4344

Customer since 1989  
Bank of America appreciates your  
business and we enjoy serving you.

Summary of Your Deposit Accounts

Account	Account Number	Your Balance
Interest Checking	21754-33183	\$ 132,806.68
Cash Maximizer	* 21751-33359	62,158.36
<b>Total Balances</b>		<b>\$ 194,965.04</b>

\*Continued balances in these accounts may be used to eliminate monthly checking account service charges.

Bank of America News

Here's your new Bank of America statement. It's designed to be more informative and easier to use. Now it's simpler than ever to see your account activity at a glance or zero in on transaction detail. And, with our new "In Balance" feature, balancing your checkbook register will be a breeze.

Your Interest Checking Account

Beginning Balance on 02/17/84	\$123,688.98
Total Deposits	+ 23,676.80
Total Checks and Withdrawals	- 14,658.66
Interest Paid	+ 122.05
Account Fees	- 22.50
<b>Ending Balance</b>	<b>\$132,806.68</b>

Account Number: 21754-33183  
Statement Period: February 17 through March 22, 1984

Annual Percentage Yield earned this period	1.00%
Interest paid year-to-date	\$313.30
Number of ATM withdrawals and transfers	10
Number of purchase transactions	0

Important Information About Your Account

Based on the minimum balance you've maintained in this account, your monthly service charge has been waived.

Total interest paid to your account in 1983: \$1,371.41

Checks Paid

* Gap in check sequence					
Number	Date Paid	Amount	Number	Date Paid	Amount
704	02/18	\$ 68.00	711	03/01	5.00
705	02/18	62.00	712	03/02	37.48
706	02/23	500.45	713	03/02	100.00
707	02/25	6,975.00	714	03/01	70.00
708	03/03	113.00	715	03/03	288.00
709	03/02	21.00	716	03/07	34.48
710	03/02	21.00	717	03/04	1,000.00

Continued on next page  
009827 001.418



EXH. 59

Money Transfer Notification

DATE: OCTOBER 18, 1993  
REF : NTA29103704

— —  
— —

DOBUM KIM  
5600 ORANGETHORPE 3111  
LA PALMA, CA 90623

Today, Bank of America has deposited \$99,859.00 to your account 21754-33183 for KIM DOBUM, in accordance with instructions received from GOO DAE SOON via BANK OF TOKYO DEUTSCHLAND FRANKFURT.

The associated processing fees have been assessed to your account as follows:

Normal processing fee of \$8.50 has been charged.

Additional information for the beneficiary includes: USD 100000.00 LESS OUR CHGS USD 150. Your ref: 344TTS040376.

If you should have any questions, please contact your branch or Account Representative. Thank you for using Bank of America Money Transfer Services.

1006

423 APP (rev'd 10/90)

3940 647 (Rev'd 5-82)



Statement

P. O. BOX 30746  
 LOS ANGELES, CA 90030-0746  
 24 HR CUSTOMER SERVICE 310-868-1448  
 DATE OF THIS STATEMENT 10/20/93

PAGE 1 OF 3  
 E17

2173

DOBUM KIM  
 5600 ORANGETHORPE 3111  
 LA PALMA CA 90623-1208

6.75% APR AUTO LOANS AVAILABLE  
 ON 1992 - 1994 MODELS  
 APPLY BY OCTOBER 30, 1993

CHECKS SERVICE-BOFA 41-888-843-2121 502

SERVICES SUMMARY		AMOUNT
CHECKING	21754-331	200,042.05
MONEY MARKET	21751-331	25,708.21
LINKED		
CHECKING	21784-331	
SUMMARY		
STATEMENT PREVIOUS	SEPTEMBER BALANCE ON	125,310.43
TOTAL OF	FOR	9,360.05
TOTAL OF	CREDITS FOR	99,948.77
TOTAL OF 1	FOR	33,068.70
TOTAL OF 6	ITS FO	1,508.50
STATEMENT BALANCE ON 10-20-93		200,042.05
ANNUAL PERCENTAGE YIELD EARNED THIS STATEMENT PERIOD		1.00%
INTEREST PAID THIS STATEMENT PERIOD		98.77
INTEREST PAID THIS YEAR		1,036.05

CHECKS/ OTHER DEBITS	CHECKS	CHECK NUMBER	DATE POSTED	AMOUNT	CHECK NUMBER	DATE POSTED	AMOUNT
		585	09-22	5.00	596	10-06	785.00
		586	09-22	5.00	598M	10-06	2,609.11
		588M	09-28	11.35	599	10-06	43.50
		590M	09-27	35.72	600	10-06	28,800.00
		591	09-28	600.00	601	10-19	5.00
		592	10-01	20.54	602	10-13	5.00
		593	10-13	3.00	603	10-14	5.00
		594	10-07	5.00	606M	10-19	34.48
		595	10-05	900.00			



Statement

P. O. BOX 50746  
 LOS ANGELES, CA 90038-0746  
 24 HR CUSTOMER SERVICE 310-868-1448  
 DATE OF THIS STATEMENT: 10/20/93

PAGE 2 OF 3 DOBUM KIM

CHECKING 21754-33183 INTEREST CHECKING (CONTINUED)

CHECKS/ OTHER DEBITS	DATE POSTED	TRANSACTION DESCRIPTION	AMOUNT
	09-27	VERSATELLER AUTOMATED TELLER TRANS 005607 ON 09-26 CUSTOMER 123279374 AT TERMINAL 217501--CASH	
	09-29	W/THDRAWAL VERSATELLER AUTOMATED TELLER TRANS 005506 ON 09-29 CUSTOMER 123279374 AT TERMINAL 217501--CASH	300.00
	10-05	VERSATELLER AUTOMATED TELLER TRANS 005506 ON 10-05 CUSTOMER 123279374 AT TERMINAL 217501--CASH	300.00
	10-12	VERSATELLER AUTOMATED TELLER TRANS 005506 ON 10-10 CUSTOMER 123279374 AT TERMINAL 217501--CASH	300.00
	10-15	VERSATELLER AUTOMATED TELLER TRANS 005506 ON 10-14 CUSTOMER 123279374 AT TERMINAL 217501--CASH	300.00
	10-18	VERSATELLER AUTOMATED TELLER TRANS 005506 ON 10-17 CUSTOMER 123279374 AT TERMINAL 217501--CASH	300.00

DEPOSITS/ OTHER CREDITS	DATE POSTED	AMOUNT	DATE POSTED	AMOUNT
		9.36		

OTHER CREDITS	DATE POSTED	TRANSACTION DESCRIPTION	AMOUNT
	10-18	FUNDS TRANSFER REF.MTA29103704 SOURCE: FEDMIRE SENDER REF: 6005 BENEF: KIM DOBUM	99,850.00
	10-20	ORIG: G00 DAE SOON INTEREST PAID FROM 09/22/93 THROUGH 10/20/93	98.77

DAILY BALANCE	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
	09-22	125,300.43	10-04	132,607.87	10-14	100,441.26
	09-27	124,964.71	10-05	131,407.87	10-15	100,141.26
	09-28	124,353.36	10-06	100,759.26	10-18	199,943.28
	09-29	124,053.36	10-07	100,754.26	10-19	199,943.28
	09-30	133,413.41	10-12	100,454.26	10-20	200,042.05
	10-01	133,392.87	10-13	100,446.26		

DAILY INTEREST CALCULATION BALANCE	DATE	AMOUNT	RATE	DATE	AMOUNT	RATE
	09-22	125,300.43	1.000	10-06	100,759.26	1.000
	09-27	124,964.71	1.000	10-07	100,754.26	1.000
	09-28	124,353.36	1.000	10-12	100,454.26	1.000
	09-29	124,053.36	1.000	10-13	100,446.26	1.000
	09-30	133,413.41	1.000	10-14	100,441.26	1.000
	10-01	133,392.87	1.000	10-15	100,141.26	1.000
	10-04	132,607.87	1.000	10-18	199,943.28	1.000
	10-05	131,407.87	1.000	10-19	199,943.28	1.000



Statement

P. O. BOX 30746  
 LOS ANGELES, CA 90030-0746  
 24 HR CUSTOMER SERVICE 310-868-1448  
 DATE OF THIS STATEMENT 10/20/93

PAGE 3 OF 3 DOBUN KIM

CHECKING	21754-33183	INTEREST CHECKING (CONTINUED)		
ACCOUNT FEES	BASED ON THE MINIMUM BALANCE YOU'VE MAINTAINED IN THIS ACCOUNT, YOUR MONTHLY SERVICE CHARGE HAS BEEN WAIVED.			0.00
MONEY MARKET	21751-33359	CASH MAXIMIZER ACCOUNT	TAX ID	148-76-6343
SUMMARY	STATEMENT PERIOD: SEPTEMBER 22 THROUGH OCTOBER 20, 1993			
	PREVIOUS STATEMENT BALANCE ON 09-21-93			25,663.31
	TOTAL OF DEBIT FOR			44.90
	STATEMENT ON 10-20-93			25,708.21
	ANNUAL PERCENTAGE YIELD EARNED STATEMENT			2.22%
	INTEREST STATEMENT			44.90
	INTEREST YEAR			490.91
DEPOSITS/OTHER CREDITS	OTHER CREDIT	DATE POSTED	PAID FROM	THROUGH
		10-20		
				44.90
DAILY BALANCE	DATE	AMOUNT	DATE	AMOUNT
	10-20	3.21		
DAILY INTEREST CALCULATION BALANCE	DATE	AMOUNT	AMOUNT	RATE
	09-22	31		

VEBSATEL

REFERENCE INFORMATION	TERMINAL NUMBER	LOCATION
	073103	LA PALMA BRANCH, LA PALMA, CA
	217501	ARTESIA & NORWALK BRANCH, CERRITOS, CA
	217502	ARTESIA & NORWALK BRANCH, CERRITOS, CA



Bank of America

EXH. 60

Statement

P. O. BOX 30746  
 LOS ANGELES, CA 90030-0746  
 24 HR CUSTOMER SERVICE 310-868-1448

DATE OF THIS STATEMENT 11/18/93

PAGE 1 OF 4  
 E20

2175 DOBUM KIM  
 5600 ORANGETHORPE 3111  
 LA PALMA CA 90623-1208

OPEN A BOFA HOME EQUITY LINE  
 AND GET A \$200 CREDIT

NOW THE BUSIEST SEASON IS THE BEST TIME  
 TO OPEN OUR HOME EQUITY LINE OF CREDIT  
 APPLY BEFORE DECEMBER 31, 1993  
 CALL 1-800-THE-BOFA TODAY

EQUAL HOUSING LENDER

SERVICES  
 SUMMARY

CHECKING 21754-33184 ANTELLA-NORMAN 131,147.70  
 MONEY MARKET 21754-33184 ANTELLA-NORMAN 275,185.89  
 LINKED FOR BALANCE MATCH

CHECKING

21754-33184 WEST CHECKING TAX ID 148-76-6343  
 CUSTOMER SINCE 1989

SUMMARY

STATEMENT PERIOD OCTOBER 21 THROUGH NOVEMBER 15, 1993  
 PREVIOUS BALANCE ON 10/21/93 200,042.05  
 TOTAL OF 23 CREDITS FOR 37,409.89  
 TOTAL OF 23 CREDITS FOR 200,217.99  
 TOTAL OF 20 CHECKS FOR 505,613.73  
 TOTAL OF 4 OTHER DEBITS FOR 988.50  
 STATEMENT BALANCE ON 11-18-93 131,147.70  
 ANNUAL PERCENTAGE YIELD EARNED THIS STATEMENT PERIOD 1.05%  
 INTEREST PAID THIS STATEMENT PERIOD 217.99  
 INTEREST PAID THIS YEAR 1,254.04

CHECKS/  
 OTHER  
 DEBITS

EFFECTIVE DATE	CHECK NUMBER	DATE POSTED	AMOUNT	EFFECTIVE DATE	CHECK NUMBER	DATE POSTED	AMOUNT
	604	10-25	200.00		616	11-08	1,711.34
	607R	10-22	22.50		617	11-12	5.00
	608	11-03	12.00		618	11-09	965.99
	609	10-21	55.74		621R	11-09	5.00
	610	10-26	12.48		622	11-08	45.37
	611	10-21	288.00		623	11-08	383.00
	612	10-21	3,000.00		624	11-05	30,000.00
	613	11-04	785.00		625	11-05	20,000.00
	614	10-27	55.70	11-10	626	11-12	248,000.00
	615	11-08	52.13		627	11-15	34.48



Statement

P. D. BOX 30746  
 LOS ANGELES, CA 90030-0746  
 24 HR CUSTOMER SERVICE 310-868-1448  
 DATE OF THIS STATEMENT 11/18/93

PAGE 2 OF 4 DOBUM KIM

CHECKING 21754-33183 INTEREST CHECKING (CONTINUED)

CHECKS/ OTHER DEBITS	DATE POSTED	TRANSACTION DESCRIPTION	AMOUNT
	10-21	VERSATELLER AUTOMATED TELLER TRANS 005946 ON 10-20 CUSTOMER 123279374 AT TERMINAL 217502--CASH	
	10-25	VERSATELLER AUTOMATED TELLER TRANS 007833 ON 10-24 CUSTOMER 123279374 AT TERMINAL 073102--CASH	300.00
	10-26	WITHDRAWAL	300.00
	11-05	PROCESSING FEE FOR FUNDS TRANSFER REF. NTA-29917892 VERSATELLER AUTOMATED TELLER TRANS 064334 ON 11-05 CUSTOMER 123279374 AT TERMINAL 073102--CASH	8.50
		WITHDRAWAL	300.00

DEPOSITS/ OTHER CREDITS	DATE POSTED	AMOUNT	DATE POSTED	AMOUNT
	10-25	7,598.00	11-17	539.94
	11-18	29,279.95		

OTHER CREDITS	DATE POSTED	TRANSACTION DESCRIPTION	AMOUNT
	10-26	FUNDS TRANSFER REF. NTA29917892 SOURCE: FEMIRE SERVIC. REF: 4088 BENE: THEIR 12221 PASSENGERIA BLVD# ORION HANDB STEEL AND GENERAL	
	11-18	INTEREST PAID FROM 10/21/93 THROUGH 11/18/93	200,000.00
			217.99

DAILY BALANCE	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
	10-21	196,398.31	11-03	403,397.13	11-10	378,429.25
	10-22	196,375.81	11-04	402,612.13	11-12	130,424.25
	10-25	203,465.81	11-05	352,312.13	11-15	130,389.77
	10-26	403,444.83	11-08	350,120.29	11-17	130,929.71
	10-27	403,409.13	11-09	349,149.30	11-18	131,147.70

DAILY INTEREST CALCULATION BALANCE	DATE	AMOUNT	RATE	DATE	AMOUNT	RATE
	10-21	196,398.31	1.000	11-05	352,312.13	1.000
	10-22	196,375.81	1.000	11-08	350,120.29	1.000
	10-25	203,465.81	1.000	11-09	349,149.30	1.000
	10-26	403,444.83	1.000	11-10	378,406.25	1.000
	10-27	403,409.13	1.000	11-12	130,424.25	1.000
	11-03	403,397.13	1.000	11-15	130,389.77	1.000
	11-04	402,612.13	1.000	11-17	130,929.71	1.000



Statement

P. O. BOX 30746  
 LOS ANGELES, CA 90030-0746  
 24 HR CUSTOMER SERVICE 310-868-1448  
 DATE OF THIS STATEMENT 11/18/93

PAGE 3 OF 4 DOBUM KIM

CHECKING 21754-33183 INTEREST CHECKING (CONTINUED)  
 ACCOUNT FEES BASED ON THE MINIMUM BALANCE YOU'VE MAINTAINED IN THIS ACCOUNT, YOUR MONTHLY SERVICE CHARGE HAS BEEN WAIVED.....0.00

MONEY MARKET 21751-33359 CASH MAXIMIZER ACCOUNT TAX ID 148-76-6343

SUMMARY STATEMENT PERIOD: OCTOBER 21 THROUGH NOVEMBER 18, 1993  
 PREVIOUS STATEMENT BALANCE ON 10-20-93.....25,708.21  
 TOTAL OF DEPOSIT FOR.....248,000.00  
 TOTAL OF OTHER CREDIT FOR.....185.89  
 TOTAL OF OTHER DEBIT FOR.....708.21  
 STATEMENT BALANCE ON 11-18-93.....273,185.89  
 ANNUAL PERCENTAGE YIELD EARNED THIS STATEMENT PERIOD.....2.35x  
 INTEREST PAID ON THIS STATEMENT PERIOD.....185.89  
 INTEREST PAID YEAR TO DATE.....676.80

CHECKS/ WITHDRAWALS/ OTHER DEBITS	CHECKS/ DATE POSTED	CHECK NUMBER	DATE POSTED	AMOUNT
	11-10	700		

DEPOSITS/ OTHER CREDITS	DEPOSITS DATE POSTED	AMOUNT	DATE POSTED	AMOUNT
	11-10	248,000.00		

OTHER CREDITS

DATE POSTED	TRANSACTION DESCRIPTION	AMOUNT
11-18	INTEREST PAID FROM 10/21/93 THROUGH 11/18/93.....	185.89

DAILY BALANCE	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
	11-10	273,000.00	11-18	273,185.89		

DAILY INTEREST CALCULATION BALANCE	DATE	AMOUNT	RATE	DATE	AMOUNT	RATE
	10-21	25,708.21	2.200			
	11-10	273,000.00	2.300			



Statement

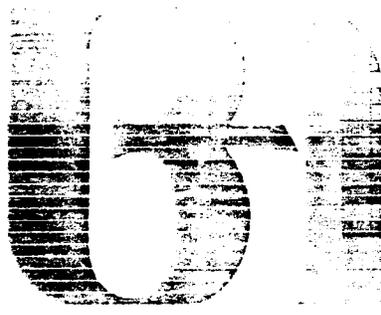
P. O. BOX 30746  
LOS ANGELES, CA 90030-0746  
24 HR CUSTOMER SERVICE 310-868-1448  
DATE OF THIS STATEMENT 11/18/93

-- =

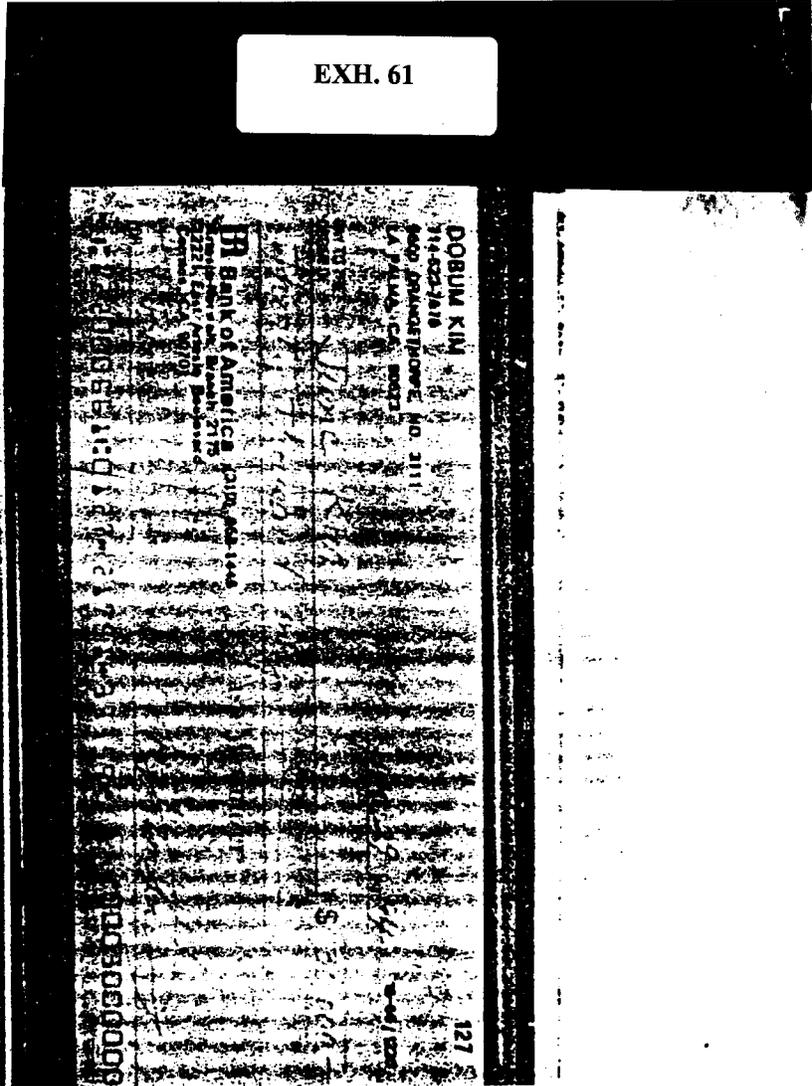
PAGE 4 OF 4 DOBUN KIM

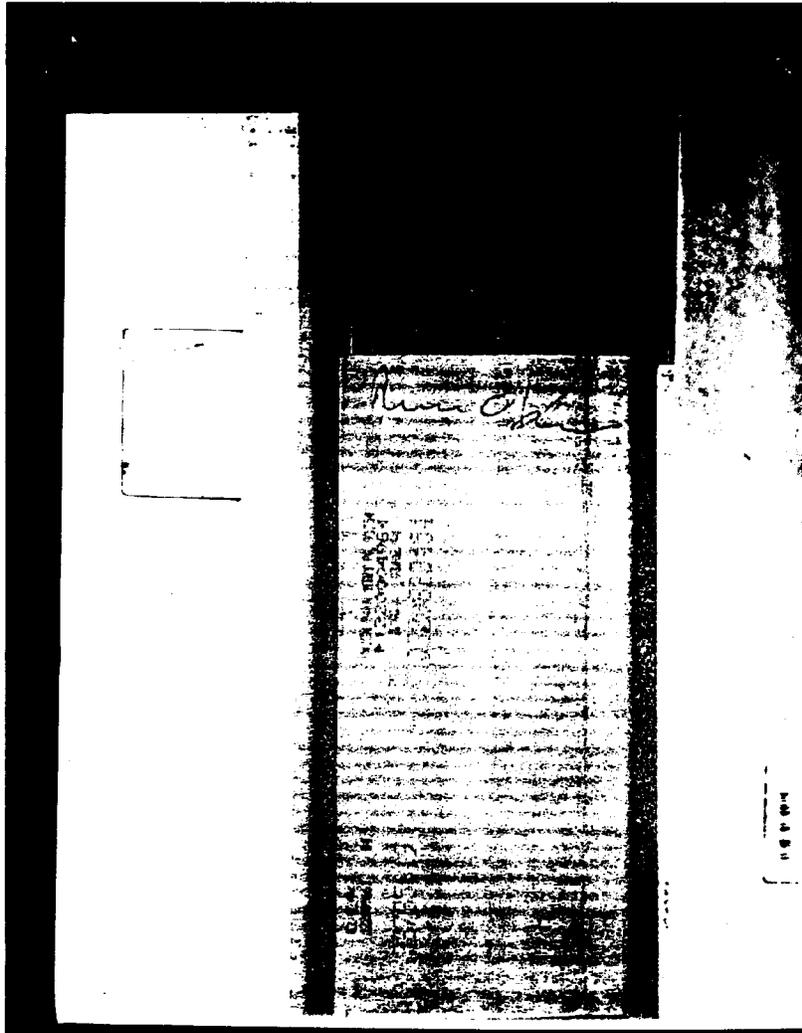
VERBATIM

REFERENCE INFORMATION	TERMINAL NUMBER	LOCATION
	073102	LA PALMA BRANCH, LA PALMA, CA
	217502	ARTESIA & NORWALK BRANCH, CERRITOS, CA



EXH. 61







EXH. 62

P.O. Box 30748  
Los Angeles, CA 90030-0748

DOBUN KIM  
5600 ORANGETHORPE 3111  
LA PALMA CA 90623-1208

**Your Bank of America  
Combined Account  
Statement**

Statement Date: March 22, 1984

At Your Service  
Call: 310-888-1448, 24 hours,  
7 days a week

Artesia-Norwalk Branch  
12221 E Artesia Blvd  
Cerritos, CA 90701-4344

Customer since 1983  
Bank of America appreciates your  
business and we enjoy serving you.

Summary of Your Deposit Accounts

Account	Account Number	Year Balance
Interest Checking	21754-33183	\$ 132,806.68
Cash Maximizer	* 21751-33359	62,158.36
<b>Total Balances</b>		<b>\$ 194,965.04</b>

\*Combined balances in these accounts may be used to eliminate monthly checking account service charges.

Bank of America News

Here's your new Bank of America statement. It's designed to be more informative and easier to use. Now it's simpler than ever to see your account activity at a glance or zero in on transaction detail. And, with our new "In Balance" feature, balancing your checkbook register will be a breeze.

Your Interest Checking Account

Beginning Balance on 02/17/84	\$123,888.99
Total Deposits	+ 23,676.80
Total Checks and Withdrawals	- 14,658.66
Interest Paid	+ 122.05
Account Fees	- 22.50
<b>Ending Balance</b>	<b>\$132,806.68</b>

Account Number: 21754-33183  
Statement Period: February 17 through March 22, 1984

Annual Percentage Yield earned this period	1.00%
Interest paid year-to-date	\$313.30
Number of ATM withdrawals and transfers	10
Number of purchase transactions	0

Important Information About Your Account

Based on the minimum balance you've maintained in this account, your monthly service charge has been waived.

Total interest paid to your account in 1983: \$1,371.41

Checks Paid

* Gap in check sequence					
Number	Date Paid	Amount	Number	Date Paid	Amount
704	02/18	\$ 68.00	711	03/01	5.00
705	02/18	62.00	712	03/02	37.48
706	02/23	500.45	713	03/02	100.00
707	02/25	6,975.00	714	03/01	70.00
708	03/03	113.00	715	03/03	288.00
709	03/02	21.00	716	03/07	34.48
710	03/02	21.00	717	03/04	1,000.00

Continued on next page  
000827 001-416



DOBUM KIM

Statement Date: March 22, 1994

Checks Paid Continued \* Gap in check sequence

Number	Date Paid	Amount	Number	Date Paid	Amount
718	03/03	785.00	723	03/08	787.90
719	03/02	75.00	724	03/08	100.00
720	03/07	21.77	725	03/21	120.00
721	03/07	64.57	727	03/17	500.00
722	03/15	9.00			
			<b>Total of 23 Checks Paid</b>		<b>\$11,758.66</b>

Account Activity

Date Posted	Description	Reference Number	Amount
<b>Deposits and Credits</b>			
02/18	Deposit		\$1,287.63
02/25	Deposit		11,104.63
02/25	Funds Transfer Ref.Mta05637534 Source: Fedwire Sender Ref: 1419 Benef: Do Bum Kim No. 13047, Artesia Blvd. Orig: Mr. Han Jin Yoo		6,975.00
03/08	Deposit		306.54
03/14	Deposit		4,000.00
<b>Total Deposits and Credits</b>			<b>\$23,676.80</b>
<b>Withdrawals and Transfers</b>			
02/23	Cash withdrawal on 02/22, Versateller ATM #073103 (Card #123279374)	001318	\$300.00
02/24	Cash Withdrawal on 02/23, Versateller ATM #358 (Card #123279374)	000001042	300.00
03/08	Cash withdrawal on 03/07, Versateller ATM #052903 (Card #123279374)	008275	300.00
03/10	Cash withdrawal on 03/08, Versateller ATM #217502 (Card #123279374)	008877	300.00
03/14	Cash Withdrawal on 03/13, Non-Versateller ATM #02180010 (Card #123279374)	151558061	300.00
03/18	Cash withdrawal on 03/18, Versateller ATM #217502 (Card #123279374)	004442	300.00
03/18	Cash Withdrawal on 03/18, Non-Versateller ATM #PS080044 (Card #123279374)	000838021	200.00
03/18	Cash Withdrawal on 03/18, Versateller ATM #00000010 (Card #123279374)		300.00
03/21	Cash withdrawal on 03/20, Versateller ATM #073102 (Card #123279374)	003920	300.00
03/21	Cash withdrawal on 03/21, Versateller ATM #217502 (Card #123279374)	009618	300.00
<b>Total Withdrawals and Transfers</b>			<b>\$2,000.00</b>
<b>Interest Paid</b>			
03/22	Interest Paid From 02/17/94 Through 03/22/94		\$122.05
<b>Account Fees</b>			
02/25	Processing Fee For Funds Transfer Ref.Mta-05637534		\$18.50
03/14	Non-Versateller ATM withdrawal	151558061	2.00
03/18	Non-Versateller ATM withdrawal	000838021	2.00
<b>Total Account Fees</b>			<b>\$22.50</b>

Daily Balance

Date	Amount	Date	Amount	Date	Amount
02/18	\$ 134,848.82	03/04	132,316.81	03/16	134,406.63
02/23	134,046.17	03/07	132,195.98	03/17	133,906.63
02/24	123,746.17	03/08	131,417.63	03/18	133,404.63
02/25	134,532.30	03/09	131,317.63	03/21	132,684.63
03/01	134,757.30	03/10	131,017.63	03/22	132,806.66
03/02	134,902.81	03/14	134,715.63		
03/03	133,316.81	03/15	134,706.63		





DOBUM KIM

Statement Date: March 22, 1994

Account Activity

Date Posted	Description	Reference Number	Amount
02/18	Deposits and Credits Deposit		\$3,370.00
03/22	Interest Paid Interest Paid From 02/17/94 Through 03/22/94		\$156.75

Daily Balance

Date	Amount	Date	Amount	Date	Amount
02/18	\$ 92,001.61	03/02	62,001.61	03/22	62,156.36

Bank of America: In Balance

To assist you in reconciling your account, we have prepared this personalized tool for you to use. Use it each month to balance your statement with your checkbook register. We have filled out certain information to make it even more convenient for you!

- Mark off each deposit, withdrawal, and check shown on this statement in your checkbook register.
- Make sure that all transfers are written in your checkbook register, including automatic deposits, automatic payments, or transfers you made between accounts.
- Add \$156.75 for interest paid to your checkbook register.

1 Your ending balance from this statement \$ **62,156.36**

2 List deposits and credits that do not appear on this statement

Date	Amount	Date	Amount
Total from 2:		\$	

3 Subtotal by adding 1 and 2 \$

4 List outstanding checks, withdrawals, and debits that do not appear on this statement

Check #	Amount	Check #	Amount
Total from 4:		\$	

5 Subtract 4 from 3. This should match the balance in your checkbook register \$

ATM Information

This period, you visited the following ATM locations:

- Bank of America's Verasteller ATM Network
- #052903 West Fullerton Branch, Fullerton, CA
- #073102 La Palma Branch, La Palma, CA

Continued on next page  
000027.004.418

EXH. 63

10000042902 \*0853027365\* 42 2100030000004

0853027365

7-2-94

NET DEPOSIT 29,000

DATE	11-28-93	AMOUNT	100.00
TOTAL			100.00

COMMENTS: 100.00

9.E4E2002

*Winn-Dixie*  
Member Bank

EXH. 64

0? 0 PUENTE HILLS  
 P. O. BOX 8337 CA 91748-8337  
 CITY OF INDUSTRY  
 For Office Inquiries: (818) 810-4250  
 For Teleservices: (213) 720-5858

b JAY C KIM  
 JUNE O KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: FEBRUARY 02, 1994  
 Through: MARCH 2, 1994  
 Page Number: 1  
 0853027365

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDS, MONEYMARKET ACCOUNTS, AND IRAS.

PRODUCTS AND SERVICES

SAVINGS ACCOUNT  
 ATM ACCESS

SAVINGS SUMMARY

ACCOUNT NUMBER 0853027365

STATEMENT BEGINNING BALANCE ..... \$ 1,480.78  
 DEPOSITS (1) AND CREDITS (0) ..... \$ 30,000.00  
 CHECKS (0) AND DEBITS (0) ..... \$ 0.00  
 SERVICE FEES AND CHARGES ..... \$ 0.00  
 STATEMENT ENDING BALANCE ..... \$ 31,480.78  
 TOTAL INTEREST PAID LAST YEAR ..... \$ 269.08  
 TAXPAYER ID NUMBER: 555-62-1909

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
3/02		30,000.00	OFFICE DEPOSIT 20823436

SAVINGS BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
3/02	31,480.78				
MINIMUM BALANCE THIS STATEMENT PERIOD.....				\$ 1,480.00	
AVERAGE BALANCE THIS STATEMENT PERIOD.....				\$ 2,514.00	

KSU 02173

\* DENOTES A BREAK IN CHECK NUMBER SEQUENCE.  
 V=VALUE DATED ITEM AMOUNT M=MISCELLANEOUS ITEM AMOUNT A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES USE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Union Bank*  
 02 0 PUENTE HILLS 085  
 P. O. BOX 8337  
 CITY OF INDUSTRY CA 91748-8337  
 For Office Inquiries: (818) 810-4250  
 For Teleservices: (213) 720-5658

EXH. 65

JAY C KIM  
 JUNE O KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: MARCH 03, 1994  
 Through: APRIL 4, 1994  
 Page Number: 1

0853027365

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDS, MONEYMARKET ACCOUNTS, AND IRAS.

PRODUCTS AND SERVICES

SAVINGS ACCOUNT  
 ATM ACCESS  
 ULTIMATE BANKING CARD

SAVINGS SUMMARY

ACCOUNT NUMBER 0853027365

STATEMENT BEGINNING BALANCE ..... \$ 31,480.78  
 DEPOSITS ( 0 ) AND CREDITS ( 0 ) ..... \$ 0.00  
 CHECKS ( 0 ) AND DEBITS ( 6 ) ..... \$ 10,707.88  
 INTEREST PAID ..... \$ 42.58  
 SERVICE FEES AND CHARGES ..... \$ 0.00  
 STATEMENT ENDING BALANCE ..... \$ 20,816.28  
 INTEREST PAID YEAR TO DATE ..... \$ 42.58  
 TAXPAYER ID NUMBER: 555-62-1909

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS	
3/07	127.17		TRANSFER TO CHECKING	99248172
3/08	241.71		TRANSFER TO CHECKING	99248230
3/09	87.00		TRANSFER TO CHECKING	99248286
3/10	219.97		TRANSFER TO CHECKING	99248232
3/11	31.23		TRANSFER TO CHECKING	99248218
3/11	10,000.00		WITHDRAWAL	18607613
3/31		42.58	INTEREST PAYMENT	KSU 02169

SAVINGS BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
3/07	31,355.61	3/10	30,884.93	4/01	20,816.28
3/08	31,111.98	3/11	28,773.78		
3/09	31,024.98	3/31	20,816.28		
MINIMUM BALANCE THIS STATEMENT PERIOD				\$ 20,773.88	
AVERAGE BALANCE THIS STATEMENT PERIOD				\$ 23,325.88	

\* DENOTES A BRANCH IN CHECK MEMBER RESIDENCE.  
 V-VALUE DATED ITEM AMOUNT M-MISCELLANEOUS ITEM AMOUNT A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES, SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Winn-Dixie*  
 Lines Bank IN

02 0 PUENTE HILLS 085  
 P. O. BOX 8337  
 CITY OF INDUSTRY CA 91748-8337

For Office Inquiries: (818) 810-4250  
 For Teleservices: (213) 720-5858

JAY C KIM  
 JUNE O KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: APRIL 05, 1994  
 Through: MAY 3, 1994  
 Page Number: 1

0853027365

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDS, MONEYMARKET ACCOUNTS, AND IRAS.

PRODUCTS AND SERVICES

SAVINGS ACCOUNT  
 ATM ACCESS  
 ULTIMATE BANKING CARD

SAVINGS SUMMARY

ACCOUNT NUMBER 0853027365

STATEMENT BEGINNING BALANCE ..... \$ 20,816.28  
 DEPOSITS ( 0 ) AND CREDITS ( 0 ) ..... \$ 0.00  
 CHECKS ( 0 ) AND DEBITS ( 1 ) ..... \$ 10,000.00  
 SERVICE FEES AND CHARGES ..... \$ 0.00  
 STATEMENT ENDING BALANCE ..... \$ 10,816.28  
 TAXPAYER ID NUMBER: 555-62-1909

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
4/14	10,000.00		WITHDRAWAL 15107611

SAVINGS BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
4/14	10,816.28				
MINIMUM BALANCE THIS STATEMENT PERIOD.....			\$ 10,816.00		
AVERAGE BALANCE THIS STATEMENT PERIOD.....			\$ 15,919.00		

KSU 02163

\* DENOTES A BREAK IN CHECK NUMBER SEQUENCE.  
 V-VALUE DATED ITEM AMOUNT N-MISCELLANEOUS ITEM AMOUNT A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES. SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Union Bank*  
 Union Bank  
 02 0 PUENTE HILLS 085  
 P. O. BOX 8337  
 CITY OF INDUSTRY CA 91748-8337  
 For Office Inquiries: (818) 810-4250  
 For Teleservices: (213) 720-5858

JAY C KIM  
 JUNE O KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: MAY 04, 1994  
 Through: JUNE 2, 1994  
 Page Number: 1 of 1

0853027365

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDs, MONEYMARKET ACCOUNTS, AND IRAS.

SAVINGS ACCOUNT PRODUCTS AND SERVICES  
 ATM ACCESS  
 ULTIMATE BANKING CARD

SAVINGS SUMMARY  
 ACCOUNT NUMBER 0853027365

STATEMENT BEGINNING BALANCE .....\$ 10,816.28  
 DEPOSITS ( 0 ) AND CREDITS ( 0 ) .....\$ 0.00  
 CHECKS ( 0 ) AND DEBITS ( 1 ) .....\$ 10,000.00  
 SERVICE FEES AND CHARGES .....\$ 0.00  
 STATEMENT ENDING BALANCE .....\$ 816.28  
 TAXPAYER ID NUMBER: 555-62-1909

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
5/09	10,000.00		WITHDRAWAL 11227287

SAVINGS BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE
5/09	816.28		

MINIMUM BALANCE THIS STATEMENT PERIOD.....\$ 816.00  
 AVERAGE BALANCE THIS STATEMENT PERIOD.....\$ 2,482.00

SAVINGS INTEREST RATE SUMMARY

DATE	INTEREST RATE	DATE	INTEREST RATE
5/09	2.00%		

INTEREST OF \$4.12 WAS EARNED ON YOUR ACCOUNT WITH AN ANNUAL PERCENTAGE YIELD EARNED OF 2.93 %. THE INTEREST WAS EARNED FROM 05/04/94 THROUGH 06/02/94, AND WILL BE PAID TO YOUR ACCOUNT WITH YOUR REGULARLY SCHEDULED INTEREST PAYMENT.

KSU 02161

\* DENOTES A BREAK IN CHECK NUMBER SEQUENCE.  
 - VALUE DATED ITEM AMOUNT - MISCELLANEOUS ITEM AMOUNT - A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES. SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Monterello*  
 18 22 MONTEBELLO OFFICE 116  
 P. O. BOX 3067  
 MONTEBELLO CA 90640  
 For Office Inquiries: (213) 726-9881  
 For Teleservices: (213) 720-5858

EXH. 66

JAY C KIM

Statement Period  
 From: FEBRUARY 24, 1994  
 Through: MARCH 24, 1994  
 Page Number: 2  
 16098781

MISCELLANEOUS ACCOUNT ACTIVITY (CONTINUED)

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
5/10	2.00		SAVINGS OVERDRAFT TRANSFER CHARGE
5/11		-10,000.00	OFFICE DEPOSIT <i>Transferred to the savings</i> 10607594

CHECKING BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
2/24	1,037.69	3/08	0.00	3/15	8,565.07
3/02	639.37	3/09	0.00	3/16	7,864.14
3/04	0.00	3/10	0.00	3/17	7,037.15
3/07	0.00	3/11	10,000.00	3/21	6,837.15

(MINIMUM BALANCE THIS STATEMENT PERIOD.....) 0 0.00  
 (AVERAGE BALANCE THIS STATEMENT PERIOD.....) 4,118.00

SAVINGS OVERDRAFT PROTECTION 0853027365

OTAL TRANSFERS FROM SAVINGS (+)	787.00	SAV CURRENT BALANCE	20,773.70
OTAL TRANSFERS TO SAVINGS (-)	0.00	CUST. MINIMUM BAL.	1.00
		SAV O.D. BAL AVAIL.	20,772.70

KSU 02920

\* OFFERS A BREAK IN CHECK NUMBER SEQUENCE.  
 V-VALUE DATED ITEM AMOUNT U-MISCELLANEOUS ITEM AMOUNT A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES. SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Minifund*

18 **MONTEBELLO OFFICE** 116  
 24 P. O. BOX 3067  
 MONTEBELLO CA 90640

For Office Inquiries: (213) 726-0081  
 For Teleservices: (213) 726-5858

*Yoko or Jennifer*

JAY C KIM  
 OR JUNE O KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: MARCH 25, 1994  
 Through: APRIL 20, 1994  
 Page Number: 1

16098781

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDs, MONEYMARKET ACCOUNTS, AND IRAS.

PRODUCTS AND SERVICES

ECKING *310.916.3*

M ACCESS.SAVINGS (SOPP)

TIMATE BANKING CARD

CHECKING ACCOUNT SUMMARY *0853021365*

ACCOUNT NUMBER 0016098781

STATEMENT BEGINNING BALANCE ..... \$ 6,837.15  
 DEPOSITS ( 3 ) AND CREDITS ( 0 ) ..... \$ 28,187.01  
 CHECKS ( 24 ) AND DEBITS ( 0 ) ..... \$ 15,859.51  
 SERVICE FEES AND CHARGES ..... \$ 8.00  
 STATEMENT ENDING BALANCE ..... \$ 19,164.65

CHECKS *KUAS -> 18,386.11*

TE	CHECK NUMBER	AMOUNT	REFERENCE NUMBER	DATE	CHECK NUMBER	AMOUNT	REFERENCE NUMBER
/01	3161	319.37	26810566	4/15	3175	3,000.00	28236206
/04	3163*	85.00	28903475	4/15	3176	5,497.76	15840320
/29	3165*	90.00	15208501	4/15	3177	156.27	18228164
/18	3166	85.00	28804603	4/19	3178	27.50	18437263
/08	3167	340.36	28704906	4/18	3179	154.00	21127906
/14	3168	1,080.00	28419978	4/19	3180	55.24	29418717
/19	3169	16.00	85185372	4/15	3181	244.61	28318034
/25	3170	10.00	15418291	4/15	3182	21.92	28337953
/14	3171	649.13	35428934	4/19	3183	143.13	15512857
/14	3172	2,442.76	35429299	4/19	3185*	845.00	28619162
/22	3173	25.00	25318364	4/19	3186	24.88	10540926
/12	3174	1,000.00	10929826	4/19	3187	24.60	25416320

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
/29		15,000.00	OFFICE DEPOSIT - (Dano final point check) 1513829
/14		3,187.01	OFFICE DEPOSIT 28229444
/14		10,000.00	OFFICE DEPOSIT - from SAVINGS 15107587

KSU 02914

\* DENOTES A BREAK IN CHECK NUMBER SEQUENCE.  
 \* VALUE DATED ITEM AMOUNT \* MISCELLANEOUS ITEM AMOUNT \* COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES. SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC

*Winn-Dixie*  
 18 MONTEBELLO OFFICE 116  
 25 P. O. BOX 3067  
 MONTEBELLO CA 90640  
 For Office Inquiries: (213) 726-0081  
 For Teleservices: (213) 720-5858

JAY C. KIM  
 OR JUNE O. KIM  
 2219 RUSTY PUMP  
 DIAMOND BAR CA 91765-0353

Statement Period  
 From: APRIL 27, 1994  
 Through: MAY 23, 1994  
 Page Number: 1 of 2

16098781

BUILD FOR A SECURE FUTURE. ASK ABOUT OUR AUTOMATIC SAVINGS PLAN,  
 CDS, MONEYMARKET ACCOUNTS, AND IRAS.

PRODUCTS AND SERVICES

CHECKING  
 (M ACCESS, SAVINGS (SOPP)  
 TIMATE BANKING CARD

CHECKING ACCOUNT SUMMARY  
 ACCOUNT NUMBER 0016098781

STATEMENT BEGINNING BALANCE	\$ 19,144.65
DEPOSITS (4) AND CREDITS (0)	\$ 40,738.35
CHECKS (25) AND DEBITS (0)	\$ 23,263.96
SERVICE FEES AND CHARGES	\$ 0.00
STATEMENT ENDING BALANCE	\$ 36,639.04

CHECKS

DATE	CHECK NUMBER	AMOUNT	REFERENCE NUMBER	DATE	CHECK NUMBER	AMOUNT	REFERENCE NUMBER
5/02	3184	377.94	25510271	5/13	3201	26.01	28601424
5/16	3189*	95.00	25329905	5/13	3202	78.38	28601425
5/04	3190	80.00	15818518	5/24	3203	1,266.00	15483355
5/29	3191	80.00	25819091	5/17	3204	2,396.65	25422587
5/05	3192	2,802.00	85302679	5/10	3205	344.61	11019327
5/18	3193	82.00	15013618	5/11	3206	27.50	28404300
5/05	3194	6,000.00	25688510	5/24	3208*	345.00	1588834
5/16	3195	85.00	25329986	5/18	3211*	118.14	14373611
5/13	3196	896.00	85529688	5/13	3212	149.10	28829652
5/12	3197	6,497.76	88127237	5/16	3213	688.00	25415870
5/10	3198	178.25	18314978	5/19	3214	154.86	14487191
5/13	3199	58.78	25222379	5/28	3215	1,088.00	24887975
5/10	3200	154.00	11885041				

MISCELLANEOUS ACCOUNT ACTIVITY

DATE	DEBITS	DEPOSITS AND CREDITS	TRANSACTION DESCRIPTION AND REFERENCE NUMBERS
5/09		10,000.00	OFFICE DEPOSIT 11227271
5/24		738.35	OFFICE DEPOSIT 28419911
5/24		10,000.00	OFFICE DEPOSIT 25414187
5/25		87,000.00	OFFICE DEPOSIT 15348888

KSU 02910

\* DENOTES A BREAK IN CHECK NUMBER SEQUENCE.  
 Y-VALUE DATED ITEM AMOUNT IS-MISCELLANEOUS ITEM AMOUNT A COMPLETE DESCRIPTION OF THESE ITEMS APPEARS IN THE MISCELLANEOUS ACCOUNT ACTIVITY SECTION.  
 PLEASE REVIEW THIS STATEMENT PROMPTLY AND REPORT ANY DISCREPANCIES, SEE THE BACK FOR INFORMATION REGARDING ERROR RESOLUTION.  
 MEMBER FDIC



EXH. 68

시골미 (7-1) 220097

김정준의원 개원 100주년 기념

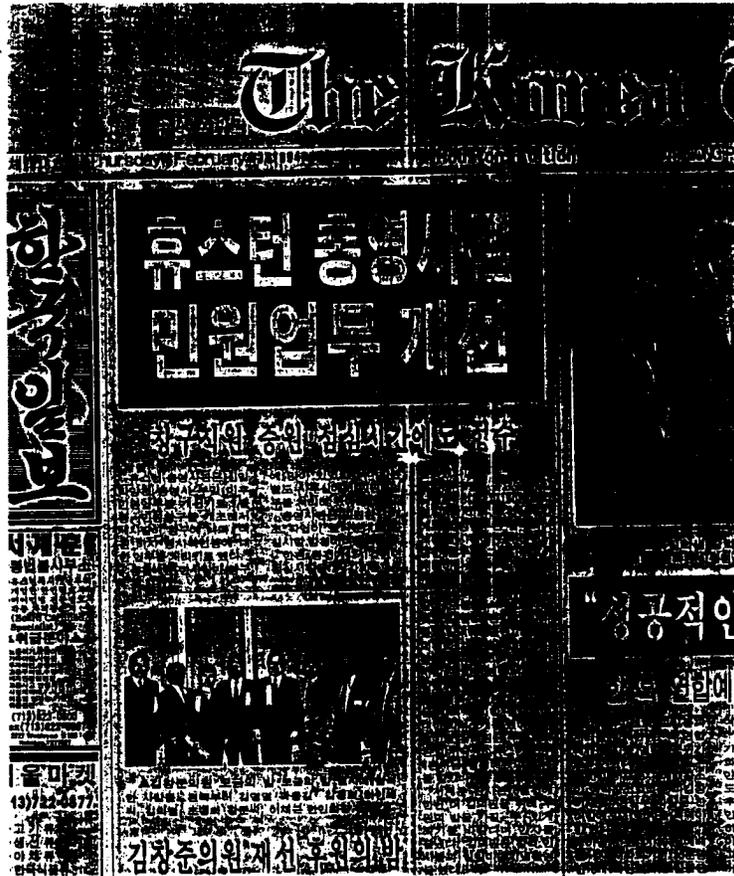
300여명 인사

메트로폴리탄 종합보험 (713) 556-5800

구정맞이 원

유스틴 광고

PIONEER



The Korea Times - Thursday, February 3, 1994

Picture : Fundraising Event for Congressman Kim - Attendees at the event. From left, Young Yul Kim, Woong Gil Kwak, Kyung Hee Kim, In Tae Ha, Congressman Kim, Myung Hee Cho, Choon Chang, Jae Keun Lee, President of the Korean-American Association.

#### Fundraising Event for Congressman Kim's Re-election

More than 30 attendees present : The fundraising event for Congressman Kim's re-election campaign, sponsored by the Korean-American Association, was held at Ramada Hotel last 28th [of January] at 7 pm where more than 30 people attended.

The event, jointly sponsored by the Korean-American Association, the Korean-American Citizens' Association and the Korean-American Republican Party, was held to raise the campaign fund for Congressman Kim's re-election.

"More than 100 people were originally expected to attend the event, but the announcement period was too short", said Jae Keun Lee, the President of the Korean-American Association, about the event where \$6,000 were raised.

Judge Kye Hoon Suh, the master of ceremony of the event and President of the Korean-American Citizens' Association, said in his greetings, "Tonight, it seems many people could not attend the event as expected due to the bad weather and also because many cell meetings are being held at a lot of churches and the general meeting of the KAYPA members is in session."

At the event, where both former and present officers of various associations and organizations were present, Congressman Kim gave an explanation about the speech President Clinton delivered last 25th [of January] and expressed his opinion about the speech.

He made smooth the atmosphere of the event by saying, "As for political speech, the shorter, the better - just like women's mini skirts."

"The preparation of this event should have started early January but was delayed due to my illness. I apologize for tonight's poor attendance. This event has been intended to give support to Congressman Kim in his preparation for his re-election in November.", said Jae Keun Lee, the President of the Korean-American Association.

Kyung Hee Kim, the President of the Korean-American Republican Party, provided the brief history of Congressman Kim.

At the event, Congressman Kim was accompanied by Seo Kook Ma, his chief assistant and Jung Dae Kim, his relative currently residing in Houston. Judge Kye Hoon Suh said in his closing remark that he would hope for another fundraising event to take place for Congressman Kim in June. Congressman Kim took a picture with each attendee at the event.

08/05/98 14:06 2024963660  
08/04/98 18:00  
08.04/98 14:54 FAX 8179637822

AA Gott Affairs

AA Adv Security

EXH. 69

012891 A AA 1307 OCA DPE Y 1192 0 A8801 0 T M A 013194 102  
 12891 P AA 1192 0 1000 00502 0 Y M 121003 102  
 1192 P AA 1192 0 7112 00582 0 Y M 111723 102  
 1192 P AA 1192 0 0 0 0 Y M 111723 102  
 11803 A AA 0879 SHU OMT Y Y T 1192 0 Y M 111723 102  
 11803 A AA 1827 BEA BIV Y Y T 1192 0 Y M 111723 102  
 11093 A AA 0865 DRV PCA Y Y T 1192 0 Y M 110129 102  
 11093 A AA 1288 OMT DRV Y Y T 1192 0 Y M 091109 102

ACT OF - PPN PLTS ONE STATE-COS-2-8-88  
 NUMBER IS P816116 J MIN

PROG: AMERICAN SIMULON  
 MICHIGAN ACTIVITIES DETAIL REPORT

LN 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

REPORT 08/05/98  
 PAGE 0001

To Texas 1/28

TEXAS to be 1/31

Transfer Fee Name	7871	State	TX
City	DAVID	County	
Address	202	Zip	
Phone	202-851-4244	Phone 2	
Phone 3		Phone 4	

EXH. 70

JOHN L. COEHMAN, JR.  
RALPH L. LUTER  
\*ALSO MEMBER OF  
THE CALIFORNIA BAR

LOEHMAN CR. BUILDING  
CAPITOL HILL WEST BUILDING  
550 MASSACHUSETTS AVENUE, N.E.  
SUITE 611  
WASHINGTON, D.C. 20563  
PHONE (202) 847-9228  
FAX (202) 847-9228

LOS ANGELES OFFICE  
WILSONE HIGHLAND BUILDING  
4929 WILSONE BOULEVARD  
SUITE 1510  
LOS ANGELES, CALIFORNIA 90010  
PHONE (213) 951-4200  
FAX (213) 924-9521

OF COUNSEL  
DENGA & BELAP  
LOS ANGELES, CALIFORNIA  
ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
HOUSTON CITY, TEXAS  
\*ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

September 30, 1998

SENT VIA FAX: 225-7392

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

RECEIVED  
98 SEP 30 PM 12:14  
CONFIDENTIAL - LEGISLATION

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This brief communication is a follow-up to my telephone conversation with Committee Counsel Paul Lewis yesterday, September 29, 1998, regarding your response (of the same date) to Representative Kim's Answer to the Statement of Alleged Violation.

In particular, footnote 6, on page 2, of your letter, it is stated that I had knowledge of some of the exculpatory material which I provided to the Subcommittee on September 18, 1998, "as early as prior to July 28, 1998". In support of your understanding, the footnote makes reference to pages 2-4 of Representative Kim's Answer.

As discussed with Mr. Lewis, I did not have any knowledge (either by documentation or information) of exculpatory information prior to July 28, 1998. Indeed, the sentence beginning at the bottom of page 2 of the Answer and continuing through the top of page 3 explicitly states--

The Honorable Lamar S. Smith  
 The Honorable Ed Pastor  
 Page 2  
 September 30, 1998

In this connection, I point out that I neither physically had nor, in one case was aware of, all of the subject materials prior to either July 28, 1998 (the date of the draft Statement of Alleged Violation); August 7, 1998 (the date of the final Statement of Alleged Violation); or August 5, 1998 (the date on which an unsuccessful attempt was made to resolve this matter). I was aware, however, of the existence of certain of the information and alluded to this in our August 5, 1998, meeting as well as our August 24, 1998, Motion for a Bill of Particulars and Memorandum of Points and Authorities. [Emphasis added.]

As reflected in the quoted paragraph, above, I reminded Mr. Lewis that the only information which I had as of August 5, 1998, was that Representative Kim was not in Diamond Bar, California, on January 29, 1994, as alleged by Mr. Dobum Kim. Such information was based upon my having been informally advised that the Congressman was in Texas at a fundraiser at that time. (This information was obtained between July 29 and August 5 as a result of reviewing the draft SAV provided to us on July 28.) Moreover, the actual documentary information which I subsequently received confirming this point was not received until late on August 5, 1998. Hence, based upon the explicit discussion in Representative Kim's Answer, quoted above, footnote 6 is inaccurate to the extent that it claims our knowledge of exculpatory information prior to July 28, 1998.

In this light I cannot agree with the assertion at page 2 of the September 29, 1998, Subcommittee letter referring to "investigative action caused by a Respondent's belated provision of possible exculpatory information \* \* \*". [Emphasis added.] Use of the word "belated" conveys a misimpression of a Respondent's prior obligation to disclose -- which is incorrect. Indeed, I still believe that the Subcommittee had the time, ability, and the resources to independently confirm the accuracy of Mr. Dobum Kim's assertions through the same process by which I identified where Representative Kim was on January 29, 1994. Thus, it is somewhat unfair to give the impression that Representative Kim (or I) withheld information when the Subcommittee could have obtained the very same information as part of its review and verification of Mr. Dobum Kim's testimony.

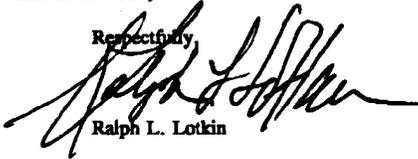
Accordingly, I respectfully request that footnote 6, *supra*, be amended in order to avoid creating a misimpression as to the accuracy of the events or our knowledge prior to July 28, 1998.

Finally, in light of the Subcommittee's acknowledgement that investigative action has been reopened, I further respectfully request, pursuant to Committee Rule 26, any and all exculpatory information which may be obtained by the Investigative Subcommittee as a result of its renewed efforts. Such information may prove critical in deciding whether to submit an amendment to Representative Kim's September 25, 1998, Answer to the Statement of Alleged

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 3  
September 30, 1998

Violation. (By the same token, such information might be sufficient for the Subcommittee to withdraw/amend certain of the Counts in the SAV).

Respectfully,

A handwritten signature in black ink, appearing to read "Ralph L. Lotkin", written in a cursive style.

Ralph L. Lotkin

EXH. 71 **icanAirlines**

GARY R. DOERNHOFER  
SENIOR COUNSEL

September 28, 1998

VIA FACSIMILE

David Laufman  
U.S. House of Representatives  
Committee on Standards of Official Conduct  
Washington, D.C. 20515-6328

Dear David:

This letter confirms that American Airline's records show that Congressman Jay Kim traveled on American Airlines on the following itinerary in January, 1994:

January 28, 1994

From Washington National Airport (DCA) to Dallas/Ft. Worth International Airport (DFW) on American Airlines flight #1307, which left Washington National at 12:39pm and arrived at DFW at 3:09pm. Congressman Kim connected on to Houston Hobby Airport (HOU) on American Airlines flight #2001 which left DFW at 3:46pm and arrived in Houston at 4:45pm.

January 29, 1994

From Houston Intercontinental Airport (IAH) to Dallas/Ft. Worth International Airport (DFW) on American Airlines flight #395 which left Houston at 9:00am and arrived at DFW at 10:07am. Congressman Kim connected on to Ontario, California (ONT) on American Airlines flight #201 which left DFW at 11:09am and arrived at Ontario Airport at 12:19pm.

January 30, 1994

From Ontario, California (ONT) to Dallas/Ft. Worth International Airport (DFW) on American Airlines flight #1900, which left Ontario at 11:24am and arrived at DFW at 4:20pm. Congressman Kim connected on to Washington, National Airport (DCA) on American Airlines flight #846 which left DFW at 5:18pm and arrived at Washington National at 9:03pm.

This inquiry came to us initially when Congressman Kim's office asked us for records of any flight activity during the month of January, 1994. Because of the way our historical flight records are kept, we asked the Congressman's office to provide his AAdvantage Program account number, which allowed us to identify a flight he had taken in the month. Once we knew of a particular flight on a given date, we were able to locate Congressman Kim's computerized "passenger name record" for that trip. A passenger name record is commonly referred to as a PNR, and a copy of the PNR for Congressman Kim's trip in January, 1994 is attached.

With assistance from American Airlines Customer Service representative Tracy Pierro, who is familiar with the computer entries contained in the PNR, we determined Congressman Kim's travel itinerary as set forth above.

If you have any further questions, please do not hesitate to call.

Sincerely,



Gary R. Doernhoefer



**EXH. 73**

Notes re DOBUM KIM Phone Conversation  
June 3, 1997 at Los Angeles, Ca.  
SA Anthony R. Gordon

DOBUM KIM, dob December 29, 1952, SSAN# 148-76-6343, 33020 10th SW Avenue, Federal Way, Washington, 98023, phone (253-835-0779, stated that he is a citizen of South Korea and was the CEO, Director of the Los Angeles, Ca. Office of HANBO STEEL from 1989 to 1994. In 1985, he was the Deputy General Manager in Seoul, South Korea and previously was employed for three years for HYOSUNG CORPORATION as an assistant manager from 1979 to 1983. From 1983 to 1985, KIM indicated that he was in Germany. KIM stated that in March of 1996 he was employed in Caracas, Venezuela as the managing director for the HANBO STEEL office in Venezuela before he returned to the United States. KIM stated that as of May 31, 1997, he resigned from HANBO STEEL to open his own business. KIM stated that he is presently unemployed. KIM stated that his successor in Los Angeles, Ca., for HANBO STEEL in 1995 was YOUNG BAE JEON. KIM noted that HANBO CONSTRUCTION is the main parent of HANBO CONSTRUCTION and that the Los Angeles, Ca. Office of HANBO STEEL had three employees with a budget spending between \$50,000 to \$60,000 per month. KIM noted that he received the financial reports while he was at HANBO STEEL in Los Angeles, Ca., and that HANBO STEEL had a financial officer there by the name of CHRISTINE LEE. KIM noted that while in Venezuela, he was negotiating a plant for iron sheets and that they were building a plant down there. KIM stated that the Venezuela office of HANBO STEEL had four employees.

KIM was asked about his relationship with JUNE KIM. KIM stated that he has known JUNE KIM from South Korea. KIM stated that in January of 1994, he had called JUNE KIM while he was in Los Angeles, Ca. to say hello and that he later had dinner together with JUNE KIM at a Korean Restaurant in Los Angeles, Ca. At this dinner with JUNE KIM, KIM stated that JUNE KIM personally asked him to buy books written by her husband JAY KIM, which was his autobiography entitled, "I am a Conservative". KIM stated that JAY KIM was not present at this time and that the only people present were JUNE KIM and himself. KIM stated that JUNE KIM did not mention her husband's political activity at this time, as they just talked about their families. KIM stated that JUNE KIM wanted him to buy 2,000 books and when he asked her the price, JUNE KIM told him \$30,000. KIM stated that JUNE KIM had initially asked for him to buy 3,000 books and that he said that it was too much and that maybe he could buy 1/2 of that amount. KIM stated that JUNE KIM said, "maybe a little more". KIM stated that JUNE KIM did not say anything about a political campaign at this time. KIM stated that he did ask JUNE KIM how her husband was doing and that she said, "OK". KIM also said that JUNE KIM did not relate to him any financial needs of her. KIM stated that JUNE KIM did not say why she needed the money, but that she noted to him that she was, "worried book not selling that well" and that she needs his help.

KIM stated that he told JUNE KIM, "let me think about it" and that a couple of days later he told her, "yes" and that JUNE KIM told him that they should meet. KIM stated that two to three days later he met JUNE KIM at her house in Diamond Bar, Ca., and that he gave her his check for the books in the amount of \$30,000. This check was identified as KIM's personal check #127, drawn on BANK OF AMERICA money market account #21751-33359 for \$30,000, dated January 29, 1994, and made payable to JUNE KIM with the notation, "books" written in the memo section of the check. KIM stated that the La Palma, Ca. address on this check, was an address in Fullerton, California that he borrowed from a friend for mailing purposes.

At JUNE KIM's home, KIM stated that he initially wanted to pay for the books in Seoul, South Korea, with Korean money, but that JUNE KIM declined his offer to do so. KIM said that JUNE KIM then asked him if it was possible for him to pay in United States Currency. KIM stated that JUNE KIM did not say why she wanted payment this way, but that he assumed that there was a problem with her bringing the money out of Korea.

KIM stated that JUNE KIM told him that the books were not ready and that they will be ready in two to three months and that the books will be delivered in Korea. KIM stated that he gave JUNE KIM his brother's, WOBUM KIM, address for shipment of the books to Korea. KIM noted that there were no written documents regarding the sale of the books to him and that he was going to sell the books to Korean friends of his.

KIM noted that although JUNE KIM was supposed to give him 2,000 books of JAY KIM's autobiography, "I am a Conservative", he only received 1,000 books. KIM stated that he was working in Venezuela at the time and that he did not know why the remaining 1,000 were not delivered. KIM stated that he was disappointed in JUNE KIM for not delivering the remaining books to him. KIM denied getting reimbursed from HANBO STEEL for the purchase of the books from JUNE KIM and that he bought the books with "good will" and with a "good intention" to help a family friend as he had known JUNE KIM as a child. KIM stated that he wanted to help her and that he assumed that they needed "political funds". KIM stated that the books were delivered three months later to his brother WOBUM KIM in Korea. KIM stated that his brother gave the books away to the KOREAN ELECTRIC COMPANY, a Korean government owned corporation. KIM also noted that his brother, WOBUM KIM, sent him one of the books and that KIM gave a book to his wife in Los Angeles, Ca. KIM was asked if he had any knowledge of JUNE KIM's autobiography which was published in 1996. KIM stated that he didn't know about JUNE KIM's book.

KIM stated that in 1995, he tried two to three times to talk to JENNIFER AHN on the phone about the rest of the books, but that he could not get in touch with her and left a message for her. KIM noted that he did not talk to anybody else about the book sale and that JUNE KIM was the only one that he was dealing

with. KIM stated that he did not talk to anybody recently about the books he had purchased from her. KIM stated that again that he was upset about the non-delivery of the remainder of the books, but that he decided against asking for his money back, which would include according to him, asking for all his money back and to return the books that he did receive from JUNE KIM. KIM stated that he had no chance to talk to JUNE KIM and that he felt betrayed by JUNE KIM, as she did not keep her promise to him regarding the books.

KIM stated again that he wanted to pay JUNE KIM initially for the books in South Korean currency, but that JUNE KIM wanted him to pay for the books in U.S. Currency. KIM stated that he has never met JAY KIM personally, but that he had met him at a dinner party after JAY KIM was elected to Congress. KIM could not remember when this party was, but that he was invited to the dinner where twenty five Korean people were present, and that he was only introduced to JAY KIM as a "formality". KIM noted that he made contact with JUNE KIM after JAY KIM was elected to Congress and that he had met JUNE KIM many times since then. KIM noted that he got a hold of JUNE KIM because of "prestige" and that he heard of news of the "Congressman" KIM also mentioned a "family feud" and that both JUNE KIM's mother and his mother know each other.

KIM was asked if he was involved in the KOREA TRADER'S CLUB, (KTC), of Los Angeles, Ca. KIM denied that he was active in the KTC, but that approximately two to three times he had received an invitation from them, that he did not know who actually sent the KTC invitations, and that he did not attend the KTC events. KIM stated that all Korean companies have to be a KTC member and that the dues were \$200.00 a month, but that he never went to a KTC meeting.

KIM was asked about a transfer into his BANK OF AMERICA money market account for \$248,000 on November 10, 1993. KIM stated that the \$248,000 was his money and that some of it was from Korean commissions and some of it was from the sale of stock. KIM stated that the \$248,000 was not HANBO STEEL money. KIM did note that \$35,000 of the \$248,000 was a commission for him to make contact with a Korean government official to do a favor. KIM refused to disclose the name of the government official, but did note that he is still in office. KIM also indicated that an individual by the name of JAE HYUNG KIM is a friend of his who is doing business in Korea and that his friend "possibly" paid the government official. KIM noted that the \$248,000 went to Germany and that another friend of his, GOO DAE SOON, received it all and that the money could not be remitted from South Korea. KIM noted that his brother, WOBUM KIM, collected the money from SOON, and that WOBUM KIM also collected the stock money from Germany and sent it over to him. KIM noted that he used his own money for the purchase of the books from JUNE KIM and noted again that he was unable to remit the money from Korea. KIM noted that he was unable to remember in detail

the situation of the \$200,000, but that he remembers collecting \$240,000 from Germany. KIM noted again that he does not remember receiving the \$200,000, that he does not know anything about stock and that he does not trust the American stock broker. KIM also noted that he didn't want his money bid and that he does not like to play with his money.

KIM was asked when was the last time that he had seen JUNE KIM. KIM stated that the last time that he had seen JUNE KIM in person was in 1994 before he went to Venezuela. KIM stated that he said "goodbye" to her and that he never talked to her again.

KIM was asked if he received any correspondence from the JAY KIM campaign. KIM stated that he received a letter in 1992, but that he did not have any interest in it.

KIM was asked if he knew individuals by the name of SEOKUK MA or DAVID OAK. KIM stated that he never met MA and denied knowing OAK. KIM noted that he could not donate to federal campaigns because he is a foreign national and that he knows the law in this regard. KIM stated that he learned that foreign nationals can't give money to JAY KIM and that he learned this after he bought the books from JUNE KIM and that he heard about it later while he was in Venezuela. KIM stated also that he read the Los Angeles Times articles about JAY KIM's campaign while he was in Venezuela.

KIM was finally asked if he knew about a JAY KIM campaign fund-raiser at the RADISSION WILSHIRE PLAZA HOTEL (RWP) in January of 1994. KIM denied knowing of a JAY KIM campaign fund-raiser at the RWP.

EXH. 74 3005/0048

ITEM 015  
THE PALM RESTAURANT WASHINGTON DC \$241.46

Customer Account No.	Date of Charge	Reference Code	Approval Code
3728-824508-42008	10/28/83	088010078	
Service Establishment and Location THE PALM RESTAURANT WASHINGTON DC			
Mode of Charge			
FOOD/BEV	\$211.46		
TIP	\$30.00		
S/E # 4081008405		TOTAL DEDUCTIBLE AMOUNT \$241.46	

ITEM 016  
THE PALM RESTAURANT WASHINGTON DC \$188.68

Customer Account No.	Date of Charge	Reference Code	Approval Code
3728-824508-42008	10/28/83	088010080	
Service Establishment and Location THE PALM RESTAURANT WASHINGTON DC			
Mode of Charge			
FOOD/BEV	\$188.68		
TIP	\$30.00		
S/E # 4081008405		TOTAL DEDUCTIBLE AMOUNT \$188.68	

ITEM 017  
MARRIOTT KEY BRIDGE ARLINGTON VA \$444.01

Customer Account No.	Date of Charge	Reference Code	Approval Code
3728-824508-42008	10/27/83	001828551	
Service Establishment and Location MARRIOTT KEY BRIDGE ARLINGTON VA			
Mode of Charge			
ARRIVAL DATE	DEPARTURE DATE	# OF NIGHTS	
10/25/83	10/27/83	02	
RCC NUMBER 42008			
S/E # 7080860045		TOTAL DEDUCTIBLE AMOUNT \$444.01	

4

11 PG-3437 / 51 PG. 4 OF 4 / 08/08/2003/1/

## EXH. 75

(C)opyright 1994 Encore Systems, Inc. Atlanta, Ga All rights reserved - 11.7.6A  
 Press ENTER or highlighted letter to select  
 Pt 53 Id EIG APO81000-0 RITZ-CARLTON PENTAGON CTY 17:30 Cal 061098 Sys 061098  
 Maintain History Records  
 Enter 0 - Exit, 1 - Add, 2 - Change, 3 - Delete 2

History No.: 50419  
 1. Name : CHUNG TAE S Guest ID. :  
 2. Address : 13047 ARTESIA BLD STE 108 Type  
 3. City : CERRITOS CA 90701  
 4. Telephone : 310-926-5977  
 5. Last Paid : 2 CAMEX  
 6. Last Guar. : 1 By AX372882450942009 09/96  
 7. Last Rm Typ: Rate 850.00  
 8. Grouping : 0 TRAN Reservations Prefix RP  
 9. Special Svc: OBKTS Status 1  
 10. Comments : RES PER KRISTI LEE CP\*12 SLC  
                   B=1502 ALL CHARGES TO 1501 KAN10/18/93  
                   RES PER KRISTI LEE CP\*12 SLC  
 11. Last 12. Prev 13. \*\*\*\*\* Total  
 Arrive : 102793 000000 First : 102793  
 Nights : 2 0 Visits : 3  
 Room : 1502 0 Nights: 6  
 Package: RPMX  
 Spent : 0 0 Spent : 8797  
 More comments exist. Want to see them? N

(C)opyright 1994 Encore Systems, Inc. Atlanta, Ga All rights reserved - 11.7.6A  
 Press ENTER or highlighted letter to select  
 Pt 53 Id EIG APO81000-0 RITZ-CARLTON PENTAGON CTY 17:30 Cal 061098 Sys 061098  
 Maintain History Records  
 Enter 0 - Exit, 1 - Add, 2 - Change, 3 - Delete 2

History No.: 50423  
 1. Name : CHUNG HAN G Guest ID. :  
 2. Address : 13047 ARTESIA BLVD STE 10 Type  
 3. City : CERRITOS CA 90701  
 4. Telephone : 310-926-5977  
 5. Last Paid : 2 CAMEX  
 6. Last Guar. : 1 By AX372882450942009 09/96  
 7. Last Rm Typ: Rate 400.00  
 8. Grouping : 0 TRAN Reservations Prefix RP  
 9. Special Svc: GBT Status 1  
 10. Comments : RES PER KRISTI CP\*12 SLC 10/18/93  
                   \*\*CC\* DOBUM KIM\*\*  
                   \*\*GSTS WILL HAVE LOTS OF LUGGAGE SLC 10/18/93\*\*  
 11. Last 12. Prev 13. \*\*\*\*\* Total  
 Arrive : 102793 000000 First : 102793  
 Nights : 2 0 Visits : 1  
 Room : 1701 0 Nights: 2  
 Package: NONX  
 Spent : 0 0 Spent : 0  
 More comments exist. Want to see them? N

Spooling: NONE

(C)opyright 1994 Encore Systems, Inc. Atlanta, Ga All rights reserved - 11.7.6A  
 Press ENTER or highlighted letter to select  
 Pt 53 Id EIG APO81000-0 RITZ-CARLTON PENTAGON CTY 17:30 Cal 061098 Sys 061098  
 Maintain History Records  
 Enter 0 - Exit, 1 - Add, 2 - Change, 3 - Delete 2

History No.: 50290  
 1. Name : DOBUM KIM Guest ID. :  
 2. Address : 13047 ARTESIA BL ST108 Type  
 3. City : CERRITOS CA 90701  
 4. Telephone : 310-926-5977

5. Last Paid : 0 00001  
6. Last Guar. : 1 By AX372882450942009 09/96  
7. Last Rm Typ: Rate 230.00  
8. Grouping : 0 TRAN Reservations Prefix RP  
9. Special Svc: GBt Status 1  
10. Comments : RES PER KRISTI CP\*12 SLC 10/18/93  
    \*\*B=1729\*\*  
    \*\*GSTS WILL HAVE LOTS OF LUGGAGE SLC 10/18/93\*\*  
11. Last 12. Prev 13. \*\*\*\*\* Total  
Arrive : 102793 102793 First : 102793  
Nights : 0 0 Visits: 12  
Room : 1729 1729 Nights: 12  
Package: CLBX CLBX  
Spent : 0 0 Spent : 0  
More comments exist. Want to see them ? N

**EXH. 76**

**PUBLISHING CONTRACT**

RECEIVED

95 FEB 28 PM 1:59

This Publishing Contract is made on this ~~CHUNGWON~~ <sup>CHUNGWON</sup> day of February, 1994, by and between The Honorable Jay C. Kim, hereinafter referred to as the "Author," and Sungmoon Publishing Company, hereinafter referred to as the "Publisher,"

**W I T N E S S E T H :**

WHEREAS, the Author is a member in the House of Representatives of the United States; and,

WHEREAS, the Publisher is a publishing company located and doing business in Seoul, Korea; and,

WHEREAS, the parties hereto desire to have a memoir of the Author's published through the Publisher;

NOW, THEREFORE, in and for the consideration of Ten Dollars (\$10.00) and other benefits flowing herefrom, the parties agree as follows:

1. Recitals. The foregoing recitals are made a part of this contract.
2. Manuscript. The Author shall submit to the Publisher a completed manuscript, typewritten and double-spaced, on or before March 10, 1994.
3. Writer. The Author agrees to utilize the service of one certain Chong Hwan Kim as the ghost writer in preparing and completing the manuscript. Said Chong Hwan Kim shall be hereinafter referred to as the "Writer."
4. Contents of Manuscript. The contents of the manuscript shall include, without limitation, the following:

Biographical detail; life as an immigrant, businessman, and a politician; election campaign strategies and activities for local legislature and government and U.S. House of Representatives; family life; views on Korean-American communities; legislative activities in the Congress; and experiences as a minority congressman;

5. Length of Manuscript. The length of the manuscript shall be at least Two Hundred (200) pages in pitch 12 or smaller letters on typed, double-spaced, and letter size papers.

6. Compensation for Manuscript. The Publisher agrees to pay the Author the sum of Twenty Five Thousand Dollars (\$25,000.00) in Korean currency in Korea. The parties agree to use the exchange rate of Eight Hundred Wons to One Dollar in computing the amount of Korean currency due to the Author. The payment shall be made in one lump sum and the Author hereby duly authorizes and directs the Publisher to pay said sum of money to June O. Kim, the Author's designated agent in Seoul, Korea on or before the 15th day of February, 1994. Said agent of the Author's shall present to the Publisher for payment of compensation as above a duly executed and notarized special power of attorney from the Author.

7. Publisher's Right of Rejection. The Publisher shall have the right to examine the manuscript submitted by the Author and to suggest such revisions or additions as it may deem necessary. The Publisher reserves the right to reject the manuscript within 15 days of the receipt thereof if it is not satisfactory in substance and in form, provided that the Author fails or refuses to make or permit such revisions or additions as

*[Handwritten signature]*

*[Handwritten signature]*

are deemed necessary by the Publisher. In the event that the Publisher rejects the manuscript and the Author fails or refuses, within a reasonable period of time after a request therefor, to make revisions or additions as are deemed necessary by the Publisher, the parties agree to cancel this contract and, in such event, the Author shall immediately return to the Publisher any and all monies received from the Publisher.

8. Publication. On approval of a manuscript satisfactory in all respects, the Publisher agrees to publish and sell the volume at its own expenses. It shall be within the Publisher's sole discretion to determine the number of copies of the book the it will print. The physical characteristics and description of the volume shall be at the Publisher's sole discretion. The Publisher shall have the exclusive right of publishing the book and it shall be sold only through the Publisher, and no other name shall appear on the title page as publisher.

9. Revision and Supplementation. The Author shall have the right to prepare any revisions of book, or supplements thereto, which in the judgment of the Publisher are necessary, under terms and conditions mutually agreeable to the parties at the time of publication of such new edition or supplement. If the parties fail to reach an agreement or if author fails to prepare the required manuscript within 3 months of a written request by the Publisher, the Publisher may have a revision or supplement prepared by a member of its own staff or by some other author.

2013.2.18

Ji  
2/13/14

10. Copyright. The Publisher shall, simultaneously with publication of the book, copyright it in the name of the Publisher, and the copyright shall be the Publisher's sole property during its good performance of this contract. The Author's name shall appear on the title page, on the cover, and in such advertising and promotional publicity that the Publisher undertakes. No person other than the Author shall be given credit or represented as the author of the book.

11. Exclusive Right to Publish and License Translations. The Publisher shall have the sole right to publish and license authorized translations of the book and the Publisher shall be solely entitled to any and all profits from such publication of licensing of the book. The Author shall not make any claim of royalties or copyrights against such translations.

12. Covenant Not to Compete. The Author covenants not to prepare, edit, or cause to be published in the Author's name or otherwise any book the subjects of which are similar to those stated in Section 4 of this contract for a period of Three (3) years after the commencement of the retail sales of the book to be published pursuant to this contract.

13. Profits from and Rights to Marketing and Sale of Published Book. The Author shall have the exclusive right to marketing and sale of the published book in and at any place other than Korea. The Publisher agrees not to have or make any claim for any of the profits realized by the Author from marketing and/or sale of the published book in and at any place.

1/16/93.2.1P

J.C. 1/16/93

other than Korea, provided that the Author pays the Publisher Ten Dollars (\$10.00) in the U.S. currency per each book the Author acquires from the Publisher for such marketing and/or sale. The Author shall solely bear all of the expenses and losses, if any, arising out of such marketing and sale.

The Publisher shall have the exclusive right to marketing and sale of the published book in Korea. The Author agrees not to have or make any claim for any of the profits realized by the Publisher from marketing and/or sale of the published book in Korea. The Publisher shall solely bear all of the expenses and losses, if any, arising out of such marketing and sale.

14. Author's Warranty and Indemnity. The Author warrants that he is the sole proprietor of all rights in the book; that the Author has not and will not infringe any existing copyright; that the Author has not copied or used the plot, scenes, sequence, or characters of any other literary production as the plot, scenes, sequence, or characters of the writings; that the reproduction, exhibition, or any other use by publisher or its assigns of the writings in any form whatsoever will not in any way, directly or indirectly, infringe on the rights of any person; that the Author has not and will not libel any person, and will indemnify the Publisher against any claim, demand, or recovery finally sustained in any proceedings brought against the Publisher by reason of any proprietary copyright or libel action. The Publisher shall notify the Author of any such claim, demand, or action and shall give the Author an opportunity to

TG 13.2.18

JC 2/10/18

join with the Publisher in defending against such claim, demand, or action.

15. Title and Subtitles of the Book to be Published. The Publisher shall have the exclusive right to determine the title and subtitles of the book to be published pursuant to the terms of this contract. The Publisher shall also have the exclusive right to determine the table of contents, indices, prefaces and the Author's profile.

16. Governing Law. This contract shall be construed according to the laws of the Commonwealth of Virginia of the United States.

17. Notices. Any notices necessary in respect to this contract shall be sent to the Publisher at 209-3, Yangjae-dong, Seocho-gu, Seoul, Korea and to the Author at 2119 Rusty Pump Road, Diamond Bar, California 91765.

18. Execution in Counterparts. This contract may be signed in counterparts. All the executed counterparts shall consist of one contract.

AUTHOR:

*Jay Kim*

JAY C. KIM

2/13/94

WITNESS

PUBLISHER:  
SUNGMOON PUBLISHING COMPANY

*[Signature]* 92.2.19

By President

WITNESS

**JAY KIM**  
 41ST DISTRICT, CALIFORNIA  
 REPUBLICAN PARTY  
 FORMERLY CLERK  
 COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE  
 SUBCOMMITTEES:  
 AVIATION  
 PIPELINES  
 SURFACE TRANSPORTATION  
 COMMITTEE ON  
 INTERNATIONAL RELATIONS

EXH. 77

**Congress of the United States**  
**House of Representatives**

435 CANNON BUILDING  
 WASHINGTON, DC 20518-0541  
 202-225-2201  
 1121 WEST 8TH STREET  
 SUITE 185A  
 OYAJIMO, CA 91702  
 909-888-1086  
 18200 YONHA LINDA BLVD.  
 SUITE 202A  
 YONHA LINDA, CA 92088  
 714-572-8574

February 21, 1995

The Honorable Nancy Johnson  
 Chairwoman  
 Committee on Standards of Official Conduct  
 HI-2, The Capitol  
 Washington, D.C. 20515

RECEIVED  
 05 FEB 22 PM 1:52  
 COMMITTEE ON STANDARDS

Dear Madam Chairwoman:

Upon the advice of the Committee's staff attorney, I respectfully request that the Committee provide a ruling on the acceptance of proceeds from a book I wrote.

Specifically, I completed writing *I'm Conservative* in June 1994, and it was published in August 1994. The book was written in the Korean language for a Korean audience. During the August recess, I went to Korea (at my own expense) to promote the book with a "kick-off" book-signing party in Seoul, Korea.

Unlike in the United States, where the publisher is also the marketing agent, the Korean publisher of my book prints textbooks for schools mostly and lacks adequate commercial marketing capability. Therefore, in order to distribute *I'm Conservative*, I entered into a separate agreement with a designated, licensed Korean marketing firm. This firm was directly responsible for selling the book and, in accordance with normal practice, received a commission for every copy sold. I receive a royalty from the publisher through the marketing agent.

At present, some 20-40,000 volumes have been sold in Korea and I have received approximately \$120,000 in royalties thus far. I expect future sales to decline rapidly. I brought an insignificant number of books back to the United States to give as gifts to family and friends.

Prior to publishing my book, I contacted the Committee informally through my staff and provided an outline of my intent to write and publish a book in Korea. At that time, there appeared to be no problems, though all of the publishing and marketing details had yet to be finalized. From reviewing the guidelines and examples in Chapter 3 of the *House Ethics Manual* regarding honoraria and legitimate book royalties, it appeared to me that my publishing activities complied with conditions of the latter category.

The Honorable Nancy Johnson  
February 21, 1995  
Page two

Needless to say, I want to ensure that my activities are in full compliance with federal law and the rules of the House. Therefore, I look forward to your review of this matter and your ruling on it. Should you have any questions or need additional information, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in black ink that reads "Jay Kim". The signature is written in a cursive style with a large, stylized "J" and "K".

JAY KIM  
Member of Congress

JK:mr

NANCY L. JOHNSON, Connecticut  
Chairman

JIM BLUNTING, Kentucky  
PORTER J. GOSS, Florida  
DAVID L. HOESCH, Ohio  
STEVEN SCHIFF, New Mexico

THEODORE J. VAN DER MEED,  
Chief Counsel

U.S.

EXH. 78

JES

JIM MACDONALD, Washington  
Ranking Democratic Member

BENJAMIN L. CARON, Maryland  
NANCY PELLOS, California  
ROBERT A. BONDRO, Pennsylvania  
THOMAS C. SAWYER, Ohio

SUITE 417-1, THE CAPITOL  
605 325-7162

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6329

May 15, 1995

The Honorable Jay Kim  
U.S. House of Representatives  
435 Cannon House Office Building  
Washington, D.C. 20515

Dear Colleague:

The Committee has reviewed the information you have provided with respect to the book you published in Korea last year and the payments you received as a result. We have several concerns.

As you know, you were prohibited, under federal law and House rule, from receiving more than \$20,040 in non-congressional earned income in 1994. There is an exception to this limit for *copyright royalties received from established publishers pursuant to usual and customary contractual terms* (House Rule 47, clause 3(e)(5)). While we recognize that business may be conducted differently in Korea, we believe that as a United States Congressman, your outside income must comply with United States standards. Your arrangement, as we understand it, was not usual and customary for the following reasons:

- Your contract with the publisher specifies that you are not entitled to any share of the profits realized by the publisher from the sale of the book in Korea. Instead, you received a flat fee of \$25,000. Payments which are unrelated to actual or potential sales of a book do not qualify as royalties.
- The bulk of the payments that you received (approximately \$95,000) came from a marketing agent, based on an unwritten agreement that you would receive 40% of the proceeds of sales arranged by that agent. This does not comply with the exception for royalties received from established publishers pursuant to usual customary terms for two reasons: (1) you received these payments from a marketing agent, rather than an established publisher; and (2) 40% royalties is well in excess of the 10-15% that is customary in United States publishing contracts.
- In United States book contracts, the publisher customarily agrees to obtain the copyright in the name of the author. According to your contract, the publisher retains the copyright on your book. This provision is not only unusual, but it suggests that the payments you received were not copyright royalties, since you do not hold the copyright.

The Honorable Jay Kim  
 May 15, 1995  
 Page 2

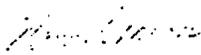
- All of your payments from the marketing agent derive from bulk book sales to groups such as Korean businesses and trade associations, churches, and colleges and universities. Such large purchases, which may or may not be related to the actual interest of individual readers, present the very potential for conflict of interests that the outside earned income limitations were intended to eliminate.

In addition, you should be aware that by providing your publisher with the picture of you standing at the Speaker's chair (which appears on the front cover and inside the book), you have violated House precedents against using photographs taken on the House floor for commercial purposes.

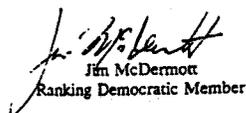
In light of all the above concerns, the Committee believes that your income from this book does not qualify for the exception to the outside earned income limit for copyright royalties received from established publishers pursuant to usual and customary contractual terms. Therefore, your total book income for 1994 (from both the publisher and the marketing agent), added with any other outside income you may have earned in 1994, is subject to the \$20,040 cap. Since we view your book payments as earned income rather than royalties, and the book was written in 1994, you may not accept any additional income from this book in 1995 or in future years. We have determined, consistent with Committee precedents resolving cases in which a Member has violated the cap on earned income, that you must either return the earned income you received in 1994 in excess of \$20,040 or make donations to charity in an equivalent sum. We further require that you report back to the Committee when you have complied with this ruling. You will need to disclose the total income you actually received in 1994 on your 1994 Financial Disclosure Statement. Once you have complied with this ruling, you may, if you choose, indicate on that form that the money was subsequently returned or donated to charity.

We strongly urge, to avoid problems of an even more serious nature, that you consult with the Committee before embarking on any future income-generating activities. We also recommend that you take advantage of the availability of Committee staff to come to your office and review with you and your staff the standards of conduct that apply to House Members and employees. If you wish to schedule such a briefing or have any further questions, please contact the Committee's Office of Advice and Education at extension 5-3787.

Sincerely,



Nancy L. Johnson  
 Chairman



Jim McDermott  
 Ranking Democratic Member

NLJ/JM:ELW

JAY KIM  
4187 DISTRICT, CALIFORNIA  
REPUBLICAN WRAP  
SOPHOMORE CLASS  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEE  
AWAITING  
BALANCE  
SURFACE TRANSPORTATION  
COMMITTEE ON  
INTERNATIONAL RELATIONS

EXH. 79

Congress of the United States  
House of Representatives

428 CANNON BUILDING  
WASHINGTON, DC 20515-4841  
303-228-3381  
1131 WEST 8TH STREET  
SUITE 100A  
ONTARIO, CA 91762  
951-499-1058  
18288 Yonge Street  
SUITE 200  
YONGE, ONTARIO L4N 1L3  
416-775-2222

RECEIVED  
MAY 11 11 21 3  
COMMITTEE ON STANDARDS

March 17, 1995

The Honorable Nancy Johnson  
Chairwoman  
Committee on Standards of Official Conduct  
HT-2, The Capitol  
Washington, D.C. 20515

Dear Madam Chairwoman:

In response to the Committee's request for additional information regarding the book I wrote, I sent a copy of the contract I signed with the book's publisher to the Committee for review.

However, as you may recall from my February 21 letter, I also used the services of a designated, licensed Korean marketing firm. While this may appear unconventional to the average American, no written agreement exists between me, the marketer and the publisher. To understand how this can be considered "standard business practice", requires an understanding of the Oriental culture. In Korea, a man's word and reputation are worth much more than any collateral or written contract. To insist on a written contract implies a lack of trust and respect of the other party and can result in no deal at all. Again, this kind of trust may seem strange—even imprudent—to Occidentals, but "handshake" business deals have flourished in East Asia for thousands of years.

The agreement that I reached with Hun Kim, the licensed marketing representative in Korea is as follows:

- The marketing firm—acting like a wholesaler—sells the book to institutions, organizations and associations. (In Korea, unlike here in the U.S., associations—trade, religious, social and cultural—play a very important role in the daily lives of people.)
- Retail sales to book stores are prohibited by agreement with the publisher. (The publisher is responsible for this marketing.) However, unlike publishers in the U.S., those in Korea do not have marketing access to associations and other organizations, hence the need for the designated marketing firm.

The Honorable Nancy Johnson  
March 17, 1995  
Page two

- From the final price of the book, the publisher takes 50% of the proceeds, the book-broker (marketing firm) receives 10% and the remaining 40% represents the royalty I am given.
- Any expenses incurred by each party are their own responsibilities. In other words, marketing costs borne by the marketing firm come out the firm's 10% commission.
- The sales are almost exclusively limited to South Korea. The book was written in Korean for the Korean market. I did bring a few back to the U.S. to give as gifts to Korean friends and family. A very few were sold to my campaign committee which then provided them as gifts.

I hope this additional information is helpful to the Committee. If you would like to see a copy of the book, I have it available. Should you have further questions, please do not hesitate to let me know.

Sincerely,



JAY KIM  
Member of Congress

JK:mr

RECEIVED  
MARCH 17 1995 3:30  
COMMITTEE ON STANDARDS

JAY KIM  
THE BRICK, CALIFORNIA  
REPUBLICAN WING  
REPRESENTATIVE CLASS  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEE  
AIRPORT  
SAFETY AND  
SURFACE TRANSPORTATION  
COMMITTEE ON  
INTERNATIONAL RELATIONS

EXH. 80

Congress of the United States  
House of Representatives

426 Cannon Building  
Washington, DC 20515-4541  
202-225-3387  
1131 West 6th Street  
Suite 150A  
Oxnard, CA 91762  
805-468-7058  
18209 Yorba Linda Blvd.  
Suite 202A  
Yorba Linda, CA 92886  
714-872-8874

August 4, 1995

The Honorable Nancy Johnson  
Chairman  
Committee on Standards of Official Conduct  
HT-2, The Capitol  
Washington, DC 20515

RECEIVED  
95 AUG -4 PM 4:13  
COMMITTEE ON STANDARDS

Dear Chairman Johnson:

Per our discussion earlier today, I wanted to apprise you of my plans for returning the income in excess of the \$20,040 allowable outside earned income cap that I received from the book I wrote in 1994. As I reported in my 1994 Financial Disclosure, I received a total sum of \$132,298.

As I am sure you can appreciate, \$112,258 is a considerable amount of money. I do not have the kind of liquidity to make a full, immediate reimbursement at this time. Thus, I hope the Committee will accept a modified installment plan.

Furthermore, I remain concerned about the fact that when I first considered this endeavor, I did contact the Committee and was told verbally that royalties from a book were exempted from the outside earned income cap. While publishing arrangements in Korea are not exactly the same as they are here in the United States, I feel as if my book sales have been treated differently than those of other colleagues.

I believe the fairest way to fulfill the Committee's direction is to reimburse those who actually purchased my life story. Since these books were sold in Korea to Koreans, I face the additional challenge of identifying as many customers as possible. However, as you may recall from my most recent correspondence, I have been invited by the Academy of Korean Studies to participate substantially in a number of important events and conferences centered around the 50th anniversary of Korean independence. I have also been asked to deliver the keynote address at the Korean International Sports Festival. I am scheduled to arrive in Korea on Friday, August 11.

It is my objective to meet with the Korean publisher and marketer of my book during whatever free time I can make available in my forthcoming trip. As I am scheduled to return to the United States on Friday, August 18, I hope to be able to present a concrete plan to the Committee sometime soon thereafter.

The Honorable Nancy Johnson  
August 4, 1995  
Page two

I hope this plan of action is acceptable to the Committee. I want to reiterate that in no way am I trying to avoid or delay my responsibilities to the Committee. I did want the Committee to know, though, the practical challenges I face in trying to reimburse, in the most equitable way possible, those who purchased my book.

In the meantime, should you or any other member of the Committee have any questions or comments about this matter, please do not hesitate to let me know.

Sincerely,



JAY ZIM  
Member of Congress

JK:mr

NANCY L. JOHNSON, CONNECTICUT  
CHAIRMAN  
JIM BLUMENTHAL, KENTUCKY  
PETER A. GOSWAMI, FLORIDA  
DAVID L. ROSEN, OHIO  
STEVEN SCHIFF, NEW MEXICO  
THEODORE L. VAN DER MEER  
CHIEF COUNSEL

EXH. 81

RECEIVED

JIM MCCORMACK, WASHINGTON  
RANKING DEMOCRATIC MEMBER  
BENJAMIN L. CARSON, MISSISSIPPI  
NANCY PELOSI, CALIFORNIA  
JERRY A. SCHMIDT, PENNSYLVANIA  
THOMAS C. SAWYER, OHIO

U.S. House of Representatives  
OCT 29 PM 5:00

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT  
COMMITTEE ON STANDARDS  
OFFICIAL CONDUCT

Washington, DC 20515-6329

October 26, 1995

The Honorable Jay Kim  
U.S. House of Representatives  
435 Cannon House Office Building  
Washington, D.C. 20515

Dear Colleague:

Thank you for coming to address the Committee on October 24, 1995. The Committee has reviewed your concerns and reached the following conclusions.

Our previous decision, that your outside earned income for 1994 exceeded the legal limit by \$112,258, stands. Both House Rule 47 and federal law<sup>1</sup> limit the outside earned income of Members of Congress. In 1994, that limit was \$20,040. The House rule is enforced by this Committee; the federal law is enforced by the Department of Justice.

As we informed you in our letter of May 15, 1995, the Committee has determined that the income you received in connection with your book, *I'm Conservative*, does not qualify for the exception to the outside earned income limit for "copyright royalties received from established publishers pursuant to usual and customary contractual terms." Therefore, you may not retain the excess income above \$20,040. You have agreed to return the excess, and based on that assurance, the Committee is foregoing further disciplinary action. Since we believe it would be impossible to refund this money to the actual purchasers of your book, we have determined that you must donate \$112,258 either to charities qualified under § 501(c)(3) of the U.S. Tax Code or to the U.S. Treasury for deficit reduction.

As to the timing of the payments, the Committee has decided that you may divide the total into three installments, payable according to the following schedule:

\$37,500 due:	no later than December 31, 1995;
\$37,500 due:	no later than October 1, 1996;
\$37,258 due:	no later than October 1, 1997.

<sup>1</sup> 5 U.S.C. app. 7, § 501(a).

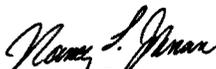
The Honorable Jay Kim  
October 26, 1995  
Page 2

The Committee reserves the right to advance the payment schedule should circumstances so warrant. We do not anticipate granting any further extensions of time.

We ask that you signify your intent to comply with the terms set out in this letter by signing below and returning the original signed letter to the Committee by November 10, 1995. We urge you to have the letter reviewed by your attorney before you sign it.

If you have any further questions, please contact the Committee's Chief Counsel, Ted Van Der Meid, at extension 5-7103.

Sincerely,

  
Nancy L. Johnson  
Chairman

  
Jim McDermott  
Ranking Democratic Member

NLI/JM:elw

Agreed to:

  
\_\_\_\_\_  
Jay Kim  
Member of Congress

JAY KIM  
41st DISTRICT, CALIFORNIA  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEE  
PUBLIC BUILDINGS AND  
ECONOMIC DEVELOPMENT  
CHAIRMAN  
WATER RESOURCES  
COMMITTEE ON  
INTERNATIONAL RELATIONS  
CALIFORNIA TRANSPORTATION TASK FORCE  
CHAIRMAN

EXH. 82

Congress of the United States  
House of Representatives

227 CANNON BUILDING  
WASHINGTON, DC 20515-0841  
202-225-3201  
1121 WEST 8TH STREET  
SUITE 100A  
OAKLAND, CA 94612  
800-885-1888  
18300 YORBA LINDA BLVD.  
SUITE 302A  
YORBA LINDA, CA 92686  
714-972-8274  
INTERNET:  
World Wide Web  
<http://www.house.gov/kim/welcome.html>

December 31, 1997

Honorable James V. Hansen  
Chairman  
Committee on Standards of Official Conduct  
HT-2 Capitol  
Washington, D.C. 20515

Dear Mr. Chairman:

Please find attached to this letter three cheques totalling \$20,000 and all made payable to the United States Treasury to be put towards the repayment resulting from the publication of my book, *I'm Conservative*.

While I recognize fully that your letter of October 22, 1997 requests that I pay \$40,000 by December 31, 1997, due to the continued weak commercial real estate market, I have still not sold my office building and, therefore, still lack the cash liquidity needed to meet this obligation in full by December 31. However, I hope the attached payment will be recognized as an attempt on my part to pay as much as I can. The property remains listed and I am hopeful that it will move soon—the location is good and the building is relatively new. Please also understand that I am trying very hard to fully meet the Committee's schedule while at the same time cover the significant, pressing legal bills I have incurred over the past year. Regardless, I expect to provide the Committee with another \$20,000 no later than January 31, 1998.

Though this arrangement does not match your request completely, it is the best I can do and will still result in close to half of the entire amount being repaid by January 31, 1998. It remains my goal to repay the remainder (\$62,258) by June 30, 1998 as requested by the Committee.

Thank you for your understanding of this situation. Should you have any questions, please do not hesitate to contact me directly.

Sincerely  
  
JAY KIM  
Member of Congress

Enclosures

RECEIVED  
97 DEC 31 AM 10:42  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

**OFFICIAL CHECK** 3359625  
12/31 97

PAY TO THE ORDER OF **UNITED STATES TREASURY** \$ **10,000.00**

**TEN THOUSAND DOLLARS AND 00 CENTS** Dollars

FOR **JAY KIM** AUTHORIZED SIGNATURE *N. I. Park*

⑆10200018⑈ 480348 335962518⑆

JAY CHANGJOON KIM ⑆048⑆ 101  
JUNEE O. KIM  
2218 RUSTY PLUMP RD.  
DANFORD BAY, CA 91768  
DATE *Dec 31 97*

PAY TO THE ORDER OF *United States Treasury* \$ *4,000.00*  
*Four Thousand Dollars & No cents* DOLLARS

CPL J. CHANGJOON KIM  
2218 RUSTY PLUMP RD.  
DANFORD BAY, CA 91768

MEMO *Jay Kim*

⑆122234482⑈0101 010 900176⑆

JAY KIM ⑆048⑆ 738  
JUNEE KIM  
2218 RUSTY PLUMP RD.  
DANFORD BAY, CA 91768  
DATE *Dec 31 97*

ORDER BY *United States Treasury* \$ *6,000.00*  
*Six Thousand Dollars & No cents* DOLLARS

FOR *Jay Kim*

JAY KIM  
41ST DISTRICT, CALIFORNIA  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEE:  
PUBLIC BUILDINGS AND  
ECONOMIC DEVELOPMENT  
CHAIRMAN  
WATER RESOURCES  
COMMITTEE ON  
INTERNATIONAL RELATIONS  
CALIFORNIA TRANSPORTATION TASK FORCE  
CHAIRMAN

EXH. 83

Congress of the United States  
House of Representatives

227 CANNON BUILDING  
WASHINGTON, DC 20515-6641  
202-225-2201  
1131 WEST 8TH STREET  
SUITE 100A  
OAKLAND, CA 94612  
908-989-1000  
18290 YONKA LINDA BLVD.  
SUITE 200A  
YONKA LINDA, CA 95886  
714-872-8274  
INTERNET:  
World Wide Web  
<http://www.house.gov/committee.html>

January 23, 1998

Honorable James V. Hansen, Chairman  
Honorable Howard L. Berman, Ranking Democratic Member  
Committee on Standards of Official Conduct  
HT-2 Capitol  
Washington, D.C. 20515

RECEIVED  
98 JAN 23 PM 3: 24  
COMMITTEE ON STANDARDS  
OF OFFICIAL CONDUCT

Dear Messrs. Hansen and Berman:

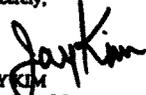
Please find attached to this letter a cashier's cheque for \$20,000 made payable to the United States Treasury to be put toward the repayment resulting from the publication of my book, *I'm Conservative*.

As explained in my letter of December 31, 1997, due to severe financial constraints, I was able to provide only \$20,000 of the requested \$40,000 at that time. I pledged to provide the outstanding \$20,000 by January 31, 1998. As mentioned above, that payment is attached.

Throughout this process I have tried very hard to fully meet the Committee's schedule. Though I had to make the \$40,000 payment in two installments, I hope the Committee will appreciate the fact that I'm trying my best to meet my obligations. As I also noted in my previous correspondence, I remain committed to reimbursing to the U.S. Treasury the remaining \$62,258 by June 30, 1998.

Thank you for your understanding of this situation and your patience.

Sincerely,

  
JAY KIM  
Member of Congress



**REPORT OF RECEIPTS AND DISBURSEMENTS**  
 For An Authorized Committee  
 (Summary Page)

EXH. 84

1. NAME OF COMMITTEE (in full)  
**Jay Kim for Congress**  
 ADDRESS (number and street)  Check if different than previously reported.  
**1126 W. Foothill Bl. #165**  
 CITY, STATE and ZIP CODE **Upland CA 91786** STATE/DISTRICT **CA-41**

2. FEC IDENTIFICATION NUMBER  
**C00260133**

3. IS THIS REPORT AN AMENDMENT?  
 YES  NO

OFFICE OF THE CLERK  
 U.S. HOUSE OF REPRESENTATIVES

USE PREC. MAILING LABEL  
 TYPE OR PRINT

4. TYPE OF REPORT

- April 15 Quarterly Report  Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
 election on \_\_\_\_\_ in the State of \_\_\_\_\_
- July 15 Quarterly Report
- October 15 Quarterly Report  Thirtieth day report following the General Election on  
**Nov. 8** in the State of **CA**
- January 31 Year End Report
- July 31 Mid-Year Report (Non-election Year Only)  Termination Report

This report covers activity for  Primary Election  General Election  Special Election  Runoff Election

SUMMARY

5. Covering Period <u>10/20/94</u> through <u>11/28/94</u>	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	59,802.28	511,613.82
(b) Total Contribution Refunds (from Line 20(d))	2,450.00	52,055.69
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	57,352.28	459,558.13
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	59,168.51	572,327.40
(b) Total Offsets to Operating Expenditures (from Line 14)	163.70	6,514.62
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	59,004.81	565,812.78
8. Cash on Hand at Close of Reporting Period (from Line 27)	29,953.73	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	30,814.15	

For further information contact:  
 Federal Election Commission  
 989 E Street, NW  
 Washington, DC 20543  
 Toll Free 800-424-9530  
 Local 202-219-3420

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
**IN KY HANANG - ASST. TREASURER**

Signature of Treasurer  Date **12/20/94**

NOTE: Submission of false, incorrect or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

**DETAILED SUMMARY**  
of Receipts and Disbursements  
(page 2, FEC Form 2)

Name of Committee (in full)	Report Covering the Period	
	From 10/20/94	To 11/28/94
I. RECEIPTS	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
<b>11. CONTRIBUTIONS (other than loans) FROM:</b>		
(a) Individuals/Persons Other Than Political Committee		
(i) Itemized (see Schedule A)	24399.00	
(ii) Unitemized	9716.75	414891.58
(b) Total of contributions from individuals	34115.75	414891.58
(c) Political Party Committees	2726.53	7872.24
(d) Other Political Committees (such as PACs)	2290.00	9380.00
(e) The Candidate	0.00	0.00
(f) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(i), 11(a)(ii), 11(c) and 11(d))	59802.28	511613.82
12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	0.00	0.00
<b>13. LOANS:</b>		
(a) Made or Guaranteed by the Candidate	10000.00	151500.00
(b) All Other Loans	1000.00	1000.00
(c) TOTAL LOANS (add 13(a) and 13(b))	11000.00	152500.00
14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	163.70	6514.62
15. OTHER RECEIPTS (Dividends, Interest, etc.)	0.00	0.00
16. TOTAL RECEIPTS (add 11(a), 12, 13(c), 14 and 15)	70965.98	670628.44
<b>II. DISBURSEMENTS</b>		
17. OPERATING EXPENDITURES	59168.51	572327.40
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES	0.00	0.00
<b>19. LOAN REPAYMENTS:</b>		
(a) Of Loans Made or Guaranteed by the Candidate	20000.00	20000.00
(b) Of All Other Loans	0.00	0.00
(c) TOTAL LOAN REPAYMENTS (add 19(a) and 19(b))	20000.00	20000.00
<b>20. REFUNDS OF CONTRIBUTIONS TO:</b>		
(a) Individuals/Persons Other Than Political Committee	2450.00	52055.69
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	0.00	0.00
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), 20(b) and 20(c))	2450.00	52055.69
21. OTHER DISBURSEMENTS	350.00	9201.50
22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	61968.51	653584.59
<b>III. CASH SUMMARY</b>		
23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD	\$ 40956.26	
24. TOTAL RECEIPTS THIS PERIOD (from Line 16)	\$ 70965.98	
25. SUBTOTAL (add Line 23 and Line 24)	\$ 111922.24	
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	\$ 61968.51	
27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	\$ 29953.73	

SCHEDULE C		LOANS		Page: 1 of 10
0000212581				Line: 13a
NAME OF COMMITTEE				
JAY KIM FOR CONGRESS				
A. Mr. Jay Kim		ORIG. AMOUNT	CUM. PAYMENT	BALANCE OUTSTANDING AT
2219 Rusty Pump Dr.		OF LOAN	TO DATE	CLOSE OF THIS PERIOD
Diamond Bar, CA 91765		9,000.00	9,000.00	0.00
Election: Primary				
Terms: Date Incurred: 04/15/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 0.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
B. Mr. Jay Kim		ORIG. AMOUNT	CUM. PAYMENT	BALANCE OUTSTANDING AT
2219 Rusty Pump Dr.		OF LOAN	TO DATE	CLOSE OF THIS PERIOD
Diamond Bar, CA 91765		9,000.00	9,000.00	0.00
Election: Primary				
Terms: Date Incurred: 04/15/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 0.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
SUBTOTALS This Period This Page (optional)				0.00
TOTALS This Period (Last page in this line only)				

SCHEDULE C		LOANS	Page: 2 of 10	
000212581			Line: 13a	
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A. Mr. Jay Kim	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
2219 Rusty Pump Dr. Diamond Bar, CA 91765	40,000.00	2,000.00	38,000.00	
Election: Primary				
Terms: Date Incurred: 05/05/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1. All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$ 38,000.00	
	OCCUPATION			
2.	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$	
	OCCUPATION			
3.	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$	
	OCCUPATION			
B. Mr. Jay Kim	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00	
Election: Primary				
Terms: Date Incurred: 05/28/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1. All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00	
	OCCUPATION			
2.	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$	
	OCCUPATION			
3.	EMPLOYER		AMOUNT GUARANTEED OUTSTANDING: \$	
	OCCUPATION			
SUBTOTALS This Period This Page (optional)			\$8,000.00	
TOTALS This Period (last page in this line only)				

SCHEDULE C		LOANS		Page: 3 of 10
0000212581				Line: 13a
NAME OF COMMITTEE				
JAY KIM FOR CONGRESS				
A. Mr. Jay Kim		ORIG. AMOUNT	CUM. PAYMENT	BALANCE OUTSTANDING AT
2119 Rusty Pump Dr.		OF LOAN	TO DATE	CLOSE OF THIS PERIOD
Diamond Bar, CA 91765		10,000.00	0.00	10,000.00
Election: Primary				
Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
B. Mr. Jay Kim		ORIG. AMOUNT	CUM. PAYMENT	BALANCE OUTSTANDING AT
2119 Rusty Pump Dr.		OF LOAN	TO DATE	CLOSE OF THIS PERIOD
Diamond Bar, CA 91765		10,000.00	0.00	10,000.00
Election: Primary				
Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
SUBTOTALS This Period This Page (optional)				20,000.00
TOTALS This Period (last page in this line only)				

SCHEDULE C		LOANS	Page: 4 of 10
0000212581			Line: 13a
NAME OF COMMITTEE JAY KIM FOR CONGRESS			
A. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE
		25,000.00	0.00
BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD			
25,000.00			
Election: General			
Terms: Date Incurred: 06/19/92 Date Due: None Interest Rate: None Secured: Yes			
List All Endorsers or Guarantors (if any) to Item A			
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 25,000.00	
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$	
B. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE
		10,000.00	0.00
BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD			
10,000.00			
Election: Primary			
Terms: Date Incurred: 07/28/94 Date Due: None Interest Rate: None Secured: Yes			
List All Endorsers or Guarantors (if any) to Item B			
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00	
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$	
SUBTOTALS This Period This Page (optional)			35,000.00
TOTALS This Period (last page in this line only)			

SCHEDULE C LOANS Page: 5 of 10  
 000012581 Line: 11a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 A. Mr. Jay Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 7,000.00 0.00 7,000.00

Election: Primary  
 Terms: Date Incurred: 04/29/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 7,000.00
2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

B. Mr. Jay Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 6,000.00 0.00 6,000.00

Election: Primary  
 Terms: Date Incurred: 08/04/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 6,000.00
2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

SUBTOTALS This Period This Page (optional) 13,000.00  
 TOTALS This Period (last page in this line only)

SCHEDULE C		LOANS	Page: 6 of 10	
0000212581			Line: 13a	
NAME OF COMMITTEE				
JAY KIM FOR CONGRESS				
A. Mr. Jay Kim		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
2219 Rusty Pump Dr. Diamond Bar, CA 91765		10,000.00	0.00	10,000.00
Election: Primary				
Terms: Date Incurred: 05/17/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$ 10,000.00
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$
B. Mr. Jay Kim		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
2219 Rusty Pump Dr. Diamond Bar, CA 91765		20,000.00	0.00	20,000.00
Election: Primary				
Terms: Date Incurred: 05/25/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$ 20,000.00
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:	\$
SUBTOTALS This Period This Page (optional)				20,000.00
TOTALS This Period (last page in this line only)				

SCHEDULE C		LOANS	Page: 7 of 10	
0000212881			Line: 11a	
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A.	Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		35,000.00	0.00	35,000.00
Election: Primary				
Terms: Date Incurred: 05/31/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 35,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
B.	Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		2,500.00	0.00	2,500.00
Election: Primary				
Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 2,500.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
SUBTOTALS This Period This Page (optional)				37,500.00
TOTALS This Period (Last page in this line only)				

SCHEDULE C		LOANS		Page: 8 of 10
0000212581				Line: 13a
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	COM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
	\$ 8,500.00	0.00	\$ 8,500.00	
Election: Primary				
Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$ 8,500.00		
2.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$		
3.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$		
B. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	COM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
	2,500.00	0.00	2,500.00	
Election: Primary				
Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$ 2,500.00		
2.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$		
3.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:	\$		
SUBTOTALS This Period This Page (optional)				11,000.00
TOTALS This Period (last page in this line only)				

SCHEDULE C LOANS Page: 9 of 10  
 000011581 Line: 11a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 A. Mr. Jay Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 20,000.00 0.00 20,000.00

Election: General  
 Terms: Date Incurred: 06/16/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 20,000.00
2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

B. Mr. Jay Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 10,000.00 0.00 10,000.00

Election: General  
 Terms: Date Incurred: 08/10/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 10,000.00
2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

SUBTOTALS This Period This Page (optional) 20,000.00

TOTALS This Period (Last page in this line only)

SCHEDULE C		LOANS		Page: 10 of 10
0000212581				Line: 13a
NAME OF COMMITTEE				
JAY KIM FOR CONGRESS				
NAME	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
A. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	20,000.00	0.00	20,000.00	
Election: General				
Terms: Date Incurred: 09/30/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 20,000.00	
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
NAME	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD	
B. Mr. Jay Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00	
Election: General				
Terms: Date Incurred: 12/02/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	Jay Kim for Congress 1126 W. Poothill Blvd. Suite 165 Upland, CA 91786	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00	
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
SUBTOTALS This Period This Page (optional)			30,000.00	
TOTALS This Period (last page in this line only)			254,500.00	

**CERTIFIED MAIL**  
**REPORT OF RECEIPTS AND DISBURSEMENTS**  
 For An Authorized Committee  
 (Summary Page)

JUL 27 1995

RECEIVED  
 OFFICE OF RECEIPTS & REGISTRATION

1995 JUL 31 AM 10:09

OFFICE OF THE CLERK  
 U.S. HOUSE OF REPRESENTATIVES

USE FEC MAILING LABEL  
 OR  
 TYPE OR PRINT

1. NAME OF COMMITTEE (in full)  
**Jay Kim for Congress**

ADDRESS (number and street)  Check if different than previously reported.  
**1126 W. Foothill Blvd. Suite 165**

CITY, STATE AND ZIP CODE STATE/DISTRICT  
**Upland, CA 91786 CA-41**

2. FEC IDENTIFICATION NUMBER  
**C00260133** **143642**

3. IS THIS REPORT AN AMENDMENT?  
 YES  NO

1-800-431-1234

4. TYPE OF REPORT

April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-election Year Only)  
 Termination Report

Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
 election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_

This report contains activity for  Primary Election  General Election  Special Election  Runoff Election

SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
01/01/95 through 06/30/95		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	91,275.00	91,275.00
(b) Total Contribution Refunds (from Line 20(d))	1,229.00	1,229.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	90,046.00	90,046.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	74,719.76	74,719.76
(b) Total Offsets to Operating Expenditures (from Line 14)	25.00	25.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	74,694.76	74,694.76
8. Cash on Hand at Close of Reporting Period (from Line 27)	23,372.21	
9. Debts and Obligations Owed TO the Committee (Reimburse all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Reimburse all on Schedule C and/or Schedule D)	305,683.73	

For further information contact:  
 Federal Election Commission  
 980 E Street, NW  
 Washington, DC 20463  
 Toll Free 800-424-9530  
 Local 202-319-3430

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
**InYoung Brazil - Asst. Treasurer**

Signature of Treasurer Date  
07/13/95

NOTE: Submission of false, incorrect, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

--	--	--	--	--	--	--	--	--	--

FEC FORM 3  
 (revised 4/87)

**DETAILED SUMMARY PAGE**  
of Receipts and Disbursements  
(Page 2, FEC FORM 3)

Name of Committee (in full)	Report Covering the Period:	
	From: 01/01/95	To: 06/30/95
<b>I. RECEIPTS</b>	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
<b>11. CONTRIBUTIONS (other than loans) FROM:</b>		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (see Schedule A)	59,905.00	
(ii) Unitemized	3,370.00	
(iii) Total of contributions from individuals	63,275.00	63,275.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	28,000.00	28,000.00
(d) The Candidate	0.00	0.00
(e) TOTAL CONTRIBUTIONS (other than loans (add 11(a)(i), (ii), (c) and (d)))	91,275.00	91,275.00
<b>12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES</b>	0.00	0.00
<b>13. LOANS:</b>		
(a) Made or Guaranteed by the Candidate	1,500.00	1,500.00
(b) All Other Loans	0.00	0.00
(c) TOTAL LOANS (add 13(a) and (b))	1,500.00	1,500.00
<b>14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)</b>	25.00	25.00
<b>15. OTHER RECEIPTS (Dividends, Interest, etc.)</b>	0.00	0.00
<b>16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)</b>	92,800.00	92,800.00
<b>II. DISBURSEMENTS</b>		
<b>17. OPERATING EXPENDITURES</b>	74,719.76	74,719.76
<b>18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES</b>	0.00	0.00
<b>19. LOAN REPAYMENTS:</b>		
(a) Of Loans Made or Guaranteed by the Candidate	22,000.00	22,000.00
(b) Of All Other Loans	0.00	0.00
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	22,000.00	22,000.00
<b>20. REFUNDS OF CONTRIBUTIONS TO:</b>		
(a) Individuals/Persons Other Than Political Committees	1,229.00	1,229.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	0.00	0.00
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	1,229.00	1,229.00
<b>21. OTHER DISBURSEMENTS</b>	425.00	425.00
<b>22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)</b>	98,373.76	98,373.76
<b>III. CASH SUMMARY</b>		
<b>23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD</b>	\$ 28,945.97	
<b>24. TOTAL RECEIPTS THIS PERIOD (from Line 16)</b>	\$ 92,800.00	
<b>25. SUBTOTAL (add Line 23 and Line 24)</b>	\$ 121,745.97	
<b>26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)</b>	\$ 98,373.76	
<b>27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)</b>	\$ 23,372.21	

COUNCILMAN • HO • US

SCHEDULE C		LOANS		Page: 1 of 11
0000212581				Line: 13a
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		40,000.00	24,000.00	16,000.00
Election: Primary				
Terms: Date Incurred: 05/05/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1. All Loan Proceeds are from the Candidate's Personal Funds		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 16,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
B. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		10,000.00	0.00	10,000.00
Election: Primary				
Terms: Date Incurred: 05/28/92 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1. All Loan Proceeds are from the Candidate's Personal Funds		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
SUBTOTALS This Period This Page (optional)				25,000.00
TOTALS This Period (last page in this line only)				

DUPLICATE COPY

Page: 2 of 11  
Line: 13a

SCHEDULE C  
0000212581

NAME OF COMMITTEE  
JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM	ORIG. AMOUNT OF LOAN	CON. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00

Election: Primary  
Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

B.	CONGRESSMAN JAY C. KIM	ORIG. AMOUNT OF LOAN	CON. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00

Election: Primary  
Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 20,000.00

TOTALS This Period (last page in this line only)

WINGO-VIN-HO-UNG

SCHEDULE C LOANS Page: 3 of 11  
 0606212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
25,000.00	0.00	25,000.00

A. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765

Election: Primary  
 Terms: Date Incurred: 06/19/92 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 25,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
10,000.00	0.00	10,000.00

B. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765

Election: Primary  
 Terms: Date Incurred: 07/28/93 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 35,000.00  
 TOTALS This Period (last page in this line only)

F160-77111-140-UNG

SCHEDULE C LOANS Page: 4 of 11  
 0000212581 Line: 11a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		7,000.00	0.00	7,000.00

Election: Primary  
 Terms: Date Incurred: 04/29/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 7,000.00
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$

B.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		6,000.00	0.00	6,000.00

Election: Primary  
 Terms: Date Incurred: 05/04/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 6,000.00
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 13,000.00  
 TOTALS This Period (last page in this line only)

UN-00-UNR-10-10

SCHEDULE C LOANS Page: 5 of 11  
 0000212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		10,000.00	0.00	10,000.00

Election: Primary  
 Terms: Date Incurred: 05/17/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

B.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		20,000.00	0.00	20,000.00

Election: Primary  
 Terms: Date Incurred: 05/25/94 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 20,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 30,000.00  
 TOTALS This Period (last page in this line only)

6790-NM-10-179



SCHEDULE C LOANS Page: 7 of 11  
 0000212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	2219 Rusty Pump Dr. Diamond Bar, CA 91765	8,500.00	0.00	8,500.00

Election: Primary  
 Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 8,500.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

B.	CONGRESSMAN JAY C. KIM	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	2219 Rusty Pump Dr. Diamond Bar, CA 91765	2,500.00	0.00	2,500.00

Election: Primary  
 Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 2,500.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 11,000.00  
 TOTALS This Period (last page in this line only)

BUNCO-VJUN-HO-UNG

SCHEDULE C LOANS Page: 8 of 11  
 000212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		20,000.00	0.00	20,000.00

Election: Primary  
 Terms: Date Incurred: 06/18/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
	All Loan Proceeds are from the Candidate's Personal Funds		\$ 20,000.00
2.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
			\$
3.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
			\$

B.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		10,000.00	0.00	10,000.00

Election: Primary  
 Terms: Date Incurred: 08/10/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
	All Loan Proceeds are from the Candidate's Personal Funds		\$ 10,000.00
2.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
			\$
3.	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING:
			\$

SUBTOTALS This Period This Page (optional) 30,000.00  
 TOTALS This Period (last page in this line only)

9.9.90. JIM. HO. USG

SCHEDULE C		LOANS	Page: 4 of 11	
9900212581			Line: 13a	
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN 20,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 20,000.00
Election: Primary				
Terms: Date Incurred: 09/30/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 20,000.00	
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
B.	Royce Campaign Committee P.O. Box 6765 Fullerton, CA 92634	ORIG. AMOUNT OF LOAN 1,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 1,000.00
Election: Primary				
Terms: Date Incurred: 11/01/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	Jay Kim for Congress 1126 W. Foothill Blvd. Suite 165 Upland, CA 91786	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 1,000.00	
2.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
SUBTOTALS This Period This Page (optional)				21,000.00
TOTALS This Period (last page in this line only)				

08300-7410-10-119

SCHEDULE C LOANS Page: 10 of 11  
 0000212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 A. Congressman Jay C. Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 10,000.00 0.00 10,000.00

Election: Primary  
 Terms: Date Incurred: 11/03/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

- 1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 10,000.00
- 2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
- 3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

B. Congressman Jay C. Kim ORIG. AMOUNT CUM. PAYMENT BALANCE OUTSTANDING AT  
 2219 Rusty Pump Dr. OF LOAN TO DATE CLOSE OF THIS PERIOD  
 Diamond Bar, CA 91765 15,000.00 0.00 15,000.00

Election: Primary  
 Terms: Date Incurred: 12/29/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

- 1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 15,000.00
- 2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$
- 3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

SUBTOTALS This Period This Page (optional) 25,000.00  
 TOTALS This Period (last page in this line only)

UNION-UNION-UNION

SCHEDULE C LOANS Page: 11 of 11  
 0000212581 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	2219 Rusty Pump Dr. Diamond Bar, CA 91765	1,500.00	0.00	1,500.00

Election: Primary  
 Terms: Date Incurred: 05/15/95 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$ 1,500.00
2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$
3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$

B.	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD

Election: Primary  
 Terms: Date Incurred: Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$
2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$
3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional)  
 TOTALS This Period (last page in this line only)

0000212581

**SCHEDULE D**  
(Revised 3/80)

**DEBTS AND OBLIGATIONS**  
Excluding Loans

Page \_\_\_\_\_ of \_\_\_\_\_  
LINE NUMBER \_\_\_\_\_  
(Also separate schedules for each numbered line)

Name of Committee (in full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payments This Period	Outstanding Balance at Close of This Period
Jay Kim for Congress				
A. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Sandra Garner 1620 W. Mesa Rd. Rialto, CA 92376	9,000.00	0.00	9,000.00	0.00
Nature of Debt (Purpose): Consulting				
B. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Bob Gouty 1272 E. Center Court Dr. Suite 104 Covina, CA 91724	18,000.00	0.00	6,000.00	12,000.00
Nature of Debt (Purpose): Consulting				
C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
CNS - Compunet Systems 1540 W. Glenoaks Suite 101 Glendale, CA 91201	19,923.57	0.00	0.00	19,923.57
Nature of Debt (Purpose): Computer Equipment				
D. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
David Christianson 725 Town & Country Rd. Suite 310 Orange, CA 92668	5,109.58	2,011.00	2,500.00	4,620.58
Nature of Debt (Purpose): Consulting				
E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Parkin & Woodland, Inc. 711 W. 17th St. Santa Ana, CA 92706	2,500.00	2,854.44	1,000.00	4,354.44
Nature of Debt (Purpose): Consulting				
F. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Haight, Brown & Bonesteel P.O.Box 680 Santa Monica, CA 90406	0.00	18,281.10	3,495.96	14,785.14
Nature of Debt (Purpose): Consulting				
1) SUBTOTALS This Period This Page (optional)				
2) TOTALS This Period (test page in this line only)				55,683.73
3) TOTAL OUTSTANDING LOANS from Schedule C (test page only)				50,000.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (test page only)				105,683.73

40000-7700-PC-013

**REPORT OF RECEIPTS AND DISBURSEMENTS**

For An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

Oct 16 12 55 PM '96

USE PRE-PAID MAILING LABEL  
TYPE ON REPORT

1. NAME OF COMMITTEE (or Club)  
Jay Kim For Congress

ADDRESS (number, street, etc.)  Check if different than previously reported  
1126 W. Red Hill Blvd, Suite 165  
Upland, CA 91786 STATE/DISTRICT: CA - 41st

2. FEC IDENTIFICATION NUMBER  
C00260133

3. IS THIS REPORT AN AMENDMENT?  
 YES  NO

4. TYPE OF REPORT  
 April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Re-election Year Only)  
 12-Day Pre-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 30-Day Post-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Termination Report

This report contains activity for:  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>07/01/96</u> through <u>09/30/96</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	79,584.55	225,558.66
(b) Total Contribution Refunds (from Line 20(d))	1,105.00	1,105.00
(c) Net Contributions (other than loans) (subtract Line 8(b) from 6(a))	78,479.55	224,453.66
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	35,311.10	181,243.51
(b) Total Offsets to Operating Expenditures (from Line 14)	0.00	0.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	35,311.10	181,243.51
8. Cash on Hand at Close of Reporting Period (from Line 27)	33,902.95	
9. Debt and Obligations Owed To the Committee (includes all debt reported on Schedule D)	0.00	
10. Debt and Obligations Owed By the Committee (includes all debt reported on Schedule D)	283,163.25	

For further information contact:  
Federal Election Commission  
965 E Street, NW  
Washington, DC 20543  
Toll Free 800-424-9530  
Local 202-549-3420

I certify that I have prepared this report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
Ingrid Street - Asst. Treasurer

Signature of Treasurer  
*Ingrid Street*

Date  
10/09/96

NOTE: Submitting this report to the Commission may subject the person signing this report to the penalties of 2 U.S.C. §437g.

FEC FORM 3  
(revised 4/87)

**DETAILED SUMMARY PAGE**  
of Receipts and Disbursements  
(Page 2, FEC FORM 3)

Name of Committee (in full):		Report Covering the Period:	
Jay Kim For Congress		From: 07/01/96	To: 09/30/96
I. RECEIPTS		COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
<b>11. CONTRIBUTIONS (other than loans) FROM:</b>			
(a) Individuals (other than Political Committee)		54,974.55	
(b) Unions		6,810.00	
(c) Total of contributions from individuals		61,784.55	181,808.66
(d) Political Party Committees		0.00	0.00
(e) Other Political Committees (such as PACs)		17,800.00	43,750.00
(f) The Candidate		0.00	0.00
(g) TOTAL CONTRIBUTIONS (other than loans (add 11(a)-(f) and 11(d))		79,584.55	235,558.66
<b>12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES</b>			
		0.00	0.00
<b>13. LOANS:</b>			
(a) Made or Guaranteed by the Candidate		0.00	12,000.00
(b) All Other Loans		0.00	0.00
(c) TOTAL LOANS (add 13(a) and 13(b))		0.00	12,000.00
<b>14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)</b>			
		0.00	0.00
<b>15. OTHER RECEIPTS (Dividends, Interest, etc.)</b>			
		0.00	0.00
<b>16. TOTAL RECEIPTS (add 11(a), 12, 13(a), 14 and 15)</b>		<b>79,584.55</b>	<b>237,558.66</b>
<b>II. DISBURSEMENTS</b>			
<b>17. OPERATING EXPENDITURES:</b>			
		35,311.10	181,243.51
<b>18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES</b>			
		0.00	0.00
<b>19. LOAN REPAYMENTS:</b>			
(a) Of Loans Made or Guaranteed by the Candidate		5,000.00	5,000.00
(b) Of All Other Loans		0.00	0.00
(c) TOTAL LOAN REPAYMENTS (add 19(a) and 19(b))		5,000.00	5,000.00
<b>20. REFUNDS OF CONTRIBUTIONS TO:</b>			
(a) Individuals (other than Political Committee)		1,105.00	1,105.00
(b) Political Party Committees		0.00	0.00
(c) Other Political Committees (such as PACs)		0.00	0.00
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), 20(b) and 20(c))		1,105.00	1,105.00
<b>21. OTHER DISBURSEMENTS</b>			
		4,265.50	21,265.50
<b>22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)</b>		<b>45,681.60</b>	<b>208,614.01</b>
<b>III. CASH SUMMARY</b>			
<b>23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD</b>		\$	18,398.80
<b>24. TOTAL RECEIPTS THIS PERIOD (from Line 16)</b>		\$	79,584.55
<b>25. SUBTOTAL (add Line 23 and Line 24)</b>		\$	97,983.35
<b>26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)</b>		\$	45,681.60
<b>27. CASH ON HAND AT CLOSING OF REPORTING PERIOD (subtract Line 26 from 25)</b>		\$	52,301.75

96030902430 SCHEDULE C

Page: 1 of 10  
Line: 13a

NAME OF COMMITTEE	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
JAY KIM FOR CONGRESS Congressman Jay S. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	40,000.00	24,000.00	16,000.00
Election: Primary Terms: Date Incurred: 08/05/92 Date Due: None Interest Rate: None Secured: Yes List All Endorsers or Guarantors (if any) to Item 2 All Loan Proceeds are from the Candidate's Personal Funds EMPLOYER: _____ OCCUPATION: _____ AMOUNT GUARANTEED OUTSTANDING: \$ 16,000.00			
Congressman Jay C. Clark 2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00
Election: Primary Terms: Date Incurred: 05/28/92 Date Due: None Interest Rate: None Secured: Yes List All Endorsers or Guarantors (if any) to Item 2 All Loan Proceeds are from the Candidate's Personal Funds EMPLOYER: _____ OCCUPATION: _____ AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00			
TOTALS This Period (do not put in this column)			76,000.00

96030902431 SCHEDULE C Page: 2 of 10  
Line: 13a

ADDRESS:  
NAME OF COMMITTEE:  
JAY KIM FOR CONGRESS

LINE	NAME OF COMMITTEE	AMOUNT	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
1.	A. Congressman Jay C Kim 2219 Rusty Pump Dr Diamond Bar, CA 91765	10,000.00	0.00	10,000.00

Election: Primary  
 Terms: Date Effective: 05/29/92 Date Paid: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 3

All Loan Proceeds are from the Candidate's Personal Funds

AMOUNT GUARANTEED OUTSTANDING:  
\$ 10,000.00

---

LINE	NAME OF COMMITTEE	AMOUNT	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
2.	B. Congressman Jay C Kim 2219 Rusty Pump Dr Diamond Bar, CA 91765	10,000.00	0.00	10,000.00

Election: Primary  
 Terms: Date Effective: 05/29/92 Date Paid: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 3

All Loan Proceeds are from the Candidate's Personal Funds

AMOUNT GUARANTEED OUTSTANDING:  
\$ 10,000.00

---

SUBTOTALS This Period This Page (optional) ..... 20,000.00  
 TOTALS This Period (List Page in this line only)

96030902432 SCHEDULE C Page: 3 of 10  
 Line: 13a

CONTRIBUTOR:  
 NAME OF CONTRIBUTOR  
 JAY KIM FOR CONGRESS

2. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765

GRN. AMOUNT OF LOAN: 25,000.00  
 GRN. PAYMENT TO DATE: 0.00  
 BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD: 25,000.00

Election: General  
 Term: Date Acquired: 09/19/92 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) on Item 3

All Loan Proceeds are from the Candidate's Personal Funds

EMPLOYER:  
 OCCUPATION:  
 AMOUNT GUARANTEED OUTSTANDING: 25,000.00

3. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765

GRN. AMOUNT OF LOAN: 10,000.00  
 GRN. PAYMENT TO DATE: 0.00  
 BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD: 10,000.00

Election: Primary  
 Term: Date Acquired: 05/17/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) on Item 3

All Loan Proceeds are from the Candidate's Personal Funds

EMPLOYER:  
 OCCUPATION:  
 AMOUNT GUARANTEED OUTSTANDING: 10,000.00

EMPLOYER:  
 OCCUPATION:  
 AMOUNT GUARANTEED OUTSTANDING:

TOTALS This Period (list pay in this list only) 35,000.00  
 TOTALS This Period (list pay in this list only)

96030902433 SCHEDULE C		LINE		Page: 4 of 10
020621258				Line: 13a
NAME OF COMMITTEE	DATE	AMOUNT	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
JAY KIM FOR CONGRESS Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	08/31/94	35,000.00	0.00	35,000.00
Election: Primary Terms: Date: 08/31/94 Date: None Interest Rate: None Secured: Yes List All Endorsements or Guarantors (if any):				
All Loan Proceeds are from the Candidate's Personal Funds				
		AMOUNT GUARANTEED OUTSTANDING: \$ 35,000.00		
		AMOUNT SECURED OUTSTANDING: \$ 0.00		
		AMOUNT UNSECURED OUTSTANDING: \$ 35,000.00		
B. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765				
		2,500.00	0.00	2,500.00
Election: Primary Terms: Date: 06/02/94 Date: None Interest Rate: None Secured: Yes List All Endorsements or Guarantors (if any):				
All Loan Proceeds are from the Candidate's Personal Funds				
		AMOUNT GUARANTEED OUTSTANDING: \$ 2,500.00		
		AMOUNT SECURED OUTSTANDING: \$ 0.00		
		AMOUNT UNSECURED OUTSTANDING: \$ 2,500.00		
SPECIALS This Period This Page (optional)				37,500.00
TOTALS This Period (last page in this item)				

96030902434 SCHEDULE C Page: 5 of 10  
 Line: 13a

CONGRESSMAN:  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

LINE	AMOUNT	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
A	8,500.00	0.00	8,500.00

Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765

Election: Primary  
 Terms: Date Reported: 06/02/94 Date Paid: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Line 3

All Loan Proceeds are from the Candidate's Personal Funds

AMOUNT GUARANTEED OUTSTANDING: \$ 8,500.00

AMOUNT GUARANTEED OUTSTANDING:

AMOUNT GUARANTEED OUTSTANDING:

AMOUNT GUARANTEED OUTSTANDING:

| B | 2,500.00 | 0.00 | 2,500.00 |
| TOTALS This Period (list page in this line) | | | 11,000.00 |

96030902435  
 SCHEDULE C  
 0000212551  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 A. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765  
 Election: General  
 Terms: Date Incurred: 06/16/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 1  
 1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 20,000.00  
 2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$  
 3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$  
 B. Congressman Jay C. Kim  
 2219 Rusty Pump Dr.  
 Diamond Bar, CA 91765  
 Election: General  
 Terms: Date Incurred: 08/10/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 1  
 1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 5,000.00  
 2.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$  
 3.  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$  
 SUBTOTALS This Period This Page (optional)  
 TOTALS This Period (last page in this line only) 25,000.00

ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
20,000.00	0.00	20,000.00

ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
10,000.00	5,000.00	5,000.00

SUBTOTALS This Period This Page (optional)  
 TOTALS This Period (last page in this line only) 25,000.00



96030902437

SCHEDULE C

Page: 8 of 10  
Line: 13a

0000212591

NAME OF COMMITTEE  
JAY KIM FOR CONGRESS

LINE	NAME OF LOAN	SEC. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
1	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00
Election: General				
Terms: Date Incurred: 11/03/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item 1				
1 All Loan Proceeds are from the Candidate's Personal Funds				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$ 10,000.00				
2				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$				
3				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$				
2	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	15,000.00	0.00	15,000.00
Election: Primary				
Terms: Date Incurred: 12/29/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item 2				
1 All Loan Proceeds are from the Candidate's Personal Funds				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$ 15,000.00				
2				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$				
3				
EMPLOYER				
OCCUPATION				
AMOUNT GUARANTEED OUTSTANDING:				
\$				
TOTALS This Period (Last page in this list)				25,000.00

96030902448 SCHEDULE C		Page: 9 of 10	
00001288		Line: 13a	
NAME OF COMMITTEE			
JAY KIM FOR CONGRESS			
NAME OF LOAN BORROWER		AMOUNT OF LOAN	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
A. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		1,500.00	1,500.00
Election: Primary		CM. PAYMENT TO DATE	0.00
Terms: Date Incurred: 05/15/95		Date Due: None	Interest Rate: None
List All Endorsers or Guarantors (if any) to Item 2		Secured: Yes	
1. All Loan Proceeds are from the Candidate's Personal Funds		AMOUNT GUARANTEED OUTSTANDING: 1,500.00	
2.		AMOUNT GUARANTEED OUTSTANDING:	
3.		AMOUNT GUARANTEED OUTSTANDING:	
NAME OF LOAN BORROWER		AMOUNT OF LOAN	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
B. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765		5,000.00	5,000.00
Election: Primary		CM. PAYMENT TO DATE	0.00
Terms: Date Incurred: 01/22/96		Date Due: None	Interest Rate: None
List All Endorsers or Guarantors (if any) to Item 2		Secured: Yes	
1. All Loan Proceeds are from the Candidate's Personal Funds		AMOUNT GUARANTEED OUTSTANDING: 5,000.00	
2.		AMOUNT GUARANTEED OUTSTANDING:	
3.		AMOUNT GUARANTEED OUTSTANDING:	
TOTALS This Period This Page (optional)		5,500.00	
TOTALS This Period (last page in this financial)			

96030902439  
 SCHEDULE C  
 0090212581  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 Page: 10 of 10  
 Line: 13a

ORG. ACCOUNT OR LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
A. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	5,000.00	0.00
Election: Primary Terms: Date Incurred: 01/30/96 Date Due: None Interest Rate: None Secured: Yes List All Endorsers or Guarantors (if any) to Item 1		
1. All Loan Proceeds are from the Candidate's Personal Funds	5,000.00	
2.		
3.		
B. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	2,000.00	0.00
Election: GENERAL Terms: Date Incurred: 05/02/96 Date Due: None Interest Rate: None Secured: Yes List All Endorsers or Guarantors (if any) to Item B		
1. All Loan Proceeds are from the Candidate's Personal Funds	2,000.00	
2.		
3.		
SUBTOTALS This Period This Page (optional)		7,000.00
TOTALS This Period (last page in this list only)		214,000.00

**REPORT OF RECEIPTS AND DISBURSEMENTS**  
For An Electoral Committee  
(Summary Page)

EXH. 85

USE FEC MAILING LABEL OR TYPE ON PRINT

1. NAME OF COMMITTEE (in full) <b>Jay Kim for Congress</b>		2. FEC IDENTIFICATION NUMBER <b>C00260133</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>1126 W. Foothill Blvd., Suite 165</b>		
CITY, STATE and ZIP CODE <b>Upland, CA 91786</b>	STATE/DISTRICT <b>CA/41st</b>	3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

**4. TYPE OF REPORT**

April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-session Year Only)  
 Termination Report

Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
 election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election on \_\_\_\_\_  
 in the State of \_\_\_\_\_

This report contains activity for:  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

5. Covering Period <u>01/01/97</u> through <u>06/30/97</u>	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	38,065.56	38,065.56
(b) Total Contribution Refunds (from Line 20(a))	20.00	20.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	38,045.56	38,045.56
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	46,483.49	46,483.49
(b) Total Offsets to Operating Expenditures (from Line 14)	75.00	75.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	46,408.49	46,408.49
8. Cash on Hand at Close of Reporting Period (from Line 87)	14,424.65	
9. Debts and Obligations Owed TO the Committee (Net zero if on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Net zero if on Schedule C and/or Schedule D)	230,484.74	

For further information contact:  
Federal Election Commission  
360 E Street, NW  
Washington, DC 20543  
Tel: Free 800-426-9938  
Local 202-512-3438

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: **In Young Brazil - Asst. Treasurer**

Signature of Treasurer: *[Signature]* Date: **07/28/97**

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

EXHIBIT **FEC FORM 3**  
(revised 4/87)

**DETAILED SUMMARY PAC**  
of Receipts and Disbursements  
(Page 2, FEC FORM 3)

Name of Committee (in full)	Report Covering the Period:	
	From: 01/01/97	To: 06/30/97
<b>Jay Kim for Congress</b>	<b>COLUMN A</b>	<b>COLUMN B</b>
<b>I. RECEIPTS</b>	<b>Total This Period</b>	<b>Calendar Year-To-Date</b>
<b>11. CONTRIBUTIONS (other than loans) FROM:</b>		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (see Schedule A)	14,653.20	
(ii) Unitemized	7,262.36	
(iii) Total of contributions from individuals	21,915.56	21,915.56
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	16,150.00	16,150.00
(d) The Candidate	0.00	0.00
(e) <b>TOTAL CONTRIBUTIONS</b> (other than loans (add 11(a)(i), (b), (c) and (d)))	38,065.56	38,065.56
<b>12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES</b>	0.00	0.00
<b>13. LOANS:</b>		
(a) Made or Guaranteed by the Candidate	0.00	0.00
(b) All Other Loans	0.00	0.00
(c) <b>TOTAL LOANS</b> (add 13(a) and (b))	0.00	0.00
<b>14. OFFSETS TO OPERATING EXPENDITURES</b> (Refunds, Rebates, etc.)	75.00	75.00
<b>15. OTHER RECEIPTS</b> (Dividends, Interest, etc.)	0.00	0.00
<b>16. TOTAL RECEIPTS</b> (add 11(e), 12, 13(c), 14 and 15)	38,140.56	38,140.56
<b>II. DISBURSEMENTS</b>		
<b>17. OPERATING EXPENDITURES</b>	46,483.49	46,483.49
<b>18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES</b>	0.00	0.00
<b>19. LOAN REPAYMENTS:</b>		
(a) Of Loans Made or Guaranteed by the Candidate	5,000.00	5,000.00
(b) Of All Other Loans	1,000.00	1,000.00
(c) <b>TOTAL LOAN REPAYMENTS</b> (add 19(a) and (b))	6,000.00	6,000.00
<b>20. REFUNDS OF CONTRIBUTIONS TO:</b>		
(a) Individuals/Persons Other Than Political Committees	20.00	20.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs)	0.00	0.00
(d) <b>TOTAL CONTRIBUTION REFUNDS</b> (add 20(a), (b) and (c))	20.00	20.00
<b>21. OTHER DISBURSEMENTS</b>	0.00	0.00
<b>22. TOTAL DISBURSEMENTS</b> (add 17, 18, 19(c), 20(d) and 21)	52,503.49	52,503.49
<b>III. CASH SUMMARY</b>		
<b>23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD</b>	\$ 28,787.58	
<b>24. TOTAL RECEIPTS THIS PERIOD</b> (from Line 16)	\$ 38,140.56	
<b>25. SUBTOTAL</b> (add Line 23 and Line 24)	\$ 66,928.14	
<b>26. TOTAL DISBURSEMENTS THIS PERIOD</b> (from Line 22)	\$ 52,503.49	
<b>27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD</b> (subtract Line 26 from 25)	\$ 14,424.65	

SCHEDULE C LOANS Page: 1 of 9  
 Line: 13a

0000000000

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	NAME OF COMMITTEE	ORIG. AMOUNT OF LOAN	CGM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	40,000.00	24,000.00	16,000.00

Election: Primary  
 Terms: Date Incurred: 05/05/92 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item A

- EMPLOYER  
 All Loan Proceeds are from the Candidate's Personal Funds  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$ 16,000.00
- EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$
- EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$

B.	NAME OF COMMITTEE	ORIG. AMOUNT OF LOAN	CGM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	10,000.00	0.00	10,000.00

Election: Primary  
 Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes

List All Endorsers or Guarantors (if any) to Item B

- EMPLOYER  
 All Loan Proceeds are from the Candidate's Personal Funds  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00
- EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$
- EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 26,000.00  
 TOTALS This Period (last page in this line only)

SCHEDULE C		LOANS		Page: 2 of 9	
0000000000				Line: 13a	
NAME OF COMMITTEE JAY KIM FOR CONGRESS					
A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN 10,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 10,000.00	
Election: Primary					
Terms: Date Incurred: 05/29/92 Date Due: None Interest Rate: None Secured: Yes					
List All Endorsers or Guarantors (if any) to Item A					
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 10,000.00	
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN 25,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 25,000.00	
Election: General					
Terms: Date Incurred: 06/19/92 Date Due: None Interest Rate: None Secured: Yes					
List All Endorsers or Guarantors (if any) to Item B					
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 25,000.00	
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$	
SUBTOTALS This Period This Page (optional)				35,000.00	
TOTALS This Period (last page in this line only)					

SCHEDULE C LOANS Page: 3 of 9  
 0000210551 Line: 13a  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		35,000.00	0.00	35,000.00

Election: Primary  
 Terms: Date Incurred: 05/31/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$ 35,000.00			
2.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$			
3.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$			

B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		2,500.00	2,500.00	0.00

Election: PRIMARY  
 Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$ 0.00			
2.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$			
3.	EMPLOYER			
	OCCUPATION			
	AMOUNT GUARANTEED OUTSTANDING:			
	\$			

SUBTOTALS This Period This Page (optional) 35,000.00  
 TOTALS This Period (last page in this line only)

SCHEDULE C LOANS Page: 4 of 9  
 000010551 Line: 13a

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		8,500.00	0.00	8,500.00

Election: Primary  
 Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 8,500.00

2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		2,500.00	2,500.00	0.00

Election: Primary  
 Terms: Date Incurred: 06/02/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1. All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$ 0.00

2. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

3. EMPLOYER  
 OCCUPATION  
 AMOUNT GUARANTEED OUTSTANDING:  
 \$

SUBTOTALS This Period This Page (optional) 8,500.00  
 TOTALS This Period (last page in this line only)



SCHEDULE C  
 0000212581  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

LEANS  
 Page: 6 of 9  
 Line: 13a

A.	CONGRESSMAN JAY C. KIM 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		20,000.00	0.00	20,000.00

Election: General  
 Terms: Date Incurred: 09/30/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 20,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

B.	ROYCE CAMPAIGN COMMITTEE P.O. Box 6765 Fullerton, CA 92634	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		1,000.00	1,000.00	0.00

Election: General  
 Terms: Date Incurred: 1/01/94 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	Jay Kim for Congress 1126 W. Foothill Blvd. Suite 165 Upland, CA 91786	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 0.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 20,000.00  
 TOTALS This Period (last page in this line only)

SCHEMDE C		LOANS		Page: 7 of 9
0000000001				Line: 13a
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN 15,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 15,000.00
Election: Primary				
Terms: Date Incurred: 12/29/94 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 15,000.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN 1,500.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 1,500.00
Election: Primary				
Terms: Date Incurred: 05/15/95 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$ 1,500.00
2.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER	OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
SUBTOTALS This Period This Page (optional)				16,500.00
TOTALS This Period (last page in this line only)				

SCHEDULE C		LOANS		Page: 8 of 9
0000010581				Line: 13a
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN \$ 5,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 5,000.00
Election: Primary				
Terms: Date Incurred: 01/22/96 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 5,000.00		
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$		
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$		
B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORIG. AMOUNT OF LOAN \$ 5,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 5,000.00
Election: Primary				
Terms: Date Incurred: 01/30/96 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 5,000.00		
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$		
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$		
SUBTOTALS This Period This Page (optional)				10,000.00
TOTALS This Period (last page in this line only)				

SCHEDULE C LOANS Page: 9 of 9  
 0000212591 Line: 13a  
 -----  
 NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS  
 -----  

A.	CONGRESSMAN JAY C. KIM 2219 RUSTY PUMP DR. DIAMOND BAR, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		2,000.00	0.00	2,000.00

  
 Election: General  
 Terms: Date Incurred: 05/02/96 Date Due: None Interest Rate: None Secured: Yes  
 -----  
 List All Endorsers or Guarantors (if any) to Item A  
 -----  

1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$ 2,000.00
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

a.		ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD

  
 Election:  
 Terms: Date Incurred: Date Due: None Interest Rate: None Secured: Yes  
 -----  
 List All Endorsers or Guarantors (if any) to Item a  
 -----  

1.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: \$

  
 SUBTOTALS This Period This Page (optional) 2,000.00  
 TOTALS This Period (last page in this line only) 178,000.00  
 -----

JAMES V. MCRISEN, UTAH  
CHAIRMAN

LAMAR SMITH, TEXAS  
JOEL HEPLY, COLORADO  
BOB GOODLATE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN

THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR

BARB L. SCHWARTZ,  
COUNSEL TO THE RANKING  
MINORITY MEMBER

EXH. 86

*U.S. House of Representatives*

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER

MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA

SUITE HT-2, THE CAPITOL

(202) 225-7100

July 10, 1998

**BY FACSIMILE & U.S. MAIL**

Mr. Chul Song  
c/o Mr. Hyun Song  
*The Korean Weekly*  
6719 Curran St., 3<sup>rd</sup> Floor  
McLean, Va. 22101

Dear Mr. Song:

We would appreciate your additional assistance in providing information about the book by Representative Jay Kim that your company published.

According to the information that you previously provided, Sunkyong Book Store purchased 8,520 copies of Representative Kim's books from Book Publishing Company Sungmoon ("Sungmoon"). We have received unconfirmed information that Hun Kim, who owned Sunkyong Book Store, had an agreement with Representative Jay Kim under which Hun Kim was required to give 50 percent of the proceeds from his subsequent sales of books in South Korea to the publishing company (i.e., Sungmoon).

- ◆ Do you have any knowledge of such an agreement?
- ◆ To your knowledge, was Hun Kim or Sunkyong Bookstore under any obligation to remit any percentage of the proceeds of subsequent sales of the book in Korea to Sungmoon?
- ◆ Did Sunkyong Bookstore or Hun Kim give any money, either directly or indirectly, to Sungmoon in connection with sales of Representative Kim's book by Sunkyong Bookstore or Hun Kim?

We would be deeply appreciative if you would provide answers to the above questions in the form of a reply letter. If it is more convenient for you, you may provide a letter in Korean, and we will arrange for your response to be translated into English.

541

Thank you again for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "David H. Laufman". The signature is written in a cursive style with a large initial "D".

David H. Laufman  
Counsel

1998년 7월 10일

팩스 및 우편 송부

송 철 귀하  
송 현씨 전달요  
The Korean Weekly  
6719 Curran St., 3rd Floor  
McLean, VA 22101

전어하는 송 현씨께:

귀 회사에서 출판하신 김 창준의원의 책에 관하여 몇 가지 더 궁금한 사항이 있어 이렇게 연락을 드립니다. 협조하여 주시면 감사하겠습니다.

지난 번 저희에게 전하여 주신 내용에 의하면, 선경문고가 도서출판 성문 ("성문")으로부터 김 창준의원의 책을 8,520부를 구입하신것으로 되어 있습니다. 저희는 확인되진 않았으나 선경문고의 사장님이셨던 김 현씨와 김 창준의원께서 계약을 맺기를 대한민국내에서 이주로 판매되는 책의 판매이익중 50%를 해당 출판사 (즉, 도서출판 성문)에 주기로 되어있었다는 내용을 입수하게 되었습니다.

\* 그러한 계약서에 대하여 아시는 바가 있으신지요 ?

\* 귀하가 아시는 바로는, 김 현씨나 선경문고가 이후 한국에서 팔리는 책의 판매이익중 50%를 의무적으로 도서출판 성문에 주어야 했었습니까 ?

\* 김 현씨 본인이 직접 또는 선경문고를 통하여 김 창준의원의 책을 판매했을 때 그 판매와 관련하여 직접적으로나 간접적으로 김 현씨나 선경문고가 도서출판 성문에 돈을 지불한 적이 있습니까 ?

회신에 상기의 질문에 대한 답변을 적어 보내주시면 대단히 감사하겠습니다. 편리하시다면, 한글도 된 편지를 보내셔도 좋습니다. 저희가 영어로 번역을 주선했 수 있습니다.

협조에 다시 한 번 감사를 드립니다.

감사합니다.

David H. Laufman  
변호사

EXH. 87

David H Lanfman 귀하

첨부하신 내용에 답변하겠습니다.

1. 그러한 계약서에 대하여 아시는 비가 있으신지요?

답 : 아니오, 없습니다.

2. 김 현석나 선경 문고가 이후 한국에서 불리는 색의 판매이익중 50%도 의무적으로 도서 출판 성원에 수여하였습니까?

답 : 아니오, 그런 계약은 없습니다. 전혀 받은 바 없습니다.

3. 김 현석 부인이 최성 우군 선경문고를 통하여 김창훈의원의 책을 판매했을 때 그 판매가 영표하여 직간접적으로 김 현석나 선경 문고가 도서 출판 성원에 돈을 지불한 적이 있습니까?

답 : 아니오, 김 현석나 선경 문고가 판매와 관련하여 우리에게 돈을 지불한 적이 없습니다.

1998. 7. 14.

도서출판 成文 1/3 1/3

Dear Mr. Laufman :

This is in reply to your letter with respect to the questions you have asked:

1. Do you have any knowledge of such an agreement ?

Answer : No, I do not.

2. To your knowledge, was Hun Kim or Sunkyong Bookstore under any obligation to remit any percentage of the proceeds of subsequent sales of the book in Korea to Sungmoon ?

Answer : No, there was no such agreement. [Sungmoon] never received any [proceeds].

3. Did Sunkyong Bookstore or Hun Kim give any money, either directly or indirectly, to Sungmoon in connection with sales of Representative Kim's book by Sunkyong Bookstore or Hun Kim ?

Answer : No, neither Hun Kim nor Sunkyong paid us [Sungmoon] any money in connection with the sales.

July 14, 1998

Chul Song [Signature]  
Book Publishing Company Sungmoon

**EXH. 88**

Aug. 20. 1998

Name : Heon Kim  
Address : Sanbon-Dong Wooleuk Apt 711-Dong 2001-Ho  
Kunpo-Si , Kyungki-do , Korea  
Tel : (0343) 95-5900



Dear Whom may it concern:

I, Heon Kim, borrowed \$30,000.00 from Congressman Jay Kim from which I obtained by keeping portions of the book sale money from the Congressman's book and that my agreement with Congressman Jay Kim's matter only was verbal.

When I was questioned by Committee counsels, I was not specifically asked about \$30,000.00 transaction. And it would be incorrect for Committee to conclude that I did not have a personal agreement with Congressman Jay Kim.

The confusion about this matter may due to the language difficulties and I did not completely understand what their questions were about.

I would like to have an opportunity to appear before the Committee to testify.

Thank you.

  
Heon Kim

<제41호 서식>

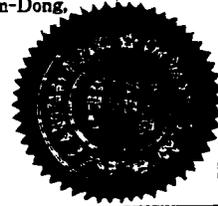
**공정법무법인 正現**

전화: (02) 501-8851  
(02) 501-8652-1  
FAX: (02) 3452-9954

Registered No. 19 94 - 1369

**NOTARIAL CERTIFICATE**

**CHUNG & HYUN LAW OFFICES, P.C.& NOTARY PUBLIC**  
Poong Lim Bldg No.801 & 905, 823-1, Yeoksam-Dong,  
Kangnam-Ku, Seoul, Korea



2호 서식) **중류 법무법인 正現** 전화:(02)501-6651  
 (02)501-6652~4  
 FAX:(02)553-8546

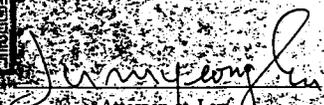
등부 19 98 년 제 1369-호 Registered No. 19 98 - 1369

**인 증 Notarial Certificate**

위 편지 HEON KIM  
 에 기재된 김 현은 personally appeared before me and  
 본직의 면전에서 위 사서증서에 자 admitted his(her) subscription to  
 기가 서명날인 한 것임을 자인하였 the attached LETTER.  
 다.

199 8 년 8 월 19 일 This is hereby attested on this  
 19TH day of AUG ,19 98  
 이 사무소에서 위 인증한다 at this office.

**중류 법무법인 正現** Chung & Hyun Law Offices,P.C.& Notary Public  
 서울·강남구 역삼동 823의1 Poong Lim Bldg No.801 & 905,  
 동림빌딩 801.905호 823-1, Yeoksam-Dong, Kangnam-Ku,  
 Seoul, Korea

   
 공증담당변호사 Attorney at Law  
**JU MYEONG SU**  
 This office has been authorized  
 by the Minister of Justice, the  
 Republic of Korea, to act as  
 Notary Public since the 5 th  
 of February 1996 (Law No. 81)

**REPORT OF RECEIPTS AND DISBUR**  
For An Authorized Committee  
(Summary Page)

**EXH. 89**

**HAND DELIVERED**

USE FEC MAILING LABEL  
OR  
TYPE ON PRINT

1. NAME OF COMMITTEE (in full) <b>JAY KIM for CONGRESS</b>		2. FEC IDENTIFICATION NUMBER <b>C00260133/143642</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>1300 S. VALLEY VISTA DR.</b>		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CITY, STATE AND ZIP CODE <b>DIAMOND BAR, CA 91765</b>	STATE/DISTRICT	

**4. TYPE OF REPORT**

April 15 Quarterly Report

**May 13 Report**  Twelfth day report preceding \_\_\_\_\_ (Type of Election) in the State of \_\_\_\_\_

October 15 Quarterly Report  Thirtieth day report following the General Election on \_\_\_\_\_

January 31 Year End Report \_\_\_\_\_ in the State of \_\_\_\_\_

July 31 Mid-Year Report (Non-election Year Only)  Termination Report

This report contains activity for  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
<b>4/1/92 through 5/13/92</b>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	\$77,090.00	\$130,499.00
(b) Total Contribution Refunds (from Line 20(d))	\$500.00	\$500.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	\$76,590.00	\$124,999.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	\$138,680.00	\$174,020.97
(b) Total Offsets to Operating Expenditures (from Line 14)	\$137.64	\$137.64
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	\$138,542.36	\$173,883.33
8. Cash on Hand at Close of Reporting Period (from Line 27)	\$13,792.34	<del>\$173,883.33</del>
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$0.00	For further information contact: Federal Election Commission 999 E Street, NW Washington, DC 20463 Toll Free 800-424-9530 Local 202-376-3120
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$58,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
**JAMES BOHANNON, C.P.A.**

Signature of Treasurer **J** Date **5-20-92**

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

9 2 0 1 4 5 2 1 2 6 3

**SCHEDULE C**  
(Revised 3/80)

**LOANS MADE OR GUARANTEED BY THE CANDIDATE**

Page 2 of 2 (or  
LINE NUMBER 11(A)  
Use separate schedules  
for each numbered line)

Name of Committee (in Full)			
Jay Kim for Congress C0026133			
A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payments To Date	Balance Outstanding at Close of This Period
Jay & June Kim 2219 Rusty Pump Diamond Bar, CA 91765	\$9,000.00	\$0.00	\$9,000.00
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>4/15/92</u> Date Due <u>None</u> Interest Rate <u>0</u> % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
Jay Kim for Congress 1300 Valley Vista Diamond Bar, CA 91765	N/A		
	Housewife		
	Amount Guaranteed Outstanding:	\$ 9,000.00	
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
	Occupation		
	Amount Guaranteed Outstanding:		
	Amount Guaranteed Outstanding:	\$	
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
	Occupation		
	Amount Guaranteed Outstanding:		
	Amount Guaranteed Outstanding:	\$	
B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payments To Date	Balance Outstanding at Close of This Period
J & J Properties PO Box 4353 Diamond Bar, CA 91765	\$9,000.00	\$0.00	\$9,000.00
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>4/15/92</u> Date Due <u>None</u> Interest Rate <u>0</u> % (apr) <input checked="" type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
	Occupation		
	Amount Guaranteed Outstanding:		
	Amount Guaranteed Outstanding:	\$	
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
	Occupation		
	Amount Guaranteed Outstanding:		
	Amount Guaranteed Outstanding:	\$	
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding:	Amount Guaranteed Outstanding:
	Occupation		
	Amount Guaranteed Outstanding:		
	Amount Guaranteed Outstanding:	\$	
SUBTOTALS This Period This Page (optional) .....			\$18,000.00
TOTALS This Period (last page in this line only) .....			\$58,000.00

9 2 0 1 4 5 2 1 3 1 9

Carry over/under balance only to LINE 3, Schedule D, for this form. If no Schedule D, carry forward to appropriate line of Summary.

EXH. 90

✓ MAY 26 1992 EXPRESS MAIL

REPORT OF RECEIPTS AND DISBURSEMENTS For An Authorized Committee (Summary Page)

USE FEC MAILING LABEL TYPE OR PRINT

1. NAME OF COMMITTEE (in full) JAY KIM FOR CONGRESS
ADDRESS (number and street) 1300 South Valley Vista Drive
CITY, STATE and ZIP CODE Diamond Bar, Ca 91765
2. FEC IDENTIFICATION NUMBER C00260133 143642
3. IS THIS REPORT AN AMENDMENT? [X] YES [ ] NO

4. TYPE OF REPORT

[ ] April 15 Quarterly Report
[ ] Twelfth day report preceding (Type of Election) election on in the State of
[X] May 13 Report
[ ] October 15 Quarterly Report
[ ] Thirtieth day report following the General Election on in the State of
[ ] January 31 Year End Report
[ ] July 31 Mid-Year Report (Non-election Year Only)
[ ] Termination Report
This report contains activity for [X] Primary Election [ ] General Election [ ] Special Election [ ] Runoff Election

SUMMARY

Table with 3 columns: Description, COLUMN A This Period, COLUMN B Calendar Year-to-Date. Rows include: 5. Covering Period 4/1/92 through 5/13/92; 6. Net Contributions (other than loans) with sub-rows (a) Total Contributions, (b) Total Contribution Refunds, (c) Net Contributions; 7. Net Operating Expenditures with sub-rows (a) Total Operating Expenditures, (b) Total Offsets to Operating Expenditures, (c) Net Operating Expenditures; 8. Cash on Hand at Close of Reporting Period; 9. Debts and Obligations Owed TO the Committee; 10. Debts and Obligations Owed BY the Committee.

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.
Type or Print Name of Treasurer James Bohannon, C.P.A.
Signature of Treasurer James A Bohannon
Date May 21, 1992

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

9 2 0 1 4 3 3 0 6 9 5

SCHEDULE C  
(Revised 3/80)

LOANS

Page 1 of 1 for  
LINE NUMBER 13-13  
(Use separate schedules  
for each numbered line)

92014530750

Name of Committee (in Full) <b>Jay Kim for Congress C00260133</b>			
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>Jay and June Kim 2249 Rusty Pump Diamond Bar, Ca 91765</b>		Original Amount of Loan <b>\$18,000.00</b>	Balance Outstanding at Close of This Period <b>\$18,000.00</b>
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Terms: Date Incurred <b>4/15/92</b> Date Due <b>none</b> Interest Rate <b>0</b> % (per)	<input type="checkbox"/> Secured
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source <b>Jay and June Kim 2219 Rusty Pump Diamond Bar, Ca 91765</b>		Original Amount of Loan <b>\$40,000.00</b>	Balance Outstanding at Close of This Period <b>\$40,000.00</b>
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Terms: Date Incurred <b>5/5/92</b> Date Due <b>none</b> Interest Rate <b>0</b> % (per)	<input type="checkbox"/> Secured
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Amount Guaranteed Outstanding: \$	
	Occupation		
	Amount Guaranteed Outstanding: \$		
SUBTOTALS This Period This Page (optional) .....			
TOTALS This Period (last page in this line only) .....			
Carry outstanding balances only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			

**JUL 10 1992** REPORT OF RECEIPTS AND DISBURSEMENTS  
For An Authorized Committee  
(Summary Page)

**EXPRESS MAIL**

**EXH. 91**

USE FEC MAILING LABEL OR PRINT TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>JAY KIM FOR CONGRESS</b>		2. FEC IDENTIFICATION NUMBER <b>00260133</b> <b>143642</b>
ADDRESS (number and street) Check if different than previously reported. <b>1300 S. VALLEY VISTA DRIVE</b>		3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
CITY, STATE and ZIP CODE <b>DIAMOND BAR, CA 91765</b>	STATE/DISTRICT	

**4. TYPE OF REPORT**

Twelfth day report preceding \_\_\_\_\_ (Type of Election) \_\_\_\_\_ in the State of \_\_\_\_\_

July 15 Quarterly Report election on \_\_\_\_\_ in the State of \_\_\_\_\_

April 15 Quarterly Report

October 15 Quarterly Report

January 31 Year End Report

July 31 Mid-Year Report (Non-election Year Only)

Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_

Termination Report

This report contains activity for:  Primary Election  General Election  Special Election  Runoff Election

9 2 0 1 4 3 6 5 4 6 2

SUMMARY		
6. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5-14-92 through 6-30-92		
7. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	\$ 47,565.00	\$ 178,064.00
(b) Total Contribution Refunds (from Line 20(d))	0.00	1,800.00
(c) Net Contributions (other than loans) (subtract Line 8(b) from 8(a))	47,565.00	176,264.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	165,376.57	339,897.54
(b) Total Offsets to Operating Expenditures (from Line 14)	0.00	137.64
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	165,376.57	339,759.90
8. Cash on Hand at Close of Reporting Period (from Line 27)	980.77	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	163,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer: **James Bohannon, C.P.A.**

Signature of Treasurer: *James Bohannon CPA*

Date: **7-14-92**

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

CHEDULE C  
(revised 3/80)

LOANS

Page 1 of 2  
LINE NUMBER 13(A)  
Use separate schedules  
for each numbered line

Name of Committee (in Full)				
Jay Kim for Congress C0026133				
A. Full Name, Mailing Address and ZIP Code of Loan Source		Original Amount of Loan	Cumulative Payment To Date	
Jay C. Kim 2219 Rusty Pump Road Diamond Bar, Ca 91765		\$20,000.00	\$0	
Section: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			Balance Outstanding at Close of This Period	
			\$20,000.00	
Terms: Date Incurred 5-29-92 Date Due None Interest Rate 0 % (flat) <input checked="" type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item A				
1. Full Name, Mailing Address and ZIP Code		Name of Employer		
Jay Kim for Congress 1300 Valley Vista Diamond Bar, CA 91765		n/a		
		Occupation		
		n/a		
		Amount Guaranteed Outstanding		
		\$ 20,000.00		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
Jay C. Kim 2219 Rusty Pump Road Diamond Bar, Ca 91765				
		Occupation		
		Amount Guaranteed Outstanding		
		\$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding		
		\$		
B. Full Name, Mailing Address and ZIP Code of Loan Source		Original Amount of Loan		Cumulative Payment To Date
Jay C. Kim 2219 Rusty Pump Road Diamond Bar, Ca 91765		\$50,000.00		\$0
Section: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			Balance Outstanding at Close of This Period	
			\$50,000.00	
Terms: Date Incurred 5-26-92 Date Due None Interest Rate 0 % (flat) <input checked="" type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item B				
1. Full Name, Mailing Address and ZIP Code		Name of Employer		
Jay Kim for Congress 1300 S. Valley Vista Drive Diamond Bar, Ca 91765		n/a		
		Occupation		
		n/a		
		Amount Guaranteed Outstanding		
		\$ 50,000.00		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding		
		\$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding		
		\$		
SUBTOTALS This Period (This Page Sectional)				\$ 70,000.00
TOTALS This Period (last page in this line only)				\$ 70,000.00

9 2 0 1 4 6 5 4 8 9

Carry unreported balances only to LINE 7, Schedule D, for this line. If on Schedule D, do not report on this line.

SCHEDULE C  
(revised 3/80)

LOANS

Page 2 of 2 (by  
LINE NUMBER 13(A)  
(Use separate schedules  
for each numbered line)

92014535490

Name of Committee (in Full) <b>Jay Kim for Congress C0026133</b>				
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>Jay C. Kim 2219 Rusty Pump Rd. Diamond Bar, Ca 91765</b>		Original Amount of Loan <b>\$25,000.00</b>	Cumulative Payments To Date <b>\$0</b>	Balance Outstanding at Close of This Period <b>\$25,000.00</b>
Election: <input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):		Terms: Date Incurred <u>6/11/92</u> Date Due <u>NONE</u> Interest Rate <u>0</u> % (per) <input checked="" type="checkbox"/> Secured		
List All Endorsers or Guarantors (if any) to item A				
1. Full Name, Mailing Address and ZIP Code <b>Jay Kim for Congress 1300 Valley Vista Diamond Bar, CA 91765</b>		Name of Employer <b>n/a</b>	Amount Guaranteed Outstanding: <b>\$25,000.00</b>	
		Occupation <b>n/a</b>		
		Amount Guaranteed Outstanding: <b>\$</b>		
2. Full Name, Mailing Address and ZIP Code		Name of Employer	Amount Guaranteed Outstanding: <b>\$</b>	
		Occupation	Amount Guaranteed Outstanding: <b>\$</b>	
3. Full Name, Mailing Address and ZIP Code		Name of Employer	Amount Guaranteed Outstanding: <b>\$</b>	
		Occupation	Amount Guaranteed Outstanding: <b>\$</b>	
B. Full Name, Mailing Address and ZIP Code of Loan Source <b>Jay C. Kim 2219 Rusty Pump Road Diamond Bar, Ca 91765</b>				
Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):		Original Amount of Loan <b>\$10,000.00</b>	Cumulative Payments To Date <b>\$0</b>	Balance Outstanding at Close of This Period <b>\$10,000.00</b>
Terms: Date Incurred <u>5-23-92</u> Date Due <u>NONE</u> Interest Rate <u>0</u> % (per) <input checked="" type="checkbox"/> Secured		List All Endorsers or Guarantors (if any) to item B		
1. Full Name, Mailing Address and ZIP Code <b>Jay Kim for Congress 1300 Valley Vista Diamond Bar, Ca 91765</b>		Name of Employer <b>n/a</b>	Amount Guaranteed Outstanding: <b>\$10,000.00</b>	
		Occupation <b>n/a</b>		
		Amount Guaranteed Outstanding: <b>\$</b>		
2. Full Name, Mailing Address and ZIP Code		Name of Employer	Amount Guaranteed Outstanding: <b>\$</b>	
		Occupation	Amount Guaranteed Outstanding: <b>\$</b>	
3. Full Name, Mailing Address and ZIP Code		Name of Employer	Amount Guaranteed Outstanding: <b>\$</b>	
		Occupation	Amount Guaranteed Outstanding: <b>\$</b>	
SUBTOTALS This Period This Page (optional) .....				<b>\$35,000.00</b>
TOTALS This Period (last page in this line only) .....				<b>\$185,000.00</b>
Carry outstanding balance only to LINE J, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.				



212 355 3388 P. 82

FEB-23-1996 10:08 CHUNG BOK-KY BK.

\*\*\*\*\* WITH CURRENT KEY \*\*\*\*\*

(1: P212CHUNUSSA0000098048242)

0777 Date and Time(YVWD000000) : 940802 0033

0431 acceptance/rejection : 03

---

01: FTN MESSAGE/Session/IDN : P01 CHUNUSSA00X 0098 048242

02: Output Message Type : 100 customer transfer

Input Time/DIR : 1334 940802CHUNUSSA000001548738304

Received from : CHUNUSSA00X

Output Date/Time : 940802 0034

Priority/Delivery/Obseq. : Normal

---

04: Transaction reference number : AUG 22 1994

01-0449431

030 value data, currency and amount :

value : 02 aug 94

currency code : USD US Dollar

amount : \$64,000.0

050 ordering customer : KIM JUNG OK

070 account with Inst - address :

//P0122234482

CALIFORNIA KOREA BANK RIMLAND

WEIGHTS OFFICE 18399 EAST COLINA

RD

080 beneficiary customer : JAY CHANG JOON KIM USA

010 900034 10

071A detail of charges : BEN

---

05: (MAC:22472080) Authentication Result : OK:53033780581

06: (OK:53033780581) Checksum Trailer

END

KBK 00343

...  
BY DISCONNECTED

INABILITY TO PRINT FOR QUALITY OF ORIGINAL DOCUMENT BEING REVIEWED

EXH. 93

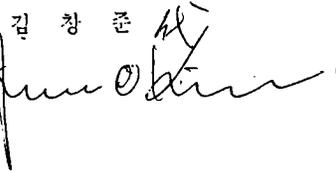
차 용 증

一 金 貳千萬元整 (₩20,000,000)

상기 금액을 미국하원의원 김창준씨의 전기  
" 김창준 전기 " (가칭) 출판 계약과 관련하여  
본계약체결전에 일시 차용함.

1994. 2. 15

차 용 인

김 창 준 씨  


도서 출판 성문

송 철 기 하

EXH. 94

**June O. Kim**

---

U.S. House Representatives  
Committee on Standards of  
Official Conduct  
Washington, D.C. 20515-0328

June 8, 1998

Re; latter dated May 9, 1998

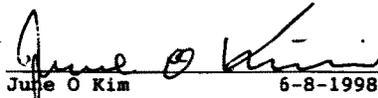
Dear Mr. David H. Laufman;

Responding your letter dated 5-29-1998.

Bank record; I have forwarded all the documents what ever I have received from bank. I'm going to send you another set of full copy.

Authorization and release for Publishing Co. and to Mr. Rhim; I believe the letter I signed and released May 19, 1998, will be the best way to help and accurate informations to every party who is involved. Therefore, I don't think I should forced to sign Any otherway.

Sincerely

  
June O Kim 6-8-1998

\* 금융정보가 외부에 절대 1994 2 15  
 유출되지 않도록 주의바랍니다 1994 8 2 1  
 312

312-04-380020  
저축예금

				TIME	OP	T	JUM
940215	현금		20,000,000	20,000,000	11:57	049:52:312	
940216	현금		20,000,000	40,000,000	10:28	049:52:312	
940218	현금	6,937,445		33,062,555	15:50	050:51:312	
940221	수표		6,800,000	39,862,555	14:39	049:52:312	
940313	이자		71,349	39,933,904	04:00	000:00:312	
940323	대체	2,007,500		37,926,404	12:36	049:52:312	
940324	현금		3,700,000	41,626,404	11:23	049:52:312	
940325	현금		4,000,000	45,626,404	09:38	051:58:312	
940326	현금		1,500,000	47,126,404	10:02	049:52:312	
940326	대체		796,870	47,923,274	10:07	050:51:312	
940527	당좌		81,829,000	129,752,274	16:25	013:52:312	
940612	이자		393,030	130,145,304	04:00	000:00:312	
940616	현금	800,000		129,345,304	09:50	046:57:312	
940616	현금	4,913,400		124,431,904	16:53	050:51:312	
940617	현금		3,273,560	127,705,464	17:08	050:51:312	
940617	정정		-3,273,560	124,431,904	20:23	013:37:312	
940617	현금	3,273,560		121,158,344	20:32	050:37:312	
940618	현금	800,000		120,358,344	10:54	049:36:312	
940618	현금	4,500,000		115,858,344	10:55	049:36:312	
940618	현금	8,000,000		107,858,344	11:10	050:37:312	
940725	현금	2,500,000		105,358,344	12:21	041:30:312	
940801	대체	17,850,000		87,508,344	13:31	020:02:312	
940801	정정	-17,850,000		105,358,344	13:36	005:02:312	
940801	현금	17,850,000		87,508,344	13:36	020:02:312	
940801	현금	40,000,000		47,508,344	14:17	003:06:312	
940801	현금	11,614,475		35,893,869	14:18	060:06:312	
940802	현금	4,074,200		31,819,669	09:53	053:03:312	
940802	이자		395,917	32,215,586	09:55	006:03:312	
940802	현금	32,215,586		0	09:55	006:03:312	

98 5 6

한도



\* Please note that the financial information [herein] should not be disclosed to other [people, organizations].

1994	2	15	1
1994	8	2	312

		312-04-380020			
		Savings account			
				TIME	OP T JUM
940215	Cash		20,000,000	20,000,000	11:57 049:52:312
940216	Cash		20,000,000	40,000,000	10:28 049:52:312
940218	Cash	6,937,445		33,062,555	15:50 050:51:312
940221	Check		6,800,000	39,862,555	14:39 049:52:312
940313	Interest		71,349	39,933,904	04:00 000:00:312
940323	Transfer	2,007,500		37,926,404	12:36 049:52:312
940324	Cash		3,700,000	41,626,404	11:23 049:52:312
940325	Cash		4,000,000	45,626,404	09:38 051:58:312
940326	Cash		1,500,000	47,126,404	10:02 049:52:312
940326	Transfer		796,870	47,923,274	10:07 050:51:312
940527	Current account		81,829,000	129,752,274	16:25 013:52:312
940612	Interest		393,030	130,145,304	04:00 000:00:312
940616	Cash	800,000		129,345,304	09:50 046:57:312
940616	Cash	4,913,400		124,431,904	16:53 050:51:312
940617	Cash		3,273,560	127,705,464	17:08 050:51:312
940617	Correction		-3,273,560	124,431,904	20:23 013:37:312
940617	Cash	3,273,560		121,158,344	20:32 050:37:312
940618	Cash	800,000		120,358,344	10:54 049:36:312
940618	Cash	4,500,000		115,858,344	10:55 049:36:312
940618	Cash	8,000,000		107,858,344	11:10 050:37:312
940725	Cash	2,500,000		105,358,344	12:21 041:30:312
940801	Transfer	17,850,000		87,508,344	13:31 020:02:312
940801	Correction	-17,850,000		105,358,344	13:36 005:02:312
940801	Cash	17,850,000		87,508,344	13:36 020:02:312
940801	Cash	40,000,000		47,508,344	14:17 003:06:312
940801	Cash	11,614,475		35,893,869	14:18 060:06:312
940802	Cash	4,074,200		31,819,669	09:53 053:03:312
940802	Interest		395,917	32,215,586	09:55 006:03:312
940802	Cash	32,215,586		0	09:55 006:03:312

5/6/98  
Bando

3303	4	1998.05.06.	30	0044	Jung Ok Kim	
312	Bando	1998.05.06.	15:13			
0066350347		312	10			00000
371215-4150815		94-02-15	55			
		94-02-15	000			

-0000

Individual credit information disclosure agreement : No

\*\*\*\*

Currency exchange record \$0 Overseas wire-transfer record \$0

(Closed account status)

Account No.	Status	Date account opened	Date account closed	Remarks
312-04-380020	[5]1	2/15/94	8/2/94	
No. of closed account 1				

## EXH. 95

## 나는 보수 다

제작·판매내역

월 일	상 호	수량	단가	금액	비고
94. 8.23	선경인더스트리	2,000	5,500	11,000,000	
8.24	경남기업	120	5,500	660,000	
8.24	대우증권	200	5,500	1,100,000	
8.24	오리온전기	160	5,500	880,000	
8.24	대우전자	240	5,500	1,320,000	
8.24	(주)대우	400	5,500	2,200,000	
8.30	대우통신(주)	120	5,500	660,000	
8.30	금성일렉트론(주)	400	5,500	2,200,000	
8.30	럭키개발(주)	400	5,500	2,200,000	
8.30	금성계전(주)	400	5,500	2,200,000	
8.30	금성기전(주)	400	5,500	2,200,000	
8.30	금성산전(주)	400	5,500	2,200,000	
8.30	학원서적	200	5,500	660,000	60%
9. 1	한국증권업협회	100	5,500	330,000	60%
9. 1	삼성전자	2,000	5,500	11,000,000	
9. 5	안진영	200	5,500	660,000	60%
9. 8	선경문고	2,330	5,500	7,689,000	60%
9. 8	대우자동차	240	5,500	1,320,000	
9. 9	대우중공업	240	5,500	1,320,000	
9.26	선경문고	2,500	5,500	8,250,000	60%
10.18	대우중공업	280	5,500	1,540,000	
11.21	선경문고	100	5,500	330,000	60%
11.26	선경문고	1,600	5,500	5,280,000	60%
12.12	선경문고	1,810	5,500	5,973,000	60%
12.29	선경문고	180	5,500	594,000	60%
	총계	17,020		73,766,000	

나는 보수다

제작·판매내역

제 작 : 94. 8. 1	견 본 : 3,000	출판기념회 행사비
	7,000	초청장인쇄 : 600,000
9. 5	10,000	연회 행사비 : 10,894,100
	총 : 17,000부	세 액 : 1,149,410
	견 본 : 3,000부	₩ 12,643,510

950619111  
 950619111  
 950619111

SHIPMENT AIRWAYBILL  
 PARCEL COPY

ORIGIN: SEL  
 DESTINATION: DCA

NO. OF PIECES: 1  
 WEIGHT: 23.600  
 DIMENSIONS (IN. L x W x H): 10 x 10 x 10

SHIPMENT/CHARGED WEIGHT  
 CODES: 0000  
 SPECIAL SERVICES: None

SHIPMENT DETAILS  
 NO. OF PACKAGES AND SERVICE CHARGES ARE INDICATED IN ALL COLUMNS

Services:  DOCUMENT  DOX  TRANSPORT CHARGES  INSURANCE CHARGES  SPECIAL CHARGES

PACKAGING:  WOODEN CRATE  PALLET  CASE  BOX  BAG  OTHER

OTHER SERVICE:  AIRMAIL  REGISTERED MAIL  REGISTERED MAIL WITH RECEIPT  REGISTERED MAIL WITH RETURN RECEIPT

Full description of contents: 10 X 10 X 10

DECLARED VALUE: \$23.60  
 INTERNATIONAL WORLDWIDE PACKAGE EXPRESS SHIPMENTS ONLY  
 Shipper's VAT/GST no. \_\_\_\_\_ Receiver's VAT/GST no. \_\_\_\_\_

TYPE OF REPORT:  PERMANENT  TEMPORARY

DISPATCH/DATA:  TELETYPE  TELEFAX  FAX  OTHER

SHIPMENT NO.: 950619111  
 DATE: 04-16-98

SHIPMENT FROM: SONG, CHUN  
 652 S. YONGSAM-DONG,  
 SEUL, KOREA

SHIPMENT TO: COMMITTEE ON CLARENCE OF  
 OFFICE OF COMMODITY U.S. HOUSE OF  
 REPRESENTATIVES, SARTIS HILL, U.S.  
 CAPITOL, WASHINGTON, D.C. 20545  
 U.S.A. (ATTN: DAVID H. LAUTERBACH)

SHIPPER'S SIGNATURE: [Signature]  
 DATE: 04-16-98

RECEIVER'S SIGNATURE: [Signature]  
 DATE: 04-16-98

[Page 1]

**I'M A CONSERVATIVE**  
**Manufacture, Sales Statement**

Manufacture:	8/1/94	Sample	3,000	Costs of Publication Commemorative Event	
			7,000	Printing of the Invitations:	600,000
	9/5		10,000	Banquet Costs:	10,894,100
			Total:	Tax:	1,149,410
			Sample 3,000 copies:	₩12,643,510	

[Dates in the first column of this table are illegible. Please see original.]

Sales Statement					
Date	Purchaser	Number of Copies	Date	Purchaser	Number of Copies
	Sunkyong Industries	2,000	9/8	Sunkyong Books	2,330
	Kyongnam Corp.	120	9/8	Daewoo Electronics	240
	Daewoo Securities	200	9/9	Daewoo Heavy Industries	240
	Orion Electric	180	9/28	Sunkyong Books	2,500
8/24	Daewoo Electronics	240	10/18	Daewoo Heavy Industries	280
8/24	Daewoo	400	11/21	Sunkyong Books	1600
8/30	Daewoo Communications	120	11/28	Sunkyong Books	1600
8/30	Goldstar Electrical	400	12/12	Sunkyong Books	1,810
	Lucky Development	400	12/28	Sunkyong Books	1,800
	Goldstar Instrument & Electric	400			
	Goldstar Electric Machinery	400	Total:	17,020	
	Goldstar Industrial Systems	400			
	Hakwon Sojok	200			
	Korean Securities Association	100	Kim Kum-wan	12,000,000	
	Samsung Electronics	2,000	Kim Chang-jun	20,000,000	
	An Chin-yong	200			

[Page 2]

FM A CONSERVATIVE  
Sales Statement

Date	Company Name	Quantity	Unit Price	Amount
8/23	Sunhyong Industries	2,000	5,500	11,000,000
8/24	Kyongnam Corp.	120	5,500	660,000
8/24	Daewoo Securities	200	5,500	1,100,000
8/24	Orion Electric	160	5,500	880,000
8/24	Daewoo Electronics	240	5,500	1,320,000
8/24	Daewoo	400	5,500	2,200,000
8/30	Daewoo Communications	120	5,500	660,000
8/30	Goldstar Electron	400	5,500	2,200,000
8/30	Lucky Development	400	5,500	2,200,000
8/30	Goldstar Instrument & Electric	400	5,500	2,200,000
8/30	Goldstar Electric Machinery	400	5,500	2,200,000
8/30	Goldstar Industrial Systems	400	5,500	2,200,000
8/30	Hakwon Sojak	200	5,500	880,000
8/30	Korea Securities Association	100	5,500	330,000
8/1	Samsung Electronics	2,000	5,500	11,000,000
8/5	An Chin-yong	200	5,500	660,000
8/6	Sunhyong Books	2,330	5,500	7,889,000
8/6	Daewoo Motor Co.	240	5,500	1,320,000
8/6	Daewoo Heavy Industries	240	5,500	1,320,000
8/26	Sunhyong Books	2,500	5,500	8,250,000
10/18	Daewoo Heavy Industries	280	5,500	1,540,000

[Page 3]

11/21	Sunkyoung Books	100	5,500	330,000
11/28	Sunkyoung Books	1,600	5,500	5,280,000
12/1/72	Sunkyoung Books	1,810	5,500	5,973,000
12/28	Sunkyoung Books	180	5,500	594,000
	Total	17,020		73,766,000

DIRECT INQUIRIES TO: **[REDACTED]** CALIFORNIA KOREA BANK PAGE 1  
 18699 E. COLIMA ROAD ROWLAND HEIGHTS, CA 91748 ROWLAND HEIGHTS

**EXH. 96**

(818) 965-1010

AUGUST 15, 1994

ACCOUNT NUMBER  
 540 010-900034

JAY CHANGJOON KIM  
 JUNE O KIM  
 2219 RUSTY PUMP DR  
 DIAMOND BAR CA 91765

HOME EQUITY LINE STATEMENT

CREDIT LIMIT	AVAILABLE CREDIT	PRIOR STATEMENT DATE	NEW STATEMENT DATE
75000.00	74699.25	07/15/94	08/15/94

DATE	TRANSACTION/DESCRIPTION	AMOUNT	ENDING BALANCE
07/15	PREVIOUS BALANCE		75069.97
08/02	PAYMENT	22126.00	
08/04	FINANCE CHARGE ADJUSTMENT-DECREASE	21.28	
08/04	PAYMENT	52943.97	
08/15	FINANCE CHARGE FROM 07/18/94 TO 08/16/94	300.75	

SUMMARY OF ACTIVITY THIS PERIOD

PREVIOUS BAL	TOTAL PAYMENTS	CHECKS & OTHER DEBITS	LATE CHG	FINANCE CHARGE	NEW BALANCE
75069.97	75069.97	0.00	0.00	300.75	300.75
07/15 DAILY PERIODIC RATE =		.02471% ANNUAL PERCENTAGE RATE =		9.750%	

CURRENT DUE 300.75    PAST DUE AMT 0.00    MINIMUM PAY DUE 300.75

PAYMENT DUE BY 08/29/94. IF YOUR PAYMENT IS NOT RECEIVED BY 09/02/94 A LATE CHARGE OF \$15.05 WILL BE ASSESSED.

THE PERIODIC RATE AND ANNUAL PERCENTAGE RATE ARE SUBJECT TO CHANGE.

KSU 02085

570

EXH. 97

**BONG U. YOO**  
Certified Public Accountant

■ HEAD OFFICE  
3807 Wilshire Blvd., Suite 1020  
Los Angeles, California 90010  
Tel: (213) 736-5674  
Fax: (213) 736-5642

■ BRANCH OFFICE  
1729 Fullerton Rd., Suite 8  
Rowland Heights, California 91748  
(818) 912-4325, 5621

U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
WASHINGTON, DC 20515-6328  
Attn: Mr. David H. Laufman, Counsel

MAY 8, 1998

COMMITTEE ON STANDARDS OF

98 MAY 11 AM 11:50

RECEIVED

Re: Representative Jay Kim

Dear Mr. Laufman:

At your request per the subpoena on May 7, 1998, enclosed are all the documents I possess in my file for the preparation of Mr. & Mrs. Jay Kim's income tax returns for the years from 1994 through 1997.

If you have any questions regarding this matter, please call me at (213)736-5674.

Very truly yours,

  
Bong U. Yoo

Department of the Treasury - Internal Revenue Service  
**Amended U.S. Individual Income Tax Return**  
OMB No. 1545-0047

1040X  
(Rev. October 1994)

This return is for calendar year **1994**, OR fiscal year ended **19**

**PLEASE PRINT OR TYPE**

Your first name and (initial) **JAY C. KIM** Last name **KIM** Your social security number **[REDACTED]**

If a joint return, spouse's first name and (initial) Last name **KIM** Spouse's social security number **[REDACTED]**

**JUNE KIM** Apt. no. **[REDACTED]** Telephone number (optional) **[REDACTED]**

Name address (number and street, if you have a P.O. box, see instructions) City, town or post office, state, and ZIP code, if you have a foreign address, see instructions. For Preparation, Reconciliation and Filing status, see page 1 of separate instructions.

Enter name and address as shown on original return. If name is above, write "Same." If changing from separate to joint return, enter names and addresses from original returns.

**Same**

A. Service center where original return was filed **Fresno, CA 93888** Has original return been changed or audited by the IRS?  Yes  No  
If "No," have you been notified that it will be?  Yes  No  
If "Yes," identify the IRS office **[REDACTED]**

C. If you are amending your return to include any item (loss, credit, deduction, other tax benefit, or income) relating to a tax shelter required to be registered, attach Form 8271, Investor Reporting of Tax Shelter Registration Number and check here

D. Filing status claimed. Note: You cannot change from joint to separate returns after the due date has passed

On original return  Single  Married filing joint return  Married filing separate return  Head of household  Qualifying widow(er)

On this return  Single  Married filing joint return  Married filing separate return  Head of household  Qualifying widow(er)

Income and Deductions (see instructions)				
USE PART II ON PAGE 2 TO EXPLAIN ANY CHANGES				
		A. As originally reported or as previously adjusted (see instructions)	B. Net change—Increase or (Decrease) (explain on page 2)	C. Correct Amount
1	Adjusted gross income (see instructions)	292,282	3,411	295,693
2	Itemized deductions or standard deduction	76,519	-171	76,348
3	Subtract line 2 from line 1	215,763	3,582	219,345
4	Exemptions. If changing, fill in Parts I and II on page 2			
5	Taxable income. Subtract line 4 from line 3	215,763	3,582	219,345
6	Tax (see instr.) Method used in col. C <b>Tax Rate Schedule</b>	62,979	1,290	64,269
7	Credits (see instructions)			
8	Subtract line 7 from line 6. Enter the result, but not less than zero	62,979	1,290	64,269
9	Other taxes (such as self-employment tax, alternative minimum tax, etc.)	3,543	519	4,062
10	Total tax. Add lines 8 and 9	66,522	1,809	68,331
11	Federal income tax withheld and excess social security, Medicare, and RRTA taxes withheld. If changing, see instructions	31,078		31,078
12	Estimated tax payments			
13	Earned income credit			
14	Credits for Federal tax paid on fuels, regulated investment company, etc.			
15	Amount paid with Form 4868, Form 2965, or Form 2250 (application for extension of time to file)			26,00
16	Amount of tax paid with original return plus additional tax paid after it was filed			9,44
17	Total payments. Add lines 11 through 16 in column C			66,52
Refund or Amount You Owe				
18	Overpayment, if any, as shown on original return or as previously adjusted by the IRS			
19	Subtract line 18 from line 17 (see instructions)			66,52
20	AMOUNT YOU OWE. If line 10, column C, is more than line 19, enter the difference and see instructions			1,80
21	If line 10, column C, is less than line 19, enter the difference			
22	Amount of line 21 you want REFUNDED TO YOU			
23	Amount of line 21 you want APPLIED TO YOUR 1994 ESTIMATED TAX			

Sign Here: Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief, the amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Preparer's signature: **BONG U YOO, CPA** Date: **[REDACTED]** Spouse's signature, if a joint return, BOTH must sign. Date: **[REDACTED]**

Paid Preparer's Use Only: Preparer's social security number: **230-02-5486** Firm's name (or your name if self-employed): **3807 Wilshire Blvd., #1020** E. I. No. **90010** ZIP code **90010**

**SCHEDULE C (Form 1040) Profit or Loss From Business (Sole Proprietorship)**

OMB No. 1545-0045  
 1994 Attachment Sequence No. 09

Department of the Treasury Internal Revenue Service (7) Attach to Form 1040 or Form 1041. See instructions for Schedule C (Form 1040).

Partnerships, joint ventures, etc., must file Form 1065.

Name of proprietor: **JAY C. KIM**

Racial/ethnic ancestry code box (2304):

A Principal business or profession, including product or service (see page C-1): **AUTOBIOGRAPHY & ROYALTY**

B Enter principal business code (from page C-4): **7880**

C Business name, if no separate business name, leave blank.

D Employer ID number (EIN), if any:

E Business address (including suite or room no.), city, town or post office, state, and ZIP code:

F Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) \_\_\_\_\_

G Method(s) used to value closing inventory: (1)  Cost (2)  Lower of cost or market (3)  Other (attach explanation) (4)  Does not apply (if checked, skip line H)

H Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation:

I Did you "materially participate" in the operation of this business during 1994? If "No," see page C-2 for limit on losses:  Yes  No

J If you started or acquired this business during 1994, check here:

**Part I Income**

1	Gross receipts or sales. Caution: If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-2 and check here.	1	146,000
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	146,000
4	Cost of goods sold (from line 40 on page 2)	4	
5	Gross profit. Subtract line 4 from line 3	5	146,000
6	Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-2)	6	
7	Gross income. Add lines 5 and 6	7	146,000

**Part II Expenses** Enter expenses for business use of your home only on line 30.

8	Advertising	8		19	Pension and profit-sharing plans	19	
9	Bad debts from sales or services (see page C-3)	9		20	Rent or lease (see page C-4):	20	
10	Car and truck expenses (see page C-3)	10		a	Vehicles, machinery & equipment	20a	
11	Commissions and fees	11		b	Other business property	20b	
12	Depletion	12		21	Repairs and maintenance	21	
13	Depreciation and section 179 expense deduction (not included in Part II) (see page C-2)	13		22	Supplies (not included in Part II)	22	
14	Employee benefit programs (other than on line 19)	14		23	Taxes and licenses	23	
15	Insurance (other than health)	15		24	Travel, meals, and entertainment	24	
16	Interest:			a	Travel	24a	13,700
16a	Mortgage (paid to banks, etc.)	16a		b	Meals and entertainment		
16b	Other	16b		c	Enter 50% of line 24b subject to limitations (see page C-4)		
17	Legal and professional services	17		d	Subtract line 24c from line 24b	24d	
18	Office expense	18		25	Utilities	25	
28	Total expenses before expenses for business use of home. Add lines 8 through 27 in columns	28	13,700	26	Wages (less employment credits)	26	
29	Tentative profit (loss). Subtract line 28 from line 7	29	132,290	27	Other expenses (from line 40 on page 2)	27	
30	Expenses for business use of your home. Attach Form 8829	30					
31	Net profit or (loss). Subtract line 30 from line 29.	31	132,290				

32a  All investment is at risk.  
 32b  Some investment is not at risk.

For Paperwork Reduction Act Notices, see Form 1040 Instructions. Schedule C (Form 1040) 1994.

EXH. 98

*Image International*

October 27, 1994

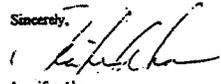
Attn: Congressman Jay Kim

Enclosed is the first payment from the proceeds of your autobiography. The payment of \$5,000 had been estimated from the net profit earned during September and October.

Please be advised that we are in the process of completing more sales of the autobiography and will direct payments to you accordingly and promptly.

Thank you.

Sincerely,



Jennifer Ahn

Main Office:  
9900 Main Street  
Suite 301  
Fairfax, VA 22031  
(703) 359-1001  
(703) 359-1004 Fax

Office in Korea  
Koryo Bldg.  
93-7, Bampo 4 Dong,  
Seochu-Ku, Seoul  
(82) 534-5418  
(82) 534-6318 Fax

AHN 1693

REPRODUCTION OF THIS DOCUMENT IS PROHIBITED

11A

IMAGE INTERNATIONAL 1003  
 P.O. BOX 1003  
 6800 WARD ST., STE. 201  
 FARMING, VA. 22021

DATE 10/27 94

PAY TO THE ORDER OF Mr. Jay Kim \$5,000.00

Five Thousand and 00/100 DOLLARS

FOR *Photography*

*[Signature]*

⑆001003⑆ ⑆056007904205000005299E⑆

RESISTANCE TEST: For quality of original document being filmed.

AHN 1682

NANCY L. JOHNSON, CONNECTICUT  
CHAIRMAN

JIM BURNING, KENTUCKY  
PORTER J. GOSS, FLORIDA  
DAVID L. HORSBACH, OHIO  
STEVEN SCHIFF, NEW MEXICO  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL

EXH. 99

U.

ites

JIM MACDONALD, WASHINGTON  
RANKING DEMOCRATIC MEMBER

BENJAMIN L. CARDIN, MARYLAND  
NANCY PELLOS, CALIFORNIA  
ROBERT A. ROSEN, PENNSYLVANIA  
THOMAS C. SAWYER, OHIO

SUITE HY-2, THE CAPITOL  
(202) 225-7103

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6325

## MEMORANDUM FOR MEMBERS OF THE COMMITTEE

From: Ellen Weintraub *EW*  
Subject: Congressman Kim's Book Project  
Date: May 4, 1995

In the course of giving advice on another topic to Congressman Kim's staff, I became aware that the Congressman had entered into what appeared to be an unusual arrangement with a Korean publisher. He subsequently submitted a formal request for the Committee's advice. This memo summarizes the information he has provided in correspondence and conversations with the Member, his wife, and his AA, Matt Reynolds. The Congressman's two letters to the Committee, his contract with the publisher, and three memos from Matt Reynolds are appended to this memo, in that order.

**Facts.** During a conversation on an unrelated topic, Congressman Kim's AA asked whether it was OK for Mr. Kim to receive book royalties. I said yes, as long as they were from an established publisher, pursuant to usual and customary contractual terms. He did not know the details of the arrangement, but said that Mrs. Kim would know and asked if I would meet with her.

I met with Mrs. Kim on February 14 in Mr. Kim's office. She was also somewhat vague on the details, but indicated that Mr. Kim had written a book in Korean about his life. She said that the book had been published last year, was very popular, and that approximately \$25,000 in royalties had been received in 1994. She also said that she had been his agent in the negotiations, that his rights were assigned to her, and that she rather than he had actually received the royalty payments. She believed the royalty rate to have been about 50%. She further explained that the payments had come from a marketing agent, rather than from the publisher, and suggested that any irregularities in the arrangement should be attributed to Korean business practices and the difficulty of getting payments in U.S. currency out of Korea. She also alluded to a potential U.S. publishing contract.

I told Mrs. Kim that I could not advise her based on that conversation because the arrangement she described differed from any book contract I had previously reviewed for a Member. I explained that to be exempt from the outside earned income limit of \$20,040, the payments would have had to have been from an established publisher, pursuant to usual and customary contractual terms, and that in my experience, the usual and customary terms involved

royalties of 10-15%. I urged her to encourage her husband to seek a formal ruling from the Committee on this contract. Congressman Kim, by letter dated February 21, 1995, requested the Committee's advice. He sent a copy of the contract with the publisher a week later.

Congressman Kim's letter differs from his wife's recitation in several key details. He does not mention her role at all, but states that he has already received approximately \$120,000 in royalties. (Per Matt Reynolds, this figure includes a \$25,000 up front fee from the publisher plus the royalties received from the marketing agent). He states that the publisher generally prints textbooks for schools and "lacks adequate commercial marketing capability." (A later memo from Matt Reynolds explains that writing the book was the textbook publisher's idea at the outset. After the publisher suggested the idea to Mr. Kim, "the Congressman contacted other Korean commercial publishers who were better equipped to handle the marketing aspects (i.e. the Korean equivalent of 'Random House' or 'Knopf'). However, they were not interested citing low sales expectations as their reason.") Hence Mr. Kim agreed to let the textbook publisher publish the book and entered into a separate agreement with the marketing firm, although he states his royalties come "from the publisher through the marketing agent." Finally, he states that prior to publishing his book, he "contacted the Committee informally through [his] staff" and reviewed the guidelines in the *House Ethics Manual*. We have no record of such a contact.

The publishing contract contains the following terms:

- ▶ The author (Jay Kim) agrees to use a certain ghost writer, who is not to be credited anywhere in the book.
- ▶ The subject matter of the book is to be Jay Kim's biography, including his "life as an immigrant, businessman, and a politician" and his "experiences as a minority congressman."
- ▶ As "compensation for [the] manuscript . . . [t]he Publisher agrees to pay the Author the sum of Twenty Five Thousand Dollars (\$25,000.00) in Korean currency in Korea." The payment is to be in one lump sum to Mrs. Kim.
- ▶ "The Publisher shall have the exclusive right of publishing the book and it shall be sold only through the Publisher."
- ▶ The publisher has the sole right to publish and license translations. The author is not entitled to any royalties from such translations.
- ▶ The author has the exclusive right to sell the book outside Korea, but must buy copies of the book from the publisher for this purpose at \$10.00 per book.
- ▶ The author agrees not to make any claim against the publisher for profits realized by the publisher from marketing and/or sale of the published book in Korea.

- ▶ The contract shall be construed according to the laws of the Commonwealth of Virginia.

After consulting with Ted, I asked for a copy of the contract with the marketing agent and asked at what rate his royalties from the marketer were determined. For several weeks, Matt told me that the contract was being secured from Korea and would have to be translated. On March 17, we received a second letter from the congressman, stating that, in accordance with "standard business practice" in "the Oriental culture," there had never been a written contract. He described the key features of the unwritten agreement among the publisher, the marketer, and him, as follows (some of these terms appear to conflict with the terms in the written contract between the publisher and Mr. Kim):

- ▶ The publisher has exclusive rights to sell to bookstores. (Matt Reynolds confirmed that Mr. Kim receives no royalties from these sales.)
- ▶ The marketing firm, acting as a wholesaler, sells the book to institutions, organizations, and associations. (Matt has elaborated that these were bulk sales to groups such as churches, colleges and universities, alumni of Mr. Kim's school, and Korean businesses and trade associations. With the exception of one book-signing reception, none of the sales were associated with any appearances or speeches by the congressman.)
- ▶ Of the sales by the marketer, the publisher takes 50% of the proceeds, the marketer receives 10%, and Mr. Kim receives a 40% royalty. (According to Matt, the royalty comes directly from the marketer. Mr. Kim has received no payment from the publisher other than the \$25,000 up front fee.)
- ▶ The book was written in Korean for the Korean market. The congressman brought back a few to give as gifts to Korean friends and family in the U.S. A "very few" were sold to his campaign committee which gave them as gifts.

**Law and precedent.** Federal law and House rules limit the amount of outside income a Member can earn in a calendar year to 15% of the Executive Level II salary, or \$20,040 in 1993-95.<sup>1</sup> Exempt from this limit are "copyright royalties received from established publishers pursuant to usual and customary contractual terms."<sup>2</sup> In addition, the honoraria ban prohibits any payment for a speech, appearance, or article.<sup>3</sup> The Committee has defined the term "article" as "a writing that has been or is intended to be published, for which a payment, if made, would

---

<sup>1</sup> 5 U.S.C. app. 7, § 501(a); Rule 47(1)(a)(1)(A).

<sup>2</sup> Rule 47(3)(e)(5).

<sup>3</sup> 5 U.S.C. app. 7, § 501(b); Rule 47(1)(a)(1)(B).

be other than a royalty received from an established publisher pursuant to usual and customary contractual terms."<sup>4</sup>

The Committee's chief precedent on book royalties is its Statement in the Matter of Representative James C. Wright, Jr. (April 13, 1989). At that time, honoraria were limited in amount, but not totally banned, and the only reference to royalties was in the following definition of outside earned income (then capped at 30% of the Member's salary) in House Rule 47: "The term 'outside earned income' means . . . wages, salaries, professional fees, honorariums, [sic] and other amounts (other than copyright royalties) received or to be received as compensation for personal services actually rendered . . . ." The language "received from established publishers pursuant to usual and customary contractual terms" was added after the Wright case.

The Special Outside Counsel in the Wright case concluded that the payments at issue were not true royalties, relying on three factors. First, the purported publisher did not perform any of the usual duties of a publisher, such as securing the copyright, marketing the book to wholesalers or bookstores, or even printing the books. Instead, the Member and his staff performed many of the ordinary duties of a publisher, and the book was sent out to a printing center for printing and assembling as the nominal publisher did not have the capacity to print the book. Second, the purported royalty agreement (drafted with terms supplied by the Member to a Fort Worth real estate attorney he hired for the purpose) included provision for 55% royalties, a term described by the Outside Counsel as follows:

Such "royalty" payments are unheard of in the publishing industry. In fact, Wright's previous royalty contracts with three major publishers provided for standard industry royalties ranging from 10 percent to 15 percent, depending upon sales. Morton Janklow, an expert on the publishing industry, testified that no rational publisher would agree to a 55 percent royalty on list price because it could not make a profit.<sup>5</sup>

Third, the Outside Counsel concluded that both the gift rule and the honoraria limits had been violated in that payments were received for books that were never delivered and books were purchased in lieu of paying a customary fee for a speech or appearance. It was this last factor upon which the Committee relied in finding reason to believe that the royalty arrangement was a subterfuge for evading the outside earned income limit (Count One of the Statement of Alleged Violations).

---

<sup>4</sup> HOUSE ETHICS MANUAL, 102d Cong., 2d Sess. 93 (1992).

<sup>5</sup> REPORT OF THE SPECIAL OUTSIDE COUNSEL IN THE MATTER OF SPEAKER JAMES C. WRIGHT, JR., 101st Cong., 1st Sess. 8 (Feb. 21, 1989).

It should be noted that, in Mr. Kim's case, the publisher appears to have performed at least some of the duties that a U.S. publisher would typically perform, and there is no indication that book sales were connected to speeches or appearances by the congressman.

Questions for the Committee. The following questions are presented:

1. Is Congressman Kim's Korean publisher an "established publisher" within the meaning of federal law and House Rule 47?
2. Is a payment from a marketing agent effectively the same as a payment from an established publisher?
3. Are the terms in the written contract and the unwritten side agreement, including the royalty rate, "usual and customary contractual terms?" Does the Committee consider the customs of other countries in making this determination?
4. If the answer to any of these questions is no, then the Committee needs to decide whether Congressman Kim's royalties are limited to \$20,040, or are banned entirely as honoraria. In either event, what does the Committee advise with respect to the royalties already received in excess of the limit, and how should the congressman disclose these payments on his upcoming Financial Disclosure Statement for 1994?

## MEMORANDUM

EXH. 100

**TO:** Ellen Weintraub  
Counsel  
Committee on Standards of Official Conduct

**FROM:** Matt Reynolds *mw*  
Office of Rep. Jay Kim

**DATE:** 3/21/95

**RE:** Further Information on Book Purchases

---

In reference to your request for further information about what kinds of associations and organizations to which the book-broker sold I'm Conservative, here's what the Congressman told me:

- Churches. (Please note that Korea is predominately Christian--and is the only East Asian country that is so. The congregations tend to be far larger than in the United States--some are in the tens of thousands!)
- Colleges and Universities. (Sold to faculty & students.)
- Select Government Agencies (those with an interest in U.S. politics & Congress. I'm assuming that means the Foreign Ministry, the National Assembly [their Congress], etc.).
- Alumni of Rep. Kim's school.
- Korean businesses and banks (Sold to members of trade associations and to employees of banks and businesses--large and small).

The marketing agent/book-broker is responsible for selling the book to these customers. The Congressman has not been involved in the process and does not know all of the groups the marketer has contacted. With the exception of a book-signing reception, the sales are not associated with any appearances, speeches, etc. of the Congressman. (Furthermore, as all of these organizations are throughout Korea and as the Congressman has spent very little time in Korea and has only been in Seoul [the capital city in the northern part of South Korea], it is not possible for such linkage to occur.) As he noted in his February 21st letter, some 20-40,000 volumes have been sold.

I also have a copy of the book if you would like it. As you know, it is in Korean.

If you need more clarification or have additional questions, please let Congressman Kim or me know. Thank you.

**JAY KIM**  
 4167 DISTRICT, CALIFORNIA  
 REPUBLICAN WHIP  
 SOPHOMORE CLASS  
 COMMITTEE ON  
 INTERNATIONAL RELATIONS  
 SUBCOMMITTEE  
 ASIA AND THE PACIFIC  
 COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE  
 SUBCOMMITTEE  
 AVIATION  
 AIRCRAFT  
 SURFACE TRANSPORTATION

EXH. 101

**Congress of the United States**  
**House of Representatives**

335 Cannon Building  
 Washington, DC 20515-6041  
 202-725-3201  
 1121 West 9th Street  
 Suite 1100A  
 Oxnard, CA 91322  
 805-499-1888  
 18200 Yorba Linda Blvd.  
 Suite 200A  
 Yorba Linda, CA 92688  
 714-872-8874

## MEMORANDUM

**TO:** Ellen Weintraub  
 Counsel  
 Committee on Standards of Official Conduct

**FROM:** Matt Reynolds *MR*

**DATE:** 3/31/95

**RE:** Further Information on Korean Book Sales

RECEIVED  
 95 MAR 31 PM 3:01  
 COMMITTEE ON STANDARDS

In response to your additional questions about the "bulk" sale of Congressman Kim's book in Korea, Mr. Kim checked with the marketers and received the following answers. (As I mentioned to you, he was not directly involved in the marketing of the book so he is personally unaware of many of the sales details.)

- Government Agencies:** No sales were made to government agencies. In their initial discussions about potential sales, Mr. Kim and his marketing representative included government agencies as possible customers. Therefore, Mr. Kim assumed such sales had eventually occurred and this assumption was subsequently relayed to you in my March 21 memo. However, upon checking with the marketing agent, Mr. Kim found out that such sales never materialized.
- Businesses/Trade Associations:** Apparently, many Korean companies purchased "blocks" of books which were then distributed as gifts and resource materials to employees. In the case of associations, they were distributed to members of the associations.
- Alumni:** As with the businesses, a select number of class "leaders" purchased "blocks" of books which were then given away to other alumni and school associates of the Congressman. Please note that the recipients are mostly high school classmates interested in reading about the exciting career of their "buddy". All of Mr. Kim's post-secondary education was in California.

I hope this information is helpful. If you have any further questions, please let me know.

JAY KIM  
4107 DISTRICT, CALIFORNIA  
REPUBLICAN LEADER  
COMMITTEE ON TRANSPORTATION  
AND INFRASTRUCTURE  
SUBCOMMITTEE  
ON AIRCRAFT  
SAFETY  
AND TRANSPORTATION  
COMMITTEE ON  
INTERNATIONAL RELATIONS

EXH. 102

Congress of the United States  
House of Representatives

400 Cannon B  
Washington, DC 20541  
202-225-3501  
1121 West 6th Street  
Suite 1000  
Chicago, IL 60608  
312-555-1000  
1000 Yonkers Lane, Suite  
Suite 1000  
Beverly Hills, CA 90210  
310-878-8074

RECEIVED  
95 AUG 30 PM 4:47  
COMMITTEE ON STANDARDS

September 8, 1995

The Honorable Nancy Johnson  
Chairman  
Committee on Standards of Official Conduct  
HT-2, The Capitol  
Washington, D.C. 20515

Dear Chairman Johnson:

Following up on my August 4 letter, I wanted to propose to the Committee my plan for returning the excess \$112,258 in outside earned income from the publishing of my book, *I'm Conservative*, in Korea in 1994. For the record, I still believe that my book sales have been treated differently from those of other colleagues and I am concerned that I am required to reimburse a significant sum of money made through the sale of my book while others are not.

As I believe the fairest way to fulfill the Committee's direction is to reimburse those who actually purchased my life story, I have been working hard to identify to the fullest extent possible those who bought the book in Korea. I propose that I refund the book buyers through series of five reimbursements of approximately \$22,000 annually (with the final reimbursement totalling \$24,258). These would be minimum levels of reimbursements per year. I would hope to be able to rebate more than \$22,000 each year to the various book buyers. If the book buyers cannot be tracked down, then I would consider donating any of the remaining funds to charity.

In an effort to ensure that there are no questions regarding the verification of these actions, I plan to provide the Committee with full documentation of these proposed reimbursements. I hope this reimbursement plan is acceptable to the Committee. Should you have any questions or any recommended modifications to this plan, please let me know as soon as possible.

Sincerely,

  
JAY KIM  
Member of Congress

NANCY L. JOHNSON, Connecticut  
CHAIRMAN  
JIM BLUMENTHAL, Maryland  
PORTER J. GOSSE, Florida  
DAVID L. HENDERSON, Ohio  
STEVEN SCHIFF, New Mexico  
THEODORE J. VAN GRIP MEED  
CHIEF COUNSEL

EXH. 103

JIM McDERMOTT, Washington  
RANKING DEMOCRATIC MEMBER  
BENJAMIN L. CARDIN, Maryland  
NANCY PELOSI, California  
ROBERT A. SCHEER, Pennsylvania  
THOMAS C. SAWYER, Ohio  
SUITE HY-2, THE CAPITOL  
DND 228-7102

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6326

September 20, 1995

The Honorable Jay Kim  
U.S. House of Representatives  
435 Cannon House Office Building  
Washington, D.C. 20515

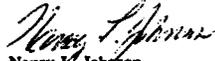
Dear Colleague:

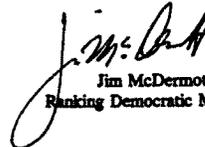
We are in receipt of your letter of September 8, 1995, in which you submitted a proposal for returning the excess \$112,258 in outside earned income from the publishing and sale of your book, *I'm Conservative*, in Korea in 1994. The proposal calls for you to refund the money through a series of five annual reimbursements of at least of \$22,000 (with the final reimbursement totalling \$24,258).

The Committee considered the proposal at its last meeting and has serious reservations regarding your proposal to return the excess income over a five year period. The Committee believes this matter should be resolved in this term of Congress, making final reimbursement due no later than September 30, 1996.

Accordingly, we request that by no later than September 25, 1995, you furnish the Committee with either a proposal for refunding the amount in question by September 30, 1996, or information demonstrating that such a schedule would impose a personal hardship. If you have any questions regarding this matter, please contact the Committee as soon as possible.

Sincerely,

  
Nancy L. Johnson  
Chairman

  
Jim McDermott  
Ranking Democratic Member

NLI/JM:CJW

**JAY KIM**  
 4787 CENTURY, CALIFORNIA  
 REPRESENTATIVE  
 REPUBLICAN CLASSE  
 COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE  
 SUBCOMMITTEE  
 AVIATION  
 AIRPORTS  
 AIRSPACE TRANSPORTATION  
 COMMITTEE ON  
 INTERNATIONAL RELATIONS

EXH. 104

450 Cannon Building  
 Washington, DC 20515-4841  
 202-225-2891  
 1121 West 8th Street  
 Suite 100A  
 Oceanside, CA 92054  
 959-433-4282  
 10288 Yorba Linda Blvd.  
 Suite 200A  
 Yorba Linda, CA 92086  
 714-672-6274

**Congress of the United States**  
**House of Representatives**

September 21, 1995

The Honorable Nancy Johnson  
 Chairman  
 Committee on Standards of Official Conduct  
 HT-2, The Capitol  
 Washington, D.C. 20515

Dear Chairman Johnson:

I have received the Committee's September 20 letter regarding the excess \$112,258 in outside earned income from the publishing and sale of my book, *I'm Conservative*, in Korea in 1994.

First, refunding the amount in question by September 30, 1996 would impose a genuine personal hardship.

Second, after further review of the Committee's May 15, 1995 letter advising me of its ruling on the income I received and a discussion I had today with two of the Committee's counsels, I believe the Committee has misunderstood the nature of my publishing agreement. I now feel compelled to dispute its initial findings. I believe that these earnings could be exempted in accordance with House Rule 47, clause 3(e)(5).

Therefore, I respectfully request the opportunity to personally appear before the Committee to discuss both issues: the financial burden of the Committee's proposal and the underlying decision itself.

I hope that this letter and request to testify will satisfy—on an interim basis only—the Committee's request for a reply by September 25, 1995. I look forward to your positive reply and the chance to explain my position to the Committee.

Sincerely,

  
 JAY KIM  
 Member of Congress

JK:mr

JAMES V. HANSEN, UTM  
CHAIRMAN

**EXH. 105**

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
SUITE HT-2, THE CAPITOL  
DIB 228-7182

**U.S. HOUSE OF REPRESENTATIVES**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

February 27, 1997

Honorable Jay Kim  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Colleague:

We are in receipt of your letter of January 24, 1997 requesting a modification to the agreement reached with the Committee in October 1995 regarding the return of outside earned income from the publication of your book, *I'm Conservative*. You specifically request that you be allowed to refund money to the actual purchasers of your book which you have been able to identify in lieu of donating the money to qualified charities or the U.S. Treasury as previously agreed. You further request that the repayment schedule be extended into 1998. You explain that you intended to use money received from the sale of property held by you to refund the money but that the sale has not yet taken place.

As to your first request, the Committee believes that it appropriate for you to pay the money to qualified charities or the U.S. Treasury. While you have been able to identify some purchasers of the book it is unlikely that all can be identified and, therefore, compensated. Selectively refunding money to those identified might, in itself, raise additional questions of favoritism or other such allegations. The Committee has long been troubled by the sale of books written by Members to bulk purchasers. In the present case, returning the money to those who can be identified does not eliminate the Committee's concern and, therefore, still instructs you to direct your payments to qualified charities or the U.S. Treasury.

As to your second request, the Committee notes that no payments have been made by you even though according to our previous agreement payments were due in December 1995, and October 1996. You made no effort to inform the Committee that payments had not been made according to schedule. Nonetheless, the Committee desires to work with you to ensure that the situation is dealt with fairly and in a timely fashion. We accept by this letter your offer to repay \$37,500 no later than April 15, 1997 and \$37,500 by no later than December 31, 1997. We further agree to extend the repayment schedule into 1998, but direct that the last payment of \$37,258 be made by June 30, 1998.

Honorable Jay Kim  
February 27, 1997  
Page Two

When making repayment, please notify the Committee and provide a copy of the documentation reflecting the donation to the charity or the U.S. Treasury along with any correspondence provided with the donation.

Sincerely,



James V. Hansen  
Chairman



Howard L. Berman  
Howard L. Berman  
Ranking Democratic Member

**REPORT OF RECEIPTS AND DISBURSEMENTS**

**EXH. 106**

USE FEC MAILING LABEL OR PRINT

For An Authorized Committee  
(Summary Page)

1. NAME OF COMMITTEE (NAME) <b>Jay Kim For Congress</b>		2. FEC IDENTIFICATION NUMBER <b>C00260133</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported <b>1126 W. Foot Hill Blvd., Suite 165</b>		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CITY, STATE and ZIP CODE <b>Upland, CA 91786</b>	STATE/DISTRICT <b>CA - 41st</b>	

**4. TYPE OF REPORT**

April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-election Year Only)  
 Termination Report

12-Day Pre-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 30-Day Post-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_

This report contains activity for  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

5. Covering Period <b>07/01/96</b> through <b>09/30/96</b>	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	79,584.55	225,558.66
(b) Total Contribution Refunds (from Line 20(d))	1,105.00	1,105.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	78,479.55	224,453.66
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	35,311.10	181,243.51
(b) Total Offsets to Operating Expenditures (from Line 14)	0.00	0.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	35,311.10	181,243.51
8. Cash on Hand at Close of Reporting Period (from Line 27)	33,902.95	
9. Debts and Obligations Owed TO the Committee (Reimburse all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Reimburse all on Schedule C and/or Schedule D)	283,163.25	

I certify that I have prepared this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer:  
**In Young Brazil - Asst. Treasurer**

Signature of Treasurer: \_\_\_\_\_ Date: **10/09/96**

NOTE: Submission of false or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

**FEC FORM 3**  
(revised 4/87)

96030902438 SCHEDULE C Page: 9 of 10  
 Line: 13a

000012551

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

LINE	DESCRIPTION	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
A	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	1,500.00	0.00	1,500.00

Election: Primary  
 Terms: Date Incurred: 05/15/95 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 3

1  
 All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$ 1,500.00

2  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$

3  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$

LINE	DESCRIPTION	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
B	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	5,000.00	0.00	5,000.00

Election: Primary  
 Terms: Date Incurred: 01/22/96 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item 3

1  
 All Loan Proceeds are from the Candidate's Personal Funds  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$ 5,000.00

2  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$

3  
 EMPLOYER: NONE  
 OCCUPATION: NONE  
 AMOUNT GUARANTEED OUTSTANDING: \$

SUBTOTALS This Period This Page (optional) 6,500.00  
 TOTALS This Period (last page in this life only)

96030902439		LOANS		Page: 10 of 10
SCHEDULE C				Line: 13a
0000212581				
NAME OF COMMITTEE JAY KIM FOR CONGRESS				
A.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORG. AMOUNT OF LOAN 5,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 5,000.00
Election: Primary				
Terms: Date Incurred: 01/30/96 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item A				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: 5,000.00		
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING:		
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING:		
B.	Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	ORG. AMOUNT OF LOAN 2,000.00	CUM. PAYMENT TO DATE 0.00	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD 2,000.00
Election: GENERAL				
Terms: Date Incurred: 05/02/96 Date Due: None Interest Rate: None Secured: Yes				
List All Endorsers or Guarantors (if any) to Item B				
1.	All Loan Proceeds are from the Candidate's Personal Funds	EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING: 2,000.00		
2.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING:		
3.		EMPLOYER OCCUPATION AMOUNT GUARANTEED OUTSTANDING:		
SUBTOTALS This Period This Page (optional)				7,000.00
TOTALS This Period (last page in this list only)				214,000.00

9703179352

**REPORT OF RECEIPTS AND DISBURSEMENTS**

For An Authorized Committee  
(Summary Page)

**EXH. 107**

USE FEC MAILING LABEL  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Jay Kim for Congress</b>		2. FEC IDENTIFICATION NUMBER <b>C00260133</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>1126 W. Foothill Blvd., Suite 165</b>		
CITY, STATE and ZIP CODE <b>Upland, CA 91786</b>	STATE/DISTRICT <b>CA-41st</b>	3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

FEB 5 12 13 PM '97

**4. TYPE OF REPORT**

April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-election Year Only)  
 Termination Report

Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
 election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_

This report contains activity for  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
<u>11/26/96</u> through <u>12/31/96</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	3,020.00	341,444.45
(b) Total Contribution Refunds (from Line 20(d))	220.00	1,575.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	2,800.00	339,869.45
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	14,918.74	292,772.90
(b) Total Offsets to Operating Expenditures (from Line 14)	3,513.49	7,467.43
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	11,405.25	285,305.47
8. Cash on Hand at Close of Reporting Period (from Line 27)	28,787.58	
9. Debts and Obligations Owed TO the Committee (Netize all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Netize all on Schedule C and/or Schedule D)	234,095.90	

For further information contact:  
Federal Election Commission  
980 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-219-3420

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer <b>InYoung Brazil - Asst. Treasurer</b>	Date
Signature of Treasurer <i>InYoung Brazil</i>	<b>01/24/97</b>

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

--	--	--	--	--	--	--	--	--	--

**FEC FORM 3**  
(revised 4/87)



97032282083

**REPORT OF RECEIPTS AND DISBURSEMENTS**  
For An Authorized Committee  
(Summary Page)

**EXH. 108**

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>Jay Kim for Congress</b>		2. FEC IDENTIFICATION NUMBER <b>C00260133</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>1126 W. Foothill Blvd., Suite 165</b>		
CITY, STATE and ZIP CODE <b>Upland, CA 91786</b>	STATE/DISTRICT <b>CA/41st</b>	

AUG 13 2 00 PM '97

**4. TYPE OF REPORT**

April 15 Quarterly Report  Twelfth day report preceding \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_

July 15 Quarterly Report  Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_

October 15 Quarterly Report

January 31 Year End Report

July 31 Mid-Year Report (Non-election Year Only)  Termination Report

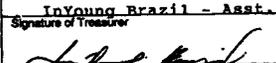
This report contains activity for  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
01/01/97 through 06/30/97		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	38,065.56	38,065.56
(b) Total Contribution Refunds (from Line 20(d))	20.00	20.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	38,045.56	38,045.56
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	46,483.49	46,483.49
(b) Total Offsets to Operating Expenditures (from Line 14)	75.00	75.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	46,408.49	46,408.49
8. Cash on Hand at Close of Reporting Period (from Line 27)	14,424.65	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	230,484.74	

For further information contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-219-3420

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer <b>InYoung Brazil - Asst. Treasurer</b>	Date <b>07/28/97</b>
Signature of Treasurer 	

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

--	--	--	--	--	--	--	--	--	--

**FEC FORM 3**  
(revised 4/87)

9703228211

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page: 1 of 1

0000212581

Line: 19a

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE  
JAY KIM FOR CONGRESS

NAME OF COMMITTEE	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
A. Congressman Jay C. Kim 2219 Rusty Pump Dr. Diamond Bar, CA 91765	Loan Repayment	05/28/97	5,000.00
Disb. for:			
B.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
C.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
D.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
E.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
F.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
G.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
H.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
I.	PURPOSE OF DISBURSEMENT	DATE	AMOUNT
Disb. for:			
SUBTOTAL of Disbursements This Page (optional)			5,000.00
TOTAL This Period (last page this line number only)			5,000.00

EXH. 109

012071

**CASHIER'S CHECK**  
ROWLAND HEIGHTS OFFICE  
18390 E. Collins RD.  
Rowland Heights, CA 91748

MATCH THE AMOUNT IN WORDS WITH THE AMOUNT IN NUMBERS

**PAY ONLY** TEN THOUSAND DOLLARS AND 00 CENTS

THE AMOUNT IN NUMBERS MUST MATCH THE AMOUNT IN WORDS THE AMOUNT IN WORDS MUST MATCH THE AMOUNT IN NUMBERS

TO 1997 IN TEN THOUSAND DOLLARS AND 00 CENTS

THE AMOUNT IN NUMBERS MUST MATCH THE AMOUNT IN WORDS THE AMOUNT IN WORDS MUST MATCH THE AMOUNT IN NUMBERS

PAY TO THE ORDER OF **TREASURER OF THE UNITED STATES**

PURCHASER:  
J. C. KIM

TWO SIGNATURES REQUIRED IF OVER \$20,000.00

**CASHIER'S CHECK**  
CASHIER'S CHECK

VOID OVER \$10,000.00

AUTHORIZED SIGNATURE

⑆012071⑆ ⑆122234482⑆010 100100⑆

**JAY KIM**  
DISTRICT, CALIFORNIA  
**OFFICE ON TRANSPORTATION  
AND INFRASTRUCTURE**  
SUBCOMMITTEE:  
**PUBLIC BUILDINGS AND  
HOUSING DEVELOPMENT**  
CHAIRMAN  
**WATER RESOURCES**  
COMMITTEE ON  
INTERNATIONAL RELATIONS  
**CALIFORNIA TRANSPORTATION TASK FORCE**  
CHAIRMAN

**EXH. 110**

**Congress of the United States**  
**House of Representatives**

227 Cannon Building  
Washington, DC 20515-6501  
202-225-6501  
1121 West 8th Street  
Suite 1028  
Oakland, CA 94612  
888-966-1028  
12288 Yorba Linda Blvd.  
Suite 2028  
Yorba Linda, CA 92686  
714-972-8274  
INTERNET:  
World Wide Web  
<http://www.house.gov/jkim>

June 3, 1997

The Honorable James V. Hansen  
Chairman  
Committee on Standards of Official Conduct  
HT-2, The Capitol  
Washington, D.C. 20515

RECEIVED  
97 JUN -3 PM 3:41  
COMMITTEE ON STANDARDS

Dear Mr. Chairman:

Please find enclosed a cashier's check for the amount of \$10,000 payable to the Treasurer of the United States. This payment is made as part of my efforts to return the excess outside income earned in connection with my book, *I'm Conservative*.

Please be assured that I continue with my earnest efforts to raise the remaining funds for reimbursement and will continue to make every effort to follow the repayment schedule and address any shortfalls as expeditiously as possible. You should be aware that the office complex I own remains on the market despite an aggressive sales effort. Unfortunately, California's real estate market continues to be weak—a condition beyond my control. I am hopeful that the property will sell soon as that development would have a very positive impact on my reimbursement efforts.

Thank you for your patience and consideration of my situation. Should you have any questions, please do not hesitate to let me know.

Sincerely,  


JAY KIM  
Member of Congress

Enclosure: Cashier's check

Goto Page # [ ] Next Page Last Page NEW SEARCH

**7 - REPORT OF RECEIPTS AND DISBURSEMENTS**  
For An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION  
COMMISSION MAIL ROOM

1. NAME OF COMMITTEE (in full)  
**Jay Kim for Congress**

ADDRESS (number and street)  Check if different than previously reported.  
**1126 W. Foothill Blvd., Suite 165**

CITY, STATE and ZIP CODE **Upland, CA 91786** STATE/ZIP/CTR **CA/41st**

2. IDENTIFICATION NUMBER TR '98  
**DD0260133**

3. IS THIS REPORT AN AMENDMENT?  
 YES  NO

4. TYPE OF REPORT  
 April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-election Year Only)  
 Termination Report  
 Twelve-day report preceding election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Thirtieth day report following the General Election on \_\_\_\_\_ in the State of \_\_\_\_\_

This report contains activity for:  Primary Election  General Election  Special Election  Runoff Election

**SUMMARY**

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <b>07/01/97</b> through <b>12/31/97</b>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	60,286.50	98,352.06
(b) Total Contributions Refunds (from Line 11(b))	0.00	20.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	60,286.50	98,332.06
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	43,262.04	89,745.53
(b) Total Offsets to Operating Expenditures (from Line 18)	0.00	75.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	43,262.04	89,670.53
8. Cash on Hand at Close of Reporting Period (from Line 27)	34,378.57	
9. Debts and Obligations Owed TO the Committee (debit on Schedule C and/or Schedule D)	0.00	
10. Debts and Obligations Owed BY the Committee (debit on Schedule C and/or Schedule D)	231,689.07	

For further information contact Federal Election Commission 1101 E Street, NW Washington, DC 20543 Toll Free 800-426-9800 Local 202-512-3422

I certify that I have authorized this Report and to the best of my knowledge and belief it is true, correct and complete.

Type of Print Name of Treasurer  
**Gregory T. Annigian**

Signature of Treasurer  
*Gregory T. Annigian*

Date  
**01/28/98**

NOTE: Submission of false, inaccurate, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 6457g.

**FEC FORM 3**  
(revised 4/97)

Goto Page # [ ] Next Page Last Page NEW SEARCH



JAY KIM  
 41ST DISTRICT, CALIFORNIA  
 COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE  
 SUBCOMMITTEE:  
 PUBLIC BUILDINGS AND  
 ECONOMIC DEVELOPMENT  
 CHAIRMAN  
 WATER RESOURCES  
 COMMITTEE ON  
 INTERNATIONAL RELATIONS  
 CALIFORNIA TRANSPORTATION TASK FORCE  
 CHAIRMAN

EXH. 112

Congress of the United States  
 House of Representatives

227 CANNON BUILDING  
 WASHINGTON, DC 20515-2641  
 202-225-2291  
 1121 WEST 8TH STREET  
 SUITE 100A  
 OAKLAND, CA 94612  
 508-268-1888  
 18200 YORBA LINDA BLVD.  
 SUITE 202A  
 YORBA LINDA, CA 92688  
 714-872-8874  
 INTERNET:  
 World Wide Web  
<http://www.house.gov/jkim/tesol.htm>

September 16, 1997

The Honorable James V. Hansen  
 Chairman  
 Committee on Standards of Official Conduct  
 HT-2, The Capitol  
 Washington, D.C. 20515

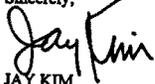
Dear Mr. Chairman:

I apologize for my tardiness in following up on our previous discussion regarding my efforts to return the excess outside income earned in connection with my book, *I'm Conservative*. As you know, many events have transpired since our last meeting and I now believe that I am in a better position to make future financial plans. Thus, I would like to propose the following revised payment schedule:

\$ 5,000	Due no later than December 31, 1997
\$40,000	Due no later than June 30, 1997
\$67,258	Due no later than December 1, 1998

Having made this proposal, I would like to point out that the final decisions regarding any penalties and fines associated with my plea in US District Court have yet to be made by the presiding judge. I expect this judgement on or about October 23, 1997. Though I believe that I will be able to keep this payment schedule, I may need to make further modifications based on the court's actions. Should you have any questions or concerns about this matter, I welcome the opportunity to meet with you personally. Thank you for your patience and consideration of my situation.

Sincerely,

  
 JAY KIM  
 Member of Congress

JAMES V. HANSEN, Utah  
CHAIRMAN

**EXH. 113**

HOWARD L. BERMAN, California  
RANKING DEMOCRATIC MEMBER  
SUITE 117-2, THE CAPITOL  
DND 225-7163

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6326

October 22, 1997

Honorable Jay Kim  
227 Cannon Building  
Washington, D.C. 20515

Dear Colleague:

We are in receipt of your September 16, 1997 letter in which you propose a new repayment schedule in connection with income previously received from the publication of your book, *I'm Conservative*.

Under the terms of your first agreement with the Committee, you were to make three payments of approximately \$37,500 each due no later than December 31, 1995, October 1, 1996, and October 1, 1997.

On February 27, 1997, the Committee accepted your offer to repay \$37,500 no later than April 15, 1997 and \$37,500 by no later than December 31, 1997 and further agreed to extend the repayment schedule into 1998 with the last payment due by June 30, 1998.

The Committee notes that to date you have paid \$10,000 to the U.S. Treasury.

You now propose to pay \$5,000 by December 31, 1997, \$40,000 by June 30, 1997, and \$67,258 by December 1, 1998. Additionally, you note that fines associated with your pending plea in U.S. District Court have yet to be decided. The Committee is also aware that you have financial obligations as a result of the Department of Justice inquiry, although we are unaware of the amount.

The Committee also understands that your sentencing which was originally scheduled for October 23, 1997, has now been delayed until January, 1998.

The Committee believes it has been more than generous in extending the terms of the repayment schedule. Given that you have repaid only \$10,000 thus far, and your inability to meet previous repayment obligations, the Committee cannot accept your repayment schedule as offered in your September 16, 1997 letter.

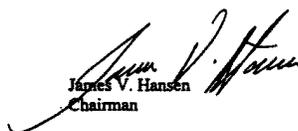
The Committee requests that you repay \$40,000 by December 31, 1997, with the remainder due (\$67,258) by June 30, 1998. Failure to meet this repayment schedule will

600

Honorable Jay Kim  
October 22, 1997  
Page Two

be considered by the Committee as it deliberates on other pending business pertaining to your guilty plea in U.S. District Court.

Sincerely,

  
James V. Hansen  
Chairman

  
Howard L. Berman  
Ranking Democratic Member

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HUBLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KROLL, MICHIGAN

EXH. 114

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
DIANA PATTON, PENNSYLVANIA  
JOE LOFOREN, CALIFORNIA  
SUITE HY-3, THE CAPITOL  
DND 225-7103

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6326

January 7, 1998

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

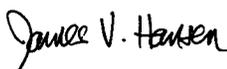
Dear Representative Kim:

By this letter, the Committee acknowledges your December 31, 1997, payment of \$20,000 in connection with your obligation to remit excess outside earned income from the publication of your book, *I'm Conservative*.

Based on your letter accompanying the payment, the Committee understands that you expect to make another payment of \$20,000 by January 31, 1998, toward satisfaction of the \$40,000 that was due on December 31, 1997. The Committee also understands that it is your "goal" to repay the remainder of \$62,258 by June 30, 1998, as required by the Committee in its letter to you dated October 22, 1997.

In its letter of October 22, 1997, the Committee advised you that failure to meet the repayment schedule specified in that letter "will be considered by the Committee as it deliberates on other pending business pertaining to your guilty pleas in U.S. District Court." Since then, the Committee has established an investigative subcommittee to examine, among other things, the subject matter of your guilty pleas and the book repayment issue.

The Committee wishes to make it clear that your failure to remit the entire \$40,000 due on December 31, 1997, constituted yet another default of your obligation and prior agreement to remit the amount of \$112,258 under the terms established by the Committee. The Committee also notes that the issue of your failure to comply with agreements to return excess outside earned income from the book's publication remains before the investigative subcommittee. Therefore, the Committee strongly urges you to make payment in full consistent with the terms of the Committee's letter of October 22, 1997.



James V. Hansen  
Chairman

Sincerely,



Howard L. Berman  
Ranking Democratic Member

EXH. 115

**JAY KIM**  
 41ST DISTRICT, CALIFORNIA

---

COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE

---

SUBCOMMITTEE:  
 PUBLIC BUILDINGS AND  
 ECONOMIC DEVELOPMENT  
 CHAIRMAN

---

WATER RESOURCES

---

COMMITTEE ON  
 INTERNATIONAL RELATIONS

---

CALIFORNIA TRANSPORTATION TASK FORCE  
 CHAIRMAN

**Congress of the United States**  
**House of Representatives**

227 CANNON BUILDING  
 WASHINGTON, DC 20515-2641  
 202-225-2291

---

1121 WEST 8TH STREET  
 SUITE 185A  
 ONTARIO, CA 91762  
 908-868-1066

---

18200 YORBA LINDA BLVD.  
 SUITE 205A  
 YORBA LINDA, CA 92388  
 714-872-8874

---

INTERNET:  
 World Wide Web  
<http://www.house.gov/kin/welcome.htm>

January 23, 1998

Honorable James V. Hansen, Chairman  
 Honorable Howard L. Berman, Ranking Democratic Member  
 Committee on Standards of Official Conduct  
 HT-2 Capitol  
 Washington, D.C. 20515

RECEIVED  
 98 JAN 23 PM 3: 24  
 COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Dear Messrs. Hansen and Berman:

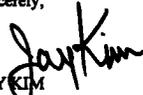
Please find attached to this letter a cashier's cheque for \$20,000 made payable to the United States Treasury to be put toward the repayment resulting from the publication of my book, *I'm Conservative*.

As explained in my letter of December 31, 1997, due to severe financial constraints, I was able to provide only \$20,000 of the requested \$40,000 at that time. I pledged to provide the outstanding \$20,000 by January 31, 1998. As mentioned above, that payment is attached.

Throughout this process I have tried very hard to fully meet the Committee's schedule. Though I had to make the \$40,000 payment in two installments, I hope the Committee will appreciate the fact that I'm trying my best to meet my obligations. As I also noted in my previous correspondence, I remain committed to reimbursing to the U.S. Treasury the remaining \$62,258 by June 30, 1998.

Thank you for your understanding of this situation and your patience.

Sincerely,

  
 JAY KIM  
 Member of Congress

**OFFICIAL CHECK**

**FIRST UNION** COMMERCIAL BANK OF VIRGINIA

Pay To The Order Of U.S. TREASURY \$ 20,000.00

**\*TWENTY THOUSAND DOLLARS AND 00 CENTS** Dollars

**335982000**

01/23 19 98

**JAY KIM**  
 For *Jay Kim*  
 Authorized Signature

First Union National Bank of Virginia  
 Issued by Integrated Payment Systems Inc. Englewood, CO  
 Deposits and Payments Made at Denver, CO

**⑆10200018⑆ 480318 335982000⑈**

THE BANKABLE BANK HAS A LONG HISTORY OF SERVICE TO THE COMMUNITY AND IS COMMITTED TO THE FUTURE OF THE BANKING INDUSTRY.

Goto Page # [ ] Next Page [ ] Last Page [ ]  
TO REPORTS INDEX NEW SEARCH NEW ADVANCED SEARCH

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION  
COMMISSION

APR 13 10 23 AM '98

USE THIS SPACE FOR LABELS  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full)  
**Jay Kim for Congress**  
ADDRESS (number and street)  Check if different than previously reported  
**1128 W. Foothill Blvd., Suite 165**  
CITY, STATE AND ZIP CODE **Opland, CA 91796** STATE/DISTRICT **CA/41st**

2. FEC IDENTIFICATION NUMBER  
**00260133**

3. IS THIS REPORT AN AMENDMENT?  
 YES  NO

4. TYPE OF REPORT

April 15 Quarterly Report  
 July 15 Quarterly Report  
 October 15 Quarterly Report  
 January 31 Year End Report  
 July 31 Mid-Year Report (Non-election Year Only)  
 15-Day Pre-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 30-Day Post-Election Report for the \_\_\_\_\_ (Type of Election) election on \_\_\_\_\_ in the State of \_\_\_\_\_  
 Termination Report  
This report certifies authority for  Primary Election  General Election  Special Election  Recall Election

SUMMARY

6. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
01/01/98 - 03/31/98		
7. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	43,150.00	43,150.00
(b) Total Contribution Refunds (from Line 8(b))	10,000.00	10,000.00
(c) Net Contributions (other than loans) (subtract Line 8(b) from 7(a))	33,150.00	33,150.00
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	40,950.47	40,950.47
(b) Total Offsets to Operating Expenditures (from Line 14)	0.00	0.00
(c) Net Operating Expenditures (subtract Line 14(b) from 7(a))	40,950.47	40,950.47
8. Cash on Hand at Close of Reporting Period (from Line 8)	76,617.86	
9. Gifts and Obligations Owed TO the Committee (amounts set on Schedule C and/or Schedule D)	0.00	
10. Gifts and Obligations Owed BY the Committee (amounts set on Schedule C and/or Schedule D)	281,995.24	

For further information contact:  
Federal Election Commission  
888 E Street, NW  
Washington, DC 20543  
Tel: (202) 453-3200  
TDD: (202) 453-3400

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer  
**Gregory T. Anigian**

Signature of Treasurer *Gregory T. Anigian* Date **04/13/98**

NOTE: Submission of false, fraudulent, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §607.

APR-15-1998 13:14 FROM TO 912022257392 P.20  
 0000212561 Page: 8 of 8  
 Line: 13a

---

NAME OF COMMITTEE  
 JAY KIM FOR CONGRESS

A.	CONGRESSMAN JAY C. KIM 2219 RUSTY PUMP DR. DIAMOND BAR, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		3,000.00	0.00	3,000.00

Election: Primary  
 Terms: Date Incurred: 09/08/97 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item A

1.	EMPLOYER OCCUPATION All Loan Proceeds are from the Candidate's Personal Funds	AMOUNT GUARANTEED OUTSTANDING: \$ 3,000.00
2.	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$

---

B.	CONGRESSMAN JAY C. KIM 2219 RUSTY PUMP DR. DIAMOND BAR, CA 91765	ORIG. AMOUNT OF LOAN	CUM. PAYMENT TO DATE	BALANCE OUTSTANDING AT CLOSE OF THIS PERIOD
		50,000.00	0.00	50,000.00

Election: Primary  
 Terms: Date Incurred: 03/31/98 Date Due: None Interest Rate: None Secured: Yes  
 List All Endorsers or Guarantors (if any) to Item B

1.	EMPLOYER OCCUPATION All Loan Proceeds are from the Candidate's Personal Funds	AMOUNT GUARANTEED OUTSTANDING: \$ 50,000.00
2.	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$
3.	EMPLOYER OCCUPATION	AMOUNT GUARANTEED OUTSTANDING: \$

---

SUBTOTALS This Period This Page (optional) 53,000.00  
 TOTALS This Period (last page in this line only) 231,000.00

EXH. 117

*J. C. Kim*  
**CONGRESSIONAL FEDERAL CREDIT UNION**  
 P.O. Box 20267 Washington, DC 20016-0267  
 U.S. House of Representatives

**Cashier's Check** NO. 702595

PAY TO THE ORDER OF  
 COMMITTEE TO REELECT JAY KIM

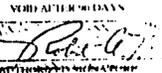
FOR DEPOSIT ONLY  
 RE: JAY C KIM

CK # 702595 TELLER: COR  
 30MAR98

13 2131  
 1980

**\$50000.00**

VOID AFTER 90 DAYS



⑆702595⑆ ⑆254074345⑆

70

*J. C. Kim*

PAY TO THE ORDER OF  
 CITIZENS BUSINESS BANK  
 FOR DEPOSIT ONLY  
 JAY KIM FOR CONGRESS  
 234-143846

PAY TO THE ORDER OF  
 CITIZENS BUSINESS BANK  
 FOR DEPOSIT ONLY  
 JAY KIM FOR CONGRESS  
 234-143846

**JAY KIM**  
 4181 DISTRICT, CALIFORNIA

COMMITTEE ON TRANSPORTATION  
 AND INFRASTRUCTURE

SUBCOMMITTEE:  
 PUBLIC BUILDINGS AND  
 ECONOMIC DEVELOPMENT  
 CHAIRMAN

WATER RESOURCES

COMMITTEE ON  
 INTERNATIONAL RELATIONS

CALIFORNIA TRANSPORTATION TASK FORCE  
 CHAIRMAN

**EXH. 118**

97 JUL 11 11 11 AM '97  
 COMMITTEE ON STANDARDS  
 OF OFFICIAL CONDUCT

**Congress of the United States**  
**House of Representatives**

227 CANNON BUILDING  
 WASHINGTON, DC 20515-0641  
 202-225-3201

1131 WEST 8TH STREET  
 SUITE 180A  
 OAKLAND, CA 94612  
 908-288-1055

18200 YONKA LINDA BLVD.  
 SUITE 203A  
 YONKA LINDA, CA 92786  
 714-572-2574

INTERNET:  
 World Wide Web  
<http://www.house.gov/jkim/welcome.html>

July 11, 1997

The Honorable James V. Hansen  
 Chairman  
 Committee on Standards of Official Conduct  
 Washington, D.C. 20515

Dear Mr. Chairman:

This written inquiry is to follow up on a verbal inquiry my staff made with the Committee staff regarding the applicability of Rule 52 (or any other House rule or governing statute) in the following situation.

As you know, my wife and I have been the subject of an investigation by the United States Attorney for the Central District of California for alleged campaign finance law violations. As a result of this action, we have personally incurred significant legal expenses. As a Member of Congress, I understand that I am very limited by Rule 52 and numerous other laws and regulations as to what outside financial support I can receive to help with my legal expenses.

However, since my wife and I have completely separate legal counsel and are being treated as separate cases by the U.S. Attorney, I want to reconfirm the verbal advice that I received my wife can accept outside financial support to help her with her individual legal expenses. Unlike me, she could, conceivably, accept unlimited financial support from a wide variety of sources including: family, friends, foreign nationals and corporations, both foreign and American. These resources would be used only to pay for her individual legal expenses (since her counsel is separate from mine). None of these resources would be used for any of my expenses. I understand that other laws, such as income reporting requirements, may apply. However, my request of the Committee is to verify that her acceptance of such resources for her own legal expense purposes would not violate any rules, laws or standards under the jurisdiction of the Committee.

Due to the nature of this inquiry, I would very much appreciate your keeping it confidential and would greatly appreciate your written reply as soon as possible. Thank you for your timely consideration of my inquiry. Should you have any questions, please do not hesitate to let me know.

Sincerely,  
  
 JAY KIM  
 Member of Congress

JAMES V. HANSEN, UTAH  
CHAIRMAN

**EXH. 119**

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
SUITE HT-2, THE CAPITOL  
(202) 225-7103

**U.S. HOUSE OF REPRESENTATIVES**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

July 28, 1997

The Honorable Jay Kim  
U.S. House of Representatives  
227 Cannon House Office Building  
Washington, D.C. 20515

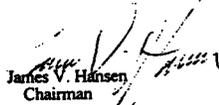
Dear Colleague:

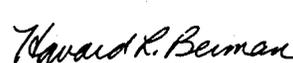
This responds to your letter of July 11, 1997, requesting confirmation that your wife's acceptance of financial support from various sources including family, friends, foreign nationals and corporations (foreign and American) to pay legal expenses, would not violate any rules, laws or standards that fall under the jurisdiction of this Committee. You explain that you and your wife are currently under investigation by the United States Attorney for the Central District of California for alleged campaign finance law violations. You and your wife have separate legal counsel and the cases are being treated as separate matters by the United States Attorney's office. Finally, you explain that any funds that your wife acquires would be used exclusively for her legal expenses and none of those funds would be used to pay for your legal expenses.

House Rule 51 (the gift rule) prohibits Members, officers, and employees of the House from accepting any gifts, except as specifically provided in the rule. The gift rule further provides that a gift to a family member of a Member, officer or employee based on the family member's relationship with the Member, officer or employee is considered a gift to the Member, officer or employee, "if it is given with the knowledge and acquiescence of the Member, officer or employee and the Member, officer or employee has reason to believe the gift was given because of the official position of the Member, officer or employee." Accordingly, this Committee has consistently found that a family member's acceptance of gifts independent of the family member's relationship to a Member, officer or employee do not constitute a gift to such Member, officer or employee and are not subject to the gift rule.

Based on the foregoing, your wife's acceptance of the financial support exclusively to pay for her individual legal expenses, as you describe, would not violate the rules or standards under the jurisdiction of this Committee, provided such support is received or acquired independent of her relationship to you as a Member of the House. If you have any further questions, please contact the Committee's Office of Advice and Education at extension 5-3787.

Sincerely,

  
James V. Hansen  
Chairman

  
Howard L. Berman  
Ranking Democratic Member

JVH/HLB:cjw





EXH. 121

이영입금서는 1년연이자율수취자가 언제든지 은행출금, 입금, 금리, 저축금기 등을 이용하며 모든 수수료를 부담합니다.  무통장(무중서)입금중  타행입금의뢰확인중 **한진·해외송금 전문은행**

진 치 내 역	취급처 20 330 971223 김정숙	입금일자 10:57	은행 312-04-486041	계좌번호 971223	수수로 ₩1,200	N O 4
입금내역	대정금액 ₩ 100,000,000	환입금액	자기입금액 ₩0	입란입금리 금액	잔액 ₩0	잔액출처번호 1223-030-0-0015

<b>조흥은행</b> 노화유 (보) 지정		입금액 : ₩100,000,000
입 금 서 신 간 서	타행입금시	₩. <input type="checkbox"/> 은행
	계좌번호	12-4-416-41
	입금금액	₩100,000,000
	받는사람	김정숙
	주인(사주자)	010-25-311443
	통장번호	이영
	연락처(휴)	119-Pad1
CMS구분	기관코드	입금일자
입금인번호		

위의 내용과 같이 입금되었습니다.  
다만, 타행 계좌 입금은 본인의 타행입금의뢰 약관에 따라 처리됩니다.  
감사합니다.

조흥은행콜센터서비스안내  
(대우, 순교, 조흥, 시그니프, 상우, 각종 연이율과 영수처음)  
●이동전화번호  
- 서울 02) 3700-4114  
- 부산 051) 816-5114  
- 대구 053) 353-5114  
- 광주 062) 514-5114  
- 대전 042) 226-5114





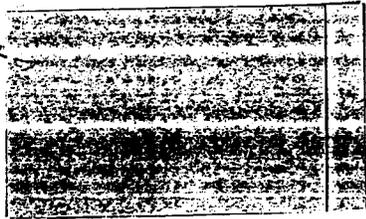
예금 (간 대출거래명세) 조흥은행

(“-” 표시는 대출잔액임)

년월일	과목	지출금액	예입금액	잔액	거래종류
97-10-06	잔금		395,410	₩19,093,423	잔금
97-10-18	감사합니다. 손님의 97년 4/4분기 대출가능향도 (기준대출금 포함)는 5천만원이며, 저의 은행 소정위 심사결과를 거쳐 대출해도됩니다				
97-11-01	현금	5,000,000		₩14,093,423	반도
97-11-01	현금		140,150	₩14,233,571	반도
97-12-02	현금	6,500,000		₩7,733,571	반도
97-12-02	현금		170,000	₩7,903,571	반도
97-12-14	이자			₩8,015,103	반도
97-12-15	김경옥님의 생신음 축하합니다				
97-12-23	현금입금		100,000,000	₩108,015,103	도화증
98-01-05	현금	9,000,000		₩99,015,103	반도
1997년도	연간지급이자		₩606,726		
소득세	₩72,780	주민세	₩7,260	농특세	₩0
98-01-05	현금		75,596	₩99,090,701	반도
98-01-08	현금	2,000,000		₩97,090,701	반도

“100년지킴이대출”

자유인출 가능금입니다. 목회자에게만 한도에 제한되며, 당해 신용도는 이용합니다. 저의 보증이책의 용에 따라 최고 보증금인 2억원, 개인신입자 2억원, 연간 50만원까지 저의 은행 대출금(12%에 비하여 10%이하)이 대출금에 한우선 수 있습니다.



[Page 1]

Deposit (Also Credit Transaction Statement)

("—" indicates (illegible))

CHO HUNG BANK

Date	Summary	Payment Amount	Deposit Amount	Balance	Name of Branch Conducting Transaction
Savings Deposit		Account Number: 312-04-486041		Kim Chong-ok	
10/08/97	Cash		395,410	W19,093,423	Pando
10/18/97	Thank you. Your available credit for the fourth quarter of 1997 (including existing loans) is 50 million won.				
*****	Our bank offers loans through an established review process.				
11/01/97	Cash	5,000,000		W14,093,423	Pando
11/01/97	Cash		140,158	W14,233,581	Pando
12/02/97	Cash	6,500,000		W7,733,581	Pando
12/02/97	Cash		170,000	W7,903,581	Pando
12/14/97	Interest			W8,015,103	Pando
12/15/97	Happy Birthday, Kim Chong-ok!				
12/23/97	Cash	Lee Young Jak	100,000,000	W108,015,103	Tonghwa-dong
01/05/98	Cash	9,000,000		W99,015,103	Pando
Annual Interest Paid for 1997:		W606,726			
Income Tax: W72,780		Resident Tax: W7,260		[illegible, possibly: Special W0 Agricultural Tax:]	
01/05/98	Cash		75,598	W99,090,701	Pando
01/08/98	Cash	2,000,000		W97,090,701	Pando

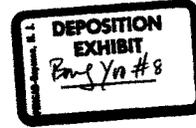
"100 Year Automatic Loan"

[This phrase can be translated several different ways, including "100 Years of Automatic Loans." The section below this header is only partially illegible. Although it is possible to pick out words here and there, I can't really form these into a coherent sentence.]

[See name and phone numbers in original English.]

EXH. 122

출판권 설정 계약서



도서명(저작물): 기회는 있다(가제)

위 저작물을 출판함에 있어서, 저작권자 김...영 을(를) 甲이라 하고 출판권자 한빛출판사 대표 임명욱 을 乙이라 하여 다음과 같이 약정하고 신의와 성실로서 이 계약을 준수할 것을 약속한다.

제1조 (출판권의 설정) 甲은 이 계약으로 乙에 대하여 위에 표시된 저작물의 출판권을 설정하고 乙은 본 저작물의 부제 및 배포에 관하여 특점적인 권리를 가진다. 단, 저작권의 2차적 사용(연극, 영화, 방송 등)에 관한 권리는 甲이 가진다.

제2조 (유효기간) 본 계약에 대한 유효기간은 초판발행일로부터 5년으로 한다. 단, 甲과 乙의 합의하에 계약 유효기간을 조정할 수 있다.

제3조 (배타적 권리) 본 계약 체결 후 甲은 본 저작물의 제호 및 내용과 동일 또는 현저히 유사한 저작물을 출판하거나 타인으로 하여금 출판하게 하여서는 아니된다.

제4조 (원고 등의 인도) ① 甲과 乙은 서로 협조하여 본 저작물의 출판을 위하여 필요하고도 완전한 원고 또는 이에 상당한 자료 (이하 "완전원고"라 한다)를 1996년 3월 15일 까지 완성하기로 한다.

② 乙은 甲으로부터 전항의 원고를 받은 날부터 2개월 이내에 출판을 하여야 한다.

제5조 (저작물의 내용에 따른 책임) 본 저작물의 내용이 남의 권리를 침해하여 乙 또는 제3자에 대하여 손해를 입었을 경우에는 甲이 그 책임을 진다.

제6조 (장정 부수 책값 등) ① 본 저작물을 출판 배포함에 있어서 제재, 장정, 제책, 책값, 발행부수, 중판(또는 중쇄)의 시기 및 선전 판매의 방법등은 乙이 결성한다.

② 甲의 주도하에 이루어진 특판의 경우 乙은 甲에게 정가의 50% 를 지불하기로 한다. 단, 이 경우 인세는 위 50% 안에 포함된 것으로 하며 乙은 책값의 50%를 선상제한 대금만 받고 甲이 요구하는 책을 甲에게 인도하기로 한

다.

제7조 (원고료) ① 乙은 甲에게 정가의 10%를 저작권 사용료로 지불하기로 한다.

② 乙은 이 계약 체결일에 선인세로 금 1500만원을 지불한다.

③ 원고의 집필에 따른 집필료는 乙이 지불하기로 한다.

④ 위 ②항과 ③항의 선인세와 집필료는 책 판매에 따른 ①항의 저작권 사용료 중에서 甲의 사전동의를 받아 공제하기로 한다.

⑤ 甲이 사용하는 위 저작권 사용료, 집필료 등에 관한 세금 등 공과금은 乙의 책임하에 乙이 집행하기로 한다.

제8조 (제비용) 원고저술 비용 가운데 甲과 乙이 고용한 집필자의 출장비용은 乙이 부담하고 甲의 비용은 甲이 부담하기로 한다.

제9조 (기타) 출판기념회 등 위 저작물의 출판과 관련된 제업무는 상호 협조하여 결정하고 수행한다.

제10조 (계약의 해제) 甲 또는 乙이 계약에 정한 사항을 위반했을 때에는 그 상대방은 상당한 기간을 정하여 그 이행을 최고한 후 계약을 해제할 수 있고, 또 손해의 배상을 청구할 수 있다.

제11조 (계약의 해석 및 보완) 이 계약에 명시되어 있지 않거나 해석상 이견이 있을 경우에는 저작권법, 민법 등을 준용하고 사회통념과 조리에 맞게 해석한다.

1995년 12월 14일

저작권자(甲)

성명: 김 영 희

주소: 2019 Rusty Pump Rd  
Diamond Bar Ca 91765

전화번호: 909 361-1188  
909 396-0225 (F)

출판권자(乙)

성명 한뜻출판사 대표 임명옥 김 박 선

주소 서울시 노원구 중계동 라이프 APT  
107동 801호

임희인

성명: 김 영 희

주소: 314 Tealwood Houson TX 77036

## EXH. 123

## PUBLICATION RIGHTS CONTRACT

Name of Book (Work): Opportunities Abound [Kihoc-nun issta, literally: There Is Opportunity] (Provisional Title)

In publishing the above-mentioned work, the copyright holder, Kim Chong-ok, referred to as "A," and the publisher, Hantut Publishing Co. [unable to determine official English name of publisher] representative Im Myong-uk, referred to as "B," agree to the following and promise to observe this contract in good faith.

Article 1 (Creation of Publication Rights) "A," by this contract, creates "B's" right to publish the work indicated above, and "B" shall have sole rights with respect to the reproduction and distribution of said work. However, "A" shall retain rights with respect to secondary use (plays, motion pictures, broadcasts, etc.) of the copyright.

Article 2 (Term of Validity) The term of validity for this contract shall be five years from the date the first edition is published. However, the term of validity of this contract may be adjusted under mutual agreement between "A" and "B."

Article 3 (Exclusive Rights) Following the conclusion of this contract, "A" may not publish, or have a third party publish, works with title or contents identical or conspicuously similar to those of this work.

Article 4 (Delivery of Manuscript) (1) "A" and "B" agree to cooperate to complete by no later than March 15, 1996 a complete manuscript or equivalent materials needed for the publication of this work (hereinafter referred to as "complete manuscript").  
(2) "B" must publish the work within two months of the date the manuscript mentioned in the previous paragraph is received from "A."

Article 5 (Liability for Contents of Work) "A" shall be liable for any damages suffered by "B" or a third party should the contents of said work infringe the rights of a third party.

Article 6 (Binding, Circulation, Pricing, Etc.) (1) In publishing and distributing said work, "B" shall determine format, cover the sign, binding, pricing, circulation, the time of any additional sales (or additional printing) and methods used for promotional sales.  
(2) In the case of special sales taking place at the initiative of "A," "B" agrees to pay 50% of the normal price to "A." In this case, however, royalties shall be considered to be included in the above-mentioned 50%, and "B" agrees to deliver to "A" books requested by the same, for payment of an amount from which 50% of the price of any books is deducted in advance.

Article 7 (Manuscript Fee) (1) "B" agrees to pay "A" 10% of the normal price [of the work] as a royalty.  
(2) "B" shall pay 15 million won as an advanced royalty on the date this contract is concluded.  
(3) "B" agrees to pay any copy fee resulting from the writing of the manuscript.

(4) The advanced royalty and copy fee mentioned in paragraphs (2) and (3) above shall, with "A's" prior consent, be deducted from the royalty based on book sales specified under paragraph (1).

(5) "B" agrees to be liable for and pay any taxes and other public imposts on the above-mentioned royalties and copy fee used by "A."

Article 8 (Miscellaneous Expenses) Of expenses associated with writing said manuscript, the travel costs of any writer hired by "A" and "B" will be paid by "B." "A" agrees to pay her own expenses.

Article 9 (Other) ["A" and "B"] shall cooperate in making and implementing any decisions concerning a commemorative publication party or any other operation associated with the publication of the above-mentioned work.

Article 10 (Rescission of Contract) Should "A" or "B" violate a provision of this contract, the other party may rescind the contract after setting a suitable period of time and notifying the other party, and may claim compensation for damages.

Article 11 (Interpretation and Augmentation of Contract) For matters not specified by this contract or for which a difference of opinion arises as to its interpretation, the provisions of the Copyright Act and Civil Code shall apply, and a resolution shall be reached based on commonly accepted ideas and reason.

December 19, 1995

Copyright Holder ("A")  
Name: Kim Chong-ok  
Address: 2219 Rusty Pump Road,  
Diamond Bear CA 91965  
Telephone Number: 909-861-7188, [Fax]  
909-396-0225

Witness

Name: Kim Chong-gap  
Address: 314 Tealwood, Houston TX  
77036

Publication Right Holder ("B")  
Name: Hantut Publishing Co.  
Representative Im Myong-uk  
Address: #801 107-dong, Life Apartments,  
Chunggye-dong, Nowon-gu, Seoul

619

**RECEIPT**

15 million won

(W15,000,000)

I hereby acknowledge receipt of the publication contract payment for "Opportunities  
Abound (provisional title)," as stated above.

December 19, 1995

Address:

Name: [illegible signature, probably: Jung O. Kim [i.e., Kim Chong-ok]

Resident Registration Number:

To: Hantut Publishing Co.

EXH. 124

領收證

— 金인근오빠, 2인 — 원整

(₩ 15,000.000)

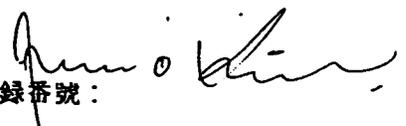
但, 기립은 임대(가계) 관련 계약과  
위와 같이 領收함.

19 95 年 12 月 19 日

住所:

姓名:

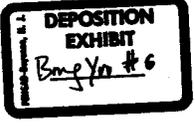
住民登錄番號:



김정호 이사 貴中

EXH. 125

① foreign bank account  
 Busin mine - June Ki MRS net Mrs. K2  
 \$ 15,000,000  $\times$  770 = \$ 19,480,520  $\rightarrow$  House income  
 $\frac{20,000,000}{200,000,000}$   $\times$  770 = 154,000,000  
 35,000,000  
 $\times$  770, exchange rate  
\$ 45,450,000 Myra mine  
no apparent



- ② no estimation of payment paid
- ③ no charitable contribution

+ Savings  
\$ 35,000,000  
 Assoc. dues,  
 & expenses,  
net Mrs. K2

EXH. 126

②	성명	직위	직급	연령	성별	신장	체중	혈액형	기타사항
③	이정호	경찰관	384-04-482260	35	남	175	70	B	무
④	96-12-19	수포					35,000,000	135,000,000	롯데월드
⑩	계정번호	계좌번호	계좌명	계좌잔액	비고				

Notes

Translate the circled items only # 1-10!

11 지외 은행을 이용하여 수취시  
 12 대단리 기사합니다.  
 13 원정 목적  
 14 가계  
 15 세 계 084-04-402260  
 16 95-12-19  
 17 95-12-19  
 18 95-12-19  
 19 70868806  
 20 조영은명  
 21 롯데월드  
 22 롯데월드

이름: 조영은  
 주민번호: 70868806  
 주소: 서울특별시 강남구 테헤란로 123  
 연락처: 02-414-5711

이동통신계 및 이차 이용권

구분	종류																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20

(이용안내)  
 이 상품으로 서비스와 관련된 정기회금, 이차상품기속을 함께 결제하실 수 있습니다.  
 (이차상품, 이차상품에 대한 상세 내용은 고객센터를 이용하십시오.)  
 이 상품에 적용되는 이차상품의 결제일은 정기회금과 이차상품의 결제일이 일치합니다.  
 이 상품에 적용되는 이차상품의 결제일은 정기회금과 이차상품의 결제일이 일치합니다.  
 이 상품에 적용되는 이차상품의 결제일은 정기회금과 이차상품의 결제일이 일치합니다.  
 (예외사항 포함)  
 이 상품에 적용되는 이차상품의 결제일은 정기회금과 이차상품의 결제일이 일치합니다.  
 (예외사항 포함)  
 이 상품에 적용되는 이차상품의 결제일은 정기회금과 이차상품의 결제일이 일치합니다.  
 (예외사항 포함)

Note:  
 Translate the circled items  
 only # 11-22

**EXH. 127**

1. Deposit ([illegible] Transaction Statement)
2. Date, Remarks, Amount Paid, Deposit Amount, [illegible]
3. Account Number 384-04-402260
4. Kim Chong-ok
5. 95-12-19, Check
6. 35,000,000
7. W35,000,000 Lotte World
8. [Illegible], Name of Customer
9. Cho Hung Bank
10. Explanation of Remarks Column
- 11 and 12. Thank you for using our bank.
13. Kim Chong-ok
14. Household [Account]
15. Account Number 384-04-402260
16. Deposit Type: Savings Deposit
17. [Illegible] Date: 95-12-19
18. [Illegible] Date: 95-12-19
19. [Illegible] Number: 70868806
20. Cho Hung Bank
21. Lotte World
22. Lotte World

EXH. 128



of America

Department of the Treasury  
Internal Revenue Service

Date: June 10, 1998

CERTIFICATE OF OFFICIAL RECORD

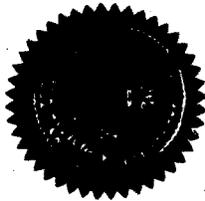
I certify that the annexed is an "AUTHENTIC IRS REPRODUCTION, per IRS 6103 (p) (2) (C), this photocopy has the same legal status as if it were the original."

Taxpayer Name (s): Jay C & June Kim

Taxpayer Identification Number (s) [REDACTED]

Tax Period (s): December 31, 1995

under the custody of this office.



IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of this office to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

*Christine Winningham*  
Christine Winningham  
Chief, Document Services Branch

892211951831-6  
8942204958 16

1040 Department of the Treasury - Internal Revenue Service  
U.S. Individual Income Tax Return 1995

OMB No. 1545-0047

For the year Jan. 1 - Dec. 31, 1995, or other tax year beginning 1995, ending 1995

**Label**  
 Your first name and initial: **JAY C. KIM**  
 Last name: **KIM**  
 Your social security number: **123-45-6789**

**Spouse**  
 If a joint return, spouse's first name and initial: **JUNE KIM**  
 Last name: **KIM**  
 Spouse's social security number: **9876543210**

Home address (number and street), if you have a P.O. box, see page 11: **123 Main St, Anytown, CA 90210**  
 City, town or post office, state, and ZIP code, if you have a foreign address, see page 11: **Anytown, CA 90210**

**Presidential Election Campaign**  
 Do you want \$3 to go to this fund?  Yes  No  
 If a joint return, does your spouse want \$3 to go to this fund?  Yes  No

**Filing Status**  
 1 Single  
 2  Married filing joint return (even if only one had income)  
 3 Married filing separate return. Enter spouse's soc. sec. no. above & full name here  
 4 Head of household (with qualifying person). (See page 12.) If the qualifying person is a child but not your dependent, enter the child's name here  
 5 Qualifying widow(er) with dependent child (your spouse died in 1992-93). (See page 12.)

**Exemptions**  
 a  Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box a. But be sure to check the appropriate box on page 2.  
 b  Spouse.  
 c Dependents:  
 16 First Name Last name 17 Dependent's social security number, if born in 1995, see page 12. 18 No. of months lived in your home in 1995.  
 d If your child didn't live with you but is claimed as your dep. under pre-1985 agreement, check  Add number entered on line above.

**Income**  
 7 Wages, salaries, tips, etc. Attach Form(s) W-2. 7 125,926  
 8 Taxable interest income (see page 15). Attach Schedule B if over \$400. 8 155  
 9 Dividend income. Attach Schedule B if over \$400. 9  
 10 Taxable refunds, credits, or offsets of state and local income taxes (see page 15). 10  
 11 Alimony received. 11  
 12 Business income or (loss). Attach Schedule C or C-EZ. 12  
 13 Capital gain or (loss). If required, attach Schedule D. 13 -3,000  
 14 Other gains or (losses). Attach Form 4787. 14  
 15a Total IRA distributions. 15a 24,758 15b Taxable amount (pg. 18)  
 16a Total pensions and annuities. 16a 1,715 16b Taxable amount (pg. 18)  
 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. 17 1,715  
 18 Farm income or (loss). Attach Schedule F. 18  
 19 Unemployment compensation (see page 17). 19  
 20a Social security benefits. 20a 59,455 20b Taxable amount (pg. 18)  
 21 Other income. See Statement 2. 21 -59,455  
 22 Add the amounts in the far right column for lines 7 through 21. This is your total income. 22 184,251

**Adjustments to income**  
 23a Your IRA deduction (see page 18). 23a  
 23b Spouse's IRA deduction (see page 18). 23b  
 24 Moving expenses. Attach Form 3903 or 3903-F. 24  
 25 One-half of self-employment tax. 25 -3,333  
 26 Self-employed health insurance deduction (see page 21). 26  
 27 Keogh & self-employed SEP plans. If SEP, check . 27  
 28 Penalty on early withdrawal of savings. 28  
 29 Alimony paid. Recipient's SSN P. 29  
 30 Add lines 23a through 28. These are your total adjustments. 30 -3,333

**Adjusted Gross Income**  
 31 Subtract line 30 from line 22. This is your adjusted gross income. If less than \$25,000 and a child lived with you (less than \$2,500 if child didn't live with you), see "Earned Income Credit" on pg. 47. 31 180,918

Form 1040 (1995) **JAY C. AND JUNE KIM** Page 2

	32 Amount from line 31 (adjusted gross income):	32	180,918
Tax Computation (See page 23)	33 a Check if: <input type="checkbox"/> You were 65 or older, <input type="checkbox"/> Blind, <input type="checkbox"/> Spouse was 65 or older, <input type="checkbox"/> Blind.		
	b Add the number of boxes checked above and enter the total here	33a	
	c If your parent (or someone else) can claim you as a dependent, check here	33b	
	d If you are married filing separately and your spouse itemizes deductions or you are a dual-status alien, see page 23 and check here	33c	
	34 Enter the larger of: <ul style="list-style-type: none"> <li>Standard deductions from Schedule A, line 28, OR</li> <li>Standard deduction shown below for your filing status. But if you checked any box on line 33a or b, go to page 23 to find your standard deduction.</li> </ul> If you checked box 33c, your standard deduction is zero. <ul style="list-style-type: none"> <li>e Single - \$3,900</li> <li>f Married filing jointly or Qualifying widow(er) - \$6,950</li> <li>g Head of household - \$5,750</li> <li>h Married filing separately - \$3,275</li> </ul>	34	102,826
	35 Subtract line 34 from line 32	35	78,092
	36 If line 32 is \$84,025 or less, multiply \$2,500 by the total number of exemptions claimed on line 1e. If line 32 is over \$84,025, see the worksheet on page 24 for the amount to enter	36	6,900
	37 Taxable income. Subtract line 36 from line 35. If line 36 is more than line 35, enter -0-	37	71,192
If you want the IRS to figure your tax, see page 25.	38 Tax. Check if from a <input checked="" type="checkbox"/> Tax Table, b <input type="checkbox"/> Tax Rate Schedules, c <input type="checkbox"/> Capital Gain Tax Worksheet, or d <input type="checkbox"/> Form 8815 (see page 24), Amount from Form(s) 8814	38	14,859
	39 Additional taxes. Check if from a <input type="checkbox"/> Form 4670 b <input type="checkbox"/> Form 4672	39	14,859
	40 Add lines 38 and 39	40	14,859
Credits (See page 24)	41 Credit for child and dependent care expenses. Att. Form 2441	41	
	42 Credit for the elderly or the disabled. Attach Schedule R	42	
	43 Foreign tax credit. Attach Form 1116	43	
	44 Other credits (see page 25). Check if from a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 3896 c <input type="checkbox"/> Form 8801 d <input type="checkbox"/> Form	44	
	45 Add lines 41 through 44	45	14,859
	46 Subtract line 45 from line 40. If line 45 is more than line 40, enter -0-	46	6,665
Other Taxes (See page 25)	47 Self-employment tax. Att. Sch. SE	47	365
	48 Alternative minimum tax. Attach Form 6251	48	
	49 Recapture taxes. Check if from a <input type="checkbox"/> Form 4255 b <input type="checkbox"/> Form 8811 c <input type="checkbox"/> Form 8629	49	
	50 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	50	
	51 Tax on qualified retirement plans, including IRAs, if required, attach Form 5329	51	
	52 Advance earned income credit payments from W-2	52	
	53 Household employment taxes. Attach Schedule H	53	
	54 Add lines 46 through 53. This is your total tax	54	21,889
Payments  Attach Forms W-2, W-3, and 1099-R on the front.	55 Federal income tax withheld. If any is from Form(s) 1099, check <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	55	29,883
	56 1995 estimated tax payments and amount applied from 1994 return	56	
	57 Earned income credit. Attach Schedule EIC if you have a qualifying child. Nontaxable earned income amount: _____ and type _____	57	
	58 Amount paid with Form 4868 (extension request)	58	
	59 Excess social security and RRTA tax withheld (see page 32)	59	
	60 Other payments. Check if from a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4158	60	
	61 Add lines 55 through 60. These are your total payments	61	29,883
Refund or Amount You Owe	62 If line 61 is more than line 54, subtract line 54 from line 61. This is the amount you OVERPAID	62	7,994
	63 Amount of line 62 you want REFUNDED TO YOU	63	7,994
	64 Amount of line 62 you want APPLIED TO 1996 ESTIMATED TAX	64	
	65 If line 54 is more than line 61, subtract line 61 from line 54. This is the AMOUNT YOU OWE. For details on how to pay and use Form 1040-V, Payment Voucher, see page 23	65	
	66 Estimated tax penalty (see page 33). Also include on line 65	66	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on an examination of the books and records of the taxpayer.

<b>Sign Here</b>			
Your signature	<i>Jay Kim</i>	Date	4/12/96
Your occupation	U. S. CONGRESSMAN	Date	4/15/96
Preparer's signature	<i>Bong U Yoo</i>	Date	4/11/96
Preparer's occupation	SELF-EMPLOYED	Preparer's social security no.	230-02-5486
Paid Preparer's Use Only	Firm's name (or yours if self-employed) and address	E.I. No.	95-4200679
	1807 Wilshire Blvd., #1020 Los Angeles, CA	ZIP code	90010

PHOTOCOPY

1995		Federal Statements				Page 1	
Client 410		JAY C. AND JUNE KIM					
04/10/95						830 am	
Statement 1 Form 1040 Wages and Penalties							
Wages Taxpayer - Employer		Wages	Federal W/H	FICA	Medi Care	State W/H	Local W/H
HOUSE OF REPRESENTATIVE		125,926	29,883	3,794	1,960	8,094	
Totals		125,926	29,883	3,794	1,960	8,094	0
Pensions Taxpayer - Payer		Total Received	Taxable Amount	Federal W/H	State W/H		
AVACON CORPORATION		24,758					
Totals		24,758	0	0	0		
Statement 2 Form 1040, Line 21 Other Income							
AUTOBIOGRAPHY INCOME .....					\$	45,455	
COVENANT FROM AVACON CORP .....						14,000	
				Total	\$	<u>59,455</u>	

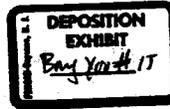
PHOTOCOPY

EXH. 129

June's Personal income  
 Income. (Book Publishing sale)

Acct, # 034	\$1,600 -
828	24,035 -
cash	<u>79,000 -</u>
	\$ 105,635 -

~~foreign~~ foreign  
 Acct + \$25,000 -  
 Reported 1996.  
 130,635 -



EXH. 130



of America

Department of the Treasury  
Internal Revenue Service

Date: June 10, 1998

CERTIFICATE OF OFFICIAL RECORD

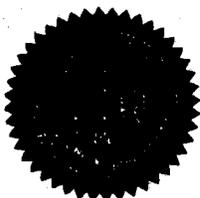
Certify that the annexed is an "AUTHENTIC IRS REPRODUCTION, per IRS 6103 (p) (2) (C),  
this photocopy has the same legal status as if it were the original."

Taxpayer Name(s): Jay C & June Kim

Taxpayer Identification Number(s): [REDACTED]

Tax Period(s): December 31, 1996

under the custody of this office.



IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of this office to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

*Christine Winningham*

Christine Winningham  
Chief, Document Services Branch

14,549.00 89211-300-001-06-7  
694 220 49 5 8

Department of the Treasury - Internal Revenue Service  
**U.S. Individual Income Tax Return 1996**

For the year ending Dec. 31, 1996, or other last year beginning \_\_\_\_\_, 1996, ending \_\_\_\_\_, 1996.OMB No. 1545-0047

Your first name and initial: **JAY C. KIM** Last name: \_\_\_\_\_  
 If a joint return, spouse's first name and initial: **JUNE KIM** Last name: \_\_\_\_\_  
 Home address (number and street), if you have a P.O. box, see page 11. Apt. no. \_\_\_\_\_  
 City, town or post office, state, and ZIP code, if you have a foreign address, see page 11. \_\_\_\_\_

Do you want \$3 to go to this fund?  Yes  No  
 If a joint return, does your spouse want \$3 to go to this fund?  Yes  No

**Filing status**  
 1  Single  
 2  Married filing joint return (even if only one had income)  
 3  Married filing separate return. Enter spouse's soc. sec. no. above & full name here ▶  
 4  Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶  
 5  Qualifying widow(er) with dependent child (year spouse died ▶ 19 \_\_\_\_). (See instructions.)

**Exemptions**  
 a  Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a.  
 b  Spouse. No. of bases checked on lines 6a and 6b: **2**  
 c Dependents:  
 (1) First Name Last name (2) Dependent's social security number, if born in Dec. 1959, see last. (3) Dependent's relationship to you (4) No. of mos. lived in your home in 1996. No. of your children on line 6c with:  
 (a) lived with you  
 (b) did not live with you due to divorce or separation (see instructions)  
 Dependents on line 6c entered above  
 Add numbers entered on lines above ▶ **2**

**Income**  
 7 Wages, salaries, tips, etc. Attach Form(s) W-2. **7 125,603**  
 8a Taxable interest. Attach Schedule B if over \$400. **8a 135**  
 8b Tax-exempt interest. DO NOT include on line 8a. **8b**  
 9 Dividend income. Attach Schedule B if over \$400. **9 2,692**  
 10 Taxable refunds, credits, or offsets of state and local income taxes (see instructions). **10**  
 11 Alimony received. **11 120,890**  
 12 Business income or (loss). Attach Schedule C or C-EZ. **12 3,000**  
 13 Capital gain or (loss). If required, attach Schedule D. **13**  
 14 Other gains or (losses). Attach Form 4797. **14**  
 15a Total IRA distributions. 15a Taxable amount (see inst.). **15a 5,000**  
 15b Total pensions and annuities. 15b Taxable amount (see inst.). **15b**  
 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E. **17**  
 18 Farm income or (loss). Attach Schedule F. **18**  
 19 Unemployment compensation. **19**  
 20a Social security benefits. 20a Taxable amount (see inst.). **20a**  
 20b Other income. **COVENANT FROM AVACON CORP** **20b 5,000**  
 21 Other income. **21 251,320**  
 22 Add the amounts in the far right column for lines 7 through 21. This is your total income. **22 251,320**

**Adjusted Gross Income**  
 23a Your IRA deduction (see instructions). **23a**  
 23b Spouse's IRA deduction (see instructions). **23b**  
 24 Moving expenses. Attach Form 3903 or 3903-F. **24**  
 25 One-half of self-employment tax. Attach Schedule SE. **25 5,506**  
 26 Self-employed health insurance deduction (see inst.). **26**  
 27 Keogh & self-employed SEP plans, if SEP. **27**  
 28 Penalty on early withdrawal of savings. **28**  
 29 Alimony paid. Recipient's SSN ▶ **311**  
 30 Add lines 23a through 29. **OCT 24 1997** **30 5,506**  
 31 Subtract line 30 from line 22. This is your adjusted gross income. **31 245,814**

Form 1040

1040  
 COPY  
 EXEMPTIONS  
 FILING STATUS  
 CAMPAIGN

Page 1

1996 JAY C. AND JUNE KIM

32	Amount from line 31 (adjusted gross income)	32	245,814
33	a Check if: <input type="checkbox"/> You were 65 or older, <input type="checkbox"/> Blind; <input type="checkbox"/> Spouse was 65 or older, <input type="checkbox"/> Blind. Add the number of boxes checked above and enter the total here	33a	
34	b If you are married filing separately and your spouse itemizes deductions or you were a dual-status alien, see instructions and check here Enter the larger of: Itemized deductions from Schedule A, line 28, OR Standard deduction shown below for your filing status. But see the instructions if you checked any box on line 33a or b or someone can claim you as a dependent. your: <input type="checkbox"/> Single - \$4,000 <input type="checkbox"/> Married filing jointly or Qualifying widow(er) - \$6,700 <input type="checkbox"/> Head of household - \$5,900 <input type="checkbox"/> Married filing separately - \$3,360	34	93,373
35	Subtract line 34 from line 32	35	152,441
36	If line 32 is \$68,475 or less, multiply \$2,550 by the total number of exemptions claimed on line 6d. If line 32 is over \$68,475, see the worksheet in the inst. for the amount to enter	36	2,244
37	Taxable income. Subtract line 36 from line 35. If line 35 is more than line 34, enter -0-	37	150,197
38	Tax. See instructions. Check if total includes any tax from a <input type="checkbox"/> Form(s) 9814 b <input type="checkbox"/> Form 4872	38	38,566
39	Credit for child and dependent care expenses. Attach Form 2441	39	
40	Credit for the elderly or the disabled. Attach Schedule R	40	
41	Foreign tax credit. Attach Form 1116	41	
42	Other. Check if from a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8396 c <input type="checkbox"/> Form 8801 d <input type="checkbox"/> Form (specify)	42	
43	Add lines 39 through 42	43	
44	Subtract line 43 from line 38. If line 43 is more than line 38, enter -0-	44	38,566
45	Self-employment tax. Attach Sch. SE	45	11,012
46	Alternative minimum tax. Attach Form 6251	46	
47	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	47	
48	Tax on qualified retirement plans, including IRAs. If required, attach Form 6329	48	
49	Advance earned income credit payments from Form(s) W-2	49	
50	Household employment taxes. Attach Schedule H	50	
51	Add lines 44 through 50. This is your total tax	51	49,578
52	Federal income tax withheld from Forms W-2 and 1099	52	29,529
53	1996 estimated tax payments and amount applied from 1995 return	53	
54	Earned income credit. Attach Schedule EIC if you have a qualifying child. Nontaxable earned income: amount b <input type="checkbox"/> No and type c <input type="checkbox"/> No	54	
55	Amount paid with Form 4868 (request for extension)	55	5,500
56	Excess social security and RRTA tax withheld (see inst.)	56	
57	Other payments. Check if from a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136	57	
58	Add lines 52 through 57. These are your total payments	58	35,029
59	If line 58 is more than line 51, subtract line 51 from line 58. This is the amount you OVERPAID	59	
60a	Amount of line 59 you want REFUNDED TO YOU	60a	
60b	b Routing number <input type="text"/> c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings d Account number <input type="text"/>	60b	
61	Amount of line 59 you want APPLIED TO 1997 ESTIMATED TAX	61	
62	If line 51 is more than line 58, subtract line 58 from line 51. This is the AMOUNT YOU OWE. For details on how to pay and use Form 1046-V, see instructions.	62	14,549
63	Estimated tax penalty. Also include on line 62.	63	

Under penalties of perjury, I declare that I have prepared this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Your signature <i>Jay Kim</i>	Date 10-12-99	Your occupation U.S. CONGRESSMAN
Keep a copy of this return for your records.	Spouse's signature <i>June Kim</i>	Date 10-15-99	Spouse's occupation SELF-EMPLOYED
Paid Preparer's Use Only	Preparer's signature BONG U YOO	Date 9/21/99	Preparer's social security no. 230-02-5486
	Firm's name (or your name if self-employed) and address BONG U YOO, CPA 3807 WILSHIRE BLVD, 1020 Los Angeles, CA	Check if self-employed <input checked="" type="checkbox"/>	ZIP code 90010

PHOTOCOPIED

**SCHEDULE C**  
**(Form 1040)**

**Profit or Loss From Business**  
**(Sole Proprietorship)**

OMB No. 1545-0047  
**1996**  
Attachment Sequence No. **09**

Department of the Treasury  
Internal Revenue Service

Partnerships, joint ventures, etc., must file Form 1065.  
Attach to Form 1040 or Form 1041. See Instructions for Schedule C (Form 1996).

**SOLE PROPRIETOR**

**JUNE KIM** Social security number (SSN) **XXXXXXXXXX**

Principal business or profession, including product or service (see page C-1)  
**AUTOBIOGRAPHY & ROYALTY** Enter principal business code (from page C-6) **7880**

Business name, if no separate business name, leave blank. Employer ID number (EIN), if any

Business address (including suite or room no.), town or post office, state, and ZIP code

Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) \_\_\_\_\_

Do you "materially participate" in the operation of this business during 1996? If "No," see page C-2 for limit on losses  Yes  No

Did you start or acquire this business during 1996, check here  Yes  No

**Income**

Gross receipts or sales. Caution: If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-2 and check here  1 **130,6**

Returns and allowances  2 **130,6**

Subtract line 2 from line 1  3 **130,6**

Cost of goods sold (from line 42 on page 2)  4

Gross profit. Subtract line 4 from line 3  5 **130,6**

Other income, including Federal and state gasoline or fuel tax credit or refund (see page C-2)  6

Gross income. Add lines 5 and 6  7 **130,6**

**Expenses.** Enter expenses for business use of your home only on line 30.

8 Advertising	8	19 Pension and profit-sharing plans	19
9 Bad debts from sales or services (see page C-3)	9	20 Rent or lease (see page C-4):	
10 Car and truck expenses (see page C-3)	10	a Vehicles, machinery & equipment	20a
11 Commissions and fees	11	b Other business property	20b
12 Depreciation	12	21 Repairs and maintenance	21
13 Depreciation and section 179 expense deduction (not included in Part III) (see page C-3)	13	22 Supplies (not included in Part III)	22
14 Employee benefit programs (other than on line 19)	14	23 Taxes and licenses	23
15 Insurance (other than health)	15	24 Travel, meals, and entertainment:	
16 Interest:		a Travel	24a <b>9,1</b>
a Mortgage (paid to banks, etc.)	16a	b Meals and entertainment	
b Other	16b	c Enter 50% of line 24b subject to limitations (see page C-4)	
17 Legal and professional services	17	d Subtract line 24c from line 24b	24d
18 Office expense	18	25 Utilities	25
19 Total expenses before expenses for business use of home. Add lines 8 through 27 in columns	19	26 Wages (less employment credits)	26
	<b>596</b>	27 Other expenses (from line 48 on page 2)	27
		28 Total expenses before expenses for business use of home. Add lines 8 through 27 in columns	28 <b>9,7</b>
29 Tentative profit (loss). Subtract line 28 from line 7	29		<b>120,8</b>
30 Expenses for business use of your home. Attach Form 8829	30		
31 Net profit or (loss). Subtract line 30 from line 29	31		<b>120,8</b>

If a profit, enter on Form 1040, line 12, and ALSO on Schedule SE, line 2 (statutory employees, see page C-5). Estates and trusts, enter on Form 1041, line 3.  
 If a loss, you MUST go on to line 32.  
 If you have a loss, check the box that describes your investment in this activity (see page C-5).  
 If you checked 32a, enter the loss on Form 1040, line 12, and ALSO on Schedule SE, line 2 (statutory employees, see page C-5). Estates and trusts, enter on Form 1041, line 3.  
 If you checked 32b, you MUST attach Form 8198.

32a  All investment is at risk.  
32b  Some investment is not at risk.

For Paperwork Reduction Act Notice, see Form 1040 Instructions. Schedule C (Form 1996)

97 income.

EXH. 131

PREPARED BY MRS. JUNE O KIM

1-8	1,000.-		
2-4	500.-	} Bank acct	
4-19	1,000.-		
4-24			9,000.-
25	2,200		3,000.-
30			4,990.-
5-6-27			4,990.-
19			8,500.-
6-10			4,990.-
16			2,800.-
7-1			4,990.-
8-1			4,990.-
8-4	10,000.-	illegal fund	⊖
9-4			4,990.-
10-8			4,990.-
11-3			4,990.-
11-19			2,000.-
12-2			4,985.-
	22,200.-		70,205.-
			12,200.-
			92,405. <sup>00</sup>
	Foreign acct, + 40,000.-		132,405. <sup>00</sup>

(10/2/21)  
 (12)

EXH. 132

CHO HEUNG BANK

년월일	지번	(Debit)	(Credit)	잔액	비고
		지급금액 payment 표시: 대충잔액인	입금(검대충거래명세) Deposit		
					계좌번호 312-04-486031 김광옥
96-11-29	대체상영대학교		340,000	₩20,997,209	수출통
96-11-20	현금상영대학교		340,000	₩21,337,209	광회준
96-11-28	대체	20,600,000		₩737,209	여의도
96-11-28	현금	700,000		₩37,209	여의도
96-12-15	이자		40,106	₩77,315	반도
97-02-27	현금		₩21,300,000	₩21,377,315	여의도
1996년도	업간지급이자		₩296,428		
소득세	₩35,569 주민세		₩3,555 농특세		₩0
97			14 30		
			이 월		

"월간 인출한도 지정 현금카드"

- 1. 본 카드에 현금출금에 한하여 월간 인출한도를 지정할 수 있으며, 각 카드별로 설정된 인출한도를 초과하여 현금출금할 수 없습니다.
- 2. 각 카드별 인출한도를 초과하여 현금출금할 경우, 인출한도를 초과한 금액에 대하여 과징금 부과될 수 있습니다.
- 3. 현금카드를 사용할 때에는 반드시 본인인증을 하여야 합니다.



		Debit		에금(겸 대출거래명세)		Credit		balance		조흥은행	
		(--- 표시는 대출잔액임)									
년월일	직유	지급금액	예입금액	잔액	거래일지	계좌번호	입장속	잔액	거래일지		
97-10-08	현금		395,410	₩19,093,423	반도						
97-10-10		감사합니다. 귀하의 97년 4/4분기 대출가능 한도 (기존대출금 포함)는 5천만원 이며, 저희은행 소정의 심사기준을 거쳐 대응해드립니다									
97-11-01	현금	5,000,000		₩14,093,423	반도						
97-11-01	현금		140,158	₩14,233,581	반도						
97-12-02	현금	6,500,000		₩7,733,581	반도						
97-12-02	현금		170,000	₩7,903,581	반도						
97-12-14	이자		111,522	₩8,015,103	반도						
97-12-15		김정옥님의 생사 유 추합니다									
97-12-23	현금이영좌		100,000,000	₩108,015,103	외부						
98-01-05	현금	9,000,000		₩99,015,103	반도						
1997년도	연간저금이자		₩606,776								
소득세	₩72,780	주민세	₩7,260	농특세	₩0						
98-01-05	현금		75,590	₩99,090,701	반도						
98-01-08	현금	2,000,000		₩97,090,701	반도						
		total		153,845,302							

"100년자금대출"  
 사용입금 금액일지, 월입금일지, 금액이정적 당해 신용카드로 이용일지, 저축  
 장금이정적 등에 따라 최고 100만원 이하의 개인사립에 2억원, 개인 5천만원까지  
 한도내 대출가능금액에 따라 원금(이자) 상환을 받으실 수 있습니다

EXH. 133

		IN KIENHONG		Exchange	In U.S. \$	
		Deposit	INTEREST	Rate	Deposit	Interest
1	1997					
2	2-27	3,300,000		LOAN		
3	3-7		15,870		895	18
4	4-30	7,522		LOAN		
5	5-6	27,000,000		LOAN		
6	5-6	8,822		LOAN		
7	5-9	1,000,000			895	117
8	5-17	820,000				760
9	5-21	820,000				760
10	5-21	300,000				370
11	6-10	5,18,233		LOAN		
12	6-15		200,947		895	225
13	7-1	25,420		LOAN		
14	8-1	5,14,030		LOAN		
15	8-28	94,500			895	106
16	9-4	444,760		LOAN		
17	9-14		172,527		909	212
18	10-8	395,410		LOAN		
19	11-1	140,158		LOAN		
20	12-2	170,000		LOAN		
21	12-14		111,522		1300	86
22	12-23	100,000,000		1700	52824	
23						
24	TOTAL	153,318,116	528,426		61,947	548
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40			<1>			

Jan. C. Kim  
 ANALYSIS of foreign Bank Account  
 1992  
 (Cebu Housing Bank)

Prepared By  
 Approved By

EXH. 134

June O. Kim

C.P.A. Mr. Yoo B U  
3807 Wilshire Blvd # 1020  
Los Angeles, Ca 90010

Re: Personal Loan.

Dear Mr. Yoo;

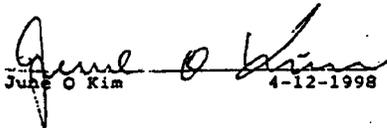
This letter is to confirm that I have outstanding personal loan to my relatives approximately W 50,625,000 in Korean currency

1997-2-27	₩ 21,300.000
4-30	7.522
5- 6	27,000.000
5- 6	8.523
6-10	618.033
7- 1	25.480
8- 1	514.030
9- 4	444.960
10- 8	395.410
11- 1	140.158
12- 2	170.000

₩ 50,624.116  
and \$ 12,000.00

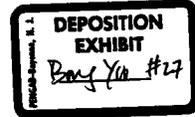
This transaction was done during the year 1997, and I need to returne this money to them as soon as possible.

Sincerely

  
June O Kim 4-12-1998

<3>

EXH. 135



고객용

외 화 송 금 확 인 서  
(CERTIFICATE OF REMITTANCE)

KIMJUN YOUNG		귀하(ATTN.)	OUTGOING CABLE(GMT 100)
송금일시( DATE OF REMITTANCE ) : 97-12-02			
수신은행( PAYING BANK ) : CALIFORNIA CHO HUNG BANK 41656			
20 /	송금 번호 ( TRANSACTION REFERENCE NUMBER )	1312-7230486	
32A /	일자, 통화 및 송금액 ( VALUE DATE, CURRENCY, AMOUNT )	U.S. \$ 4,990.00	
50 /	송금인 ( ORDERING CUSTOMER )	KIMJUN YOUNG	
57D /	계좌개유 은행 ( ACCOUNT WITH INSTITUTION )	CALIFORNIA KOREA BANK 18399 EAST COLIMA RD., RIVERSIDE RIVERSIDE III 92515 OFFICE	
59 /	수취인 ( BENEFICIARY CUSTOMER )	JUNG D KIM 2219 RUSTY PUMP ROAD 955 HQ1 1180 A/C NO. 122234403 9991 BLD 8199201 DIAMOND BAPT. CA 91765	
70 /	송금내역 ( DETAILS OF PAYMENT )		
71A /	국외수수료 부담자 ( DETAILS OF CHARGE )	송금인	
72 /	기타 지시사항 ( SENDER TO RECEIVER INFORMATION )		

송금액 (AMOUNT)	환율 (EXC RATE)	원화금액 (WON EQUIVALENT)	송금수수료 (COMMISSION)	전신료 (CABLE CHARGE)	국외수수료 (CABLE CHARGE)
1285.40		₩5,034,360	₩0.000	₩5.000	₩12,634

귀하에서 신청하신 외화송금용 위와 같이 수취인에게 송금하였음을 확인합니다.  
We hereby certify that we remit to the beneficiary in accordance with the application.

**조흥은행** 부산 본점  
CHOHUNG BANK PUSAN BRANCH

동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면 보다 신속히 처리해 드립니다.

**고객용**      **외 화 송 금 확 인 서**  
 (CERTIFICATE OF REMITTANCE)

IN SUK LEE      귀하(ATTN.)      **OUTGOING CABLE(MT 100)**

송금일자 (DATE OF REMITTANCE) : 97-11-01  
 수신은행 (PAYING BANK) : CALIFORNIA CHO HUNG BANK  
 ( 41858 )  
 20 / 송금번호 : T 3 1 2 - 7 0 3 6 4 1 8  
 ( TRANSACTION REFERENCE NUMBER )  
 32V / 일자, 통화 및 송금액 : U.S. \$ 4,995.00  
 ( VALUE DATE, CURRENCY, AMOUNT )  
 50 / 송금인 : IN SUK LEE  
 ( ORDERING CUSTOMER )  
 57V / (사)한국은행 : CALIFORNIA KOREA BANK  
 ( ACCOUNT WITH INSTITUTION ) 18399 EAST COLIMA RD, ROWLAND HEIGHTS  
 ROWLAND HEIGHTS OFFICE  
 59 / 수취인 : JUNE O KIM  
 ( BENEFICIARY CUSTOMER ) 2219 RUSTY PUMP ROAD 909 061 1108  
 A/C NO(122234482 999) 016 019078 DIAMOND BAR, CA 91765  
 70 / 송금내역 :  
 ( DETAILS OF PAYMENT )  
 71V / 국외수수료 부담자 : 송금인  
 ( DETAILS OF CHARGE )  
 72 / 기 다 지 시 사 형 :  
 ( SENDER TO RECEIVER INFORMATION )

송금액 (AMOUNT)	환율 (EXC RATE)	원화금액 (WON EQUIVALENT)	송금수수료 (COMMISSION)	전신보국외수수료 (CABLE CHARGE)	
968.40		₩2,827.158	₩8,000	₩5,000	₩9,684

귀하께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
 We hereby certify that we remit to the beneficiary in accordance with the application.



[ ] 동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면 보다 신속히 처리해 드릴 수 있습니다.

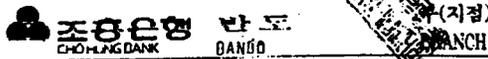


**고객용**      **외 화 송 금 확 인 서**  
 (CERTIFICATE OF REMITTANCE)

<u>HYUN JUNG AE</u>		귀하(ATTN.)	<u>OUTGOING CABLE(MT 100)</u>
송금일자( DATE OF REMITTANCE ) :		97-09-04	
수신은행( PAYING BANK ) :		CALIFORNIA CHO HUNG BANK	
( 41858 )			
20 /	송금번호	:	T 3 1 2 - 6 6 1 6 9 8 4
	( TRANSACTION REFERENCE NUMBER )		
32V /	일자, 통화 및 송금액	:	US \$
	( VALUE DATE, CURRENCY, AMOUNT )	:	4,995.00
50 /	송금인	:	HYUN JUNG AE
	( ORDERING CUSTOMER )		
57E /	계좌(계좌명)	:	CALIFORNIA KOREA BANK
	( ACCOUNT WITH INSTITUTION )	:	18349 EAST COLIMA RD, ROWLAND HEIGHTS ROWLAND HEIGHTS OFFICE
59 /	수취인	:	JUNE O KIM
	( BENEFICIARY CUSTOMER )	:	2219 RUSTY PUMP ROAD 909 651 1188 DIAMOND BAR, CA 91765
70 /	A/C NO 1122234482 9991 010 619828	:	
	송금내역	:	
	( DETAILS OF PAYMENT )		
71A /	국외수수료 부담지	:	송금인
	( DETAILS OF CHARGE )		
72 /	기타 지시사항	:	
	( SENDER TO RECEIVER INFORMATION )		

송금액	환율	원액	송금수수료	선신료	국외수수료
(AMOUNT)	(EXC RATE)	(WON EQUIVALENT)	(COMMISSION)	(CABLE CHARGE)	
995.10		₩4,535,959	₩5,000	₩5,000	₩9,001

귀희께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
 We hereby certify that we remit to the beneficiary in accordance with the application.



동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면 보다 신속히 처리해 드릴 수 있습니다.

**고객용**      **외 화 송 금 확 인 서**  
 (CERTIFICATE OF REMITTANCE)

HYUN JUNG AE      귀하(ATTN.)      **OUTGOING CABLE(OMT 100)**

송금일자( DATE OF REMITTANCE ) : 97-08-01

수신은행( PAYING BANK ) : CALIFORNIA CHO HUNG BANK  
 ( 41858 )

20 / 송금번호 : T 312-6383041  
 ( TRANSACTION REFERENCE NUMBER )

32A/ 인자, 통화 및 송금액 : US \$ 4,995.00  
 ( VALUE DATE, CURRENCY, AMOUNT )

50 / 송금인 : HYUN JUNG AE  
 ( ORDERING CUSTOMER )

57D/ (계좌)은행 : CALIFORNIA KOREA BANK  
 ( ACCOUNT WITH INSTITUTION ) 18399 EAST COLIMA RD, ROWLAND HEIGHTS OFFICE

59 / 수취인 : JUNE O KIM  
 ( BENEFICIARY CUSTOMER ) 2219 RUSTY PUMP ROAD 909 #01 1188

70 / 송금내역 : DIAMOND BAR, CA 91765  
 ( DETAILS OF PAYMENT )

71A/ 국외수수료 부담자 : 송금인  
 ( DETAILS OF CHARGE )

72 / 기다 지시사항 :  
 ( SENDER TO RECEIVER INFORMATION )

송금액 (AMOUNT)	환율 (EXC RATE)	원피금액 (WON EQUIVALENT)	송금수수료 (COMMISSION)	신신료 (CABLE CHARGE)	국외수수료
894.30		₩4,467,028	₩5,000	₩5,000	₩8,945

귀희께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
 We hereby certify that we remit to the beneficiary in accordance with the application



동일한 수취인받으러 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면 보다 신속히 처리해 드릴 수 있습니다.

**고객용** 외 화 송 금 확 인 서  
(CERTIFICATE OF REMITTANCE)

<u>BANG EEN HO</u>		커하(ATTN.)	<u>OUTGOING CABLE(MT 100)</u>
송금일자( DATE OF REMITTANCE ) : 97-07-01			
수신은행( PAYING BANK ) : CALIFORNIA CHO HUNG BANK ( 41858 )			
20 /	송금번호 ( TRANSACTION REFERENCE NUMBER )	T 3 1 2 - 6 1 6 1 3 8 3	
32√	일시, 통화 및 송금액 ( VALUE DATE, CURRENCY, AMOUNT )	US \$	4,999.00
50 /	송금인 ( ORDERING CUSTOMER )	BANG EEN HO	
57√	계좌은행 ( ACCOUNT WITH INSTITUTION )	CALIFORNIA KOREA BANK 18399 EAST COLIMA RD., ROWLAND ROWLAND HEIGHTS OFFICE	
59 /	수취인 ( BENEFICIARY CUSTOMER )	JUNE O KIM 2219 RUSTY PUMP ROAD 999 861 1188 DIAMOND BAR, CA 91765	
70 /	송금내역 ( DETAILS OF PAYMENT )	A/C NO: 122234482 9991 010 619828	
71√	국외수수료 부담사 ( DETAILS OF CHARGE )	송금인	
72 /	기타 지시사항 ( SENDER TO RECEIVER INFORMATION )		

송금액 (AMOUNT)	환율 (EXC RATE)	원피금액 (WON EQUIVALENT)	송금수수료 (COMMISSION)	전신보 (CABLE CHARGE)	국외수수료
891.30		₩4,455,608	₩5,000	₩5,000	₩8,913

귀하께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
We hereby certify that we remit to the beneficiary in accordance with  
the application

 **조흥은행** 남도부(지점)  
CHO HUNG BANK BANDO BRANCH

동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면  
보다 신속히 처리해 드릴 수 있습니다.

**고객용**      **외 화 송 금 확 인 서**  
 (CERTIFICATE OF REMITTANCE)

<u>BANG EEN HO</u> <u>귀하(ATTN.)</u>		<u>OUTGOING CABLE(MT 100)</u>
송금일지( DATE OF REMITTANCE ) : 97-06-10		
수신은행( PAYING BANK ) : CALIFORNIA CHO HUNG BANK		
( 41858 )      HEAD OFFICE		
20 / 송금번호	:	T 3 1 2 - 5 9 9 7 5 7 7
( TRANSACTION REFERENCE NUMBER )		
32A / 일자, 통화 및 송금액	:	U S \$ 4,995.00
( VALUE DATE, CURRENCY, AMOUNT )		
50 / 송금인	:	BANG EEN HO
( ORDERING CUSTOMER )		
57E / (송금기관)	:	CALIFORNIA KOREA BANK
( ACCOUNT WITH INSTITUTION )		
18399 EAST COLINA RD., ROWLAND		
ROWLAND HEIGHTS OFFICE		
59 / 수취인	:	JUNE O KIM
( BENEFICIARY CUSTOMER )		
A/C NO: 122234482 999, 010 619828; 221, 802      TEL: 909 261 1190		
DIAMOND BAR, CA 91765		
70 / 송금내역	:	
( DETAILS OF PAYMENT )		
71A / 국외수수료 부담자	:	송금인
( DETAILS OF CHARGE )		
72 / 기타 지시사항	:	
( SENDER TO RECEIVER INFORMATION )		

송금액	환율	원화금액	송금수수료	선신료	국외수수료
(AMOUNT)	(EXC RATE)	(WON EQUIVALENT)	(COMMISSION)	(CABLE CHARGE)	
893.50		₩4,463,032	₩5,000	₩5,000	₩0.935

귀희께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
 We hereby certify that we remit to the beneficiary in accordance with the application.



동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 보여주시면 보다 신속히 처리해 드립니다.

고객용

외 화 송 금 확 인 서  
(CERTIFICATE OF REMITTANCE)

SHIN JI WON		귀하(ATTN.)	OUTGOING CABLE(MT 100)
송금일자( DATE OF REMITTANCE ) : 97-05-06			
수신은행( PAYING BANK )		CALIFORNIA CHO HUNG BANK	
( 41858 )		HEAD OFFICE	
20 / 송금번호	( TRANSACTION REFERENCE NUMBER )	T 3 1 2 - 5 7 4 6 1 1 6	
32A / 일자, 통화 및 송금액	( VALUE DATE, CURRENCY, AMOUNT )	US \$	4,995.00
50 / 송금인	( ORDERING CUSTOMER )	SHIN JI WON	
57IV / (ABA)계통	( ACCOUNT WITH INSTITUTION )	CALIFORNIA KOREA BANK 18399 EAST COLIMA RD., ROWLAND ROWLAND HEIGHTS OFFICE	
59 / 수취인	( BENEFICIARY CUSTOMER )	JUNE O KIM 2219 RUSTY PUMP ROAD 909 861 1108 DIAMOND BAR, CA 91765	
70 / 송금내역	( DETAILS OF PAYMENT )	A/C NO: 1222344829991 010 619928	
71A / 국외수수료 부담자	( DETAILS OF CHARGE )	송금인	
72 / 기타 지시사항	( SENDER TO RECEIVER INFORMATION )		

송금액	환율	원화금액	송금수수료	진신료	국외수수료
(AMOUNT)	(EXC RATE)	(WON EQUIVALENT)	(COMMISSION)	(CABLE CHARGE)	
895.40		₩4,472,523	₩5,000	₩5,000	₩8,954

귀하께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다  
We hereby certify that we remit to the beneficiary in accordance with the application.

 **조흥은행** 반도 부(지점)  
CHONGHUNGBANK BANDU BRANCH

동일한 수취인명으로 다시 송금하시고사 하는 경우에는 이 확인서를 보여주시던  
보다 신속히 처리해 드릴 수 있습니다.

고객용

외 화 송 금 확 인 서  
(CERTIFICATE OF REMITTANCE)

SHIN JI WON		귀하(ATTN.)	OUTGOING CABLE(MT 100)
송금일자( DATE OF REMITTANCE ) :		97-04-30	
수신은행( PAYING BANK )		CALIFORNIA CHO HUNG BANK	
( 41858 )		HEAD OFFICE	
20 / 송금번호	( TRANSACTION REFERENCE NUMBER )	T 3 1 2 - 5 7 1 8 8 5 6	
32A / 일자, 통화 및 송금액	( VALUE DATE, CURRENCY, AMOUNT )	US \$	4,995.00
50 / 송금인	( ORDERING CUSTOMER )	SHIN JI WON	
57 / ( 倉庫유형 )	( ACCOUNT WITH INSTITUTION )	CALIFORNIA KOREA BANK	
		18399 EAST COLIMA RD., ROWLAND	
		ROWLAND HEIGHTS OFFICE	
59 / 수취인	( BENEFICIARY CUSTOMER )	JUNE O KIM	
		2219 RUSTY PUMP ROAD 909 861 1188	
70 / 송금내역	( DETAILS OF PAYMENT )	A/C NO: 222344629991 010 619828	
		DIAMOND BAR, CA 91765	
71A / 국외수수료 부담자	( DETAILS OF CHARGE )	송금인	
72 / 기타 지시사항	( SENDER TO RECEIVER INFORMATION )		

송금액	환율	원화금액	송금수수료	전신료	국외수수료
(AMOUNT)	(EXC. RATE)	(WON EQUIVALENT)	(COMMISSION)	(CABLE CHARGE)	
895.60		₩4,473,522	₩5,000	₩5,000	₩8,956

귀회께서 신청하신 외화송금을 위와 같이 수취인에게 송금하였음을 확인합니다.  
We hereby certify that we remit to the beneficiary in accordance with the application



부(지점)  
BRANCH

[.] 동일한 수취인앞으로 다시 송금하시고자 하는 경우에는 이 확인서를 모여주시면 보다 신속히 처리해 드립니다.

- EXH. 136



of America

Department of the Treasury  
Internal Revenue Service

Date: June 17, 1998

CERTIFICATE OF OFFICIAL RECORD

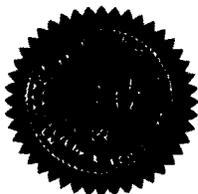
I certify that the annexed is an "AUTHENTIC IRS REPRODUCTION, per IRS 6103 (p) (2) (C), this photocopy has the same legal status as if it were the original."

Taxpayer Name (s): Jay C & June Kim

Taxpayer Identification Number (s): [REDACTED]

Tax Period (s): December 31, 1997

under the custody of this office.



IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of this office to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

*Christine Winingham*  
Christine Winingham  
Chief, Document Services Branch

Form 1040 (1997) with sections: Label, Filing Status, Exemptions, Income, Adjusted Gross Income. Includes names JAY C. KIM and JUNE KIM, and a total adjusted gross income of 205,149.

PHOTOCOPY

Form 1040 (1997) **JAY C. AND JUNE KIM** Page 2

**Tax Computation**

32 Amount from line 32 (adjusted gross income) 33 205,149

34 a Check if  You were 65 or older,  Blind,  Spouse was 65 or older,  Blind.  
Add the number of boxes checked above and enter the total here ▶ 34a

b If you are married filing separately and your spouse itemizes deductions or you were a dual-status alien, see page 18 and check here. ▶ 34b

35 Enter the larger of:  
 Itemized deductions from Schedule A, line 28, OR  
 Standard deduction shown below for your filing status. But see page 18 if you checked any box on line 34a or 34b or someone can claim you as a dependent.  
 • Single - \$4,150 • Married filing jointly or Qualifying widow(er) - \$6,500  
 • Head of household - \$6,050 • Married filing separately - \$3,450  
 35 95,419

36 Subtract line 35 from line 33 36 109,730

37 If line 33 is \$90,900 or less, multiply \$2,850 by the total number of exemptions claimed on line 6d. If line 33 is over \$90,900, see the worksheet on page 19 for the amount to enter 37 4,240

38 Taxable income. Subtract line 37 from line 36. If line 37 is more than line 36, enter -0- 38 105,490

39 Tax. See page 19. Check if any tax from a  Form(s) 9814 b  Form 4972 39 24,358

**Credits**

40 Credit for child and dependent care expenses. Att. Form 2441 40

41 Credit for the elderly or the disabled. Attach Schedule R 41

42 Adoption credit. Attach Form 8830 42

43 Foreign tax credit. Attach Form 1116 43

44 Other. Check if from a  Form 8800 b  Form 8396 c  Form 8801 d  Form (specify) 44

45 Add lines 40 through 44 45

46 Subtract line 45 from line 39. If line 45 is more than line 39, enter -0- 46 24,358

**Other Taxes**

47 Self-employment tax. Att. Sch. SE 47 311

48 Alternative minimum tax. Attach Form 6251 48

49 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137 49

50 Tax on qualified retirement plans (including IRAs) and MSAs. Attach Form 5329 if required 50 1,800

51 Advance earned income credit payments from Form(s) W-2 51

52 Household employment taxes. Attach Schedule H 52

53 Add lines 46 through 52. This is your total tax 53 26,469

**Payments**

54 Federal income tax withheld from Forms W-2 and 1099 54 29,255

55 1997 estimated tax payments and amount applied from 1996 return 55

56 a Earned income credit. Att. Sch. EIC if you have a qualifying child.  
b Nontaxable earned income: amt. ▶  No 56a

57 Amount paid with Form 4868 (request for extension) 57

58 Excess social security and RRTA tax withheld (see page 27) 58

59 Other payments. Check if from a  Form 2439 b  Form 4136 59

60 Add lines 54, 55, 56a, 57, 58, and 59. These are your total payments 60 29,255

**Refund**

61 If line 60 is more than line 53, subtract line 53 from line 60. This is the amount you OVERPAID 61 2,786

62a Amount of line 61 you want REFUNDED TO YOU 62a 2,786

b Routing number  e Type:  Checking  Savings

d Account number

63 Amount of line 61 you want APPLIED TO 1998 ESTIMATED TAX ▶ 63

**Amount You Owe**

64 If line 53 is more than line 60, subtract line 60 from line 53. This is the AMOUNT YOU OWE. For details on how to pay, see page 27 64

65 Estimated tax penalty. Also include on line 64 65

**Sign Here**

Under penalties of perjury, I declare that I have prepared this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature: *Jay Kim* Date: \_\_\_\_\_  
 Your occupation: U.S. CONGRESSMAN

Spouse's signature: \_\_\_\_\_ Date: 4/13/98  
 Spouse's occupation: SELF-EMPLOYED

Preparer's signature: *Bong U Yoo* Date: 4/13/98  
 Preparer's social security no.: 230-02-5486

**Paid Preparer's Use Only**

Firm's name (for you use only if self-employed) and address: BONG U. YOO, CPA  
 3807 WILSHIRE BLVD STE 1020  
 LOS ANGELES, CA

Preparer's EIN: 95-420067

Preparer's ZIP code: 90010

PHOTOCOPY

1997	Federal Statements						Page 1
Client 410		JAY C. AND JUNE KIM				11:29 am	
Statement 1 Form 1040 Wages and IRA Distributions							
Wages Taxpayer - Employer	Wages	Federal W/H	FICA	Medi Care	State W/H	SDI	
HOUSE OF REPRESENTATIVE	125,542	29,255	4,055	1,958	7,916		
Totals	125,542	29,255	4,055	1,958	7,916		0
IRA Distributions Taxpayer - Payer	Total Received	Taxable Amount	Federal W/H	State W/H			
MERRILL LYNCH	18,000	18,000					
Totals	18,000	18,000	0	0			
Statement 2 Form 1040, Line 21 Other Income							
AUTOBIOGRAPHY .....						\$	2,200
AUTOBIOGRAPHY & ROYALTY .....							61,947
Total						\$	<u>64,147</u>
Statement 3 Schedule B, line 11b Names of Foreign Countries with Financial Account							
KOREA							
KOREA							

PHOTOCOPY

**EXH. 137**



May 8, 1998

Mr. Bong U. Yoo  
3807 Wilshire Blvd.  
Suite 1020  
Los Angeles, CA 90010

Dear Mr. Yoo:

As I have discussed with you, there needs to be an immediate revision to my 1997 Form 1040 Tax Filing to correct the entry regarding the 100,000,000 Won you erroneously considered as "book income."

This is *not* book income and is certainly *not* from my book. It is the sum of funds raised for the purpose of Mrs. Kim's legal defense. I understand that Mr. Lee, who helped raise this money, has already informed the Committee on Standards of Official Conduct that these deposits in Mrs. Kim's account were for her legal defense fund only.

Accordingly, I request that you amend the tax return in question as soon as possible to reflect this fact. Should you have any questions, please do not hesitate to let me know.

Sincerely,

Jay Kim

JAMES V. HANSEN, IOWA  
CHAIRMAN  
SAMMY SMITH, TEXAS  
JOEL HUBLEY, COLORADO  
BOB CUCULLATE, VIRGINIA  
JOE KRALESBERG, MICHIGAN

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
MARTIN CLAY BAKER, MINNESOTA  
BO PASTOR, ARIZONA  
DANA PATTON, PENNSYLVANIA  
DICK LIPINSKI, CALIFORNIA  
SUITE HF-2, THE CAPITOL  
DND 228-7182

EXH. 138

01

titles

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6326

February 25, 1998

The Honorable Jay Kim  
227 Cannon House Office Building  
U.S. House of Representatives  
Washington, D.C. 20515

Re: In the Matter of Representative Jay Kim

Dear Representative Kim:

Pursuant to Rule 27(g)(4) of the Rules of the Committee on Standards of Official Conduct, we are notifying you that the Committee has expanded the scope of the Subcommittee's investigation to include the following additional matters:

1. The possible misuse of official resources with respect to:
  - A contract between your congressional office and Image Media Services, Inc.
2. Whether you made false statements in your letter to the Investigative Subcommittee dated January 29, 1998.

Sincerely,

  
James V. Hansen  
Chairman

  
Howard L. Berman  
Ranking Democratic Member

JVH/HLB:pml

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KROLLBERGER, MICHIGAN

HOWARD L. BERMAN, CALIFORNIA  
RANKING DEMOCRATIC MEMBER  
MARTIN CLAY SANDL, MINNESOTA  
BO PASTOR, ARIZONA  
CHAKA PATTON, PENNSYLVANIA  
ZOE LOPRINZI, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
DND 225-7100

ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6326

April 23, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

Re: In the Matter of Representative Jay Kim

Dear Representative Kim:

Pursuant to Rule 27(g) of the Rules of the Committee on Standards of Official Conduct, we are notifying you that the Committee has expanded the scope of the Investigative Subcommittee's inquiry to include whether violations of Federal law were committed with respect to your 1994, 1996, and 1998 campaigns for election to the U.S. House of Representatives.

Sincerely,

  
James V. Hansen  
Chairman

  
Howard L. Berman  
Ranking Democratic Member

JVH/HLB:dhl

JAMES V. HANSEN, Utah  
 CHAIRMAN  
 LAMAR SMITH, TEXAS  
 JOEL HEPLEY, COLORADO  
 BOB GOODLATTE, VIRGINIA  
 JOE KWILLENBERG, MINNESOTA  
 THEODORE J. VAN DER MEER,  
 CHIEF CLERK/LEGISLATIVE DIRECTOR  
 DARI L. SCHWARTZ  
 COUNSEL TO THE RANKING  
 MINORITY MEMBER

ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
 OFFICIAL CONDUCT  
 Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
 RANKING MINORITY MEMBER  
 MARTIN CLAY SARGO, MINNESOTA  
 ED PASTOR, ARIZONA  
 CHAKA FATTAH, PENNSYLVANIA  
 ZOE LORBERG, CALIFORNIA  
 SUITE WF-2, THE CAPITOL  
 (202) 225-7103

May 22, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
 227 Cannon House Office Bldg.  
 U.S. House of Representatives  
 Washington, D.C. 20515

Dear Representative Kim:

Pursuant to Rule 27(g) of the Rules of the Committee on Standards of Official Conduct, we are notifying you that the Committee has expanded the scope of the Investigative Subcommittee's inquiry to include the following additional matters:

1. Whether Representative Jay Kim, or persons acting with his knowledge or approval, have obstructed, or have tried to obstruct, the discovery of information by investigative authorities;
2. Whether Representative Jay Kim, or persons acting with his knowledge or approval, have reported false or misleading information to the House of Representatives or the Internal Revenue Service in connection with income relating to books written by Jay Kim and June Kim;
3. Whether Representative Jay Kim made false statements in his letter to the Honorable Lamar Smith and the Honorable Ed Pastor dated May 21, 1998; and
4. Whether Representative Jay Kim received gifts in violation of House Rules during the period of 1993-1998.

Sincerely,

  
 James V. Hansen  
 Chairman

  
 Howard L. Berman  
 Ranking Democratic Member

JVH/HLB:dhl

cc: Ralph Lotkin, Esq.

JAMES V. HANDEK, UTAH  
CHAIRMAN  
LARRY SMITH, TEXAS  
JOEL HUBLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE RHOLESBERG, MICHIGAN  
THEODORE J. VAN DER BEEK,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
BO FAYTOL, ARIZONA  
CHAKA FATTAN, PENNSYLVANIA  
ZOE LOPREZZI, CALIFORNIA  
SUITE H7-2, THE CAPITOL  
S203 226-7102

June 19, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Kim:

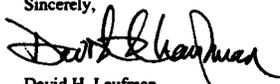
Pursuant to Rule 27(g)(4) of the Rules of the Committee on Standards of Official Conduct ("Committee"), we are hereby advising you that the Committee today acted to further expand the scope of its inquiry by an affirmative vote of a majority of its members.

Specifically, the Committee acted to expand the inquiry to include the following three matters:

1. Whether Representative Kim knowingly made false statements during his testimony before the Investigative Subcommittee.
2. Whether Jay Kim Engineers, Inc., or its successor, reimbursed a company employee for a political contribution to a candidate for Federal election in or about March 1993 with the knowledge and approval of Representative Kim.
3. Whether Representative Kim failed to comply with the terms and conditions of a letter to him from the Committee on Standards of Official Conduct dated July 28, 1997, concerning the solicitation and acceptance of funds to pay for June Kim's legal expenses.

A copy of this letter has been forwarded to your attorney, Ralph Lotkin. If you have any questions, please ask Mr. Lotkin to call me or my co-counsel, Paul Lewis.

Sincerely,



David H. Laufman  
Counsel

EXH. 139

ADAM HARRIS KURLAND, ESQ.  
 HOWARD UNIVERSITY SCHOOL OF LAW  
 2900 VAN NESS ST. NW  
 WASHINGTON, D.C. 20008  
 202 896-8063  
 FAX 806-8428



June 18, 1998

The Honorable Lamar S. Smith  
 Chairman  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

The Honorable Ed Pastor  
 Ranking Democratic Member  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

Last week I spoke with Richard E. Drooyan, Chief Assistant United States Attorney for the Central District of California concerning the materials his office provided to your Subcommittee in connection with the inquiry regarding Representative Kim. I asked him if he would provide to me all of the correspondence and materials that his office provided your office. Mr. Drooyan responded that while he did not want to get involved in a "discovery dispute" between the Ethics Subcommittee and Representative Kim's counsel, he had no objection to the Committee providing us with all of that information. I told him I would represent his comments in a letter to you. As you know, the Subcommittee has already committed to reviewing relevant correspondence with the Department of Justice and providing us with copies of communications implicating Rule 6(e). To date, we have not received any materials covered by this commitment.

With regard to the grand jury secrecy Rule 6(e) issue and our concern about the propriety of the Department's disclosure of its investigative files to the Subcommittee, Mr. Drooyan directed me to the "Dynacor" [sic] case out of the Ninth Circuit. I have researched and I believe I have located the case that Mr. Drooyan was referring to: United States v. Dynavac, 6 F.3d 1407 (9th Cir. 1993). There, the Ninth Circuit held:

Rule 6(e) is intended to protect against disclosure of what is said or takes place in the grand jury room. \* \*

The Honorable Lamar S. Smith  
 The Honorable Ed Pastor  
 Page 2  
 June 18, 1998

\* Thus, if a document is sought for its own sake rather than to learn what took place before the grand jury, and if its disclosure will not compromise the integrity of the grand jury process, Rule 6(e) does not prohibit its release.

6 F.3d at 1411-12.

We do not concede that Dynavac conclusively establishes the propriety of the disclosure of the materials. In any event, the law in the D.C. Circuit is far more restrictive. Under Rule 6(e), prosecutors are forbidden from "disclosing matters occurring before the grand jury," which includes:

[N]ot only what has occurred and what is occurring, but also what is likely to occur. Encompassed within the rule of secrecy are "the identities of witnesses or jurors, the substance of the testimony" as well as actual transcripts, "the strategy or direction of the investigation", the deliberations or questions of jurors, and the like.

In re Motions of Dow Jones & Co., Inc. et. al., \_\_\_ F.3d \_\_\_, 1998 WL 216042 (D.C. Cir. May 5, 1998).

In our view, serious questions arise regarding the propriety of the Subcommittee's, without Court approval, seeking and accepting disclosures of documents presented to the grand jury in light of the broad restrictive scope of Dow Jones, supra. There can be no question that such materials directly reflect the direction and strategy of the prior criminal investigation as well as the probable substance of testimony regarding such documents. This concern is underscored by the fact that the record establishes such materials were not provided under subpoena to the Committee, but, rather, a voluntary disclosure of documents which were obviously obtained for the grand jury's review and consideration. Moreover, in our discussions about this issue with the Subcommittee to date, absolutely no assurances have been given that any possible future public release of any of the documents will not compromise either the confidentiality of the matters which occurred before the grand jury or the personal privacy of individuals other than Representative Kim-- one of the critical underpinnings of the Rule 6(e) restrictions.

We believe that even the minimal dictates of fairness require that we have access to the entirety of materials provided to the Subcommittee by the U.S. Attorney for the Central District of

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 3  
June 18, 1998

California, particularly since Mr. Drooyan expressed no objection to such access. Additionally, because the Committee has criminal referral authority to appropriate Federal authorities, including the Department of Justice and the U.S. Attorney for the District of Columbia, we further believe that the status of grand jury materials in this case is governed by the law of the District of Columbia Circuit. Consequently, we must again request all of the materials and transmittal letters from the U.S. Attorney that were provided to the Subcommittee that were obtained without issuance of a subpoena by the Committee and a ruling on why the Subcommittee's seeking such materials did not violate Dow Jones.

Also, by this letter, we again expressly reserve all of Mr. Kim's rights concerning possible Rule 6(e) violations, which, of course, includes the right to ask for a dismissal of all of the charges that might be brought against Mr. Kim if based upon any documents, testimony, or information derived (directly or indirectly) from a violation of Federal Rule of Criminal Procedure 6(e) as implemented in the District of Columbia Circuit, or any other relevant privileges. In this latter regard, we still await a ruling from the Subcommittee concerning whether, how, and to what extent, any documents or information provided by Mrs. Kim were obtained in full compliance with applicable case law regarding the two prongs of the marital privilege, as have been previously discussed with the Subcommittee.

The facts that Mrs. Kim was not represented by counsel in her discussions or testimony with the Subcommittee, and could have unknowingly inculpated herself in connection with even her own allegations of improper conduct, in addition to not having the expertise or training to give a knowing waiver of either the marital privilege or her 5th Amendment rights, suggest serious problems which must be resolved at the earliest possible time and prior to any possible next phase in the current inquiry process.

We trust this correspondence and the transcript of prior deposition proceedings of Representative Kim provide an adequate explanation of the bases of our substantive and procedural concerns.

We look forward to your rulings and responses to the foregoing issues.

Sincerely yours,



Adam H. Kurland  
Co-counsel for Representative Kim

EXH. 140

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL MEFLAY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KWOLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEID,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV BABO, MINNESOTA  
ED PASTOR, ARIZONA  
DIANA FATTAH, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA  
SUITE HY-2, THE CAPITOL  
(202) 225-7103

July 2, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jay Kim

Dear Mr. Lotkin:

This letter is in response to certain procedural issues and objections that you and your co-counsel, Adam H. Kurland, have raised on behalf of your client, Representative Jay Kim.

A review of the record indicates that you have raised several issues and objections that merit further discussion.

First, you have asked whether the Subcommittee received any documents or information from the U.S. Attorney's Office for the Central District of California in violation of Rule 6(e) of the Federal Rules of Criminal Procedure.

Second, you have objected to certain questions asked of Representative Kim on the grounds that such questions violated the marital communications privilege. In that regard, you have also argued that questions the Subcommittee or its counsel asked June Kim violated the marital communications privilege, and that information obtained from June Kim in alleged violation of that privilege improperly formed the basis for questions the Subcommittee posed to Representative Kim. The record further indicates that you argued that Representative Kim should be able to suppress any testimony by Mrs. Kim against him pursuant to the privilege regarding adverse spousal testimony and the marital

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 2

communications privilege. Based on your assertion that the Subcommittee improperly obtained information from Mrs. Kim, you further assert that any testimony or other information derived from that information must be suppressed.

Third, you have argued that the Subcommittee had an affirmative obligation to advise June Kim of her rights under the Fifth Amendment to the U.S. Constitution, and to obtain a waiver from her of those rights.

Fourth, you have asked whether the Committee on Standards of Official Conduct waived its rules establishing a statute of limitation of three prior Congresses (Committee Rules 16(i) and 19(d)) when it established the Investigative Subcommittee concerning Representative Kim and authorized an investigation of alleged conduct occurring before he became a Member of the House of Representatives.

Fifth, you have disputed the jurisdictional basis for questioning Representative Kim about contributions to candidates for Federal office during the 1980's that may have been reimbursed by Jay Kim Engineers, Inc.

Sixth, you have raised questions about the propriety of a staff deposition of a witness appearing pursuant to a subpoena in the absence of a quorum of at least two House Members.

Seventh, you have asked for a response to allegations by a witness that she was mistreated by Subcommittee counsel.

Eighth, you have asserted that the Subcommittee Chairman acted improperly by deferring a ruling on certain procedural objections lodged during Representative Kim's depositions.

Finally, in correspondence received on June 26, 1998, you and Adam Kurland made the following additional objections, claims, and requests: (1) that Representative Kim be accorded a second opportunity to give a closing statement; (2) that Representative Kim has a procedural right to be asked questions about matters included in the June 19, 1998, expansion of Subcommittee jurisdiction; (3) that Representative Kim be accorded an "evidentiary hearing" concerning communications between Subcommittee (or its staff) and June Kim, at which he would be afforded the right to cross-examine her; (4) that Representative Kim's accountant has declined to speak to you or Representative Kim; (5) that the Subcommittee should be bound by the Federal Rules of Evidence; (6) that June Kim was entitled to receive explicit notice of evidentiary marital privileges; and (7) that the Subcommittee was required by law to obtain a "waiver" of such privileges from Mrs. Kim.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 3

Each of these matters is addressed below.

**Documents Obtained from the U.S. Attorney's Office**

Federal Rule of Criminal Procedure 6(e)(2) provides a general rule against disclosure of "matters occurring before the grand jury" unless a specific exception to the rule applies.<sup>1</sup> However, Rule 6(e) "is intended only to protect against disclosure of what is said or takes place in the grand jury room . . . [I]t is not the purpose of the Rule to foreclose from all future revelation to proper authorities the same information or documents which were presented to the grand jury."<sup>2</sup>

We have determined that the documents and information received from the United States Attorney's Office for the Central District of California in connection with this matter did not violate Rule 6(e).

Because the grand jury that investigated the respondent was located in Los Angeles, California, we have considered your assertion that information may have been provided to the Subcommittee in violation of Rule 6(e) in the context of decisions by the U.S. Court of Appeals for the Ninth Circuit. The Subcommittee's position on this matter derives support from the express provisions of Rule 6(e) concerning disclosure of grand jury materials. Subsection (3)(D) of Rule 6(e) states that "[a] petition for disclosure . . . shall be filed *in the district where the grand jury convened*."<sup>3</sup> In that regard, the Advisory Committee note concerning Rule 6(e) states that "[i]deally, the judge who supervised the grand jury should review the request for disclosure."<sup>4</sup> Thus, I reject your view that decisions by the District of Columbia Circuit provide the controlling legal authority.

On June 19, 1998, Subcommittee counsel spoke with Richard Drooyan, Chief Assistant United States Attorney for the Central District of California, regarding the

<sup>1</sup> Rule 6(e) provides in relevant part:

(e) Recording and Disclosure of proceedings.

(2) General Rule of Secrecy. A grand juror, an interpreter, a stenographer, an operator of a recording device, a typist who transcribes recorded testimony, an attorney for the government, or any person to whom disclosure is made under paragraph (3)(A)(ii) of this subdivision shall not disclose matters occurring before the grand jury, except as otherwise provided for in these rules. No obligation of secrecy may be imposed on any person except in accordance with this rule. A knowing violation of Rule 6 may be punished as a contempt of court.

<sup>2</sup> United States v. Dynavac, Inc., 6 F.3d 1407, 1411 (9<sup>th</sup> Cir. 1993)(citing United States v. Interstate Dress Carriers, Inc., 280 F.2d 52, 54 (2d Cir. 1960)).

<sup>3</sup> Fed. R. Crim. P. 6(e)(3)(D) (emphasis added).

<sup>4</sup> Id. (advisory committee note concerning 1983 amendment).

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 4

materials his office provided to the Subcommittee in connection with our investigation of Representative Kim. Mr. Drooyan confirmed that his office regards the Ninth Circuit's decision in *United States v. Dynavac*<sup>3</sup> as the controlling legal authority regarding this issue. In *Dynavac*, the Ninth Circuit stated that "if a document is sought for its own sake rather than to learn what took place before the grand jury, and its disclosure will not compromise the integrity of the grand jury process, Rule 6(e) does not prohibit its release."<sup>6</sup> The court of appeals indicated that the concern that disclosure might compromise the integrity of the grand jury process is reduced "when the grand jury investigation is already terminated and an indictment has been issued . . . ."<sup>7</sup>

Mr. Drooyan confirmed that Subcommittee counsel never asked for grand jury materials and were never told if the materials requested were obtained through the grand jury process or were presented to the grand jury. In addition, pursuant to *Dynavac*, the materials provided to the Subcommittee by the U.S. Attorney's Office consisted of either documents which had an independent existence prior to the grand jury, or other documents to which Rule 6(e) does not apply, such as FBI reports of witness interviews. Finally, the fact that the grand jury investigation by which the government obtained the documents and information in question long ago ended reduces the possibility that the grand jury process would be compromised by the transmittal of those documents and information to the Subcommittee.

On June 8, 1998, I denied your objection regarding Rule 6(e) and admitted evidence provided to the Subcommittee by the U.S. Attorney's Office.<sup>8</sup> I reaffirm my previous ruling and deny your Rule 6(e) objection asserted in Adam Kurland's letter to the Subcommittee dated June 18, 1998.<sup>9</sup> I also deny your request for all of the materials provided to the Subcommittee by the U.S. Attorney's Office. However, as previously indicated, I am enclosing herein copies of correspondence with the Department of Justice regarding the Subcommittee's requests for documents, which are redacted as appropriate.

<sup>3</sup> 6 F.3d 1407 (9<sup>th</sup> Cir. 1993).

<sup>6</sup> *Id.* at 1411-12 (citation omitted).

<sup>7</sup> *Id.* at 1412 (citation omitted).

<sup>8</sup> Deposition of Hon. Jay Kim, June 8, 1998, at 6-21. You appealed my ruling and the Subcommittee, by a majority vote of the members present, denied your appeal. *Id.* at 21-22.

<sup>9</sup> For the reasons cited above, the case cited in Adam Kurland's letter of June 18, 1998, *In re Motions of Dow Jones & Co., Inc. et al.*, \_\_\_ F.3d \_\_\_, 1990 WL 216042 (D.C. Cir. May 5, 1998), is inapplicable. The grand jury that investigated Representative Kim was located in California. Moreover, most of the information provided by the U.S. Attorney's Office was transmitted to the Subcommittee before Dow Jones was decided.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 5

**Application of Committee Rule 20(b)**

Committee Rule 20(b) governs "the procedure respecting the admissibility of evidence and rulings" in an inquiry.<sup>10</sup> Subsection (b)(1) of Rule 20 states that "[a]ny relevant evidence shall be admissible unless the evidence is privileged under the precedents of the House of Representatives." (Emphasis added.) The Committee's adoption in 1991 of the language comprising what is now Rule 20(b) manifested an intent not to be bound by evidentiary precedent that did not constitute a precedent of the House of Representatives, as the previous rule in effect during the 101<sup>st</sup> Congress provided in pertinent part that evidence was admissible unless it "is privileged or unless the Constitution otherwise requires its exclusion." (Emphasis added.)

I have previously determined, and now reiterate, that the information in question obtained from Mrs. Kim is relevant to the matters under investigation. In addition, we have consulted with the House Parliamentarian and the Office of General Counsel regarding the existence of any formal precedents of the House of Representatives recognizing either the common law privilege regarding marital communications or the common law privilege regarding adverse spousal testimony. We are unaware of any formal precedent regarding the marital communications privilege, and we are aware of only one case where the privilege against adverse spousal testimony was at issue.<sup>11</sup>

House Committees presented with the assertion of a common law privilege often look to judicial precedent for guidance, and the Subcommittee in this instance takes cognizance of both the marital communications privilege and the privilege against adverse spousal testimony. However, the investigative authority of the House of Representatives is not restricted, as a matter of law, by non-constitutional evidentiary

<sup>10</sup> In your letter of June 24, 1998, concerning the marital privilege, you again assert the right to have the rules of evidence in civil and criminal trials in Federal courts apply to Representative Kim's deposition. You cite House Report 95-1817, Korean Influence Investigation, as authority. I direct your attention to page 119 of that report, which indicates that the Federal Rules of Evidence and procedure were used at the public hearing (i.e., disciplinary) phase of the proceedings (which were analogized to "much like the trial of a case in court"). The corresponding proceeding under the current rules is an adjudicatory hearing pursuant to Committee Rule 24. Thus, your citation does not provide precedent for your request to have the Federal Rules of Evidence apply to the investigative phase of this matter.

<sup>11</sup> In that case, which concerned the so-called "Korean Influence Investigation" conducted by the Committee in 1977-78, a witness whose wife had testified that she observed the delivery of money to her husband from the Korean government advised the Committee that he would assert the privilege against adverse spousal testimony on behalf of both himself and his wife if he was ordered to testify. Proceedings Against Hancho C. Kim, H. Rep. No. 95-1214, 95<sup>th</sup> Cong., 2d Sess. 18-19 (1978). The Committee noted Rule 501 of the Federal Rules of Evidence, cited the then-prevailing Supreme Court precedent regarding this privilege, and observed that "[t]here is no reason why it should not apply with equal vitality to these proceedings."<sup>11</sup> *Id.* (citing Hawkins v. United States, 358 U.S. 74 (1958), modified by Trammel v. United States, 445 U.S. 40 (1980)). As indicated above, the witness in the Hancho Kim proceeding sought to assert the privilege against adverse spousal testimony on his own behalf as well as on behalf of his wife, who had testified against him. As discussed further below, the Supreme Court subsequently held in Trammel v. United States that this privilege is held only by the witness-spouse.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 6

privileges. In the context of assertions of the attorney-client privilege, for example, "the precedents of the Senate and the House of Representatives, which are founded on Congress' inherent constitutional prerogative to investigate, establish that the acceptance of [such claims] . . . rests in the sound discretion of a congressional committee regardless of whether a court would uphold the claim in the context of litigation."<sup>12</sup> In the exercise of that discretion by legislative oversight committees, "the process of committee resolution of claims of privilege has traditionally been informed by weighing considerations of legislative need, public policy, and the statutory duty of congressional committees to engage in continuous oversight of the application, administration, and execution of laws that fall within its jurisdiction, against any possible injury to the witness."<sup>13</sup>

It is appropriate for the Investigative Subcommittee to employ a similar balancing test tailored to the specific constitutional responsibilities of the Congress to discipline its Members.<sup>14</sup> If I or the Subcommittee determined that either of the two marital privileges applied in a given instance, the appropriate course would be to decide whether the privilege at issue "promotes sufficiently important interests to outweigh the need for probative evidence" in an ethics investigation.<sup>15</sup>

Under Committee Rule 20(b), therefore, the evidence at issue is admissible without reference to other considerations.<sup>16</sup> In the exercise of my discretion as Subcommittee Chairman, however, and with the concurrence of other Subcommittee Members, I have referred to relevant judicial precedent for guidance in ruling upon evidentiary objections based on common law privileges.

#### Assertion of the Marital Communications Privilege

Because the House of Representatives is a Federal forum, we have referred to decisions by Federal courts for guidance in considering your objections based on the marital communications privilege. Because the record indicates that most of the communications at issue occurred in California and the marital domicile is located in

<sup>12</sup> Morton Rosenberg, *Investigative Oversight: An Introduction to the Law, Practice and Procedure of Congressional Inquiry*, Congressional Research Service, at 43 (1995) (emphasis added).

<sup>13</sup> *Id.* at 43-44 (citation omitted).

<sup>14</sup> U.S. Const. art. I, § 5.

<sup>15</sup> *Trammel v. United States*, 445 U.S. 40, 53 (1980) (assessing applicability of privilege against adverse spousal testimony).

<sup>16</sup> See Thomas Millet, *The Applicability of Evidentiary Privileges for Confidential Communications Before Congress*, 21 John Marshall L. Rev. 309, 310, 319-20 (1988); Morton Rosenberg, *supra*, at 43-49.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 7

California, our analysis has focused on decisions by the U.S. Court of Appeals for the Ninth Circuit as well as decisions by the U.S. Supreme Court.

The marital communications privilege "bars testimony concerning statements privately communicated between spouses."<sup>17</sup> The non-testifying spouse may invoke the privilege.<sup>18</sup> As the Ninth Circuit has observed, "[t]he privilege applies only to marital communications which are confidential. That is, the privilege does not extend to statements which are made before, or likely to be overheard by, third parties."<sup>19</sup> In addition, "the privilege applies only to words or acts intended as communication to the other spouse."<sup>20</sup>

Consistent with the judicial practice of narrowly construing other testimonial exclusionary rules and privileges,<sup>21</sup> courts "narrowly construe the marital communications privilege because it obstructs the truth-seeking process. . . . Use of the privilege in criminal proceedings requires a particularly narrow construction because of society's strong interest in the administration of justice."<sup>22</sup> In that regard, the Ninth Circuit has held that "the marital communications privilege does not apply to statements made in furtherance of joint criminal activity."<sup>23</sup>

<sup>17</sup> United States v. Marashi, 913 F.2d 724, 729 (9<sup>th</sup> Cir. 1990); see SEC v. Lavin, 111 F.3d 921, 925 (D.C. Cir. 1997).

<sup>18</sup> United States v. Marashi, 913 F.2d at 729 (citing In Re Grand Jury Investigation of Huggle, 754 F.2d 863, 864 (9<sup>th</sup> Cir. 1985)); see SEC v. Lavin, 111 F.3d at 925.

<sup>19</sup> United States v. Marashi, 913 F.2d at 730 (citing, *inter alia*, Pereira v. United States, 347 U.S. 1, 6 (1954)); see SEC v. Lavin, 111 F.3d at 925.

<sup>20</sup> United States v. Marashi, 913 F.2d at 729 (citing, *inter alia*, Pereira v. United States, 347 U.S. at 6).

<sup>21</sup> See Trammel v. United States, 445 U.S. 40, 50 (1980); see also United States v. Nixon, 418 U.S. 683, 709-10 (1974) ("Whatever their origins, these exceptions to the demand for every man's evidence are not lightly created nor expansively construed, for they are in derogation of the search for truth."); Elkins v. United States, 364 U.S. 206, 234 (1960) (Frankfurter, J., dissenting) ("Limitations are properly placed upon the operation of this general principle only to the very limited extent that permitting a refusal to testify or excluding relevant evidence has a public good transcending the normally predominant principle of utilizing all rational means for ascertaining truth.")

<sup>22</sup> United States v. Marashi, 913 F.2d at 730 (citing United States v. Roberson, 859 F.2d 1376, 1380 (9<sup>th</sup> Cir. 1988)). While the Subcommittee's inquiry is not a criminal proceeding, this policy concern is nonetheless pertinent to the inquiry because of Representative Kim's previous guilty pleas, the possibility that Representative Kim engaged in other, uncharged criminal acts, and the possibility that he violated House Rules.

<sup>23</sup> *Id.* at 731 (husband directed wife to help him underreport income on joint income tax returns). This exception to the marital communications privilege has been recognized by a majority of the circuits. See United States v. Parker, 834 F.2d 408, 411 (4<sup>th</sup> Cir. 1987), *cert. denied*, 485 U.S. 938 (1988); United States v. Estes, 793 F.2d 465, 468 (2d Cir. 1986) (spouse could testify to acts

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 8

Insofar as the House of Representatives is not bound by judicial precedent regarding non-constitutional evidentiary privileges, however, the Subcommittee, in its discretion, reserves the right to adopt a modified version of the exception for criminal activity if it determines that such an approach is necessary and appropriate to fulfill the constitutional mandate of the House of Representatives to discipline its Members.<sup>24</sup> For example, the Subcommittee may determine that this exception should apply if it believes that the communication in question related to conduct that may have resulted in violations of House Rules, as opposed to violations of law.

Regarding the question of a waiver, I concur that Mrs. Kim, by her testimony, cannot waive Representative Kim's right to assert the marital communications privilege.<sup>25</sup> Insofar as Representative Kim objects on the grounds of the marital communications privilege to statements or testimony given by Mrs. Kim, it should be noted that Representative Kim was not entitled under Committee Rules to attend informal interviews or depositions of Mrs. Kim, and therefore was in no position at that time to interpose objections on privilege grounds. In light of Representative Kim's objections at this juncture, the Subcommittee will analyze any such statements or testimony by Mrs. Kim in the context of whether that privilege should apply, and whether any exception to the privilege should apply. If the Subcommittee determines that the privilege should apply, and that no exception to the privilege should apply, it will assess whether the probative value of the information at issue outweighs the interests that the privilege promotes. Should the Committee determine that the privilege should apply, it will strike from the record the relevant statement or testimony by Mrs. Kim. Consistent with Federal judicial precedent, however, the Subcommittee reserves the right to make derivative use of any statements or testimony by Mrs. Kim.

Finally, you have asserted that any information or evidence derived from Mrs. Kim's testimony must be suppressed or excluded, assuming that such testimony itself was obtained in violation of the marital communications privilege. That view is without merit as a matter of law. Because the marital communications privilege is not "constitutionally grounded," the Ninth Circuit has expressed "doubt that a secondary

---

involving ongoing joint criminal activity); United States v. Picciandra, 788 F.2d 39, 43 (1<sup>st</sup> Cir. (conversations in furtherance of conspiracy to evade income taxes), cert. denied, 479 U.S. 847, rehearing denied, 479 U.S. 978 (1986); United States v. Keck, 773 F.2d 759, 767 (7<sup>th</sup> Cir. 1985); United States v. Sims, 755 F.2d 1239, 1243 (6<sup>th</sup> Cir.) (adopting narrower version of exception), cert. denied, 473 U.S. 907 (1985); United States v. Neal, 743 F.2d 1441, 1446 (10<sup>th</sup> Cir. 1984), cert. denied, 470 U.S. 1086 (1985); United States v. Ammar, 714 F.2d 238, 257-58 (3d Cir. (communications in furtherance of criminal activity not privileged), cert. denied, 464 U.S. 936 (1983); United States v. Mendoza, 574 F.2d 1373, 1379-80 (5<sup>th</sup> Cir.), cert. denied, 439 U.S. 988 (1978).

<sup>24</sup> U.S. Const. art. I, § 5.

<sup>25</sup> For the reasons stated above, I have overruled your objections regarding questions posed to Representative Kim, except as indicated.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 9

source of information obtained through information protected by the confidential marital communications privilege would in any way be 'tainted.'"<sup>26</sup> The court of appeals has further observed that even if "some version of a 'taint' theory were independently applicable to violations of this privilege," the independent source doctrine could serve as a basis for the admissibility of evidence.<sup>27</sup>

I now respond to your objections based on the marital communications privilege.<sup>28</sup>

**1. Objection to Question Concerning the Respondent's Knowledge of Whether Jaycee Kim Gave Cash to Carmen Suarez in Connection with Contribution to the Respondent's Campaign**

On June 8, 1998, counsel for respondent objected to a question concerning whether Representative Kim had any knowledge that Jaycee Kim ever gave cash to Carmen Suarez in connection with a contribution to Representative Kim's campaign. Counsel for the Subcommittee noted that counsel for the respondent should make an objection for the record. It was also noted for the record that counsel for respondent asserted a continuing line of objection.<sup>29</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife.

**2. Objection to Question Concerning Whether Representative Kim Asked Mrs. Kim to Open a Bank Account in Korea in February 1994**

On June 9, 1998, counsel for respondent objected to a question concerning whether Representative Kim asked Mrs. Kim to open a bank account in Korea in February 1994 in order to facilitate the transmission of money from Korea to the United States in relation to Representative Kim's book.<sup>30</sup>

<sup>26</sup> United States v. Lefkowitz, 618 F.2d 1313, 1318 n.8 (9<sup>th</sup> Cir.), cert. denied, 449 U.S. 824 (1980) (citing Wong Sun v. United States, 371 U.S. 471 (1963)); accord United States v. Marashi, 913 F.2d at 731 n.11.

<sup>27</sup> United States v. Lefkowitz, 618 F.2d at 1318 n.8.

<sup>28</sup> I understand that many, if not all, of your objections on the grounds of a "marital privilege" were intended to include objections on the grounds of both the marital communications privilege and the privilege against adverse spousal testimony. The discussion that follows relates only to the marital communications privilege. A response to your objections pursuant to the privilege against adverse spousal testimony separately follows.

<sup>29</sup> Dep. of Hon. Jay Kim, June 8, 1998, at 177-178.

<sup>30</sup> Dep. of Hon. Jay Kim, June 9, 1998, at 29-32.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 10

**Ruling**

The objection is overruled on the grounds of the exception to the privilege concerning joint criminal activity, as interpreted by the Subcommittee. The Subcommittee has obtained evidence that Representative and Mrs. Kim did not disclose Mrs. Kim's account at Cho Heung Bank in South Korea on their joint income tax return for calendar year 1994, thereby possibly violating Federal tax laws and 18 U.S.C. § 1001. In addition, Representative Kim's failure to disclose any account at Cho Heung Bank on his Financial Disclosure Statements when such an account apparently was reportable raises concerns about a possible intent to conceal the account from the House of Representatives in violation of the Ethics in Government Act and corresponding House Rules.

**3. Objection to Question Concerning the Marketing of Representative Kim's Book**

On June 9, 1998, counsel for the respondent objected to a question concerning whether "during the time that you were writing the book, was anybody, to your knowledge, either in the United States or in Korea, trying to market the book, trying to sell the book, either by taking advanced [sic] orders or getting people to pay up front?"<sup>31</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question, if any, is derived solely from a privileged conversation.

**4. Objection to Question Concerning Whether Jennifer Ahn Received Money Related to Representative Kim's Book Prior to the Book's Publication**

On June 9, 1998, counsel for the respondent objected to the following question: "[D]id anybody give any money to Jennifer Ahn prior to the book's publication in connection with the book?" While a specific objection to this question on the grounds of the marital communications privilege was not made, counsel for the respondent made the following comment:

I need to put on the record something concerning the objection on the confidential privileges.

Mr. Kim, pursuant to his plea agreement, has to fully cooperate

---

<sup>31</sup> *Id.* at 37-38.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 11

with this committee, which we are trying to do. This is an additional reason why I want it on the record that our answering questions which violate Mrs. Kim's confidential marital communication privilege should not be construed as a waiver of our challenges to her questions on that ground. Again, we are here in a different position than she is, having to comply with terms of the plea agreement to cooperate. I think the committee is putting us in a -- is putting Mr. Kim in an untenable and unfair and unethical situation, but I wanted that stated for the record.<sup>32</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question, if any, is derived solely from a privileged conversation.

**5. Objection to Question Concerning Jennifer Ahn's Involvement in Marketing Representative Kim's Book in Korea**

On June 9, 1998, counsel for the respondent objected to the following question: "What involvement did Jennifer Ahn have in marketing the book in Korea?" The respondent answered that Ms. Ahn and Mrs. Kim were involved in a joint venture and described the relationship between the two women. Counsel for the respondent asserted an objection on the grounds of the marital communications privilege.<sup>33</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question, if any, is derived solely from a privileged conversation.

**6. Objection to Question Concerning Whether Representative Kim Directed His Wife to Work with Heon Kim Regarding the Marketing of His Book**

On June 9, 1998, counsel for the respondent asserted an objection on the grounds of the marital communications privilege to the following question: "[D]id you direct Mrs. Kim to work with Hun [sic] Kim--." After a series of related questions and objections, counsel for the Subcommittee asked: "[D]id you discuss with Mrs. Kim, in 1994, the deposit of proceeds from Hun Kim regarding your book into Mrs. Kim's

<sup>32</sup> *Id.* at 39-40.

<sup>33</sup> *Id.* at 44.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 12

account in Korea?" The respondent replied that several times he asked his wife, in their bedroom, if they had made money from the book and that she replied they had not.<sup>34</sup>

#### Ruling

The objections are overruled on the grounds of the exception to the privilege concerning joint criminal activity, as modified by the Subcommittee with respect to possible violations of House Rules. The Subcommittee has obtained evidence that at least \$86,000 deposited into Mrs. Kim's account at Cho Heung Bank in South Korea was transferred to an account at the California Korea Bank in Rowland Heights, California, and that these funds initially were received in Korea approximately six months before Representative Kim's book was published. This evidence, combined with financial documents, provides a basis for the Subcommittee to apply the exception for joint criminal activity, as interpreted by the Subcommittee to include possible violations of House Rules.

#### **7. Objection to Question Concerning Transfer of \$86,000 from Korean Bank Account to Bank Account in United States**

On June 9, 1998, counsel for respondent asserted an objection on the grounds of the marital communication objection to the following question: "[B]ased on your relationship and prior experience with June Kim, do you believe it's possible that she would have arranged for the transfer of \$86,000 from an account in Korea to an account in the United States that either you or she controlled without telling you at the time?" After further discussion, Subcommittee counsel asked: "[R]ecognizing that you have a standing [objection] on marital communications privilege grounds, is it your testimony that you have never discussed with June Kim the \$86,000 apparently transferred from an account in Korea to the United States on August 2, 1994?" Representative Kim answered, "That's correct."<sup>35</sup>

#### Ruling

The objection is overruled. Although the question prompting the objection inquired about a communication between Representative Kim and his wife, Representative Kim's answer was that he has *not communicated* with Mrs. Kim about this matter. According to the respondent's own answer, therefore, no communication occurred that could be subject to the marital communications privilege.

---

<sup>34</sup> *Id.* at 78-81.

<sup>35</sup> *Id.* at 106-107.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 13

**8. Objection to Question Concerning Representative Kim's Knowledge of John Choi**

On June 18, 1998, counsel for the respondent asserted an objection on the grounds of the marital communications privilege to the following question: "[D]o you know anybody by the name of John Choi who ever tried to raise money on your behalf?"<sup>36</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question, if any, is derived solely from a privileged conversation.

**9. Objection to Questions About Representative Kim's Trip to Hawaii and Contact There With Korean Chairman of Hanbo Steel**

On June 18, 1998, the respondent asked if a series of questions about a trip to Hawaii and his relationship with the Korean chairman of Hanbo Steel were based on information obtained from his wife. Counsel for the Subcommittee noted the respondent's standing objection on the grounds of the marital communications privilege.<sup>37</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question is derived solely from a privileged conversation.

**10. Objection to Question Concerning Representative Kim's Meeting in Washington, D.C. with Korean Chairman of Hanbo Steel**

On June 18, 1998, counsel for the Subcommittee, pursuant to Committee Rule 20(a)(3), asked Representative Kim to respond to "information that you first met Mr. Chung, the chairman of Hanbo Steel, in Washington, D.C. in October 1993, rather than in Hawaii." Counsel for the respondent asserted an objection on the grounds of the marital communications privilege.<sup>38</sup>

---

<sup>36</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 9-10.

<sup>37</sup> *Id.* at 12-14.

<sup>38</sup> *Id.* at 17.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 14

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question is derived solely from a privileged conversation.

**11. Objection to Question Concerning Dobum Kim's Transmittal of a \$30,000 Check to Representative Kim in January 1994**

On June 18, 1998, counsel for the Subcommittee asked a series of questions about whether Dobum Kim visited Representative Kim's home in Diamond Bar, California in January 1994 and gave him a check in the amount of \$30,000. Counsel for Representative Kim objected on the grounds of the marital communications privilege. The presiding Member overruled the objection.<sup>39</sup>

**Ruling**

Although the objection already has been overruled pursuant to Committee rules, and no appeal has yet been received, I note for the record that I concur with the presiding Member's decision. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question is derived solely from a privileged conversation. Further, the Subcommittee has received information that a third party, Dobum Kim, was present during the events that were the subject of Subcommittee counsel's questions. Any communications between Representative Kim and Mrs. Kim in Dobum Kim's presence, therefore, would not be privileged.<sup>40</sup>

**12. Objection to Question Concerning Deposit by June Kim of \$30,000 in March 1994**

On June 18, 1998, counsel for the Subcommittee asked Representative Kim if a deposit slip filled out by June Kim for \$30,000, dated March 2, 1994, corresponded to the \$30,000 check from Dobum Kim received in January 1994. Counsel for Representative Kim asserted an objection on the grounds of the marital communications privilege, and the Chairman overruled the objection.<sup>41</sup>

<sup>39</sup> *Id.* at 45-51.

<sup>40</sup> *Marashi*, 913 F.2d at 730 (citing *Pereira v. United States*, 347 U.S. 1, 6 (1954)).

<sup>41</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 60-62.

Ralph L. Lotkin, Esq.  
 July 2, 1998  
 Page 15

**Ruling**

I reiterate my previous decision to overrule the objection. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question is derived solely from a privileged conversation.

**13. Objection to Question Concerning Dobum Kim's Receipt of Books in Connection with \$30,000 Check**

At his deposition on June 18, 1998, the respondent was advised:

Again, we are going to give you a chance to respond to allegations that have been related to us, and one of those allegations is that the only books Hanbo received were a handful of books, less than a dozen, that June Kim personally delivered to Dobum Kim's residence and gave to the wife of Dobum Kim approximately a year after this \$30,000 check was tendered.<sup>42</sup>

Counsel for Representative Kim asserted an objection on the grounds of the marital communications privilege.<sup>43</sup>

**Ruling**

The objection is overruled. The question prompting the objection did not ask about a communication between Representative Kim and his wife, and Representative Kim did not testify that his knowledge of the matter in question is derived solely from a privileged conversation.

**Assertion of the Privilege Regarding Adverse Spousal Testimony**

The Supreme Court held in *Trammel v. United States* that the privilege not to testify against one's spouse belongs solely to the witness-spouse, not to the non-testifying spouse.<sup>44</sup> Hence, this privilege belongs to June Kim, not to Representative Kim.

<sup>42</sup> *Id.* at 66.

<sup>43</sup> *Id.* at 66-67.

<sup>44</sup> *Trammel v. United States*, 445 U.S. at 53; see *United States v. Boaggs*, 39 F.3d 331, 350 (D.C. Cir. 1994) (per curiam) (husband without standing to contest district court's decision to compel wife to testify), *cert. denied sub nom. Alvis v. United States*, 484 U.S. 914 (1987); see also *United States v. Vaccaro*, 816 F.2d 443, 450 (9<sup>th</sup> Cir. 1987).

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 16

Representative Kim therefore has no standing to prevent Mrs. Kim from giving testimony against him, except as to communications protected by the marital communications privilege.

At no time during any deposition or interview did June Kim ever invoke the privilege against adverse spousal testimony. The Subcommittee is unaware of any law, House rule, or Committee rule imposing an affirmative obligation on the Subcommittee or its staff to advise a witness-spouse of the ability to assert the adverse spousal testimony privilege. In any event, the Subcommittee has no reason to believe that Mrs. Kim would have invoked this privilege if she had been explicitly so advised, in light of the adverse testimony regarding Representative Kim that she volunteered to the Subcommittee.

In the June 24, 1998, letter to me and Ranking Democratic Member Pastor from you and Adam Kurland, you appear to claim that the Subcommittee was required by law to obtain a formal waiver from June Kim of the privilege against adverse spousal testimony. In that regard, you speculate that Subcommittee counsel made representations to Mrs. Kim about applicable laws, that these supposed representations misstated the law, and that the purported misrepresentations "led Mrs. Kim to an involuntary and uninformed waiver." In addition, you observe that Mrs. Kim's statements and testimony do not constitute a waiver of Representative Kim's right to assert the marital communications privilege.

We are not aware of any law or House rule that would have required the Subcommittee to obtain a formal waiver from June Kim of the adverse spousal testimony privilege. Nonetheless, Subcommittee counsel expressly advised Mrs. Kim at her initial interview that counsel would be asking her about confidential communications between her and Representative Kim and about Representative Kim's own conduct, and she voluntarily provided information about such communications and Representative Kim's conduct. Your suggestion that Subcommittee counsel induced Mrs. Kim into making statements about confidential marital communications by misrepresenting the law is entirely inaccurate, and it is regrettable that you engaged in such speculation.

#### Mrs. Kim's Fifth Amendment Rights

The Fifth Amendment to the U.S. Constitution provides in pertinent part that "[N]o person . . . shall be compelled in any criminal case to be a witness against himself." Representative Kim has no standing to assert his wife's Fifth Amendment rights.<sup>45</sup> Accordingly, I deny any objections by Representative Kim based on Mrs. Kim's Fifth Amendment rights.<sup>46</sup>

<sup>45</sup> Couch v. United States, 409 U.S. 322, 327-29 (1973) (Fifth Amendment privilege against self-incrimination is a personal privilege.)

<sup>46</sup> It should be noted that Mrs. Kim was informed of her right to counsel before testifying before the Subcommittee, and had previously been provided with a copy of the Committee's rules. We have

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 17

**Committee Action Regarding Pre-Member Conduct**

Committee Rule 17(c) provides that the full Committee Chairman and Ranking Minority Member may establish an investigative subcommittee "[w]henever [they] jointly determine that information submitted to the Committee meets the requirements of the Committee's rules for what constitutes a complaint . . . ." In December 1997, the House Parliamentarian advised the Chairman and Ranking Democratic Member that copies of indictments and plea agreements transmitted to the Committee by the Department of Justice met the requirements of House and Committee rules for what constitutes a complaint. The Parliamentarian also advised the Chairman and Ranking Democratic Member that the Committee has jurisdiction under House Rule X, Clause 4(e), to investigate allegations of misconduct relating to a successful campaign for election to the House.

Consequently, the Chairman and Ranking Democratic Member exercised their authority under Committee Rule 17(c) to establish an investigative subcommittee to conduct an inquiry concerning Representative Kim. The Committee notified Representative Kim of the establishment of the investigative subcommittee, and of the scope of the inquiry, in a letter to Representative Kim dated December 17, 1997.

The House Parliamentarian subsequently suggested that the full Committee memorialize for the record the action taken by the Chairman and Ranking Democratic Member, and that the Committee consider a motion approving that action. In a full Committee meeting on February 5, 1998, the Committee considered the action taken on the Kim case by the Chairman and Ranking Democratic Member in December 1997. At that meeting, the Committee considered a motion affirming that it "has jurisdiction to investigate allegations of misconduct relating to a successful campaign for election to the House." Discussion of that subject included reference to the three-Congress statute of limitations, now set forth in Committee Rules 16(i) and 19(d). The Committee unanimously approved the motion, thereby ratifying the action taken by the Chairman and Ranking Democratic Member in December 1997.

**Jurisdictional Basis for Questions Regarding Corporate Contributions**

You have asserted that the Subcommittee lacked jurisdiction to question Representative Kim about possible corporate contributions by Jay Kim Engineers, Inc. to Representative David Dreier during the 1980's, to Representative Norman Mineta in

---

consulted with the House Parliamentarian and the Office of General Counsel and are unaware of any precedent of the House of Representatives requiring a witness testifying before a congressional committee, which is not a criminal tribunal, to be informed of their Fifth Amendment rights. Thus, the Subcommittee was under no obligation to advise Mrs. Kim of her rights under the Fifth Amendment or to obtain a waiver of those rights.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 18

1991, and to Senator Phil Gramm's "Gramm '96 Committee" in 1993. In support of your position, you have focused on the Committee's letter to Representative Kim dated April 23, 1998. In that letter, the Committee notified Representative Kim that it had expanded the scope of the Investigative Subcommittee's inquiry to include "whether violations of Federal law were committed with respect to your 1994, 1996, and 1998 campaigns for election to the U.S. House of Representatives."

I affirm the Subcommittee's jurisdiction to question Representative Kim about the above-specified contributions, and overrule your objection.

The Subcommittee questioned Representative Kim about these contributions for two reasons. First, it sought to develop information regarding Mr. Kim's knowledge about Federal laws governing contributions to candidates for Federal office, including laws prohibiting corporate contributions.<sup>47</sup> Second, it sought to develop information regarding Mr. Kim's possible involvement in illegal corporate conduit contributions. In both instances, the Subcommittee believes it is legitimate and appropriate to seek and consider information regarding Representative Kim's knowledge and conduct with respect to the contributions in question in evaluating his knowledge and conduct with respect to possible later violations of Federal law regarding his 1994, 1996, and 1998 campaign. For example, the Subcommittee might consider evidence of a pattern and practice of involvement in corporate conduit contributions during the 1980's in evaluating Representative Kim's testimony regarding his knowledge and conduct with respect to possible subsequent violations of Federal law regarding his 1994, 1996, and 1998 campaigns.

For these same reasons, the Subcommittee believed it was acting within the scope of its jurisdiction to question Representative Kim about a possible corporate reimbursement of a personal contribution by Carmen Suarez to the "Gramm '96 Committee" in March 1993. To eliminate any possible question about its jurisdiction regarding that particular matter, however, the Committee included the Gramm contribution in the expansion of Subcommittee jurisdiction set forth in the Committee's letter to Representative Kim dated June 19, 1998.

#### **Compelled Testimony in Absence of Two-Member Quorum**

On March 19, 1998, the Subcommittee served a subpoena on Jennifer Ahn through her attorney, Mr. Tysun Ihm, requiring her testimony before the Subcommittee.

<sup>47</sup> You have argued that testimony given by Representative Kim establishes a *lack of knowledge* regarding applicable Federal election campaign laws. The Subcommittee is not persuaded that the record as a whole supports that conclusion. Representative Kim's knowledge and approval of a direct corporate contribution to a candidate for Federal office, for example, could be interpreted as manifesting a *flagrant disregard* of applicable laws, rather than ignorance of them. Even if the Subcommittee agreed with your assertion, however, that conclusion would not invalidate the legitimacy of *questioning* Representative Kim about these contributions in order to reach an ultimate conclusion.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 19

Ms. Ahn first appeared before the Subcommittee pursuant to that subpoena on May 12, 1998, and submitted to questions by Subcommittee Members and counsel. At that deposition, the Subcommittee advised Ms. Ahn that she would be afforded an opportunity to make a closing statement at the end of her deposition. Questioning of Ms. Ahn was not completed on May 12, and her deposition was continued. The Subcommittee directed counsel to reschedule the continuation of Ms. Ahn's deposition as soon as possible.

Because of scheduling considerations, including respect for Ms. Ahn's own business travel schedule, Subcommittee counsel scheduled the continuation of Ms. Ahn's deposition for Monday, May 18, 1998, pursuant to the subpoena originally issued on March 19, 1998. No Subcommittee Members were present for Ms. Ahn's appearance that day.

Subcommittee counsel explained to Ms. Ahn and her attorney, Mr. Ihm, that her testimony would not be sworn because a quorum of two Members was not present, but that her testimony would be transcribed and subject to the prohibitions of 18 U.S.C. § 1001. Mr. Ihm objected to the continuation of the deposition on the grounds that Members were not present, and that she was entitled to the presence of at least two Members for a staff interview that had been initiated as a formal deposition.

Counsel advised Ms. Ahn and her attorney that she could reserve her closing statement for presentation before Subcommittee Members, but that questioning would continue. In that regard, Subcommittee counsel, in good faith, proceeded on the understanding that staff may interview witnesses in the absence of a two-Member quorum, even on the record, provided that the testimony is not sworn. Subcommittee counsel did not complete questioning of Ms. Ahn on May 18, and her deposition was continued.

Subsequently, Subcommittee counsel consulted the House Parliamentarian on the question of whether Committee staff may require a witness to submit to questions in the absence of a two-Member quorum, where the witness is appearing pursuant to a subpoena. The Parliamentarian advised counsel that subpoenas may be enforced only with respect to a "hearing," and that a staff interview in the absence of Members does not constitute a hearing. In retrospect, therefore, Subcommittee counsel, although acting in good faith, should not have required Ms. Ahn to submit to questioning on May 18, 1998.

Ms. Ahn's deposition subsequently was continued on May 28, 1998, at which time she gave sworn testimony in the presence of Subcommittee Members and made a closing statement.

The Subcommittee will present Ms. Ahn with four choices in connection with the procedural error concerning her appearance on May 18, 1998: (1) to waive the procedural error; (2) to review the transcript of her testimony and adopt it under oath; (3) to appear voluntarily for a staff interview on the record regarding the matters discussed on May 18,

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 20

1998; or (4) to face the possibility of a new Subcommittee subpoena compelling her testimony under oath in the presence of Subcommittee Members.

**Alleged Mistreatment of Witness**

Representative Kim has asked for a response to allegations that Subcommittee counsel mistreated Jennifer Ahn during her interview by staff on May 18, 1998. I and other Subcommittee members have spoken to both Subcommittee attorneys who were present for that interview and have also reviewed the record of that interview. I am satisfied that Ms. Ahn was not mistreated, and I regard this matter as closed.

Regarding an alleged "strip-search" of Ms. Ahn when she returned to the United States from a trip to South Korea, Ranking Democratic Member Ed Pastor and I have stated publicly that neither Committee Members nor staff have ever requested physical searches of Ms. Ahn or anyone else. In addition, upon inquiry by Subcommittee counsel following Ms. Ahn's complaint, Subcommittee counsel were advised by the FBI office in Los Angeles that Ms. Ahn was the subject of a "pat-down" search, not a strip-search.

**Deferred Responses to Evidentiary Objections**

You have asserted that my decision to defer a ruling on certain of your procedural objections violated Committee rules. I disagree.

Committee Rule 20(b) states in pertinent part that "[t]he Chairman of the subcommittee or other presiding member at any investigative subcommittee proceeding shall rule upon any question of admissibility or pertinency of evidence, motion, procedure or any other matter . . . ." According to the House Parliamentarian, the Chairman or other presiding Member possesses inherent discretion under Committee Rule 20(b) to take a given objection under advisement and defer a final ruling until he or she has the information deemed necessary and appropriate to issue such a ruling.

**Representative Kim's Closing Statement**

Representative Kim's closing statement was scheduled for 4:00 p.m. on Wednesday, June 24, 1998. The meeting did not commence until approximately 4:45 p.m. because legislative votes prevented the achievement of a quorum. A quorum of three Members of the Subcommittee subsequently was present.

You are Representative Kim's lead counsel, and you were present at all times to represent Representative Kim at the meeting. Your co-counsel, Adam Kurland, had been present at 4:00 p.m. but departed at 4:30 p.m. in response to a court order in another matter.<sup>48</sup>

<sup>48</sup> Executive Session of Investigative Subcommittee, June 24, 1998, at 4.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 21

You requested a postponement of the closing argument for several reasons. First, you asserted that Mr. Kurland's presence was necessary in order for Representative Kim to give his closing statement.<sup>49</sup> Second, you indicated that Representative Kim desires to make additional motions.<sup>50</sup> Third, you indicated that he expected Subcommittee Members or counsel to ask additional questions of Representative Kim at the conclusion of the closing statement.<sup>51</sup> Fourth, you indicated that Representative Kim has a right to be asked questions regarding the expansion of the Subcommittee's investigation on June 19, 1998.<sup>52</sup> Fifth, you remarked that the Subcommittee had not responded to outstanding objections and procedural questions.<sup>53</sup>

After a recess, the presiding Member informed Representative Kim that he would be afforded an opportunity to present a closing statement at that meeting of the Subcommittee, and that no questions would be asked without the presence of Mr. Kurland. In addition, the presiding Member advised Representative Kim that he would be allowed to submit any written documentation he desired to supplement his closing statement. Finally, Representative Kim was informed that if the Subcommittee later considered a Statement of Alleged Violation, he would be afforded the opportunity to address the Subcommittee personally prior to any vote of the Subcommittee concerning possible charges.<sup>54</sup>

#### A. Opportunity to Present a Closing Statement

Committee Rule 20(a)(3) provides the respondent "an opportunity to present, orally or in writing, a statement, which must be under oath or affirmation, regarding the allegations and any other relevant questions arising out of the inquiry." In addition, Representative Kim specifically asked the Subcommittee's permission to make a closing statement at the conclusion of his deposition. Pursuant to Rule 20(a)(3) and Representative Kim's request, the Subcommittee agreed to permit Representative Kim to make a closing statement.

---

<sup>49</sup> *Id.*

<sup>50</sup> *Id.* at 7.

<sup>51</sup> *Id.* Representative Scott asked if Representative Kim would give his closing statement if no additional questions were asked at the proceeding. *Id.* You still declined to permit Representative Kim to give his closing statement. *Id.* In that regard, it should be noted that Subcommittee counsel commented that the Subcommittee had no further questions for Representative Kim. *Id.* at 18.

<sup>52</sup> *Id.* at 10-11, 17.

<sup>53</sup> *Id.* at 22, 26-27.

<sup>54</sup> *Id.* at 24-25, 30.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 22

Representative Kim's deposition concluded on June 18, 1998. On June 19, 1998, you and Representative Kim received notice of an expansion of the scope of the Subcommittee's inquiry.<sup>55</sup> Thus, you had five days before Representative Kim's scheduled closing statement to submit questions to the Subcommittee about the expansion of jurisdiction or to raise any new objections, and you failed to do so.

Representative Kim was afforded his right to make a closing statement at 4:45 p.m. on June 24, 1998. A quorum of three members of the Subcommittee was present to listen to his presentation. It was not possible to postpone the statement for a reasonable period of time for several reasons. First, you informed Subcommittee staff that you would not be available on June 25, 1998. Second, the House adjourned on June 25, 1998, until July 14, 1998, and the Members of the Subcommittee had long-standing commitments on June 26-27, 1998. Finally, you advised the Subcommittee that Representative Kim was scheduled to travel out of the country from June 27 until July 11, 1998.

The Subcommittee addressed each of your objections to postponing the closing statement. First, Representative Kim was informed that the record would be left open for any additional motions. Second, Representative Kim was assured he would not be asked additional questions on June 24, 1998. Third, although Representative Kim was informed of an expansion of the Subcommittee's jurisdiction on June 19, 1998, Subcommittee counsel advised you that the expansion was based on previous questions submitted to Representative Kim. If as a result of the closing statement additional questions became necessary concerning the expansion, you were advised at the June 24 proceeding that any additional questioning would occur on another date in the presence of Mr. Kurland, if Representative Kim desired his presence. Representative Kim was assured that all outstanding objections to evidence and procedure would be answered before the Subcommittee considered any possible Statement of Alleged Violation. To assure that Representative Kim is treated fairly, he was promised an opportunity to personally address the Subcommittee prior to a vote on any possible charges.

#### **B. Right to Counsel**

Committee Rule 20(a)(2) states in pertinent part that "[t]he Chairman of the investigative subcommittee shall ask respondent and all witnesses whether they intend to be represented by counsel. . . . A respondent . . . who is represented by counsel shall not be questioned in the absence of counsel unless an explicit waiver is obtained."

Committee Rule 27(k) states in pertinent part that "[w]itnesses shall be afforded a reasonable period of time, as determined by the Committee or subcommittee, to prepare for . . . an appearance before an investigative subcommittee, and to obtain counsel."

---

<sup>55</sup> See discussion below.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 23

The Subcommittee advised you at your appearance on June 18, 1998, that it had no further questions for you, and that your closing statement would be scheduled for the following week.<sup>56</sup> You had sufficient time to prepare for Representative Kim's closing statement. In addition, at all times at the proceeding on June 24, 1998, Representative Kim was represented by you, his lead counsel. The issue is whether Representative Kim had the right to have a second attorney, Adam Kurland, present to give his closing statement.

#### Ruling

First, it was not reasonable for you and Mr. Kurland to agree to schedule the closing statement for a time period in which Mr. Kurland was only available for one-half hour. As an experienced attorney who served for several years as Chief Counsel to the Committee, you should have reasonably anticipated that the commencement of a Subcommittee proceeding might be delayed by votes on the day before the House adjourned for a long holiday recess.

Second, the Subcommittee provided Representative Kim an opportunity to make a closing statement on June 24, 1998, and to supplement it on a later date either in the presence of Mr. Kurland or with the submission of additional motions in writing. These options preserved the opportunity for Mr. Kurland to provide counsel to Representative Kim.

Third, Committee rules provide for a respondent to be represented by "counsel." They do not entitle a respondent to representation by *multiple* counsel. You have demonstrated that you possess the necessary experience and ability to adequately represent Representative Kim, and we have no reason to believe that Representative Kim's right to counsel was prejudiced by Mr. Kurland's absence where the sole purpose of the proceeding was to receive Representative Kim's closing statement. Consequently, the disposition of any request to defer a proceeding until additional defense attorneys are present is at the sole discretion of the Subcommittee.<sup>57</sup>

For these reasons, I reaffirm the decision to deny Representative Kim's request to reschedule his closing statement. By declining to provide a statement before a scheduled meeting of the Subcommittee at which a quorum was present, in the presence of his lead counsel, Representative Kim waived his right to a closing statement. It is my intention and the intention of the other Members of the Subcommittee to be fair to Representative Kim. In that light, as indicated above, I reaffirm that Representative Kim will be afforded an opportunity to personally address the Subcommittee prior to a vote on any possible violations.

---

<sup>56</sup> Dep. of Hon. Jay Kim, June 18, 1998, at 161-62.

<sup>57</sup> In that regard, the discretion exercised in this matter is analogous to the discretion of a judge in a court of law when presented with a request for a continuance.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 24

**Expansion of Scope Dated June 19, 1998**

On June 19, 1998, the Committee expanded the scope of the Investigative Subcommittee's jurisdiction to include the following additional matters: (1) whether Representative Kim knowingly made false statements during his testimony before the Investigative Subcommittee; (2) whether Jay Kim Engineers, Inc., or its successor, reimbursed a company employee for a political contribution to a candidate for Federal election in or about March 1993 with the knowledge and approval of Representative Kim; and (3) whether Representative Kim failed to comply with the terms and conditions of a letter to him from the Committee on Standards of Official Conduct dated July 28, 1997, concerning the solicitation and acceptance of funds to pay for June Kim's legal expenses.

In your letter to me and Ranking Democratic Member Ed Pastor dated June 26, 1998, you stated that "Mr. Kim expressly asked to be given the opportunity [at his appearance on June 24, 1998] to respond to questions on all matters that were the subject of the Subcommittee's June 19, 1998 [expansion]." (Emphasis in original.) You further stated that "Mr. Kim insists that he be asked all relevant questions before he can provide a proper and comprehensive closing statement on all matters that have been the subject of your review." Because the Subcommittee did not question Representative Kim about those matters during his appearance on June 24, 1998, you state that you drew an "[i]nference . . . that no one was prepared to specify which portions of Rep. Kim's prior testimony were considered misleading . . . ."

Your request that Representative Kim be permitted to appear again before the Subcommittee to submit to questioning regarding the June 19, 1998, expansion of jurisdiction is denied. First, the Subcommittee already has questioned Representative Kim extensively about the corporate conduit contribution issue and the matter of June Kim's legal defense fund.<sup>58</sup> Second, it is unnecessary at this procedural juncture to afford Representative Kim a *fifth* appearance before the Subcommittee for the purpose of testifying about *his own previous testimony*. Should the Subcommittee manifest an intent to adopt a Statement of Alleged Violation that contains any count regarding false statements, Representative Kim will have an opportunity to respond fully in the form of a sworn answer pursuant to Committee Rule 23.

As for your "inference" regarding the preparedness of the Subcommittee, the record will reflect that the express and sole purpose of Representative Kim's appearance on June 24, 1998, was for him to deliver a closing statement – not to submit to questioning about the June 19, 1998, expansion or matters under investigation previously addressed.

<sup>58</sup> Dep. of Hon. Jay Kim, June 2, 1998, at 97-167.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 25

**Request for Evidentiary Hearing**

In your letter of June 26, 1998, you "demanded" an evidentiary hearing on the issue of whether Mrs. Kim inculpated herself and was informed of the possibility of further criminal prosecution. In addition, in the discussion of marital privileges in your letter of June 24, 1998, you suggested that the only solution to the issues you raise concerning the marital privileges would be an evidentiary hearing on information obtained as the result of the alleged violation of those privileges. In June 26 letter, you also requested the opportunity to cross-examine Mr. Kim. I address each request separately.

**A. Hearing**

Mrs. Kim was informed of her right to an attorney at the outset of both informal interviews and formal depositions. She was also provided a copy of the Committee's Rules. Committee Rule 29 makes it clear that the Committee has the right to make a referral to Federal or state authorities under Clause 4(e)(1)(C) of Rule X of the Rules of the House of Representatives. Any assertion that Mrs. Kim was "erroneously compelled to reveal privileged communications" is false.

Representative Kim does not have a right to an evidentiary hearing at this stage of the proceedings. The Committee's rules provide him with a full array of rights to challenge the basis for any proposed charges at a later stage of these proceedings, should charges be adopted by the Subcommittee.

**B. Cross-Examination**

Representative Kim does not have the right to cross-examine a witness at this stage of the proceedings. According to Committee Rule 24(j)(4), the right to cross-examination is not available to a respondent until an adjudicatory hearing, should that become necessary.

**Information Sought from Representative Kim's Accountant**

In the letter from you and Adam Kurland to me and Ranking Democratic Member Ed Pastor dated June 24, 1998, you state an objection that Representative and Mrs. Kim's accountant "has refused, under Mrs. Kim's orders, not to talk with Mr. Kim or his counsel." It is unclear whether you are raising this matter as an evidentiary or procedural objection, or merely wish to memorialize in writing your dismay over the apparent inability to communicate with the accountant. In any event, as Subcommittee counsel previously has advised you, Subcommittee counsel asked June Kim in a letter dated May 15, 1998,<sup>39</sup> to authorize the accountant to provide information to you and Representative Kim. Indeed, Subcommittee counsel advised Mrs. Kim in that letter that

---

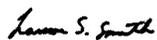
<sup>39</sup> See the attached.

Ralph L. Lotkin, Esq.  
July 2, 1998  
Page 26

the "[t]he Subcommittee regards your cooperation with this request to be required under the terms of your 1997 plea agreement with the United States Attorney's Office." The Subcommittee has no authority to force Mrs. Kim to give the accountant the necessary authorization, or to compel the accountant to cooperate with you or Representative Kim.

In conclusion, this letter responds to all outstanding objections or issues that you have raised on behalf of Representative Kim. Should you wish to appeal any of the rulings set forth herein, please specify in writing the basis for any appeal within one week of your receipt of this letter. A Subcommittee meeting will be scheduled to consider your appeal(s) pursuant to Committee Rule 20(b)(2) during the week of July 13, 1998.

Sincerely,



Lamar S. Smith  
Chairman  
Investigative Subcommittee

Enclosures

**EXH. 141**

**AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.**

ATTORNEYS AT LAW

A REGISTERED LIMITED LIABILITY PARTNERSHIP  
INCLUDING PROFESSIONAL CORPORATIONS

1333 NEW HAMPSHIRE AVENUE, N.W.

SUITE 400

WASHINGTON, D.C. 20036

(202) 887-4000

FAX (202) 887-4288

WRITER'S DIRECT DIAL NUMBER (202) 887-\_\_\_\_\_

AUSTIN  
BRUSSELS  
DALLAS  
HOUSTON  
LONDON  
LOS ANGELES  
MOSCOW  
NEW YORK  
PHILADELPHIA  
SAN ANTONIO

May 1, 1998

Mr. David H. Laufman, Counsel  
Committee on Standards  
of Official Conduct  
U.S. House of Representatives  
Washington, D.C. 20515

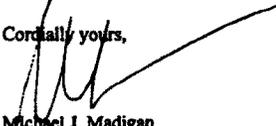
**By First Class Mail and Facsimile**

Dear Mr. Laufman:

Sorry about the delay in getting back to you, but it has been caused by Mr. Kim's location outside of Washington, D.C. In any event, this letter will confirm that we are representing Mr. Kim with respect to the subpoena issued to him by the Committee on Standards of Official Conduct. Please accept this letter as our official representation that Mr. Kim will decline to answer any questions, on advice of his counsel, pursuant to his rights under our Constitution.

In light of the fact that Mr. Kim will not be responding to any questions upon advice of his counsel I respectfully suggest that it would be inappropriate to seek to force him to come all the way to Washington, D.C. to do so. As to your request for a "proffer" I will represent to you that Mr. Kim, upon a grant of immunity, will answer any and all questions fully, completely and truthfully to the best of his ability. I would be happy to discuss this matter with you and your co-counsel further at your convenience.

Cordially yours,

  
Michael J. Madigan

**EXH. 142**

**U.S. Department of Justice  
Office of Legislative Affairs**

---

Office of the Assistant Attorney General

Washington, D.C. 20530

April 30, 1998

Ms. Geraldine R. Gennet  
General Counsel  
Office of the General Counsel  
U.S. House of Representatives  
Washington, D.C. 20515-6532

Dear Ms. Gennet:

This is in response to your letter of April 23, 1998, regarding the intention of the Committee on Standards of Official Conduct to apply for an order from the United States District Court for the District of Columbia compelling testimony and other information under immunity from Mr. Dobum Kim, a witness in proceedings before the Committee.

In light of the Committee's desire to proceed expeditiously in this matter, you requested written agreement of the Department of Justice to waive the 10-day notice requirement of 18 U.S.C. § 6005 (b) (3) and not to invoke the 20-day deferral provision of 18 U.S.C. § 6005(c). The Department of Justice hereby waives the 10-day notice requirement and agrees not to invoke the 20-day deferral provision. In addition, the Department of Justice does not object to the Committee seeking the proposed immunity order. We appreciate the Committee's commitment to keeping confidential, in accordance with the Committee's rules, the fact of this immunity.

Sincerely,



Ann M. Harkins  
Acting Assistant Attorney General

cc: Honorable James V. Hansen  
Chairman, Committee on Standards of  
Official Conduct

Honorable Howard L. Berman  
Ranking Minority Member, Committee on  
Standards of Official Conduct

**EXH. 143**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

**RECEIVED**

**MAY 01 1998**

NANCY MAYER-WHETTINGTON, CLERK  
U.S. DISTRICT COURT

_____	)
COMMITTEE ON STANDARDS OF	)
OFFICIAL CONDUCT	)
	)
United States House of Representatives	)
Washington, D.C. 20515	)
	)
Applicant.	)
_____	)

Misc. No. 98-170

**APPLICATION OF THE COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT OF THE U.S. HOUSE OF REPRESENTATIVES  
FOR AN ORDER IMMUNIZING THE TESTIMONY OF,  
AND OTHER INFORMATION PROVIDED, BY DOBUM KIM**

Pursuant to 18 U.S.C. §§ 6002 and 6005, the Committee on Standards of Official Conduct of the U.S. House of Representatives (the "Committee") respectfully applies for an order immunizing from use in prosecutions the testimony of, and other information provided by, Dobum Kim at proceedings before or ancillary to the Committee.

1. Rule X of the Rules of the House of Representatives (105<sup>th</sup> Cong.) establishes the Committee and vests it with, among other things, authorization to "investigate . . . any alleged violation, by a Member, officer or employee of the House, of the Official Code of Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member." Rule X(1)(p), X(4)(e). House Rule XI authorizes the Committee to conduct investigations, hold hearings and require the attendance of witnesses and the production of documents in connection with matters within its jurisdiction.

2. The Committee is currently conducting proceedings to receive testimony and other information pursuant to its investigatory authority under Rules X and XI of the House of

**Representatives.**

3. Pursuant to its investigative authority under Rules X(1)(p) and X(4)(e), and as provided by Committee Rules 20 and 24, the Committee has created an Investigative Subcommittee, and may also create an Adjudicatory Subcommittee, to assist it in conducting these proceedings (hereinafter "Subcommittees").

4. On April 1, 1998, the Committee issued a subpoena to Dobum Kim to testify at its proceedings conducted pursuant to its investigatory authority under House Rules X and XI. On May 1, 1998, counsel for Dobum Kim notified the Committee that Mr. Kim intends to refuse to answer any questions based on his constitutional privilege against self-incrimination.

5. On April 22, 1998, by a vote of 10 in favor (which is more than two-thirds of the Committee's 10 Members) and none opposed, and in preparation for its proceedings to receive evidence and other information pursuant to its investigatory authority under House Rules X and XI, the Committee adopted a resolution directing the House Office of General Counsel to apply for an order immunizing from use in prosecutions the testimony of, and other information provided by, Dobum Kim at proceedings before or ancillary to the Committee or its Subcommittees. A copy of the Committee's resolution is attached as Exhibit A.

6. On April 23, 1998, the General Counsel for the House of Representatives, Geraldine R. Gennet, on behalf of the Committee, notified the Attorney General of the Committee's intention to request, pursuant to 18 U.S.C. §§ 6002 and 6005, an immunity order for Dobum Kim. A copy of the April 23, 1998 letter is attached as Exhibit B.

7. On April 30, 1998, the Attorney General, through the Acting Assistant Attorney General, notified the General Counsel that the Department of Justice has no objection to the

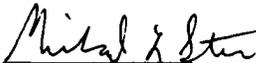
proposed immunity order; does not intend to exercise its authority to file a deferral application under 18 U.S.C. § 6005(c); and waives the requirement of 18 U.S.C. § 6005(b)(3) that the Committee provide the Attorney General with 10 days advance notice of its intention to seek an immunity order with respect to Dobum Kim. A copy of the April 30, 1998 letter is attached as Exhibit C.

Accordingly, the Committee respectfully requests that the Court issue the attached order immunizing from use in prosecutions the testimony of, and other information provided by, Dobum Kim at proceedings before or ancillary to the Committee or its Subcommittees.

Respectfully submitted,

GERALDINE R. GENNET  
(DC Bar 213439)  
General Counsel

KERRY W. KIRCHER  
(DC Bar 386816)  
Deputy General Counsel

  
MICHAEL L. STERN  
(DC Bar 417501)  
Senior Counsel

CAROLYN BETZ  
Assistant Counsel

Office of the General Counsel  
U.S. House of Representatives  
219 Cannon House Office Bldg.  
Washington, D.C. 20515  
202/225-9700

Attorneys for the Committee on  
Standards of Official Conduct,  
U.S. House of Representatives

May 1, 1998

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

_____		)	
COMMITTEE ON STANDARDS OF		)	
OFFICIAL CONDUCT		)	
		)	
United States House of Representatives		)	Misc. No. _____
Washington, D.C. 20515		)	
		)	
Applicant.		)	
_____		)	

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF  
THE APPLICATION OF THE COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT OF THE U.S. HOUSE OF REPRESENTATIVES  
FOR AN ORDER IMMUNIZING THE TESTIMONY OF,  
AND OTHER INFORMATION PROVIDED BY, DOBUM KIM**

The Committee on Standards of Official Conduct of the U.S. House of Representatives ("Committee") has applied to this Court for an immunity order, pursuant to 18 U.S.C. §§ 6002 and 6005. Section 6005 provides, in pertinent part, that:

(a) In the case of any individual who has been or may be called to testify or provide other information at any proceeding before or ancillary to any committee . . . of either House [of Congress] . . . a United States district court shall issue, in accordance with subsection (b) of this section, upon the request of a duly authorized representative of the . . . committee concerned, an order requiring such individual to give testimony or provide other information which he refuses to give or provide on the basis of his privilege against self-incrimination, such order to become effective as provided in section 6002 of this title.

(b) Before issuing an order under subsection (a) of this section, a United States district court shall find that --

....

(2) in the case of a proceeding before or ancillary to a committee . . . of either House of Congress . . . the request for such

an order has been approved by an affirmative vote of two-thirds of the members of the full committee; and

(3) ten days or more prior to the day on which the request for such an order was made, the Attorney General was served with notice of an intention to request the order.

This statute provides the mechanism by which a witness before a congressional committee receives “use immunity” for providing testimony or other information. The immunized witness remains subject to prosecution for the transactions about which he or she testifies if the government sustains the burden of proving at trial that it did not use the immunized testimony or its fruits in the prosecution. *Kastigar v. United States*, 406 U.S. 441, 459-62 (1972). Because the Court’s inquiry on an application for an immunity order is narrow and its tests are mechanical, the application may be decided *ex parte* without a hearing. *Ryan v. Commissioner of Internal Revenue*, 568 F.2d 531, 540 (7<sup>th</sup> Cir. 1977), *cert. denied*, 439 U.S. 820 (1978).<sup>1</sup>

Section 6005 sets out the two requirements for an immunity order, both of which have been satisfied here. First, “the request for such an order has been approved by an affirmative vote of two-thirds of the members of the full committee.” 18 U.S.C. § 6005(b)(2). The Committee’s April 22, 1998 resolution satisfies this requirement. Exhibit A to the Application.

Second, “ten days or more prior to the day on which the request for such an order was made, the Attorney General was served with notice of an intention to request the order.” 18 U.S.C. § 6005(b)(3). Here, the Attorney General has waived this requirement. Exhibit C to the

---

<sup>1</sup> The Committee may apply for an immunity order prior to a witness’s invocation of his fifth amendment privilege at a Committee proceeding. *In re Application of United States Senate Permanent Subcommittee on Investigations (Camisano)*, 655 F.2d 1232, 1236-38 (D.C. Cir.), *cert. denied*, 454 U.S. 1084 (1981).

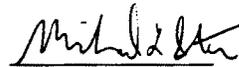
Application).<sup>2</sup>

Accordingly, it is appropriate for the Court to issue an order immunizing from use in prosecutions the testimony of, and other information provided by, Dobum Kim at proceedings before or ancillary to the Committee or its Subcommittees.

Respectfully submitted,

GERALDINE R. GENNET  
(DC Bar 213439)  
General Counsel

KERRY W. KIRCHER  
(DC Bar 386816)  
Deputy General Counsel



MICHAEL L. STERN  
(DC Bar 417501)  
Senior Counsel

CAROLYN BETZ  
Assistant Counsel

Office of the General Counsel  
U.S. House of Representatives  
219 Cannon House Office Bldg.  
Washington, D.C. 20515  
202/225-9700

Counsel for the Committee on  
Standards of Official Conduct,  
U.S. House of Representatives

May 1, 1998

---

<sup>2</sup> The Attorney General may apply to the court for deferral of the issuance of an immunity order for a period of no more than 20 days from the date of a committee's request for an order. 18 U.S.C. § 6005(c). Here, the Department of Justice has informed the Committee that it does not intend to seek deferral of issuance of the order. Exhibit C to the Application.

**EXH. 144**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

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

Applicant.

Misc. No. 98-170

**UNDER SEAL  
FILED**

ORDER

MAY - 4 1998

UPON CONSIDERATION of the Application of the Committee NANCY MAYER-WHITTINGTON, CLERK  
U.S. DISTRICT COURT for an Order

Immunizing the Conduct of the U.S. House of Representatives (the "Committee") for an Order Immunizing the Testimony of, and Other Information Provided by, Dobum Kim, and the Memorandum of Points and Authorities in Support thereof, and having determined that the requirements of 18 U.S.C. § 6005 have been satisfied, it is by the Court this 1st day of May, 1998, ORDERED

That Dobum Kim may not refuse to testify, and may not refuse to provide other information, at proceedings before or ancillary to the Committee or its Subcommittees on the basis of his constitutional privilege against self-incrimination, and it is FURTHER ORDERED

That no testimony or other information compelled under this Order (or any information directly or indirectly derived from such testimony or other information) may be used against Dobum Kim in any criminal proceeding, except prosecutions for perjury, giving a false statement, or otherwise failing to comply with this Order.

*Norma Holloway Johnson*  
Norma Holloway Johnson

U.S. District Judge, U.S. District Court  
for the District of Columbia

NANCY MAYER-WHITTINGTON, Clerk

By: *Nancy Mayer-Whittington*  
Deputy Clerk

A TRUE COPY



**EXH. 146**

THE CALIFORNIA BAR

LAW OFFICES  
**COCHRAN & LOTKIN**  
CAPITOL HILL WEST BUILDING  
201 MASSACHUSETTS AVENUE, N.E.  
SUITE C-1  
WASHINGTON, D.C. 20002  
PHONE (202) 547-9328  
FAX (202) 547-9328

LOS ANGELES OFFICE  
WILSHIRE HIGHLAND BUILDING  
4929 WILSHIRE BOULEVARD  
SUITE 1010  
LOS ANGELES, CALIFORNIA 90010  
PHONE (213) 931-6200  
FAX (213) 931-9521

OF COUNSEL  
"GONDA & BILLAS"  
LOS ANGELES, CALIFORNIA  
ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEXICO CITY, MEXICO  
\* ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

July 14, 1998

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2 U.S. Capitol  
Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Chairman:

This responds to your letter of July 2, 1998, regarding your rulings on a series of objections that were raised on behalf of Representative Kim during his deposition appearances. The purpose of this communication is to provide information regarding "the basis for any appeal," as requested by your letter.

Inasmuch as the Subcommittee will convene on Wednesday for the purpose of receiving our detailed presentation of such matters, this communication will be confined to setting forth the general bases of our disagreements with certain of your rulings.

I. Mrs. Kim and the Fifth Amendment

Your July 2 ruling letter asserts that you are not aware of any precedent of the House concerning whether a witness before a congressional committee, such as Mrs. Kim, should have been apprised of her fifth amendment rights. In this case, the Subcommittee clearly pursued information from Mrs. Kim that might incriminate her husband. It is now acknowledged (by virtue of your assertion of some *ad hoc* and unprecedented adaptation of the joint criminal activity exception) that the Subcommittee also obtained information from Mrs. Kim that would implicate her in criminal activity for which she is still subject to criminal prosecution. Indeed, the exception to the marital privilege upon which your ruling relies is grounded on the premise

RECEIVED  
98 JUL 16 10:28:53  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The Honorable Lamar S. Smith  
Page 2  
July 14, 1998

that the marital communications in issue implicate both spouses. Under such circumstances, minimal fairness dictates that the witness should have been fully apprised of her right to counsel and her right to invoke the fifth amendment.

Simple reference to the fact that Mrs. Kim, who was without counsel, was given a copy of the Committee's Rules is inadequate. (Indeed, your letter acknowledges a "good faith" violation of such Rules by the Subcommittee in dealing with Ms. Ahn. Yet, Ms. Ahn is afforded a remedy but Mrs. Kim faces possible criminal prosecution if law enforcement agencies pursue the inferences of your rulings.) Was Mrs. Kim made aware of the two prongs of marital privilege? Was she made aware that her answers opened her to possible prosecution? Was Mrs. Kim informed about the scope of her cooperation mandated under the plea agreement versus other statutory matters not covered by the plea agreement? Or is it your view that the total responsibility of your Subcommittee was simply to give her a copy of the Rules of Procedure and let her assume she would not be utilized as a vehicle to obtain information that would not infringe upon her rights? We think the answers are obvious and we appeal the propriety of how the matter has been handled.

We believe and, if necessary, will prove that Mrs. Kim's statements were not knowing and voluntary either as to the waiver of the fifth amendment or marital privilege. Moreover, Mrs. Kim's statements are considered involuntary for fifth amendment purposes. Based upon our discussions and review of this issue, it is our understanding that Mrs. Kim, without the presence of counsel, was induced to give incriminating testimony about her husband under a representation that her testimony was not intended to subject her to further jeopardy. Moreover, as discussed later, we believe that suggestions that Mrs. Kim was apparently informed by the Subcommittee that she was required to provide information under the terms of her cooperation agreement constituted improper coercion to induce her testimony. See, Appeal of Malfitano, 633 F.2d 276 (3d Cir. 1980). The Committee did not grant her immunity and her testimony ventured into areas not covered by the plea agreement. Moreover, absent an immunity grant such assurances or suggestions could and should never have been given. Thus, a full taint analysis applies for these egregious violations. See, LaFave and Israel, Criminal Procedure, § 6.2 at 297 (2d Ed. 1992). ("Lower courts have often held that a confession is involuntary if made in response to a promise that the results will be non-prosecution.") See generally, Bram v. United States, 168 U.S. 532, 542-43 (1897) (to be voluntary, confession must not be extracted or obtained by any implied promises, however slight, accord Brady v. United States, 357 U.S. 752, 753-54 (1970); Miller v. Fenton, 796 F.2d 598, 609 (3d Cir. 1986) (implied promise not to prosecute that tricks person into confession may not be voluntary). Since it is incumbent upon the Committee to fully apprise the U.S. Attorney of the entirety of Mrs. Kim's testimony, that, of course, would include her purported and unintended self-implication to

The Honorable Lamar S. Smith  
Page 3  
July 14, 1998

several alleged tax and financial disclosure crimes that are not immunized under the plea agreement, and for which she can be prosecuted.<sup>1</sup>

If this case is precedent setting, which it apparently will be, the dignity and respect of the U.S. Congress requires that, on these facts, the witness immediately be apprised that her testimony could incriminate her, and on what basis, in order to be sure she intended to make a voluntary waiver of her constitutional and other privilege rights or to have reasonable opportunity to take such other action as she considers appropriate.

In sum, the institutional integrity of the U.S. Congress demands that Mrs. Kim be fully apprised of her right to counsel, her fifth amendment rights, and her right not to divulge confidential marital communications, particularly those outside the scope of the plea agreement.<sup>2</sup> We appeal the constitutional violation associated with securing Mrs. Kim's testimony since they form the basis of potential charges against the Congressman as well as his wife.

## II. Marital Privilege

### A. The Law Applied

Your ruling ultimately accepts our basic proposition that federal marital privilege law is to be applied in this matter. However, you determined that 9th Circuit caselaw will be deemed controlling because the situs of the marriage was California, within the Ninth Circuit.

Thus, by your ruling, you have purportedly adopted a choice of laws doctrine that is unheard of in Anglo-American jurisprudence. If the underlying claim was governed by state law, there would be precedent to applying California privilege law under well recognized choice of law principles. However, federal substantive law is at issue here, and federal common law of privileges govern. Mrs. Kim's testimony before the Subcommittee was received in

---

<sup>1</sup> By contrast, the Subcommittee acknowledged that Representative Kim's assertion of the fifth amendment on matters outside the scope of the plea agreement was consistent with his obligations to cooperate under the plea agreement.

Thus, Mrs. Kim, had she been properly counseled and fully advised of her constitutional rights, could have refused to answer questions or provide documents outside the ambit of her plea agreement, and still have adequately cooperated under the plea agreement. By not properly advising her, she potentially incriminated herself when she did not have to, and now is subject to criminal prosecution. The Committee should not enshrine in its precedents, such subterfuge.

<sup>2</sup> Representative Kim has standing to raise this issue.

The Honorable Lamar S. Smith  
Page 4  
July 14, 1998

Washington, D.C.; the controlling law to be applied is the law of the D.C. Circuit.<sup>3</sup> Indeed, it is irrational to apply Ninth Circuit caselaw. The Ninth Circuit comprises several states and territories, including Alaska, Hawaii, Idaho, and Guam. Ninth Circuit federal caselaw on issues of federal privileges has no connection with California privilege law.

Nonetheless, we accept that the law of the D.C. Circuit with respect to marital privileges and their exceptions is substantially the same as the law in the Ninth Circuit.<sup>4</sup> In this case, based on applicable federal law, the joint criminal activity exception to marital communications has not been established.

---

<sup>3</sup> We note that the unusual choice of law rule adopted by your ruling, although allegedly different from what we have reason to believe was said to Mrs. Kim to obtain her cooperation, is sufficiently similar in that it relies on the geographical situs of the marriage as playing a substantial role in determining what marital privilege law governs.

<sup>4</sup> Your ruling substantially overstates the state of the law concerning the use of evidence tainted by a marital privilege violation. The ruling relies on dicta in cases that are factually inapposite. United States v. Lefkowitz, 618 F.2d 1313, 1318 n. 8 (9th Cir.), cert. denied, 449 U.S. 824 (1980), concerned information provided by a spouse that was used to obtain a search warrant. The Ninth Circuit expressly noted that spousal testimony was not at issue. In United States v. Marashi, 913 F.2d 724, 731 n. 11 (9th Cir. 1990), the Ninth Circuit concluded that a taint analysis was unnecessary because the challenged statements were obviously part of ongoing joint criminal activity (challenged statements between spouses concerned active instructions to underreport income to IRS), and thus the communications were not covered under the privilege.

The marital privilege and the attorney-client privilege are fundamental to Anglo-American jurisprudence, are among the oldest of the privileges for confidential communications, and are older than the guarantees contained in the Bill of Rights. See 8 WIGMORE, EVIDENCE § 2227 at 211 (McNaughten rev. 1961) (some form of marital privilege was established at common law as early as 1580); § 2290 at 542 ("history of attorney-client privilege goes back to the reign of Elizabeth I, where the privilege appears as unquestioned"). Accordingly, adequate deterrence as provided for by a Wong Sun v. United States, 371 U.S. 471 (1963), "taint" analysis is essential if these fundamental privileges are to retain any meaningful substance. Contrary to the assertion in your ruling, some federal courts have recognized that a "taint" analysis is appropriate when a party asserts that derivative use has been made from information obtained in breach of applicable non-constitutionally based privileges. See, e.g., Chase Manhattan Bank, N.A. v. Turner & Newall, PLC, 964 F.2d 159, 165 (2d Cir. 1992) (recognizing appropriateness of applying "fruit of poisonous tree" analysis when adversary attorney is allowed to see documents that are later determined to be privileged).

The Honorable Lamar S. Smith  
Page 5  
July 14, 1998

In any event, the Ninth Circuit takes an appropriately broad view concerning confidential marital communications and what information cannot be derived from them. In In re Grand Jury Investigation, 603 F.2d 786, 788 n. 1 (9th Cir. 1979), the Ninth Circuit held that a wife could not testify concerning the nature of her husband's job responsibilities because presumptively her knowledge came from privileged communications. Applying this doctrine, when the Subcommittee undertakes its analysis of Mrs. Kim's testimony for marital privilege purposes (see Committee letter p. 8), most of her testimony should be stricken.<sup>5</sup>

Finally, your July 2, 1998 letter states, "We are unaware of any formal precedent regarding the marital communications privilege, and we are aware of only one case where the privilege against adverse spousal testimony was at issue". (Your footnote to this assertion refers to the Korean Influence Investigation.)

In point of fact, there is precedent of the House of Representatives on this issue more recent than the Korean Influence Investigation of 1978. We invite your attention to the report of the congressional committees which investigated the Iran-Contra affair. In the reports issued by the Senate and House Committees (H.Rept 100-433 and S.Rept 100-216), it is stated, "There are three reports, all second hand accounts, of the meeting between Mrs. North and Zucker. (Mrs. North, invoking her spousal privilege, declined to testify, and Zucker refused to meet with the Committees.)". Reports at 345. Accordingly, precedent in both the House and Senate recognizes the privilege against adverse spousal testimony. Moreover, based upon the context of the cited passage, it is clear that Mrs. North's assertion of privilege implicated both marital communications and adverse spousal testimony issues.

In light of the above, and based upon both precedent of the House and relevant caselaw, we appeal your ruling to the extent it suggests nonexistent or incorrect application of either marital communications privilege or the adverse spousal testimony privilege.

**B. *Joint Criminal Activity Exception***

The ruling cites several federal cases for the proposition that the marital privilege cannot be invoked when the communication concerned ongoing joint criminal activity between spouses. The law is well settled that "[t]he exception does not apply to communications made before both spouses have become involved in the criminal activity." 2 MUELLER & KIRKPATRICK, FEDERAL EVIDENCE § 207 at 445-46 (2d. ed. 1994). However, the purported communications at issue here concerned statements at time A (e.g. #6, concerning marital

---

<sup>5</sup> As set forth in footnote 4 supra, your ruling is in error when it asserts that federal judicial precedent clearly permits derivative use of Mrs. Kim's statements. See Chase Manhattan Bank, supra.

The Honorable Lamar S. Smith  
Page 6  
July 14, 1998

communications concerning marketing of book), whereas the alleged criminal activity, if it occurred at all, occurred much later, at time B. (e.g., at the time it was later allegedly determined not to report various income on various tax returns or financial disclosure forms). There is absolutely no evidence to suggest that, at the time the communications were purportedly made, the parties were engaged in ongoing joint criminal activity or were planning future criminal activity.<sup>6</sup> See United States v. Zolin, 491 U.S. 554, 572 (1989) (prima facie showing must be made when one claims that otherwise privileged communication was made for the purpose of promoting ongoing criminal activity); United States v. Marashi, 913 F.2d 724, 730 (9th Cir. 1990) (marital communications presumptively confidential and party seeking to admit communications has burden of demonstrating they are not). Thus, the joint criminal activity exception has not been established and does not apply.<sup>7</sup> Consequently, we appeal the factually incorrect application of the exception. An evidentiary hearing is the only appropriate way to avoid perpetuating the procedural errors which permeate the existing record.

### III. Documents Obtained from the U.S. Attorney's Office

As you well know, we have raised repeated objections with regard to the circumstances under which materials were obtained from the Department of Justice. It has been our specific concern that Federal Rule of Criminal Procedure 6(e) has not been fully complied with. In your July 2, 1998, letter, you state:

Mr. Drooyan confirmed that Subcommittee counsel never asked for grand jury materials and were never told if the materials requested were obtained through the grand jury process or were presented to the grand jury. In addition, pursuant to *Dynavac*, the materials provided to the Subcommittee by the U.S. Attorney's Office consisted of either documents which had an independent existence prior to the grand jury, or other documents to which Rule 6(e) does not apply, such as FBI reports of witness interviews. Finally, the fact that the grand jury investigation by which the government obtained the documents and information in question long ago ended reduces the possibility that the grand jury

---

<sup>6</sup> Consider this basic hypothetical. Husband receives a bi-weekly pay check. Every two weeks, husband and wife decide which account the check should be deposited in. If the next April 15 the parties decide to underreport their income on their income taxes, those earlier discussions concerning the deposit of the checks, are not communications concerning ongoing joint criminal activity because the criminal plan was not hatched until later.

<sup>7</sup> Compare Marashi, 913 F.2d 724 (statements at issue concerning instructions to underreport income and were clearly part of an ongoing joint scheme to defraud IRS).

The Honorable Lamar S. Smith  
Page 7  
July 14, 1998

process would be compromised by the transmittal of those documents and information to the Subcommittee.

The above-quoted portion of your letter stands in apparent conflict with the January 28, 1998, communication sent to the full Committee by the Department of Justice. Specifically, the letter states, "As per our standard practice, redactions have been made to this material to protect grand jury information where appropriate". In this regard, it is evident that the Department of Justice was concerned that at least a portion of the information within the scope of the Committee's request was covered by Rule 6(e). The fact remains that it is not up to the Department of Justice to determine the scope or specifics of disclosures of information that may be protected by the Rule, but rather, the court which supervises the grand jury's activities.

Consequently, our concern remains unabated -- that the process by which the Subcommittee has obtained information from the Department of Justice may not be in accordance with the independent judgment of the supervising Court. That the January 28, 1998, letter from the Department of Justice acknowledges Rule 6(e) concerns is not a sufficient basis to conclude that the disclosures made to the Committee were appropriate in all respects. Moreover, the fact that redactions were necessary clearly indices the materials provided were more than documents sought for their own sake or materials which pre-exist the grand jury investigation. See, Morton Rosenberg, Investigative Oversight: An Introduction to the Law, Practice and Procedure of Congressional Inquiry, Congressional Research Service, at 30-31 (1995). We appeal the process by which the Subcommittee avoided compliance with Rule 6(e). Since, according to the Attachments provided with your letter, the Committee's review began as early as September 25, 1997, more than adequate time has elapsed during which a Rule 6(e) order could have been obtained, as was the case in a prior Committee review.

#### IV. Mrs. Kim's Testimony

Separate and apart from the fifth amendment and marital privilege issues addressed earlier, it is unfortunately apparent that there is a documentable basis for our concern that Mrs. Kim may have been inappropriately induced into testifying and providing information to the Subcommittee, notwithstanding your unfounded criticism that we may have "engaged in such speculation". In particular, you will recall that during the deposition of Representative Kim, the Subcommittee explicitly agreed that Representative Kim's assertion of fifth amendment protection on matters not covered by his 1997 plea agreement was consistent with his responsibility to cooperate with the Committee. The point, of course, is that the plea agreement only addressed the Congressman's acknowledged violations of the Federal Election Campaign Act.

The same cooperation language was incorporated into Mrs. Kim's plea agreement. Consequently, if it was, and is, totally appropriate for Representative Kim to assert fifth

The Honorable Lamar S. Smith  
Page 8  
July 14, 1998

amendment protection in response to Subcommittee questions on matters outside of the plea agreement, the same conclusion must hold with respect to Mrs. Kim. In this light, it is clear that the May 15, 1998, letter from Subcommittee Counsel, David Laufman, to Mrs. Kim, created (if it did not continue) a critical misimpression with regard to the nature and extent of her required "cooperation" with the Subcommittee. In that letter, Mr. Laufman stated "The subcommittee regards your cooperation with this request to be required under the terms of your 1997 plea agreement with the United States Attorney's Office". The request referred to by Mr. Laufman was for Mrs. Kim to supply her husband with documents and information necessary for the preparation of her husband's Financial Disclosure Statement for 1997.

Mrs. Kim's plea agreement regarding her Federal Election Campaign Act violations during the period which ended with the 1996 congressional election does not embrace the preparation of her husband's Financial Disclosure Statement for 1997. Consequently, while we appreciate the efforts made to encourage Mrs. Kim to provide necessary documents to the Congressman, the way in which this issue was communicated clearly gave rise to a misimpression as to the terms of her plea agreement and the parameters of her mandated interaction with your Subcommittee.

The misinformation as to the scope of Mrs. Kim's required "cooperation" extended beyond preparation of the Congressman's 1997 Financial Disclosure Statement. Proof of this pattern of misinformation is found in your letter of July 2, 1998, in which you asserted (and we contend, incorrectly) a crime/fraud exception concerning the preparation of the Kim's joint income tax return for calendar year 1994. Again, the plea agreement did not address Internal Revenue Code issues. Similarly, the plea agreement and the crime/fraud "exception" would also not apply (regardless of how "modified" by the Subcommittee) to the alleged \$86,000 banking transactions in 1994 insofar as possible violations of House Rules are concerned.

The same argument applies with respect to any information obtained from Mrs. Kim relevant to the preparation of other tax returns or Financial Disclosure Statements. In short, Mrs. Kim was only required to cooperate with the Subcommittee regarding the matters covered by her plea agreement. To suggest that the scope of her cooperation also embraced Ethics in Government Act or Internal Revenue Code issues is both incorrect and misleading. For Subcommittee Counsel to have suggested that her testimony or production of materials on matters outside her criminal plea was mandated "cooperation" is prima facie untenable and would constitute an independent basis to expunge all testimony so acquired.

Accordingly, and in addition to fifth amendment and marital privilege arguments, we also appeal the propriety of any efforts that were undertaken to obtain Mrs. Kim's testimony under the guise of required "cooperation" pursuant to the terms of her plea agreement.

The Honorable Lamar S. Smith  
Page 9  
July 14, 1998

IV. Alleged Mistreatment of Witness

The basis for your conclusion that Ms. Jennifer Ahn was not mistreated is that you "and other Subcommittee members have spoken to both Subcommittee attorneys who were present for that interview and have also reviewed the record of that interview." Inasmuch as it is our understanding that most, if not all, of the offensive conduct took place off the record, we appeal your decision and request that efforts be taken to contact Ms. Ahn and her attorney for their independent recollection of what transpired. Not obtaining information directly from Ms. Ahn, who was quoted in the press about this matter, or her attorney, who was present, is unreasonable under the circumstances and leads to the conclusion of an incomplete and biased review. Not to do so raises "fox guarding the chicken coop" concerns.

Similarly, your discussion regarding the alleged "strip-search" of Ms. Ahn leaves many questions unresolved. First, there is no indication that your review of Ms. Ahn's treatment included consideration of whether the fact of her travel -- which was only known to her and the Subcommittee -- was improperly communicated (in violation of Committee Rule 11) by the Subcommittee or its staff to other federal personnel.

In light of the above, we respectfully appeal your conclusion that there was not witness mistreatment since there would appear to be critical unresolved concerns about compliance with Committee Rules or whether information was obtained from the allegedly victimized witness about the matter.

\*\*\*

We look forward to pursuing these issues in greater detail at the Wednesday hearing.

Respectfully,



Ralph L. Lotkin  
Counsel for Representative Kim



Adam H. Kurland  
Co-counsel

**EXH. 147**

May 28, 1998

Dear Mr. Chairman,

Thank you for this opportunity to come before your committee. I would like to make a brief statement for the record that may provide "exculpatory information" to myself, Image Media Services, Inc. and to other third parties.

Let me begin by saying that I believe, as do many Korean-Americans, that Congressman Jay Kim is a prized leader. He is a very honorable man and a very committed public servant. As the first and only Korean-American congressman, he is a role model for Korean-Americans and other Asian-Americans growing up in a supposedly multiracial society. That regardless of your race or ethnic background, you can be a leader for the American people. I truly respect this man and his ability to overcome tremendous odds and to persevere.

The subcommittee has announced that it will investigate allegations of improprieties with respect to Image Media Services and the clipping service it rendered to Congressman Kim's office. I can state that categorically that there was nothing improper in the method by which we secured that contract or in the use of the funds. The bid was reviewed by the Congressman's staff who had consulted with the House Ethics Counsel in advance and found it to be proper. The subcommittee's announcement had direct negative impact on the business Image Media Services and to me personally. Therefore, if the subcommittee has not obtained any information to substantiate that allegation, I hereby request an immediate retraction or, at least, a clarification on the status of that issue as it relates to me personally and to Image Media Services, Inc.

With respect to the \$30,000 loan made by the Congressman, the fact is that the Congressman assisted my brother-in-law, Hun Kim, who was in financial need. The Congressman did nothing improper. I made payments to Congressman Kim in December 1997 and January 1998 using the funds I had received from Hun Kim over a two year period.

I would also like to clarify that the business known as Image International was formed in 1994 to promote the sale of Mr. Kim's book and to engage in other business/marketing activities internationally. The Congressman was not involved (in fact, he had nothing to do) with any business activities of that enterprise. That entity was dissolved in December 1995 as a result of poor business conditions.

For the record, I had nothing to do with the sale of Mrs. Kim's books and also I did not engage in any improper or illegal fundraising activities on behalf of Congressman Kim in Korea in the years of 1993 to present.

The past four-five years have been undeniably exhausting for me personally and highly disruptive of my professional life. I have had to take time away from my professional duties to travel back and forth to California a number of times as a witness to the Grand Jury. As a supporter, I have helped the Congressman by introducing him to a few of my friends and colleagues in the Korean-American community. As a result of the inquiry and investigation of Mr. Kim, many of these people I have helped introduce have been subpoenaed by the Grand Jury. To many Korean-Americans (and most minorities), who work very hard to earn their rights and place in this country, being subpoenaed is not an easy piece of cake. It frightens everyone and anyone. The consequences have been devastating not only to Congressman Kim, but also to me. As a consequence of them being subpoenaed, they do not wish to have any further contact with me. As a result, my business has suffered. This has gone too far and for far too long.

Lastly, let's bear in mind that I am only a witness. The strip search, the harassment and other discriminatory acts against my family friend and I at the Customs Office at Dulles Airport on May 10th was a violation of my constitutional rights. Since the Chairman of this subcommittee has stated that there is no jurisdiction over me and that the subcommittee's sole interest in me is as a witness in connection with the investigation of a third party, I hereby request that the subcommittee investigate to see whether the subcommittee members or any staff had any knowledge of such action or had influenced the FBI, INS, or the U.S. Customs Office to undertake such actions and provide me with an assurance, in writing, that no such practice shall be recommended or orchestrated or condoned by the members of the staff of this subcommittee from this date forward.

In closing, I would like to state that I feel I have been very cooperative. This is my third time attending the deposition at committee and also, I have time and time again flown to California to be a witness and have done everything to help further the investigation. I sincerely hope that my testimony has helped your committee come to a conclusion. Thank you.

Presented by Jennifer Ahn

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HESLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KWOLLENBERG, MICHIGAN  
THEODORE J. VAN DER BEEK,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MEMBER

EXH. 148

U.S. House of Representatives

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MEMBER  
MARTIN QUAY HANCOCK, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
JOE LOFOSSEN, CALIFORNIA  
SUITE NT-2, THE CAPITOL  
(202) 225-7100

May 1, 1998

**BY FACSIMILE AND U.S. MAIL**

Mr. Ralph L. Lotkin  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: In the Matter of Representative Jay Kim

Dear Mr. Lotkin:

The Investigatory Subcommittee has asked me to respond to your letter of April 30, 1998, in which you request any exculpatory information that the Subcommittee has received in the course of its inquiry concerning Representative Jay Kim.

Pursuant to Committee Rule 26, the Subcommittee is required to provide you with any exculpatory information it receives during the course of its investigation. For purposes of Rule 26, exculpatory evidence is defined as "any evidence or information that is substantially favorable to the respondent with respect to the allegations or charges before an investigative or adjudicatory subcommittee." Based on a review of the record to date, the Subcommittee staff has received the following exculpatory information.

**RECEIPT OF CORPORATE CONTRIBUTIONS**

Certain witnesses have advised the subcommittee that Mr. Kim instructed employees of Jay Kim Engineering not to perform campaign-related tasks during work hours at the office. In addition, Mr. Kim published two memorandums to this effect that were distributed in the office (see attachments).

**CONTRIBUTION FROM NIKKO ENTERPRISES**

A witness has informed the Subcommittee that Representative Kim stated he had never received a political contribution from Nikko Enterprises. In addition, correspondence suggests that associates of Representative Kim may have considered the payment from Nikko Enterprises to be a loan (see attachments).

**MISUSE OF OFFICIAL RESOURCES**

Certain witnesses have stated that Representative Kim did not improperly use his influence and position as a House Member to cause private business opportunities to be directed to Jennifer Ahn, a campaign fundraiser for Representative Kim and a business

partner of Mrs. June Kim. In addition, there is testimony that Mrs. June Kim did not benefit personally from the contract awarded to Image Media Services, Inc. by Representative Kim's congressional office.

The Subcommittee staff is continuing to review the evidence received by the Subcommittee to date. Should we receive or discover any further information that is determined to be exculpatory, we shall make such information available to you. If you have any questions, please call me or my co-counsel David Laufman at (202) 225-7103.

Sincerely,



Paul M. Lewis  
Counsel

JAMES V. HANSEN, UTAH  
 CHAIRMAN  
 LAMAR SMITH, TEXAS  
 JOE HEFLEY, COLORADO  
 BOB GOODLATTE, VIRGINIA  
 JOE KNOLLERBERG, MICHIGAN  
 THEODORE J. VAN DER MEED,  
 CHIEF COUNSEL/STAFF DIRECTOR  
 BARI L. SCHWARTZ,  
 COUNSEL TO THE RANKING  
 MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA  
 RANKING MINORITY MEMBER  
 MARTIN OLAV SARGO, MINNESOTA  
 ED FAYSTON, ARIZONA  
 CHAKA FATTAL, PENNSYLVANIA  
 ZOE LORFERN, CALIFORNIA  
 SUITE 711-2, THE CAPITOL  
 D203 225-7100

ONE HUNDRED FIFTH CONGRESS

**U.S. House of Representatives**COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6326

May 15, 1998

**BY FACSIMILE AND U.S. MAIL**

Ralph L. Lotkin, Esq.  
 Cochran & Lotkin  
 Capitol Hill West Building  
 201 Massachusetts Avenue, N.E.  
 Suite C-1  
 Washington, D.C. 20002

Re: In the Matter of Representative Jay Kim

Dear Mr. Lotkin:

On April 30, 1998, pursuant to your request, the Subcommittee rescheduled Representative Kim's deposition until Tuesday, June 2, 1998. On that date you were also informed that if Representative Kim's deposition was not completed on June 2, 1998, it would be continued until another date shortly thereafter.

Representative Kim's deposition, pursuant to subpoena, is scheduled for June 2, 1998, from 9:30 a.m. until approximately 5:00 p.m. The Subcommittee does not anticipate completing the deposition on June 2. Therefore, on that date, the Subcommittee intends to question Representative Kim on the following subjects: (1) matters related to plea agreements that Representative Kim, his campaign and his wife, entered into with the Department of Justice in 1997; (2) alleged improprieties concerning Financial Disclosure Statements that Representative Kim filed pursuant to the Ethics in Government Act; (3) Representative Kim's knowledge, if any, regarding illegal contributions made to his 1992 congressional campaign by Korean Airlines, Co., Ltd. and other companies; (4) whether Representative Kim made false statements in a January 29, 1998, letter from Representative Kim to the Investigative Subcommittee; and (5) whether Federal laws were violated in connection with Representative Kim's campaigns for reelection to the House of Representatives in 1994, 1996, and 1998.

The Subcommittee anticipates continuing Representative Kim's deposition to a mutually agreeable date within a time shortly after June 2, 1998. At that time the

712

Subcommittee intends to question Representative Kim on any remaining matters under investigation.

Thank you for your cooperation in this matter. If you have any questions, please call me or my co-counsel David Laufman at (202) 225-7103.

Sincerely,



Paul M. Lewis  
Counsel

cc: The Honorable Jay Kim

JAMES V. HARRIS, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HUBLEY, COLORADO  
BOB ROODELATTI, VIRGINIA  
JOE KWOLLENSKI, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
DAVE L. SCHMAYKE,  
COUNSEL TO THE RANKING  
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SANO, MINNESOTA  
ED HARTOL, ARIZONA  
CHANGA PRITTAI, PENNSYLVANIA  
JOE LOPEZ, CALIFORNIA  
SUITE HF-2, THE CAPITOL  
DND 225-7160

ONE HUNDRED FIFTH CONGRESS

**U.S. House of Representatives**COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

June 1, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Kim:

Pursuant to Rule 26 of the Rules of the Committee on Standards of Official Conduct, we are apprising you that the Investigative Subcommittee has received additional exculpatory information with respect to the matters under investigation.

Regarding a contract between your congressional office and Image Media Services, Inc. for clipping and translating news articles, a witness has advised the Subcommittee that:

- ◆ There was nothing improper regarding the manner in which your congressional office entered into a contract with Image Media Services, Inc.
- ◆ Representative Kim's congressional staff reviewed a bid by Image Media Services, Inc. and consulted with the staff of the Committee on Standards of Official Conduct in advance of accepting that bid.
- ◆ Representative Kim's staff found the proposed contract with Image Media Services, Inc. to be proper.
- ◆ There was nothing improper regarding the use of proceeds from that contract.

Regarding the business known as Image International, a witness has advised the Subcommittee that Representative Kim was not involved in any of the business activities of that enterprise.

Regarding possible violations of the Federal Election Campaign Act, a witness has advised the Subcommittee that the witness did not engage in any improper or illegal fundraising activities on behalf of Representative Kim in Korea during the years 1993 to the present.

714

The Honorable Jay Kim  
June 1, 1998  
Page Two

The Subcommittee will continue to apprise you of any additional exculpatory information received.

Sincerely,

A handwritten signature in black ink, appearing to read "David H. Laufman". The signature is written in a cursive style with a large, sweeping initial "D".

David H. Laufman  
Counsel

cc: Ralph Lotkin, Esq.

EXH. 149

  
June O. Kim

---

Mr. David H Laufman & Paul M Lewis  
U.S. House of Representatives  
Committee on Standards of  
Official Conduct.  
Washington, D.C. 20515-0328

July 14, 1998

By Facsimile &amp; U.S. Mail

Dear Mr. Laufman &amp; Lewis:

As we had our telephone conversation last Thursday ( 9th 1998 ), I underwent eye surgery Monday ( 6th Monday ). It was much more serious than right eye surgery, which was done during U.S. Attorney's investigation 1996. My health is being destroyed because of the pressure that is being placed upon me. Most of these pressures are caused by Mr. Laufman did not, or does not tell me the truth from the beginning. My feeling is still being trapped or in some kind set-up.

When I was first met with you, and I was asked full cooperation, I was told that my cooperation and testimony was to be used in connection with the Committee's investigation of Congressman Jay Kim. I only testified because I had been told by you or Committee representatives that my testimony could not, will not be used against me but was only to be used against Jay Kim and that the spousal privilege will not apply whether the testimony would take place outside the State of California or not.

Although you have mailed a copy of the House Rules to me, I did not have time to read. I had no idea what was your intention was. If I had known that I had a right not to testify based upon the spousal privilege, or based upon my Constitutional rights against self-incrimination, I would not have testified. At one point, you were forcing me to sign release form for Han Dut publishing Co, against my will. That letter was very much one sided and I felt that it was very wrong, and you have no idea how much I was terrified for your unethical practice.

# June O. Kim

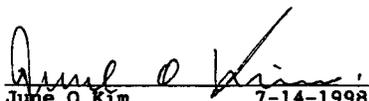
---

I believe that I have been terribly abused by the representatives of the Committee. Those wrongs have led to enormous stress and pressure which have resulted in my seriously declining physical condition. I originally thought that I was doing right in fully cooperating with the Committee. I now have strong feeling that I was lied to and cheated and that my testimony was obtained by false representations.

For all these reasons, I am hereby requesting that my testimony be withdrawn.

I declare under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct to the best of my knowledge and recollection.

Sincerely

  
June O Kim 7-14-1998

EXH. 150

JOHN W. COCHRAN, JR.  
 RALPH L. LOTKIN  
 ASSESSOR OF  
 THE DISTRICT OF COLUMBIA

COCHRAN & LOTKIN  
 ATTORNEYS AT LAW  
 200 MICHIGAN AVENUE, N.E.  
 SUITE 2  
 WASHINGTON, D.C. 20002  
 PHONE (202) 547-9228  
 FAX (202) 547-9228

E-mail Address: CLAW@ed.com

JOHN W. COCHRAN, JR.  
 RALPH L. LOTKIN  
 ASSESSOR OF  
 THE DISTRICT OF COLUMBIA  
 200 MICHIGAN AVENUE, N.E.  
 SUITE 2  
 WASHINGTON, D.C. 20002  
 PHONE (202) 547-9228  
 FAX (202) 547-9228

JOHN W. COCHRAN, JR.  
 RALPH L. LOTKIN  
 ASSESSOR OF  
 THE DISTRICT OF COLUMBIA  
 200 MICHIGAN AVENUE, N.E.  
 SUITE 2  
 WASHINGTON, D.C. 20002  
 PHONE (202) 547-9228  
 FAX (202) 547-9228

June 26, 1998

The Honorable Lamar S. Smith  
 Chairman  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

The Honorable Ed Pastor  
 Ranking Democratic Member  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This follows up on the deposition session of June 24, 1998, during which Rep. Kim had been planning to submit his closing statement. As you are well aware, extensive discussion, and not the closing statement, was the order of the day. The record reflects that, due to the unfortunate lateness in commencing the session, one of the Congressman's attorneys, Professor Adam Kurland, had to depart before the meeting began--we were present at 4:00 p.m. as scheduled but the meeting did not start until 4:45 p.m. due to the absence of a quorum and legislative votes. Because it was Rep. Kim's wish to have both of his counsel present during his closing statement in light of certain legal issues which were to have been addressed, Mr. Kurland's absence necessarily resulted in the statement not being given.

Accordingly, and notwithstanding the intense efforts which were exerted in seeking to elicit Mr. Kim's closing statement he still has not done so and clearly did not waive his right to submit a closing statement as promised by the Subcommittee, or his right to have counsel of his choosing present during all of his appearances. Thus, as matters now stand, the Congressman awaits

notice as to when he will be given his right to offer a closing statement, with counsel present, at a future meeting of the Subcommittee. Until such a statement is submitted there simply can be no closure of the Subcommittee's inquiry since it will not have provided the Congressman the full rights of address it expressly assured he was to have been given at this stage of review.

Second, the record reflects that Mr. Kim expressly asked to be given the opportunity to respond to questions on all matters that were the subject of the Subcommittee's June 19, 1998, letter. As was the case in all prior areas of your inquiry, questions were posed in order to afford Mr. Kim the chance to explain, refute, or deny the allegations or concerns of misconduct. This clearly was not the case as to the most recent expansion and Mr. Kim insists that he be asked all relevant questions before he can provide a proper and comprehensive closing statement on all matters that have been the subject of your review. Again, despite our best efforts to have questions asked of the Congressman-- we repeatedly asked that specific inquiries be made-- neither the Subcommittee nor its counsels asked any questions. Our inference is that no one was prepared to specify which portions of Rep. Kim's prior testimony were considered misleading notwithstanding the purported vote of the Subcommittee as to such a belief less than 6 days earlier. This, of course, is very troubling. In this light, the matter of a closing statement still awaits full and final questioning by the Subcommittee as to all issues within the announced scope of your inquiry.

Third, I will not belabor the myriad of issues that still wait disposition by the Subcommittee in various areas of requested response to the Congressman. The record is filled with numerous expressions of concern as to documents which have been promised, internal investigations to be taken, and rulings to be provided. Suffice it to say that, as in the matter of questioning in the areas of recent expansion, it is similarly impossible for the Congressman to submit a meaningful and comprehensive closing statement while critical issues remain unresolved. Quite simply, how can he offer a closing statement in which he intends to address issues of procedure and substance in the absence of critical answers or information that are long due from the Subcommittee?

This inquiry has been punctuated by our repeated objections regarding a continuing series of procedural concerns. In the interest of fairness and due process, we cannot maintain silence in the face of what we firmly believe are identifiable errors both as to investigative technique and procedure. As set forth in the attached materials, we request an evidentiary hearing to determine, among other things, the circumstances under which Mrs. Kim may have been improperly induced to provide information or testimony adverse to her husband's interests.

Of equal importance is the fact that it is undeniably apparent

that some of Mrs. Kim's informational submissions may inculpate her and we demand the opportunity to elicit from her, in an evidentiary hearing, whether she was made aware that through her "cooperation" with the Subcommittee she could have subjected herself to further criminal prosecution. Such concerns are separate from, but closely associated with, the marital privilege issues we raised. As you well know, Federal Rule of Evidence 104(a) specifically provides that the preliminary determination of the availability of a privilege must be determined according to the rules of evidence of which a timely ruling is an integral component in order to preclude the creation of an improper record of investigation or fact-finding. This was not done. By the same token, this issue will not go away unless and until resolved through proper procedure and consideration.

Perhaps as troubling as all of the issues already discussed in writing and in deposition sessions, is the conscious decision of the Subcommittee to defer all rulings or "take the issues under advisement". By so doing, the Subcommittee has effectively denied Rep. Kim the minimal due process and procedural right mandated by Committee Rule 20(b)(2). To suggest that a ruling will be issued after the deposition proceedings are over absolutely denies the Congressman the right to immediately appeal an adverse determination to the other Members present. In the alternative, we invite a further session of the Subcommittee not only to receive Rep. Kim's closing statement but also to address any matters which are the subject of pending rulings. Of course, we would expect all of this to be done after having been provided with the Department of Justice correspondence regarding the information obtained during its criminal investigation and transmitted to the Subcommittee and the proof that the Subcommittee complied with the 3-Congress statute of limitation waiver process. Again, such matters in and of themselves form the basis for separate objections and potential appeals to the Subcommittee which need to be resolved before Rep. Kim can submit his closing statement.

In the final analysis, we believe we have been fully candid, if not repetitious, as to our serious concerns over procedural problems. At the earliest possible time, we raised every concern in order to receive timely response or ruling in accordance with the clear and unambiguous requirements of the Committee's Rules of Procedure. This has not occurred and we still await information or action responsive to every one of our objections and concerns.

Having seen and endured the process through to this point, Rep. Kim intends to avail himself of every opportunity, consistent with the rules and precedents of the Committee and the House, to express his serious concerns and to seek appropriate consideration or redress.

We look forward to hearing from you regarding when we will receive all of the materials and information promised by the

Subcommittee as well as when Rep. Kim will be given an opportunity to submit his closing statement in the light of all information received, questions asked, and rulings made.

Respectfully,

A handwritten signature in black ink, appearing to read "Ralph L. Lutkin". The signature is written in a cursive style with a large, sweeping initial "R".

Ralph L. Lutkin

Attachments



The Honorable Lamar S. Smith  
 The Honorable Ed Pastor  
 Page 2  
 July 28, 1998

As for the specific Committee/Subcommittee letters sent to Representative Kim, your ruling identifies certain questions which have been determined to be outside the scope of his mandated cooperation. Assuming, arguendo, that the Congressman's book was a proper matter for compelled cooperation (we await your clarification on this per the above discussion), we believe additional questions not listed in your ruling should also have been excluded from response. These are as follows:

- A. Committee's April 2, 1998, letter:
1. Question #4 as to Mr. Ma's involvement in the Congressman's 1998 congressional campaign.
  2. Question #5 as to Ms. Suarez' involvement in the Congressman's 1998 congressional campaign.
  3. Question #13 as to any campaign records relating to the 1998 congressional campaign.
- B. Committee's March 13, 1998, subpoena to produce various income tax returns for 1991-1996, inclusive.
- C. Committee's May 1, 1998, letter: Requesting that the Congressman direct the accountant, Mr. Bong U. Yoo, to provide relevant tax preparation materials to the Committee. (To the extent the Committee may have also issued a subpoena or other request to Mr. Yoo to provide the materials, this would, in keeping with the ruling, also seem to have been improper.)
- D. Committee's May 11, 1998, letter from Counsel Paul Lewis: Regarding a \$50,000 check deposited into the Congressman's campaign account on March 30, 1998.

Regarding your ruling on spousal privileges, you state that Mrs. Kim "knowingly and voluntarily waived her rights to assert the two marital privileges." If we understand correctly that you accepted the applicability of relevant law on this matter, then it must be concluded that Mrs. Kim could not waive the marital communications aspect of her marital privilege -- such waiver would have required the Congressman's agreement. Consequently, I am confused by the quoted sentence, above. Second, we believe it is inconsistent to rule that no possible charges will be based on Mrs. Kim's testimony and allow her to withdraw all such information on the one hand, but then, on the other hand to indicate such materials could be included in your report to

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 3  
July 28, 1998

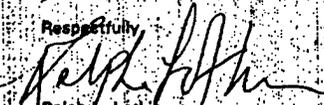
the full Committee. If the essence of the ruling is that the information should not have been obtained from her at all, then absolutely no use should be made of the material whatsoever.

Pursuant to your ruling, and subject to the above issues for which clarification is sought, we would like to review, with Subcommittee Counsel, all documents submitted or transcripts of testimony by Representative Kim in order to identify all questions and answers (or objections to questions) covered by your determination. Our prior reviews of such transcripts were, understandably, not undertaken for the purpose of evaluating the information in the context of your ruling (which had not been issued) but, rather, a cursory review of the record as to general issues raised and disposition.

I sincerely appreciate the detailed and comprehensive consideration the Subcommittee and its counsels have given to our objections and the efforts made to resolve concerns.

I look forward to your clarification on the matters raised above.

Respectfully,



Ralph L. Larkin

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPFLY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
BART L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**EXH. 152**

ONE HUNDRED FIFTH CONGRESS

**U.S. House of Representatives**COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV BABO, MINNESOTA  
ED PASIEN, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
JOE LOFGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7103

July 31, 1998

**BY FACSIMILE AND U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: In the Matter of Representative Jav Kim

Dear Mr. Lotkin:

This letter is in response to your letter of July 28, 1998, requesting clarification of the Subcommittee's decision concerning your appeal of Chairman Smith's July 2, 1998 rulings.

The plea agreement involved an "investigation relating to the financing of Jay C. Kim's 1992, 1994, and 1996 campaigns for the United States Congress."<sup>1</sup> The United States Attorney's Office (hereinafter "USAO") for the Central District of California explored the relationship between Representative Kim's autobiography and the financing of his congressional campaigns during this investigation. In addition, the Chief Assistant at the USAO specifically advised counsel to the Subcommittee that the scope of Representative Kim's cooperation agreement included any matter within the scope of the USAO's investigation, including Representative Kim's book.

Any issue concerning question four in the Subcommittee's April 2, 1998 letter is moot as your answer indicated no involvement by Mr. Seokuk Ma in the 1998 campaign and none of the counts in the draft Statement of Alleged Violations concerns the 1998 election.

Any issue concerning question five in the April 2, 1998 letter is moot as your answer indicated Ms. Carmen Suarez had no involvement in the 1998 campaign and none of the counts in the draft Statement of Alleged Violations concerns the 1998 election.

Any issue concerning question thirteen in the April 2, 1998 letter is moot as none of the counts in the draft Statement of Alleged Violations concerns the 1998 election.

<sup>1</sup> Plea Agreement, United States v. Jav C. Kim (CR 97-726-RAP C.D. Cal.), July 31, 1997, paragraph 1.

The Subcommittee determined that the Committee's March 13, 1998 subpoena to Representative Kim to produce various income tax returns for 1991-1996 was within the scope of its investigation of Representative Kim. The Subcommittee therefore need not address the question of whether Representative Kim also was required to produce those records pursuant to his plea agreement.

The Subcommittee determined that its May 1, 1998 letter to Representative Kim regarding information possessed by Mr. Bong U. Yoo was within the scope of the cooperation agreement with respect to records concerning the period through tax year 1996, as such records would be within the scope of the USAO's investigation. This question is moot, however, as this information was eventually obtained pursuant to subpoena and not pursuant to the plea agreement.

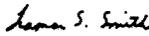
The Subcommittee determined that its May 11, 1998 letter concerning a \$50,000 check deposited into Representative Kim's campaign account on March 30, 1998 was within the scope of the cooperation agreement. Representative Kim's answer indicates the money used to purchase this check was derived from a debt incurred during a campaign cycle within the scope of the agreement. In addition, none of the counts in the draft Statement of Alleged Violations relates to the \$50,000 check. Your request to withdraw this question is therefore moot.

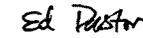
As stated previously, the issue regarding Mrs. Kim's waiver of the marital privilege is moot. In regard to your second question concerning this issue, the Subcommittee previously ruled that Mrs. Kim's testimony will not be used in the report on this matter. We also explained, however, that we reserve the right to use documents obtained from her and evidence derived from her testimony.

You are free to review transcripts of Representative Kim's testimony at any time during regular business hours of the Committee. As to documents provided by Representative Kim, if you or Representative Kim have not retained copies of those documents, please advise Mr. Laufman or Mr. Lewis and arrangements will be made for you to review those documents. Mr. Laufman and Mr. Lewis remain, as always, available to discuss any issues with you. However, if you have any question concerning the scope of our ruling, please submit it in writing.

If you have any questions, please call counsel Paul Lewis or counsel David Laufman at (202) 225-7105.

Sincerely,

  
Lamar S. Smith  
Chairman

  
Ed Pastor  
Ranking Democratic Member

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HIFLEY, COLORADO  
BOB COOLIDGE, VIRGINIA  
JOE KROLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

EXH. 153

**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAEA FATTAH, PENNSYLVANIA  
ZOE LOFGRAN, CALIFORNIA  
SUITE 417-2, THE CAPITOL  
GROUP 225-7103

August 4, 1998

Ms. June Kim  
P.O. Box 4353  
Diamond Bar, CA 91765

Re: Representative Jay Kim

Dear Ms. Kim:

This is in response to your letter dated July 14, 1998, in which you requested that your testimony in this inquiry be withdrawn.

On July 22, 1998, the Investigative Subcommittee ruled on your request as part of a broader procedural ruling regarding the respondent, Representative Jay Kim. In its ruling, the Investigative Subcommittee acknowledged the applicability in this inquiry of the marital communications privilege and the privilege against adverse spousal testimony, within certain limitations that the Subcommittee previously had explained to counsel for Representative Kim. The Subcommittee found, however, that you were duly advised of your right to counsel pursuant to Committee Rule 27, and that you made a knowing and voluntary decision not to retain an attorney. In addition, the Subcommittee found that neither the Subcommittee nor its staff was required by law or House or Committee rules to specifically advise you of either the marital communications privilege or the privilege against adverse spousal testimony.

Nonetheless, counsel to the Subcommittee made it clear to you at the outset of their communications with you that they would be asking you questions about your husband. Moreover, counsel to the Subcommittee informed you of the two marital privileges, even though not required to do so by House or Committee rules. You were most willing to provide information to the Subcommittee about Representative Kim, including information about communications you had with him. In that regard, the Subcommittee found that you knowingly and voluntarily waived your rights to assert the two marital privileges.

Based on the record before the Subcommittee, including your deposition over a two-day period, the Subcommittee did not credit your claims about the alleged manner in which the Subcommittee or its counsel treated you. In its discretion, however, the Subcommittee decided that it will not base any possible charges against Representative

Kim on testimony that you provided, unless there is an independent source for the information in question or the Subcommittee inevitably would have discovered that information. The Subcommittee also has reserved the right to include documents that you have provided in its report to the full Committee, as well as evidence derived from testimony that you provided.

In connection with a procedural issue raised by counsel for Representative Kim, the Subcommittee also wishes to advise you of a ruling regarding the provisions of your plea agreement with the U.S. Attorney's Office for the Central District of California ("U.S. Attorney's Office") that require you to cooperate with the Investigative Committee. Based on the Subcommittee's consultation with the U.S. Attorney, we understand that you are required to cooperate with the Investigative Subcommittee regarding any matter within the scope of the criminal investigation by the U.S. Attorney's Office, including matters concerning Representative Kim's autobiography, *I'm Conservative*. The Subcommittee ruled on July 22, 1998, that you may modify or withdraw any answer to any question posed by the Subcommittee or its counsel, or seek the return of any document, if you state in writing that you provided the answer or document solely because the Subcommittee or its counsel cited your cooperation agreement in seeking the answer or document.

The Subcommittee's ruling does not pertain to questions directed to you during your deposition regarding matters within the scope of the Subcommittee's inquiry, as your testimony occurred pursuant to a properly issued subpoena.

The only record of a communication between you and the Subcommittee in which your cooperation agreement was cited is a letter to you from Subcommittee Counsel David H. Laufman, dated May 15, 1998. (See the attached.) Mr. Laufman sent that letter to you on behalf of Ralph Lotkin, counsel to Representative Kim, who had complained that you were not providing documents and information to Bong U. Yoo, an accountant, for Representative Kim to use to prepare his Financial Disclosure Statement for 1997.

On May 15, 1998, you forwarded to counsel for the Subcommittee a letter that you apparently faxed on that same date to Mr. Lotkin in response to his request for your assistance in helping Representative Kim to complete his Financial Disclosure Statement for 1998. (See the attached.) Attached to your letter to Mr. Lotkin was a copy of Representative Kim's Financial Disclosure Statement for 1996, on which you apparently annotated changes or additions that you deemed necessary for his Financial Disclosure Statement for 1997.

Any information that you provided to Mr. Lotkin or Mr. Yoo in response to Mr. Laufman's letter of May 15, 1998, falls outside the scope of the Subcommittee's ruling on July 22, 1998, regarding your cooperation agreement. That information was not provided in connection with a question that the Subcommittee posed to you, or in connection with a document that the Subcommittee asked you to provide to the Subcommittee. Rather, Mr. Laufman simply asked you provide materials to your husband or his attorney as requested by Mr. Lotkin, and that you authorize the

accountant, Mr. Yoo, to provide Mr. Lotkin or Representative Kim with any documents and other information that they requested.

If you are aware of any communication by you to the Subcommittee or its counsel -- or any document provided to the Subcommittee or its counsel -- that you believe may be modified or withdrawn pursuant to the Subcommittee's ruling on July 22, 1998, please advise counsel to the Subcommittee in writing as soon as possible.

Should you or your attorney have any questions about this letter, please contact Committee Counsel David H. Laufman or Paul M. Lewis at (202) 225-7103.

Sincerely,



Lamar S. Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

**EXH. 154**

Hon, Chairman Lamar S. Smith  
Hon, Ranking Member Ed Pastor  
U.S. House of Representatives  
Committee on Standard of  
official conduct  
Washington, DC 20515-6328

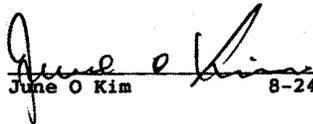
Dear Sirs;

Thank you for your letter dated August 4, 1998.

In the first full paragraph of page 2 of your letter, you stated that I may modify or withdraw any answer to any question posed by the Subcommittee or its counsel, or seek the return of any document if I state in writing that I provided the answer or document solely because the Subcommittee or its counsel cited my cooperation agreement in seeking the answer or document. In order for me to rationally respond, I would appreciate it if you would forward to me a copy of the transcript of all questions and answers which would fall within the above description as well as any and all documents which may be withdrawn.

Once I have received the above documents, I will respond as soon as possible.

Sincerely

  
June O Kim 8-24-1998

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HESLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLERBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**EXH. 155**  
ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOPGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7100

July 7, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jav Kim

Dear Mr. Lotkin:

You have previously indicated that Representative Kim plans to appeal certain evidentiary rulings by the Chairman of the Investigative Subcommittee or the Presiding Member of the Subcommittee pursuant to Rule 20(b)(2) of the Committee on Standards of Official Conduct.

This is to advise you that a Subcommittee meeting for the purpose of hearing an appeal by Representative Kim has been scheduled for Wednesday, July 15, 1998, from 3:00 p.m. to 4:30 p.m. Any presentation that you or your co-counsel Adam Kurland may wish to make on behalf of Representative Kim will be limited to one hour. Please be advised that we expect a heavy legislative schedule on the afternoon of July 15, and it would be prudent for you and your co-counsel to reserve additional time in your schedules that afternoon in case the Subcommittee meeting is interrupted or delayed.

You are respectfully reminded that the Subcommittee Chairman has asked that you specify in writing the basis for any appeal within one week of your receipt of the Chairman's letter to you dated July 2, 1998, which was faxed and mailed to your office on July 2, 1998. You are also reminded that the Subcommittee Chairman has ruled that Representative Kim has waived the opportunity to give a closing statement, and that the sole purpose of the proceeding scheduled for July 15, 1998, is to discuss Representative Kim's appeal of evidentiary rulings.

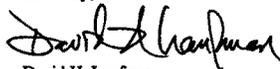
Based on our telephone conversation this morning, in which you advised me that you had seen and read the July 2 letter for the first time today, we will construe July 7 as

731

the date of receipt for purposes of your written submission. You indicated in our telephone conversation, however, that you will endeavor to transmit your written submission to the Subcommittee by Monday, July 13, 1998.

If you have any questions, please call me or my co-counsel Paul Lewis at (202) 225-7103.

Sincerely,

A handwritten signature in black ink, appearing to read "David H. Laufman". The signature is written in a cursive, slightly slanted style.

David H. Laufman  
Counsel

**EXH. 156**

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPLBY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOXENBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7103

July 28, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
227 Cannon House Office Bldg.  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Kim:

Pursuant to Rule 27(c) of the Rules of the Committee on Standards of Official Conduct, we are transmitting to you a draft Statement of Alleged Violation that the Investigative Subcommittee intends to adopt, together with all evidence it intends to use to prove the charges contained therein.

Sincerely,



Lamar S. Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

Enclosures

cc: Ralph Lotkin, Esq. (text of Statement of Alleged Violation)

EXH. 157

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA  
SUITE MT-2, THE CAPITOL  
1000 225-7100

ONE HUNDRED FIFTH FLOOR

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

July 29, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jay Kim

Dear Mr. Lotkin:

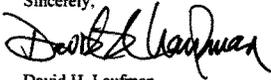
This letter concerns the draft Statement of Alleged Violated ("SAV") served on Representative Kim on January 28, 1998.

In its discretion, the Investigative Subcommittee previously advised Representative Kim that he would be afforded an opportunity to appear before the Subcommittee to discuss any possible charges before the Subcommittee formally voted on those charges. In that regard, the Investigative Subcommittee has scheduled a meeting on Wednesday, August 5, 1998, from 3:30-4:30 p.m. Please notify the Subcommittee in writing as soon as possible if Representative Kim desires to appear before the Subcommittee for the above-specified purpose.

Should Representative Kim seek to appear before the Subcommittee for any purpose, please submit a letter to the Subcommittee specifying the purpose of Representative Kim's proposed appearance by no later than 5:00 p.m. on Monday, August 3, 1998.

Thank you for your attention to this matter.

Sincerely,



David H. Laufman  
Counsel

EXH. 158

MEMO CALIFORNIA 8-3-98

LAW OFFICES  
**COCHRAN & LOTKIN**  
CAPITOL HILL WEST BUILDING  
201 MASSACHUSETTS AVENUE, N.E.  
SUITE 2-1  
WASHINGTON, D.C. 20555  
PHONE (202) 547-1222  
FAX (202) 547-0222

LOS ANGELES OFFICE  
WILSON WOODLAND BUILDING  
4000 WILSON BLVD  
SUITE 1500  
LOS ANGELES, CALIFORNIA 90008  
PHONE (213) 751-0100  
FAX (213) 751-0551

OF RECORD  
BIRDA & BELLAP  
LOS ANGELES, CALIFORNIA  
SARASOTA, FLORIDA  
MEMPHIS, TENNESSEE  
FARMERSVILLE, CALIFORNIA  
AND MEMPHIS, T.N.

August 3, 1998

SENT VIA FAX: 202-225-7392

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

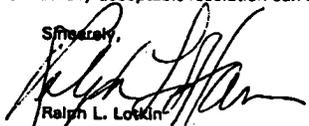
The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This responds to the July 29, 1998, letter from Committee Counsel David Laufmen regarding an invitation for Representative Kim to meet with the Investigative Subcommittee this coming Wednesday, August 5, 1998, from 3:30 to 4:30 p.m.

In light of our ongoing review of the draft Statement of Alleged Violations, we believe it would be helpful for the Congressman to meet with the Subcommittee for the purpose of identifying whether a mutually-acceptable resolution can be achieved.

Sincerely,  
  
Ralph L. Lotkin

cc: Representative Kim

EXH. 159

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEBLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEED,  
CHIEF COUNSEL/STAFF DIRECTOR  
SARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

August 3, 1998

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHUCK FATTAH, PENNSYLVANIA  
ZOE LOPGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7102

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jav Kim

Dear Mr. Lotkin:

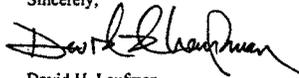
This letter is in response to your August 3, 1998, letter to the Honorable Lamar S. Smith and the Honorable Ed Pastor, which was received earlier this afternoon by facsimile at the Committee's office.

In your letter, you indicated that Representative Kim has accepted the invitation by the Investigative Subcommittee to appear before it on Wednesday, August 5, in connection with the possible charges set forth in the draft Statement of Alleged Violation, which was served on Representative Kim on July 28, 1998. You also stated in your letter that the purpose of Representative Kim's appearance would be to "[identify] whether a mutually-acceptable resolution can be achieved."

Counsel to the Investigative Subcommittee interprets your letter to mean that Representative Kim will make a settlement offer to the Investigative Subcommittee at the meeting on August 5. If that understanding is correct, please submit a settlement offer in writing by no later than 5:00 p.m. on Tuesday, August 4, 1998. That written offer will form the basis for discussion at the meeting on August 5.

Thank you for your prompt attention to this matter. If you have any questions, please call me or my co-counsel Paul Lewis at (202) 225-7103.

Sincerely,



David H. Laufman  
Counsel

**EXH. 160**\*ALSO MEMBERSHIP  
THE CALIFORNIA BAR

LAW OFFICE  
**COCHRAN & LOTKIN**  
 CAPITOL HILL WEST BUILDING  
 201 MASSACHUSETTS AVENUE, N.E.  
 SUITE 211  
 WASHINGTON, D.C. 20002  
 PHONE (202) 647-7222  
 FAX (202) 647-7222

August 4, 1998

LOS ANGELES OFFICE  
 WILSHIRE HIGHLAND BUILDING  
 4001 WILSHIRE BOULEVARD  
 SUITE 1100  
 LOS ANGELES, CALIFORNIA 90010  
 PHONE (213) 921-4888  
 FAX (213) 921-7221

OF BIRMINGHAM  
 BISHOP & PALMER  
 LOS ANGELES, CALIFORNIA  
 ORANGE COUNTY, CALIFORNIA  
 SACRAMENTO, CALIFORNIA  
 MEMPHIS CITY, TENNESSEE  
 \*LIMITED ONLY IN CALIFORNIA  
 AND MEMPHIS, T.N.

**SENT VIA FAX: 202-225-7392**

The Honorable Lamar S. Smith  
 Chairman  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

The Honorable Ed Pastor  
 Ranking Democratic Member  
 Investigative Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2, U.S. Capitol Building  
 Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This responds to the August 3, 1998, letter from Committee Counsel David Laufman regarding a Subcommittee meeting scheduled for Wednesday, August 5, 1998. Specifically, Mr. Laufman requested a written "settlement offer" by no later than 5:00 p.m. today if his understanding is correct with regard to the purpose for which Representative Kim will meet with the Investigative Subcommittee.

In our view, and notwithstanding the amount of time or efforts that have been taken in pursuit of the subject inquiry, much still needs to be done, including the submission of pleadings, the establishment (if necessary) of an adjudicatory subcommittee, possible Member recusals, issuance of subpoenas for defense witnesses, review of testimony to be introduced against the Congressman, an actual adjudicatory hearing, and a possible sanction hearing. As you are well aware, the process to date has not afforded Representative Kim any opportunity to cross examine witnesses, obtain information by subpoena, or to undertake any efforts except in reaction to the Subcommittee's investigation. It is only at this juncture that Representative Kim now has a procedural opportunity to challenge facts, witness credibility, or jurisdictional

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 2  
August 4, 1998

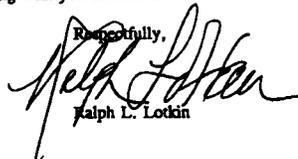
shortcomings. Inadequate time remains during this session of Congress for the remaining procedures and the due process inherent in them to be implemented.

In light of the above, we propose that the Subcommittee (and, as appropriate, the full Committee) work with Representative Kim in the drafting of a mutually-acceptable "report" which simultaneously recognizes the efforts undertaken and maintains the Congressman's presumption of innocence. Since the Subcommittee would be presenting its perception of the matter, fairness would dictate that any such report should also include the independent views of Representative Kim regarding both the substance and procedure of the inquiry. Finally, because no final disposition on any allegations would be reached, it would be our view that any such adjudicatory report not include any evidence that would have been presented by either the Subcommittee or Representative Kim or materials improperly obtained from either Representative or Mrs. Kim. Finally, we believe there should not be any public disclosure or referral of such materials to any other organization.

Of course, this proposal does not represent the totality of options available to the Subcommittee or Representative Kim. Accordingly, we look forward to meeting with you on August 5 to discuss the above proposal and any ideas which the Subcommittee might have. It should be kept in mind, however, that by engaging in the instant discussions Representative Kim expressly reserves all rights provided under Committee Rules of Procedure.

We look forward to meeting with you tomorrow.

Respectfully,



Ralph L. Lotkin

cc: Representative Kim

EXH. 161

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HUBLEY, COLORADO  
BOB GOODLATT, VIRGINIA  
JOE KONOLINSKI, MICHIGAN  
THEODORE J. VAN DER BEEK,  
CHIEF COUNSEL/STAFF DIRECTOR  
BRIE L. SCHWARTZ  
COUNCILOR TO THE BANKING  
MINORITY MEMBER

ONE HUNDRED FIFTH LUMBER  
**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

HOMARD L. BERMAN, CALIFORNIA  
RANKING MEMBER  
MARTIN OLAV SARGO, MINNESOTA  
ED PASTOR, ARIZONA  
CHANGA KATTAN, PENNSYLVANIA  
ZOE LOPFREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7102

August 6, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jay Kim

Dear Mr. Lotkin:

This letter is in connection with matters that arose at the meeting of the Investigative Subcommittee on August 5, 1998.

First, we wish to underscore that you and Representative Kim were afforded an opportunity at the meeting to discuss the proposed charges contained in the draft Statement of Alleged Violation ("SAV"), and declined to do so. Moreover, you indicated to the Subcommittee that you possess exculpatory information with respect to the proposed charges, and declined to share that information with the Subcommittee. If, in fact, you are in possession of such information, we believe you have done a disservice both to Representative Kim and to the ethics process by refusing to provide that information to the Subcommittee at this critical procedural juncture.

As you know, the Subcommittee already has manifested its intent to adopt the charges contained in the draft SAV, and that vote may occur as early as tomorrow, August 7, 1998. It is essential to a full and fair evaluation of the evidence for the Subcommittee to review any exculpatory information before voting to adopt an SAV. If, in fact, you possess any exculpatory information regarding any proposed charge, we direct you to provide such information to the Subcommittee immediately.

Second, we wish to respond to your letter to the Subcommittee dated August 4, 1998. In that letter, you proposed that "the Subcommittee (and, as appropriate, the full Committee) work with Representative Kim in the drafting of a mutually-acceptable 'report' . . . ." The Subcommittee respectfully denies that request.

Third, we wish to respond to your request for clarification of a Committee rule regarding the disclosure of documents provided to you in connection with the SAV. At the August 5 meeting, the Investigative Subcommittee asked you and Representative Kim to execute a written agreement pursuant to Committee Rule 27(f). That rule provides, in pertinent part, that "[e]vidence provided pursuant to paragraph (c) or (e) shall be made available to the respondent and his or her counsel only after each agrees, in writing, that no document, information, or other materials obtained pursuant to that paragraph shall be made public until . . . (1) such time as a Statement of Alleged Violation is made public by the Committee if the respondent has waived the adjudicatory hearing; or (2) the commencement of an adjudicatory hearing if the respondent has not waived an adjudicatory hearing . . ." The Investigative Subcommittee provided Representative Kim with documents and information supporting the proposed counts of a draft SAV on July 28, 1998, pursuant to subsection (c) of Rule 27.

At the August 5 meeting of the Investigative Subcommittee, you asked the Subcommittee to define the word "public" for purposes of Rule 27(f), and deferred signing the agreement. Specifically, you asked whether you may disclose evidence provided to you in connection with the draft SAV to persons who have been witnesses in the Subcommittee's inquiry.

The Committee rule in question was passed as part of the reforms resulting from the work of the House Ethics Reform Task Force ("Task Force"), adopted as H. Res. 168 in September 1997. In its report on the recommended reforms, the Task Force explained that this rule "was added to guard against any premature leaks of the evidence provided to the respondent and his counsel."<sup>1</sup>

Given the intended purpose of Committee Rule 27(f), as manifested in its legislative history, the Chief Counsel of the Committee has advised us that it would be permissible for you to disclose the documents in questions to persons who have been witnesses in this case if such disclosure were solely for the purpose of preparing an answer to an SAV, or motions in connection with an SAV.

If you have any additional questions, please call Committee Counsel David H. Laufman or Paul M. Lewis at (202) 225-7103.

Sincerely,



Lamar Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

cc: The Hon. Jay Kim

<sup>1</sup> Report of the Ethics Reform Task Force on H. Res. 168, 105<sup>th</sup> Cong., 1<sup>st</sup> Sess. 23 (1997).

**EXH. 162**

JOHN L. COCHRAN, JR.  
RALPH L. LUTEN  
ALSO MEMBER OF  
THE CALIFORNIA BAR

281 MASSACHUSETTS AVENUE, N.E.  
SUITE 211  
WASHINGTON, D.C. 20002  
PHONE (202) 647-9222  
FAX (202) 647-9229

LOS ANGELES OFFICE  
WILSON WOODLAND BUILDING  
4925 WILSON BOULEVARD  
SUITE 1000  
LOS ANGELES, CALIFORNIA 90016  
PHONE (213) 951-6222  
FAX (213) 951-9221

August 6, 1998

OF COUNSEL  
SINHA & SULLIVAN  
LOS ANGELES, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEMPHIS CITY, MISSISSIPPI  
\* ADMITTED ONLY IN CALIFORNIA  
AND MISSISSIPPI

**SENT VIA FAX: 202-225-7392**

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

This responds to your August 6, 1998, letter in which you assert that I "have done a disservice both to Representative Kim and to the ethics process by refusing to provide information to the Subcommittee". This obvious insult is based upon our refusal to share with you what we believe is exculpatory information in our possession related to your draft Statement of Alleged Violation.

As we made clear to you at the meeting, it is not, nor should it be, our duty to assist you in the preparation of any charging document. To suggest such a duty exists is tantamount to undermining and rendering absurd the purported rights of a Respondent to file motions related to the case, such as a Motion to Dismiss. Under your convoluted logic, it is your apparent view that if we are aware of clear jurisdictional or factual flaws in your draft Statement of Alleged Violation, we must so inform you to correct such deficiencies and, by so doing, effectively give up the right to raise such issues at a later time based upon the obvious conclusion that the inadequacies of fact or procedure no longer plague the document. In this regard, you have absolutely no right to direct me (or Representative Kim) to do anything designed to assist the Subcommittee in correcting, or mitigating, its errors. We reserve the right to file all motions or other pleadings, even if they prove factually or procedurally embarrassing to the Subcommittee.

The Honorable Lamar S. Smith  
The Honorable Ed Pastor  
Page 2  
August 6, 1998

At this juncture, you have made abundantly clear that it is your intention to pursue an adversary proceeding in which Representative Kim will be charged with improper acts based upon the testimony of others, none of whom have been subjected to cross-examination. The same holds true with documents considered supportive of your case in the absence of other materials which could reasonably be construed as negating the implications of your "evidence".

We are fully prepared to mount an aggressive defense on behalf of the Congressman which will include a thorough examination of the process by which the inquiry has been handled as well as a presentation of facts and documents which directly contradict certain aspects of the testimony upon which your draft relies.

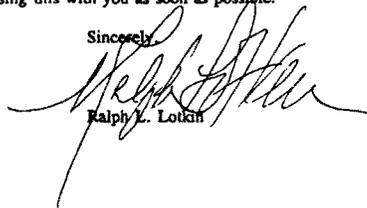
Subsequent to our last meeting, it had been my sincere hope to avoid both confrontations and recriminations because of the allegations as to procedural and investigative concerns raised not only by Representative Kim but also other witnesses. Unfortunately, your latest letter can only be viewed as an unjustified attempt to criticize our refusal to help the Subcommittee prepare charges against Representative Kim as evidence of doing a disservice to client and process. The only disservice which has been undertaken is the single-minded intent to obtain information, regardless of basic and well-accepted tenets of due process and fair play which, of course, you acknowledged in your ruling which admitted unfortunate excesses leading to the suppression and withdrawal of evidence improperly obtained.

As stated to your Counsel on the telephone, I request a meeting to discuss all aspects of your letter and to clear the air as to our respective responsibilities. As matters now stand, you requested a settlement proposal, we submitted one. You rejected it and offered no constructive alternative to our submission.

While it is by no means required that Representative Kim reach an agreement with your Subcommittee as to the scope of any charges, I am very disturbed that you cannot understand that our refusal to share with you defense strategy and information prior to the issuance of a Statement of Alleged Violation and hearing is totally appropriate.

I look forward to discussing this with you as soon as possible.

Sincerely,



Ralph L. Lotkin

cc: Representative Kim

ARNE V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HERLEY, COLORADO  
BOB SOCOLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN  
THEODORE J. VAN DER WEID,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**EXH. 163**  
ONE HUNDRED FIFTH CONGRESS  
**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABRO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LORBERN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7103

August 6, 1998

**BY FACSIMILE AND U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: In the Matter of Representative Jay Kim

Dear Mr. Lotkin:

This letter is in response to your letter of August 6, 1998, requesting another meeting with the Investigative Subcommittee. Your request is denied.

*Lamar Smith* Sincerely,

Lamar Smith  
Chairman  
Investigative Subcommittee

*Ed Pastor*

Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

cc: Representative Kim

EXH. 164

JAMES V. HANSEN, UTAH  
 CHAIRMAN  
 LAMAR SMITH, TEXAS  
 JOEL MEYER, COLORADO  
 BOB GOODLATTE, VIRGINIA  
 JOE KNOWLES, INDIANA  
 THEODORE J. VAN DER BEEK,  
 CHIEF COUNSEL/STAFF DIRECTOR  
 BARI L. SCHWARTZ  
 COUNSEL TO THE RANKING  
 MINORITY MEMBER

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
 OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
 RANKING MINORITY MEMBER  
 MARTIN OLAV SABO, MINNESOTA  
 ED PASTOR, ARIZONA  
 CHAKA FATTAH, PENNSYLVANIA  
 JOE LOFGREN, CALIFORNIA  
 SUITE HT-2, THE CAPITOL  
 (202) 225-7100

August 7, 1998

**BY HAND-DELIVERY**

The Honorable Jay Kim  
 227 Cannon House Office Bldg.  
 U.S. House of Representatives  
 Washington, D.C. 20515

*Re: In the Matter of Representative Jay Kim*

Dear Representative Kim:

By a unanimous vote of its members, the Investigative Subcommittee today voted to adopt a Statement of Alleged Violation in the above-referenced inquiry. Pursuant to Rule 20(e) of the Rules of the Committee on Standards of Official Conduct, we are hereby transmitting a copy of the Statement of Alleged Violation to you and your attorney, Ralph Lotkin.

The Statement of Alleged Violation is based on the Subcommittee's determination, pursuant to Committee Rule 20(e), that there is "substantial reason to believe" that you committed violations of laws and House rules.

Under Committee Rule 23, you may submit an answer to the Statement of Alleged Violation within 30 days after its transmittal. Pursuant to Committee Rule 23(f), your answer will be due by Monday, September 7, 1998, as the thirtieth day after transmittal falls on a Sunday (September 6). The failure to file an answer within the time prescribed will be considered a denial of each count in the Statement of Alleged Violation.

If you submit an answer, it must be in writing and under oath, and it must be signed by both you and your attorney. Committee Rule 23(a)(2) states that the answer "shall contain an admission to or denial of each count set forth in the Statement of Alleged Violation and may include negative, affirmative, or alternative defenses and any supporting evidence or other relevant information."

Under Committee Rule 23(b), you also have the option of filing a Motion for a Bill of Particulars within 15 days of transmittal of the Statement of Alleged Violation. Should you file such a motion, you will not be required to file an answer until 15 days after the Subcommittee has replied to the motion.

In addition, under Committee Rule 23(c)(1), you may file a Motion to Dismiss within 15 days after the transmittal of the Statement of Alleged Violation or, if a Motion for a Bill of Particulars has been filed, within 15 days after the date of the Subcommittee's reply to the Motion for a Bill of Particulars. Under Committee Rule 23(c)(2), a Motion to Dismiss "may be made on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement." If you file a Motion to Dismiss, you will not be required to file an answer until 15 days after the Subcommittee has replied to that motion.

Please be advised that under Committee Rule 23(d), any motion that you may file with the Subcommittee must be accompanied by a Memorandum of Points and Authorities.

Finally, please be advised that the Statement of Alleged Violation adopted by the Subcommittee and enclosed herein contains certain changes in comparison with the draft Statement of Alleged Violation provided to Representative Kim on July 28, 1998. Committee Rule 27(c), which affords respondents a 10-day period to review a Statement of Alleged Violation prior to a vote by an Investigative Subcommittee, is based on the work of the House Ethics Reform Task Force ("Task Force"), as approved by the House of Representatives in September 1997 as H. Res. 168. In its report, the Task Force stated that "[a]n amendment to an intended SAV, either agreed to during settlement discussions or which does not add counts or materially change the substantive count(s), which were previously provided to the respondent, should not require an additional 10-day review period prior to its adoption."<sup>1</sup> The Task Force added that "an amendment to an SAV, either prior to or after its adoption, which either adds count(s) or materially changes existing counts, should require an additional 10-day review period and the immediate presentation to the respondent of whatever new evidence the subcommittee intends to introduce to prove the amended count(s)."<sup>2</sup>

Counsel to the Subcommittee will meet with you at a mutually convenient time to discuss with you in detail any changes made to the SAV since it was first provided to you in draft on July 28, 1998. Based on the purpose and legislative history of Committee Rule 27(c) and the nature of the changes in question, however, the Investigative Subcommittee has determined that none of those changes entitles Representative Kim to an additional 10 days to review the Statement of Alleged Violation, or alters any of the other above-specified time periods.

---

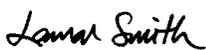
<sup>1</sup> *Report of the Ethics Reform Task Force on H. Res. 168, 105<sup>th</sup> Cong., 1<sup>st</sup> Sess. 24 n.24 (1997)* (Committee Print).

<sup>2</sup> *Id.*

745

If you or your attorney have any questions, please contact Committee Counsel David H. Laufman or Paul M. Lewis at (202) 225-7103.

Sincerely,



Lamar Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

Enclosures

cc: Ralph Lotkin, Esq.

Investigative Subcommittee of the  
Committee on Standards of Official Conduct

*In the Matter of Representative Jay C. Kim*

**Statement of Alleged Violation**

(Adopted August 7, 1998)

**I. RELEVANT STANDARDS OF CONDUCT AND LAWS**

At all times relevant to the violations hereafter alleged (except as otherwise noted), the pertinent provisions of House Rules and laws stated or provided as follows:

**Federal Election Campaign Laws**

- ◆ 2 U.S.C. § 441b: It is illegal for a corporation to make a contribution of any amount to a candidate for federal election.
- ◆ 2 U.S.C. § 441e: It is illegal for a foreign national to make a contribution of any amount to a candidate for federal election.
- ◆ 2 U.S.C. § 441f: It is illegal for any person to make a contribution to a federal candidate by using the name of another person.
- ◆ 2 U.S.C. § 437g(d)(1)(A): Any person who knowingly and willfully commits a violation of any provision of the Federal Election Campaign Act which involves the making, receiving, or reporting of any contribution or expenditure aggregating \$2,000 or more during a calendar year shall be fined, or imprisoned for not more than one year, or both. The amount of this fine shall not exceed the greater of \$25,000 or 300 percent of any contribution or expenditure involved in such violation.

**Law Regarding Financial Disclosure by Candidates & House Members**

- ◆ **Section 104(a) of the Ethics in Government Act:** "The Attorney General may bring a civil action in any appropriate United States district court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to report any information that such individual is required to report pursuant to section 102 [of

the Act]. The court in which such action is brought may assess against such individual a civil penalty in any amount, not to exceed \$10,000.”

#### **House Rules**

- ◆ **House Rule 43, Clause 1:** “A Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”
- ◆ **Former House Rule 43, Clause 4:** “A Member . . . of the House of Representatives shall not accept gifts (other than personal hospitality of an individual or with a fair market value of \$100 or less . . . in any calendar year aggregating more than . . . \$250, . . . directly or indirectly, from any person (other than a relative) except to the extent permitted by written waiver granted in exceptional circumstances by the Committee on Standards of Official Conduct pursuant to clause 4(e)(E) of rule X.” The term “gift” was defined to include “[a] payment, subscription, advance, forbearance, rendering, or deposit of money, services, or anything of value, including food, lodging, transportation, or entertainment, and reimbursement for other than necessary expenses, unless consideration of equal or greater value is received by the donor.”<sup>1</sup> A Member of the House of Representatives was permitted to accept a gift of travel expenses, including lodging, if the gift was in connection with “fact-finding” or events in which the Member “substantially participated.”
- ◆ **House Rule 44, Clause 2:** “For the purposes of this rule, the provisions of Title I of the Ethics in Government Act of 1978 shall be deemed to be a rule of the House as it pertains to Members, officers, and employees of the House of Representatives.”
- ◆ **House Rule 51, Clause 1(a)-(b).** “No Member, officer, or employee of the House of Representatives shall knowingly accept a gift except as provided in this rule . . . For purposes of this rule, the term ‘gift’ means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value.”

---

<sup>1</sup> This rule was in effect at the time Representative Kim became a Member of the House of Representatives in January 1993 and remained in effect until January 1996, when it was superseded by then-House Rule 52.

**II. ALLEGED VIOLATIONS****Count I: Violation of House Rule 43, Clause 1 (Contributing and Causing In-Kind Contributions from a Corporation)**

In 1978, JayKim Engineers, Inc., was incorporated in the State of California. Representative Kim was the president and owner of JayKim Engineers, Inc. from 1978 to 1992. During much of this period, Representative Kim contributed to numerous candidates for federal office. On February 10, 1992, Representative Kim filed as a candidate for the U.S. House of Representatives. Between March 1992 and July 1993, the campaign headquarters was located inside the offices of JayKim Engineers, Inc. From March 1992 through July 1993, Representative Kim caused JayKim Engineers, Inc. to make in-kind contributions to the JayKim for Congress Committee. The in-kind contributions included office space, printing expenses, photocopying expenses, postage, use of corporate telephones and computers, janitorial services, secretarial and other personnel services and supplies. In March 1992, Representative Kim initialed and caused to be distributed two memoranda for the employees of JayKim Engineers, Inc. telling them not to work on his campaign during business hours. Yet, numerous employees continued to work for the campaign on company time with Representative Kim's knowledge.

During the time JayKim Engineers, Inc. made these in-kind contributions to the campaign, Representative Kim supervised the finances of both the corporation and of the campaign. Based on his own previous contributions to federal candidates and briefings by his campaign staff, Representative Kim knew that it was illegal for corporations, including JayKim Engineers, Inc. to make contributions, including in-kind contributions, to federal election campaigns.

On or about July 28, 1997, Representative Kim signed a plea agreement with the United States Attorney's Office for the Central District of California regarding an investigation relating to the financing of his 1992, 1994, and 1996 campaigns for the House of Representatives. Representative Kim agreed to waive indictment by a grand jury and to plead guilty to an information charging him with accepting illegal corporate contributions in violation of 2 U.S.C. §§ 441b and 437g. This plea agreement was filed with the United States District Court for the Central District of California on or about July 31, 1997.

Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

9. Beginning in or about March, 1992, through in or about July, 1993, defendant JAY KIM caused JayKim Engineers, Inc., to contribute to defendant JAY KIM FOR CONGRESS COMMITTEE approximately \$83,248 in in-kind contributions. The in-kind contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial services, and secretarial and other personnel services. The in-kind contributions had an aggregate value of more than \$2,000 in 1992 and more than \$2,000 in 1993. **Defendant JAY KIM knew that it was illegal for corporations, including JayKim Engineers, Inc., to make contributions, including in-kind contributions, to federal election campaigns such as his, but he caused JayKim Engineers, Inc., to make those contributions anyway.**

On or about August 11, 1997, Representative Kim was convicted pursuant to a plea agreement in the United States District Court for the Central District of California of Count Six of the information in the case of United States v. Jay C. Kim, et al (CR 97-726-RAP). The Assistant United States Attorney summarized the evidence as follows:

The evidence would show beginning in March 1992 and continuing through July 1993, defendant Jay Kim caused JayKim Engineers, Inc. to contribute to defendant Jay Kim for Congress Committee approximately \$83,000 in in-kind corporate resources. The in-kind corporate contributions included office space, printing expenses, automobile expenses, postage, Federal Express expenses, food and travel expenses, janitorial expenses, and secretarial and other personnel services.

Defendant Jay Kim knew that it was illegal for corporations, including JayKim Engineers, Inc., to make contributions, including the in-kind contributions, to federal election campaigns such as his. But he caused JayKim Engineers, Inc. to make those contributions anyway.

Representative Kim and his attorney told the court that the above summary by the Assistant United States Attorney was accurate.

On or about January 29, 1998, Representative Kim told the Investigative Subcommittee that he did not dispute any element of the plea agreement or statement of facts.

On or about February 25, 1998, Representative Kim wrote a letter to the Honorable Richard A. Paez, United States District Judge, regarding his sentencing. Representative Kim again acknowledged his guilt regarding Count Six of the information. In addition, in a memorandum submitted to the district court on March 2, 1998, Representative Kim's attorney stated that "in the end, the law was violated and Mr. Kim accepts responsibility for that violation. At the sentencing proceeding on March 9, 1998, Representative Kim's attorney stated:

Mr. Kim accepts responsibility. He knows what he did was wrong. He knows it violated the law. And he knew there was a law there at the time. And he knew there were things you could do and things you couldn't do."

\* \* \* \*

He knew there was a law there. But we were trying to explain -- and we put it in our papers that same way -- the laws are very complicated, but he had an obligation and a responsibility to know that when he took money or loans, or when he used his personal corporation to make contributions, in-kind to the campaign committee, that's wrong. And he accepts responsibility for it.

Finally, Representative Kim told the court at his sentencing hearing that he accepted complete responsibility for his conduct.

On June 8, 1998, when questioned by the Subcommittee, Representative Kim adopted the plea agreement, including the statement of facts regarding Count Six of the information.

At all times during the events described above, it was illegal for a corporation to make a contribution of any amount, including an in-kind contribution, to a candidate for federal office. At all times during the events described above, House Rule 43, Clause 1, stated that "[a] Member, officer, or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives."

Based on the foregoing, the Investigative Subcommittee found that Representative Kim knowingly and willfully contributed and caused to be contributed \$83,248 in illegal in-kind corporate contributions to the Jay Kim for Congress Committee between March 1992 and July 1993 in violation of 2 U.S.C. §§ 441b and 437g. For that reason, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect credibly on the House of Representatives, in violation of Clause 1 of Rule 43 of the House of Representatives. The Investigative Subcommittee also has substantial reason to believe that Representative

Kim conducted himself in a manner that does not reflect creditably on the House of Representatives on or about August 11, 1997, when he pleaded guilty to, and was convicted of, a violation of the above federal elections laws and admitted to contributing and causing to be contributed in-kind corporate contributions to his campaign, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**Count II: Violations of House Rule 43, Clause 1; House Rule 44, Clause 2; and Ethics in Government Act of 1978 (Acceptance and Receipt of a Contribution from a Foreign National; False Statements on Financial Disclosure Statements; and False Statements to Investigative Subcommittee)**

**A. Acceptance and Receipt of a Contribution From a Foreign National**

In approximately May 1992, Representative Kim asked Jerry Yeh, a young businessman in Diamond Bar, California, for a loan to meet the payroll for JayKim Engineers, Inc. Yeh, who did not have the funds himself, asked his father, Song Nien Yeh, for the money.

Song Nien Yeh was a Taiwanese national. Song Nien Yeh agreed to the loan and wired \$50,000 from Taiwan to the United States. On or about May 13, 1992, Representative Kim met with Jerry Yeh and signed a promissory note to Song Nien Yeh, agreeing to repay the \$50,000 loan. According to the terms of the promissory note, Representative Kim was obligated to pay the loan back, without interest, by November 1992. Representative Kim knew the money would come from Jerry Yeh's father. As a result, Jerry Yeh gave Representative Kim a \$50,000 cashier's check. On or about May 22, 1992, Representative Kim deposited a \$50,000 cashier's check into his personal account at the Sunwest bank. On or about May 26, 1992, one week before the primary

election on June 2, 1992, a \$50,000 check signed by Representative Kim and drawn from his personal account was written to the Jay Kim for Congress Committee and was deposited into the campaign account.

In approximately late 1992, Representative Kim met Song Nien Yeh and Jerry Yeh together in California. He also met Song Nien Yeh in Taiwan in 1993. Representative Kim failed to pay the loan back as scheduled.

Pursuant to the plea agreement, Representative Kim agreed to plead guilty to an information charging him with accepting an illegal foreign campaign contribution in violation of 2 U.S.C. §§ 441e and 437g.

Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

15. On or about May 22, 1992, defendant JAY KIM accepted a \$50,000 loan from Song Nien Yeh, whom defendant JAY KIM knew was a Taiwanese national. Defendant JAY KIM deposited the \$50,000 payment into his personal bank account. On May 26, 1992, defendant JAY KIM wrote a \$50,000 check on his personal bank account and deposited the check into the bank account of defendant JAY KIM FOR CONGRESS COMMITTEE. **Defendant JAY KIM knew that the payment from Song Nien Yeh was an illegal excessive and foreign contribution.**

On or about August 11, 1997, Representative Kim was convicted pursuant to a plea agreement in the United States District Court for the Central District of California of Count Seven of the information. The Assistant United States Attorney summarized the evidence as follows:

On May 22, 1992, defendant Jay Kim accepted a fifty-thousand dollar loan from Song Nien Yeh, whom Defendant Jay Kim knew was a Taiwanese national.

Defendant Jay Kim deposited the fifty-thousand-dollar payment into his personal bank account.

On May 26, 1992, defendant Jay Kim wrote a fifty-thousand-dollar check on his personal bank account and deposited the check into the bank account of Defendant Jay Kim for Congress Committee.

Defendant Jay Kim knew that the payment from Song Nien Yeh was an illegal, excessive and foreign contribution.

Representative Kim and his attorney told the court that the above summary by the Assistant United States Attorney was accurate.

On or about January 29, 1998, Representative Kim told the Investigative Subcommittee in writing that he did not dispute any element of the plea agreement or statement of facts.

At his sentencing hearing on March 9, 1998, Representative Kim and his attorney accepted responsibility for violation of Count Seven of the information in the sentencing proceedings of his criminal case.

On June 8, 1998, when questioned by the Investigative Subcommittee, Representative Kim testified that he stood by and adopted under oath the plea agreement, including the statement of facts, the proffer offered by the government during the plea hearing and any statements made during the sentencing hearing in federal district court regarding Count Seven of the information.

At all times during the events described above, it was illegal for a foreign national to make a contribution of any amount to a candidate for federal office. Based on the foregoing, the Investigative Subcommittee found that on or about May 26, 1992, Representative Kim knowingly received and accepted an illegal \$50,000 campaign contribution from a foreign national, in violation of 2 U.S.C. §§ 441e and 437g. For that

reason, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect credibly on the House of Representatives, in violation of Clause 1 of Rule 43 of the House of Representatives. The Investigative Subcommittee also has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives on or about August 11, 1997, when he pleaded guilty to, and was convicted of, a violation of the above federal election laws and admitted to knowingly receiving and accepting a campaign contribution from a foreign national, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**B. False Statements on Financial Disclosure Statements**

At all times during the events described in Count II, Title I of the Ethics in Government Act of 1978, as amended, required Members of the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives ("Clerk"). At all times during the events described in Count II, House Rule 44, Clause 2, provided that Title I of the Ethics in Government Act shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

On or about May 17, 1993, Representative Kim filed his Financial Disclosure Statement for calendar year 1992 with the Clerk, and did not report a liability owed to Song Nien Yeh.

On or about May 16, 1994, Representative Kim filed his Financial Disclosure Statement for calendar year 1993 with the Clerk and listed "Jerry Yhee" as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.

On or about May 19, 1994, Representative Kim filed an amendment to his Financial Disclosure Statement for calendar year 1993 with the Clerk. Representative Kim did not amend any information regarding the "Jerry Yhee" loan.

On or about February 24, 1995, Representative Kim filed an amendment to his Financial Disclosure Statement for calendar year 1993 with the Clerk. Representative Kim did not amend any information regarding the "Jerry Yhee" loan.

On or about August 3, 1995, Representative Kim filed his Financial Disclosure Statement for calendar year 1994 with the Clerk. Representative Kim listed "Jerry Yhee" as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.

On or about May 15, 1996, Representative Kim filed his Financial Disclosure Statement for calendar year 1995 with the Clerk. Representative Kim listed "Jerry Yhee" of Fullerton, California, as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.

On or about May 15, 1997, Representative Kim filed his Financial Disclosure Statement for calendar year 1996 with the Clerk. Representative Kim listed "Jerry Yhee" of Fullerton, California, as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.

On or about May 22, 1998, Representative Kim filed a partial Financial Disclosure Statement for calendar year 1997 with the Clerk. Representative Kim listed

"Jerry Yhee" of Fullerton, California, as a creditor for a joint liability in the form of a personal loan in the amount of \$15,001-\$50,000.

As stated above in Section A of Count II, the Investigative Subcommittee has substantial reason to believe that the \$50,000 payment relating to Song Nien Yeh was a political contribution in violation of 2 U.S.C. §§ 441e and 437g. Based on the foregoing, the Committee has substantial reason to believe that on or about May 17, 1993, May 16, 1994, February 24, 1995, August 3, 1995, May 15, 1996, May 15, 1997 and May 22, 1998, Representative Kim made false statements on his Financial Disclosure Statements for calendar years 1993, 1994, 1995, 1996 and 1997 (and amendments thereto), respectively, when he listed the political contribution from Song Nien Yeh as a personal loan from "Jerry Yhee," in violation of Title I of the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives.

**C. False Statements to the Investigative Subcommittee**

In a December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the Committee asked Representative Kim to explain the "relationship, if any, between the \$50,000 loan from Song Nien Yeh referenced in Paragraph 15 of the Statement of Facts and a loan by Jerry Yhee reported on your Financial Disclosure Statements for calendar years 1993, 1994, 1995, and 1996."

In a letter to the Investigative Subcommittee dated January 29, 1998, Representative Kim responded in pertinent part as follows:

In May 1992, I obtained a personal loan from Mr. Jerry Yhee of Fullerton, California. (The discrepancy between the spellings of "Yeh" and "Yhee" is due to different English spelling of the translation of the same Chinese family name.) Song Nien Yeh is his real Chinese name. Here in the United States he goes by Jerry.

Jerry Yeh testified under oath that he has never used the name "Song Nien Yeh" and that it is the name of his father. He further testified that when he was introduced to Representative Kim, he was introduced as "Jerry" and not "Song Nien." Representative Kim did not remember Jerry Yeh using another name.

At all times during the events described above, House Rule 43, Clause 1, stated that "[a] Member, officer, or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives."

Based on the foregoing, the Investigative Subcommittee has substantial reason to believe that Representative Kim knowingly made a false statement to the Investigative Subcommittee on or about January 29, 1998, when he advised the Investigative Subcommittee in writing that Song Nien Yeh and Jerry Yeh are the same individual. For that reason, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner which does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**Count III: Violations of House Rule 43, Clause 1 (Acceptance and Receipt of an Excessive Corporate Contribution from Nikko Enterprises Inc., and False Statements to the Investigative Subcommittee)**

**A. Acceptance and Receipt of an Excessive Corporate Contribution**

On or about September 21, 1992, Representative Kim attended a fundraiser for President Bush at the Waldorf-Astoria in New York City. David Chang, the president of Nikko Enterprises, Inc. ("Nikko"), a New Jersey corporation, who had never met

Representative Kim before, agreed to make a contribution to Representative Kim's campaign. On or about September 28, 1992, David Chang gave Yung Soo Yoo, a Republican fundraiser, a check for \$12,000 to give to Representative Kim. The payee portion of the check was blank. The memorandum portion of the check indicated it was a political donation. After receiving the check, Yoo called Representative Kim, who directed him to give the check to an acquaintance, Benjamin Limb. Limb sent the check to Representative Kim. On or about October 13, 1993, the \$12,000 check, now endorsed to June O. Kim, was deposited in the Kims' personal account by June Kim.

On December 12, 1994, David Chang was interviewed by the Federal Bureau of Investigation regarding the \$12,000 check from Nikko. After the interview, Chang told Yung Soo Yoo that he had been interviewed by the FBI. On or about December 15, 1994, Yoo's secretary faxed David Chang's address to Representative Kim. At some point between December 13 and December 17, 1994, Representative Kim called David Chang and denied receiving a contribution from him.

In approximately February 1995, Chang returned from a business trip and received a letter from June Kim dated December 17, 1994, along with a \$2,000 check from June Kim payable to Chang personally. The letter, which was mistakenly addressed to Yung Soo Yoo, stated in pertinent part: "Back in 1992, which I borrow from you \$10,000. It is inconvenience to you in delay. I will repay back to you as soon as possible. However, I send you a \$2,000 initially." Chang called Representative Kim and refused the check because the \$12,000 he gave to Representative Kim was not a loan.

Pursuant to his plea agreement, Representative Kim agreed to plead guilty to an information charging him with accepting an illegal and excessive corporate campaign contribution in violation of 2 U.S.C. §§ 441b and 437g.

Representative Kim stipulated to the following facts as the factual basis for his plea of guilty:

18. In September, 1992, defendant JAY KIM attended a fundraising dinner in New York City where the president of Nikko Enterprises, Inc. ("Nikko"), a corporation, told defendant JAY KIM, that he would make a large contribution to defendant JAY KIM's congressional campaign. Shortly thereafter, the president of Nikko caused a Nikko corporate check in the amount of \$12,000 to be issued for the purpose of making a political contribution. The \$12,000 contribution check was forwarded to a New York fundraiser for defendant JAY KIM. The New York fundraiser telephoned defendant JAY KIM and told him that he received the check. Defendant JAY KIM and the New York fundraiser also discussed the amount and corporate nature of the check. The New York fundraiser mailed the \$12,000 contribution check to defendant JAY KIM in Diamond Bar, California. Thereafter, in October, 1992, defendant JAY KIM received and accepted the \$12,000 contribution check, which was then endorsed by defendant JUNE KIM and deposited in defendants JAY KIM's and JUNE KIM's joint personal bank account. **Defendant JAY KIM knew that the \$12,000 Nikko contribution check was an illegal corporate and excessive contribution.**

On or about August 11, 1997, Representative Kim was convicted of Count Eight of the information pursuant to a plea agreement in the United States District Court for the Central District of California. The Assistant United States Attorney summarized the evidence as follows:

In September 1992, defendant Jay Kim attended a fund-raiser dinner at the Waldorf Astoria Hotel in New York City. At the fund-raiser, the President of Nikko Enterprises, Inc., a corporation, told defendant Jay Kim that

he would make a large contribution to defendant Jay Kim's congressional campaign.

Shortly, thereafter, the president of Nikko caused a Nikko corporate check in the amount of \$12,000 to be issued for the purpose of making a political contribution.

The twelve-thousand-dollar contribution check was forwarded to a New York fund-raiser for defendant Jay Kim. The New York fund-raiser telephoned defendant Jay Kim and told him that he had received the check. Defendant Jay Kim and the New York fund-raiser also discussed the amount and the corporate nature of the check. The New York fund-raiser mailed the twelve-thousand-dollar contribution check to defendant Jay Kim in Diamond Bar, California.

Thereafter, in October 1992, defendant Jay Kim received and accepted the twelve-thousand-dollar contribution check, which was then endorsed by defendant June Kim, and deposited in defendant Jay Kim's personal bank account.

Defendant Jay Kim knew that the twelve-thousand-dollar Nikko contribution check was an illegal corporate and excessive contribution.

Representative Kim and his attorney told the court that the above summary by the Assistant United States Attorney was accurate.

On or about January 29, 1998, Representative Kim advised the Investigative Subcommittee in writing that he did not dispute any element of the plea agreement or statement of facts.

At his sentencing hearing on March 9, 1998, Representative Kim and his attorney accepted responsibility for violation of Count Eight of the information in the sentencing proceedings of his criminal case.

On June 8, 1998, when questioned by the Investigative Subcommittee, Representative Kim testified that he stood by and adopted under oath the statement of facts relating to Count Eight of the information.

At all times during the events described above, it was illegal for a corporation to make a contribution of any amount to a candidate for federal election. At all times during the events described above, House Rule 43, Clause 1, stated that "[a] Member, officer, or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives."

Based on the foregoing, the Investigative Subcommittee found that Representative Kim knowingly received and accepted an illegal corporate campaign contribution in or about October 1992, in violation of 2 U.S.C. §§ 441b and 437g. For that reason, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives. The Investigative Subcommittee also has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives on or about August 11, 1997, when he pleaded guilty to, and was convicted of, the above federal election laws and admitted to knowingly receiving and accepting a corporate contribution to his campaign, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**B. False Statement to the Investigative Subcommittee**

In a December 17, 1997, letter to Representative Kim, the Chairman and Ranking Democratic Member of the Committee asked Representative Kim to explain "[the] relationship, if any, between the \$12,000 payment by Nikko referenced in Paragraph 18

of the Statement of Facts and a loan by David Chang reported in a February 24, 1995, amendment to your Financial Disclosure Statement for calendar year 1993?"

In a reply letter to the Investigative Subcommittee dated January 29, 1998, Representative Kim responded in pertinent part as follows:

As stated in the answer to Question 5, at the time the money was accepted, I was led to believe that Mr. David Chang had agreed to provide me with a \$12,000 personal loan. The loan came in the form of a check from Nikko Enterprises, Inc. ... There was no written loan agreement. I recall this was a gentleman's agreement with a "pay what you can when you can" arrangement.

\* \* \*

The \$12,000 loan was reported in my February 23, 1995 [sic] amendment to my 1993 Financial Disclosure. As noted in the February 1995 letter, its previous omission was due to an accounting oversight. In reviewing this matter recently, I realize that I should have also amended my 1992 FD at the time I amended my 1993 FD. Quite frankly, I have no idea why at that time I did not make a complete set of amendments. Insofar as only \$10,000 remained following December 17, 1994, and that only obligations above the \$10,000 threshold need to be reported, I did not report this loan in my 1994 Financial Disclosure. However, in re-reading the disclosure language, I realize I should have also disclosed this in my 1994 FD insofar as I did owe David Chang more than \$10,000 for most of the calendar year 1994. I did report this \$10,000 liability on my 1995 Financial Disclosure, though this was not required. I did not report it in the subsequent 1996 filing because my liability to Mr. Chang was not greater than \$10,000.

In its December 17, 1997, letter to Representative Kim, the Committee also asked Representative Kim, with respect to paragraph 18 of the statement of facts: "[W]hat contemporaneous knowledge did you have that June Kim would, or did, deposit the \$12,000 check from Nikko Enterprises, Inc. ("Nikko") in the joint personal bank account that you shared at that time with June Kim?"

In his reply letter to the Committee dated January 29, 1998, Representative Kim responded in pertinent part as follows:

I seem to recall that according to Mr. Yung Soo Yoo, an intermediary at the New York fundraiser described in Paragraph 18 of the Statement of Facts, Mr. David Chang of Nikko Enterprises was willing to lend me, personally, \$12,000. Through Mr. Yoo, he sent a \$12,000 check, drawn from Nikko Enterprises, Inc., which my wife endorsed and deposited in our personal bank account. As with the loan from Robert Yu, I was personally liable for repaying the \$12,000 and once it was deposited in our account, it became commingled with other personal funds therein.

Based on the foregoing, the Investigative Subcommittee has substantial reason to believe that Representative Kim knowingly made false statements in his letter to the Investigative Subcommittee dated January 29, 1998, when he stated in that letter that (1) he received a personal loan from David Chang, rather than a political contribution; (2) the Chang loan was a gentlemen's agreement with a "pay what you can when you can" arrangement; and (3) the Chang information on the amendment to Representative Kim's Financial Disclosure Statement for calendar year 1993 was an accounting oversight. For that reason, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner which does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**Count IV: Violations of House Rule 44, Clause 2 (False Statements on Financial Disclosure Statements Related to the Contribution by Nikko Enterprises, Inc.)**

At all times during the events described below, Title I of the Ethics in Government Act of 1978, as amended, required Members of the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives. At all times during the events described below, House Rule 44, Clause 2, provided that Title I of the Ethics in Government Act shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

As stated in Count III above, on or about September 21, 1992, Representative Kim attended a fundraiser for President Bush at the Waldorf-Astoria in New York City. David Chang, the president of Nikko Enterprises, Inc., a New Jersey corporation, who had never met Representative Kim before, agreed to give a contribution to Representative Kim's campaign. On or about September 28, 1992, Chang gave Yung Soo Yoo, a Republican fundraiser, a check for \$12,000. The memorandum portion of the check indicated it was a political contribution. After receiving the check, Yoo called Representative Kim, who directed him to give the check to an acquaintance, Benjamin Limb. Limb sent the check to Representative Kim. On or about October 13, 1993, the \$12,000 check, now endorsed to June O. Kim, was deposited in the Kim's personal account by June Kim.

On December 12, 1994, David Chang was interviewed by the Federal Bureau of Investigation regarding the \$12,000 check from Nikko. After the interview, Chang told Yung Soo Yoo that he had been interviewed by the FBI. On or about December 15, 1994, Yoo's secretary faxed David Chang's address to Representative Kim. At some point

between December 13 and December 17, 1994, Representative Kim called David Chang and denied receiving a contribution from him.

In February 1995, Chang returned from a business trip and received a letter from June Kim dated December 17, 1994, along with a \$2,000 check from June Kim payable to Chang personally. The letter, which was mistakenly addressed to Yung Soo Yoo, stated in pertinent part: "Back in 1992, which I borrow from you \$10,000. It is inconvenience to you in delay. I will repay back to you as soon as possible. However, I send you a \$2,000 initially." Chang called Representative Kim and refused the check because the \$12,000 he gave to Representative Kim was a political contribution.

Pursuant to his plea agreement, Representative Kim agreed to plead guilty to an information charging him with accepting an illegal and excessive corporate campaign contribution in violation of 2 U.S.C. §§ 441b and 437g.

As stated in Count III above, Representative Kim stipulated to paragraph 18 of the statement of facts as the factual basis for his plea of guilty.

On or about August 11, 1997, Representative Kim was convicted pursuant to a plea agreement of Count Eight of the information and he and his attorney agreed with the summary of the evidence provided by the Assistant United States Attorney.

On or about January 29, 1998, Representative Kim stated in writing that he did not dispute any element of the plea agreement or statement of facts.

At his sentencing hearing on March 9, 1998, Representative Kim and his attorney accepted responsibility for violation of Count Eight of the information in the sentencing proceedings of his criminal case.

On June 8, 1998, when questioned by the Investigative Subcommittee, Representative Kim testified that he stood by and adopted under oath the statement of facts relating to Count Eight of the information.

On or about May 17, 1993, Representative Kim filed his Financial Disclosure Statement for calendar year 1992 with the Clerk. On or about May 16, 1994, Representative Kim filed his Financial Disclosure Statement for calendar year 1993 with the Clerk and did not report a liability owed to David Chang.

On or about May 19, 1994, Representative Kim filed an amendment to his Financial Disclosure Statement for calendar year 1993 with the Clerk and did not report a liability owed to David Chang.

On December 12, 1994, David Chang was interviewed by the FBI regarding the \$12,000 check from Nikko Enterprises, Inc.

In February 1995, Chang returned from a business trip and received a letter from June Kim dated December 17, 1994, along with a \$2,000 check from June Kim payable to Chang personally. The letter, which was mistakenly addressed to Yung Soo Yoo, stated in pertinent part: "Back in 1992, which I borrow from you \$10,000. It is inconvenience to you in delay. I will repay back to you as soon as possible. However, I send you a \$2,000 initially." Chang called Representative Kim and refused the check because the \$12,000 he gave to Representative Kim was a political contribution.

On or about February 24, 1995, Representative Kim filed an amendment to his Financial Disclosure Statement for calendar year 1993 with the Clerk that stated in part:

In Schedule V (Liabilities), due to an accounting oversight, the final line item in this section is missing. It should have been reported as: JT David Chang (creditor), Personal Loan

(Type of Liability), Category B (Amount of Liability).  
This liability was incurred for only part of 1993.

On or about August 3, 1995, Representative Kim filed his Financial Disclosure Statement for calendar year 1994 with the Clerk. Despite reporting a personal loan from David Chang as a liability in his amendment to the calendar year 1993 Financial Disclosure Statement filed with the Clerk on February 24, 1995, Representative Kim did not report a liability owed to David Chang on his Financial Disclosure Statement for calendar year 1994.

On or about May 15, 1996, Representative Kim filed his Financial Disclosure Statement for calendar year 1995 with the Clerk and, on Schedule V (Liabilities), listed David Chang as a creditor for a personal loan in the amount of \$10,001-\$15,000.

On or about May 15, 1997, Representative Kim filed his Financial Disclosure Statement for calendar year 1996 with the Clerk and did not report a liability owed to David Chang.

On or about May 22, 1998, Representative Kim filed a partial Financial Disclosure Statement for calendar year 1997 with the Clerk and on Schedule V (Liabilities) listed David Chang as a creditor for a personal loan in the amount of \$10,001-\$15,000.

Based on the foregoing, the Committee has substantial reason to believe that on or about February 24, 1995, May 15, 1996 and May 22, 1998, Representative Kim made false statements in his Financial Disclosure Statements for calendar years 1993, 1995 and 1997, respectively (and amendments thereto), when he listed the political contribution from Nikko Enterprises, Inc. as a personal loan from David Chang, in violation of Title I

of the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives.

**Count 5: Violations of Then-House Rule 43, Clause 4; House Rule 43, Clause 1; Ethics in Government Act of 1978; and House Rule 44, Clause 2 (Improper Gifts from Hanbo Steel and General Construction; Failure to Disclose Gifts on Financial Disclosure Statement; Attempt to Influence Statements to Investigators; and False Statements to Investigative Subcommittee)**

**A. Gifts of Travel Expenses and Golf Equipment from Hanbo Steel**

In January 1994, Representative Kim traveled from the United States to Honolulu, Hawaii. On or about January 16, 1994, he flew from Honolulu to Maui. Dobum Kim, who was in charge of the Los Angeles office of Hanbo Steel and General Construction ("Hanbo Steel"), a company headquartered in South Korea, met Representative Kim in Honolulu and escorted him by air to Maui. Dobum Kim purchased Representative Kim's round-trip airline ticket from Honolulu to Maui at a cost of \$206, charging the ticket to a corporate American Express account of Hanbo Steel.

After arriving in Maui, Dobum Kim escorted Representative Kim to the Grand Wailea Resort, where Tae Soo Chung, the Chairman of Hanbo Steel, also was staying. According to hotel records, Representative Kim registered at the Grand Wailea Resort as a guest of Dobum Kim. Hotel records also indicate that In Kyu Mok, a secretary to Hanbo Steel Chairman Chung, signed the registration card at the hotel on behalf of Representative Kim, and wrote the address of Hanbo Steel's corporate headquarters in Seoul, South Korea on the card.

On or about January 16, 1994, Representative Kim played golf in Maui with Hanbo Steel Chairman Chung, Dobum Kim, and other persons. Prior to playing, Dobum

Kim -- with the contemporaneous knowledge of Representative Kim -- purchased golf clubs and other golf equipment for Representative Kim (including a bag for the clubs) totaling approximately \$2,369. Dobum Kim charged the golf purchases to his personal American Express card and later obtained reimbursement from Hanbo Steel.

Representative Kim confirmed under oath that he played golf in Hawaii with Hanbo Steel Chairman Chung. He initially testified that he "rented" golf clubs to play with Mr. Chung. When subsequently asked if golf clubs had been purchased for him, he initially testified that he could not remember. Subsequently, he testified that he received a gift of three golf clubs in a souvenir golf bag at the airport before he departed Maui. He denied that anyone purchased golf clubs and a golf bag for him at the pro shop.

According to credible testimony by Dobum Kim, Hanbo Steel also paid for the cost of Representative Kim's lodging at the Grand Wailea Resort with the contemporaneous knowledge of Representative Kim. His testimony was corroborated by "guest histories" for Jay Kim, Dobum Kim, and Tae Soo Chung provided to the Investigative Subcommittee by the Grand Wailea Resort, which show that the same credit card number was used to guarantee the room charges for all three individuals.<sup>2</sup> The conclusion that Hanbo Steel paid for Representative Kim's hotel bill also is corroborated by the signature on his registration record by In Kyu Mok, the secretary to Hanbo Steel Chairman Chung, and by the indication on that record that Representative Kim's stay at the resort was "care of" Dobum Kim. Finally, the Grand Wailea Resort determined -- based on a review of its records by hotel officials-- that the credit card actually used to

---

<sup>2</sup> According to American Express, the account number appearing on all three guest histories is an American Express account issued outside of the United States.

pay the room charges for Jay Kim, Tae Soo Chung, and In Kyu Mok was a corporate VISA card apparently in the name of Hanbo Steel.<sup>3</sup>

According to hotel records, the cost of Representative Kim's lodging at the Grand Wailea Resort totaled approximately \$1,066.

Based on the foregoing, the record indicates that Hanbo Steel paid for travel and lodging expenses and golf equipment for Representative Kim totaling approximately \$3,640.

At all times during the events described above, Clause 4 of House Rule 43 stated that "[a] Member . . . of the House of Representatives shall not accept gifts (other than personal hospitality of an individual or with a fair market value of \$100 or less . . . in any calendar year aggregating more than . . . \$250, . . . directly or indirectly, from any person (other than a relative) except to the extent permitted by written waiver granted in exceptional circumstances by the Committee on Standards of Official Conduct pursuant to clause 4(e)(E) of rule X." The term "gift" was defined to include "[a] payment, subscription, advance, forbearance, rendering, or deposit of money, services, or anything of value, including food, lodging, transportation, or entertainment, and reimbursement for other than necessary expenses, unless consideration of equal or greater value is received by the donor." House Rule 43, clause 4, permitted a Member of the House of Representatives to accept a gift of travel expenses, including lodging, if the gift was in connection with "fact-finding" or events in which the Member "substantially participated."

---

<sup>3</sup> According to the managing director of the Grand Wailea Resort, the VISA card bears the account number "4599 5070 0137 8408," and the imprint of the card, while not fully legible, indicates the account holder is "Han . . . Gen. Cons. Co. Ltd."

At all times during the events described above, House Rule 43, clause 1, stated that “[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

Representative Kim indicated during his testimony that he traveled to Hawaii to give a speech to a private organization. The Investigative Subcommittee, however, found no credible evidence that Representative Kim’s acceptance in 1994 of travel expenses and golf equipment from Hanbo Steel concerned a fact-finding trip or substantial participation in an event as then permitted by House Rule 43, Clause 4. Moreover, as discussed more fully below in Section B of Count 5, Representative Kim did not report any privately funded travel to Hawaii on his Financial Disclosure Statement for calendar year 1994.

Based on the foregoing, the Investigative Subcommittee has substantial reason to reason to believe that Representative Kim’s acceptance of round-trip travel from Honolulu to Maui, lodging at the Grand Wailea Resort, and golf clubs and equipment, as detailed above, constituted gifts to Representative Kim within the meaning of Clause 4 of then-Rule 43 of the House of Representatives, and that his acceptance of those gifts was in violation of that rule. The Investigative Subcommittee also has substantial reason to believe that, by accepting those gifts, Representative Kim engaged in conduct that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**B. Failure to Disclose Gifts of Travel Expenses and Golf Equipment**

As stated above in Section A of Count 5, the Investigative Subcommittee has substantial reason to believe that Representative Kim received gifts of travel, lodging, and golf equipment from Hanbo Steel in 1994 totalling approximately \$3,640.

At all times during the events described below, Title I of the Ethics in Government Act of 1978, as amended, required Members of the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives. At all times during the events described below in this section of Count 5, House Rule 44, Clause 2, provided that title I of the Ethics in Government Act of 1978 shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

With respect to the Financial Disclosure Statement for 1994, section 102 of the Ethics in Government Act required House Members to "disclose on your Financial Disclosure Statement all gifts totalling more than \$250 from a single source other than a relative." The instructions issued to House Members for completing their Financial Disclosure Statements for 1994 stated that "[t]he value of all gifts from the same source received during the calendar year must be totaled to determine if the reporting threshold of \$250 has been met, except that any gift with a fair market value of \$100 or less need not be counted." The instructions also stated that "[a]ll types of gifts, including travel-related expenses provided for your personal benefit, must be reported on Schedule VI [of the Financial Disclosure Statement]." Members were required to report the receipt of travel expenses for "fact-finding" trips or trips in which they "substantially participated" on Schedule VII of the Financial Disclosure Statement.

Representative Kim did not report the above-specified gifts of travel, lodging, and golf equipment that he received from Hanbo Steel in January 1994 on his Financial Disclosure Statement for 1994, which was filed in August 1995. Based on the foregoing, the Investigative Subcommittee determined that Representative Kim had contemporaneous personal knowledge of each of the gifts in question. The Investigative Subcommittee also determined that Representative Kim knew, or should have known, that each of the gifts was reportable on his Financial Disclosure Statement for 1994. Finally, Representative Kim did not report the payment or reimbursement of any "fact-finding" or "substantial participation" travel expenses on his Financial Disclosure Statement for 1994 with respect to the trip to Hawaii in January 1994. Consequently, the Investigative Subcommittee has substantial reason to believe that Representative Kim violated the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives, when he failed to report the above-specified gifts from Hanbo Steel on his Financial Disclosure Statement for calendar year 1994, filed in August 1995.

**C. Receipt of \$30,000 Check from Dobum Kim**

In approximately 1992, Dobum Kim opened a money market account ("cash maximizer account") at Bank of America at the direction of Tae Soo Chung, the Korean Chairman of Hanbo Steel. Subsequently, Mr. Chung told Dobum Kim to expect transfers to that account of \$100,000 and \$200,000, respectively, by Hanbo Steel officials in other countries. On or about October 18, 1993, \$100,000 was transferred by wire by an official of Hanbo Steel in another country to the above-mentioned Bank of America money market account in the United States in the name of Dobum Kim. On or about October

26, 1993, an additional \$200,000 was transferred by wire into the same account by a Hanbo Steel official in another country.

While playing golf with Representative Kim and Dobum Kim in Maui on or about January 16, 1994, Hanbo Steel Chairman Tae Soo Chung told Dobum Kim to give \$30,000 to Representative Kim after returning to the continental United States. According to credible testimony by Dobum Kim, Mr. Chung gave this instruction to Dobum Kim in the presence of Representative Kim.

A few days after his return to the continental United States from Hawaii, Dobum Kim received a telephone call directly from Representative Kim. According to credible testimony by Dobum Kim, Representative Kim told him that he would like to meet personally with him at Representative Kim's home in Diamond Bar, California. Dobum Kim understood that Representative Kim wanted the \$30,000 that Tae Soo Chung had told Dobum Kim in Hawaii to give to Representative Kim, although Representative Kim did not mention the money during his telephone call to Dobum Kim. The two men set a date and time for the meeting at Representative Kim's home.

On or about January 29, 1994, Dobum Kim went alone to Representative Kim's home in Diamond Bar, California. Representative Kim and his wife, June Kim, both were present when Dobum Kim arrived.

Dobum Kim told Representative Kim that he had come to pay him the \$30,000 that Tae Soo Chung had directed him in Hawaii to give to Representative Kim. Dobum Kim told Representative Kim that he would write a check in the amount of \$30,000. Representative Kim told Dobum Kim to make the check payable to June Kim.

Dobum Kim expressed concern to Representative Kim about the legality of the payment. According to credible testimony by Dobum Kim, Representative Kim told him not to be concerned because he would be buying books. Dobum Kim asked Representative Kim what he meant. Representative Kim told him that he had written his autobiography, and that it would be published in Korea. Dobum Kim expressed concern about how he could buy books that did not yet exist. Representative Kim told him not to worry, and asked him to write the word "books" in the memorandum portion of the check. According to credible testimony by Dobum Kim, Representative Kim told him to pretend that he had purchased books in return for the check.

Dobum Kim wrote the check pursuant to Representative Kim's instructions, and gave it directly to Representative Kim. The check was drawn on the money market account that he had established at the Bank of America utilizing funds from Hanbo Steel.<sup>4</sup>

The record indicates that June Kim endorsed the \$30,000 check from Dobum Kim and deposited it on March 2, 1994, into a joint personal savings account at Union Bank in California in the name of Jay C. Kim and June O. Kim. That conclusion is supported by the following evidence:

- ◆ The \$30,000 check written by Dobum Kim, made payable to June Kim, is check number 127.
- ◆ Representative Kim recognized the signature of endorsement on the back of the check as June Kim's signature.

---

<sup>4</sup> The account number of the money market account was 21751-33359, which appears at the bottom of the \$30,000 check that Dobum Kim gave to Representative Kim. The Investigative Subcommittee obtained Union Bank records regarding Representative Kim and June Kim from the U.S. Attorney's Office for the Central District of California.

- ◆ A deposit slip bears the handwritten name "June O. Kim," the date of March 2, 1994, the net deposit amount of \$30,000, and the account number 085-3027-365, which corresponds to the account number for a joint savings account at Union Bank in the name of Jay C. Kim and June O. Kim.
- ◆ A statement from Bank of America regarding accounts in the name of Dobum Kim, dated March 22, 1994, shows that check number 127 in the amount of \$30,000, drawn on the "cash maximizer" (i.e., money market) account, was paid on March 2, 1994 – the same date as the date on the deposit slip for \$30,000 bearing the name "June O. Kim."

According to bank records, three separate withdrawals from the Kims' joint savings account at Union Bank – each in the amount of \$10,000 – occurred on March 11, 1994, April 14, 1994, and May 9, 1994, respectively. Bank records also show that the \$30,000 in funds withdrawn from the joint savings account was transferred to a joint checking account at Union Bank in the name of Jay C. Kim and June O. Kim, where the money was commingled with personal funds.

Not until sometime in 1995 -- several months after the book was published in August 1994 -- were any books delivered in connection with the \$30,000 check given to Representative Kim by Dobum Kim. At that time, June Kim personally gave a few copies of Representative Kim's book to Hae Eun Kim, Dobum Kim's wife. Dobum Kim was working for Hanbo Steel in Venezuela at the time.

Representative Kim claimed that a large number of books was delivered to the offices of Hanbo Steel in Seoul, South Korea, but he provided no evidence to substantiate his claim, and the Subcommittee is unaware of any credible evidence to corroborate his claim that books were delivered to Hanbo Steel in connection with the \$30,000 payment by Dobum Kim in January 1994.

At all times during the events described above, House Rule 43, clause 4, stated that "[a] Member . . . of the House of Representatives shall not accept gifts (other than

personal hospitality of an individual or with a fair market value of \$100 or less . . . in any calendar year aggregating more than . . . \$250, . . . directly or indirectly, from any person (other than a relative) except to the extent permitted by written waiver granted in exceptional circumstances by the Committee on Standards of Official Conduct pursuant to clause 4(e)(E) of rule X.” The term “gift” was defined to include “[a] payment, subscription, advance, forbearance, rendering, or deposit of money, services, or anything of value, including food, lodging, transportation, or entertainment, and reimbursement for other than necessary expenses, unless consideration of equal or greater value is received by the donor.” As stated in the *House Ethics Manual*, “a gift to an official’s spouse or dependent is considered an indirect gift to that official *unless* circumstances make it clear that the gift is truly independent of the spouse’s or dependent’s relationship to the Member or employee.”

At all times during the events described above, House Rule 43, clause 1, stated that “[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

Based on the foregoing, the Investigative Subcommittee has substantial reason to believe that the \$30,000 check given by Dobum Kim to Representative Kim in January 1994 constituted a gift to Representative Kim within the meaning of Clause 4 of then-Rule 43 of the House of Representatives, and that his acceptance of the check constituted a violation that rule. The Investigative Subcommittee also has substantial reason to believe that, by accepting the \$30,000 check from Dobum Kim in violation of House Rules, Representative Kim engaged in conduct that does not reflect creditably on the

House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**D. Failure to Report Gift of \$30,000 on Financial Disclosure Statement**

As stated above in Section C of Count 5, the Investigative Subcommittee has substantial reason to believe that the \$30,000 check given by Dobum Kim to Representative Kim in January 1994 constituted a gift to Representative Kim under then-House Rule 43, Clause 4. The Investigative Subcommittee also has substantial reason to believe that Representative Kim knew, or should have known, that the \$30,000 check constituted a gift that was reportable on Schedule VI of his Financial Disclosure Statement for 1994. Representative Kim did not report the \$30,000 received from Dobum Kim in January 1994 on his Financial Disclosure Report for 1994.

At all times during the events described above, Title I of the Ethics in Government Act of 1978, as amended, required Members of the House of Representatives to file annual Financial Disclosure Statements with the Clerk of the House of Representatives. At all times during the events described above in this section of Count 5, Clause 2 of House Rule 44 provided that title I of the Ethics in Government Act of 1978 shall be deemed to be a Rule of the House insofar as the law pertains to Members, officers, and employees.

With respect to the Financial Disclosure Statement for calendar year 1994, section 102 of the Ethics in Government Act required House Members to "disclose on your Financial Disclosure Statement all gifts totalling more than \$250 from a single source other than a relative." Members also were required to "disclose gifts from third parties to your spouse or dependent children *unless the gifts are totally independent* of the

relationship to you.” The instructions issued to House Members for completing their Financial Disclosure Statements for 1994 stated that “[t]he value of all gifts from the same source received during the calendar year must be totaled to determine if the reporting threshold of \$250 has been met, except that any gift with a fair market value of \$100 or less need not be counted.” The instructions also stated that “[a]ll types of gifts, including travel-related expenses provided for your personal benefit, must be reported on Schedule VI [of the Financial Disclosure Statement].”

Based on the foregoing, the Investigative Subcommittee has substantial reason to believe that Representative Kim violated the Ethics in Government Act of 1978, as amended, and Clause 2 of Rule 44 of the House of Representatives, by failing to report the gift of \$30,000 received from Dobum Kim in January 1994 on his Financial Disclosure Statement for calendar year 1994, which was filed in August 1995.

**E. Attempt to Influence Statements by Dobum Kim to Investigators**

As stated above in Section C of Count 5, Dobum Kim personally tendered a check directly to Representative Kim on or about January 29, 1994. According to credible testimony by Dobum Kim, he expressed concern to Representative Kim about how he could buy books that did not yet exist. Representative Kim told Dobum Kim not to worry, asked him to write the word “books” in the memorandum portion of the check, and told him the transaction was “legal.”

According to credible testimony by Dobum Kim, Representative Kim told Dobum Kim to pretend as though he had purchased books in return for the check. Further, Representative Kim told Dobum Kim that if he was questioned later by investigative authorities, he should say that he paid the \$30,000 to purchase copies of Representative

Kim's book.<sup>5</sup> Dobum Kim understood that Representative Kim was asking him to make false statements to investigators if he was questioned later about this matter.

In early 1995, June Kim attempted to contact Dobum Kim by telephone at his residence in California. At the time of June Kim's telephone call, Dobum Kim was unavailable because he was working for Hanbo Steel in Venezuela. June Kim spoke to Dobum Kim's wife, Hae Eun Kim, in lieu of speaking to Dobum Kim. June Kim asked Hae Eun Kim to meet her for lunch.

Subsequently, June Kim and Hae Eun Kim had lunch together. After lunch, June Kim told Hae Eun Kim that if representatives of the Federal Bureau of Investigation ("FBI") asked her if she received books, she should respond that she did, in fact, receive books. Hae Eun Kim understood June Kim to be telling her to convey this message to her husband, Dobum Kim, as she could not think of any reason for someone to ask her about books.

In 1997, a Special Agent of the FBI interviewed Dobum Kim in connection with the \$30,000 check he had given to Representative Kim in January 1994. Dobum Kim indicated to the Special Agent that he communicated only with June Kim, rather than Representative Kim, in connection with the purchase of copies of Representative Kim's book. Dobum Kim also told the Special Agent that June Kim had agreed to provide him with 2,000 books, but that he had received only 1,000 books. Dobum Kim acknowledged under oath that the above statements he made to the FBI in 1997 were false, and that he made those false statements because Representative Kim had asked him to pretend that he had purchased books.

---

<sup>5</sup> According to credible testimony by Dobum Kim, June Kim was present for that conversation.

At all times during the events described above, House Rule 43, clause 1, stated that “[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

Based on the foregoing, the Investigative Subcommittee has substantial reason to believe that in approximately January 1994 Representative Kim attempted to induce Dobum Kim to give false information to Federal investigative authorities if asked about the \$30,000 check that he had given to Representative Kim. Therefore, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**F. False Statements to Investigative Subcommittee Regarding Dobum Kim**

The Investigative Subcommittee received credible evidence that:

- ◆ Dobum Kim, a South Korean national in charge of the Los Angeles office of Hanbo Steel and General Construction, a Korean company, had dinner with Representative Kim in California in June 1993.
- ◆ In late October 1993, Dobum Kim met privately with Representative Kim for approximately thirty minutes in his congressional office in Washington, D.C. The two men discussed an upcoming meeting in the Washington, D.C. area between Representative Kim and Tae Soo Chung, the South Korean Chairman of Hanbo Steel.<sup>6</sup> Dobum Kim gave Representative Kim a business card on which the name “Dobum Kim” was printed.
- ◆ On or about October 28, 1993, Dobum Kim had dinner with Representative Kim, Tae Soo Chung, one of Tae Soo Chung’s sons, and Jennifer Ahn, at the Palm Restaurant in Washington, D.C.

---

<sup>6</sup> Hotel records obtained by the Investigative Subcommittee corroborated Dobum Kim’s testimony that he visited the Washington, D.C. area in approximately October 1993.

- ◆ Following the dinner at the Palm Restaurant, Dobum Kim and Representative Kim went to Tae Soo Chung's suite at the Ritz Carlton Hotel in Arlington, Virginia (Pentagon City).<sup>7</sup> Dobum Kim escorted Representative Kim and Jennifer Ahn downstairs when they departed the hotel later that evening.
- ◆ Dobum Kim met Representative Kim in Honolulu on or about January 16, 1994, and accompanied him by air to Maui, where he took Representative Kim to the Grand Wailea Resort.
- ◆ While in Maui in January 1994, Dobum Kim had dinner with Representative Kim and Tae Soo Chung.
- ◆ At a golf course near the Grand Wailea Resort, Dobum Kim purchased golf clubs and other equipment for Representative Kim in Representative Kim's presence and with his knowledge. Dobum Kim then played golf with Representative Kim and Tae Soo Chung.
- ◆ After returning to the United States, Representative Kim personally telephoned Dobum Kim and asked him to come to his home in Diamond Bar, California.
- ◆ On or about January 29, 1994, Dobum Kim went to Representative Kim's home in Diamond Bar, California and gave him a \$30,000 check.

In a letter to Representative Kim dated April 2, 1998, the Investigative Subcommittee asked Representative Kim to respond in writing to the following question: "Please describe the circumstances surrounding Mr. Dobum Kim's payment of \$30,000 to buy copies of your book, *I'm Conservative*. Please describe your relationship, if any, with Mr. Dobum Kim." On or about May 21, 1998, Ralph L. Lotkin, counsel to Representative Kim, submitted a letter to the Chairman and Ranking Democratic Member of the Investigative Subcommittee. Representative Kim personally reviewed, approved, and signed the letter, and he acknowledged that the letter was prepared with the assistance of counsel. In reply to the above-specified question contained in the Subcommittee's letter to Representative Kim dated April 2, 1998, Representative Kim

---

<sup>7</sup> Dobum Kim's testimony that Tae Soo Chung stayed at the Ritz Carlton in Pentagon City was corroborated by records obtained from that hotel.

responded as follows: *“I do not know who Dobum Kim is or any of the circumstances subsumed in your question.”* (Emphasis added.)

When questioned about that answer at his deposition on June 18, 1998, Representative Kim stated that “at that time [i.e., May 21, 1998] I didn’t know who Dobum Kim was, until you mentioned today Hanbo. . . . At that time I had no idea who Dobum Kim is.” Counsel for the Subcommittee then asked: “Even though we asked you [in the May 21, 1998, letter] about a \$30,000 check?” Representative Kim responded: *“I didn’t know anything about a \$30,000 check.”* (Emphasis added.)

At all times during the events described above, House Rule 43, clause 1, stated that “[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives.”

Based on the substantial credible evidence discussed above regarding direct personal contact between Dobum Kim and Representative Kim, the Investigative Subcommittee has substantial reason to believe that Representative Kim knowingly submitted false answers regarding Dobum Kim in his May 21, 1998, letter to the Chairman and Ranking Democratic Member of the Investigative Subcommittee and in his testimony on June 18, 1998, regarding his response about Dobum Kim in the May 21, 1998, letter. Therefore, the Investigative Subcommittee has substantial reason to believe that Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

As stated above, on June 18, 1998, Representative Kim testified under oath before the Investigative Subcommittee. During his deposition, Representative Kim testified that:

- He did not remember calling Dobum Kim and asking him to come to Representative Kim's home in Diamond Bar, California.
- He denied that he asked Dobum Kim to come to his house to give him money promised by the Chairman of Hanbo Steel.
- He did not remember that the man who accompanied him by air from Honolulu to Maui, or anyone else from Hanbo Steel, came to his home in Diamond Bar. (Subsequently, he qualified his response by stating that, "to the best of my recollection," Dobum Kim did not come to his home.)
- He did not remember Dobum Kim telling him at his home in Diamond Bar that Dobum Kim would write a \$30,000 check. (Subsequently, Representative Kim called this allegation "a wild story.")
- Dobum Kim has never given him a \$30,000 check.
- Dobum Kim did not write out a \$30,000 check at Representative Kim's home in Diamond Bar.
- He did not remember telling Dobum Kim to write the word "books" on the check for \$30,000.
- He did not remember telling Dobum Kim to write "books" on the check in order to create the appearance that he had paid for books.
- He did not tell Dobum Kim what to say to investigators if asked about the \$30,000 check. (Subsequently, Representative Kim stated that "[t]o the best of my recollection, I don't believe I did.")
- He does not know what happened to the proceeds from the \$30,000 check given by Dobum Kim.
- He has no knowledge that a deposit slip in the amount of \$30,000, dated March 2, 1994, and apparently filled out by June Kim, corresponds in any way to the check written by Dobum Kim in the amount of \$30,000 in January 1994.

Based on credible evidence in the record, as discussed above, the Investigative Subcommittee has substantial reason to believe that the above testimony by

Representative Kim was knowingly false. Therefore, the Subcommittee has substantial reason to believe that Representative Kim's conduct does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

**Count 6: Violations of House Rule 51 and House Rule 43, Clause 1 (Receipt of Improper Gifts to Pay Partial Reimbursement to House of Representatives for Excess Outside Earned Income from Book)**

In approximately February 1994, Representative Kim entered into a contract with Sungmoon Publishing Company, a South Korean company, to publish his autobiography. According to Representative Kim, the book was published in August 1994.

On or about February 21, 1995, Representative Kim wrote a letter to the Committee requesting "a ruling on the acceptance of proceeds from a book I wrote." Other correspondence and communications between Representative Kim and the Committee followed regarding his income from the book.

On or about May 15, 1995, the Committee sent a letter to Representative Kim advising him of its determination that his income from the book, as represented to the Committee, "does not qualify for the exception to the outside earned income limit for copyright royalties received from established publishers pursuant to usual and customary contractual terms." The Committee expressed particular concern about a purported agreement between Representative Kim and Hun Kim, a South Korean national, pursuant to which Representative Kim purportedly received royalties from Hun Kim consisting of forty percent of the gross proceeds of sales of his book in South Korea by Hun Kim. Representative Kim had first mentioned this royalty arrangement to the Committee in a

letter to the Committee dated March 17, 1995. In that letter, he stated that “[f]rom the final price of the book the publisher takes 50% of the proceeds, the book-broker (marketing firm) [i.e., Hun Kim] receives 10% and the remaining 40% represents the royalty I am given. . . .”

In its letter dated May 15, 1995, the Committee advised Representative Kim that “your total book income for 1994 (from both the publisher and the marketing agent), added with any other outside income you may have earned in 1994, is subject to the \$20,040 cap.” Consistent with precedent regarding violations of the cap on outside earned income, the Committee told Representative Kim that “you must either return the earned income you received in 1994 in excess of \$20,040 or make donations to charity in an equivalent sum.”

On or about August 3, 1995, Representative Kim filed his annual Financial Disclosure Statement (“FDS”) for calendar year 1994. He reported earned income from “Book Publishing” of \$132,298, noting on the report that “proceeds being refunded per 5/15/95 Standards Ctte. Communication.”

The next day, Representative Kim sent a letter to the Committee acknowledging that the amount of excess earned income in question was \$112,258, based on the income reported in his FDS for 1994.<sup>8</sup> Based on the information provided by Representative Kim, the Committee reconfirmed that \$112,258 constituted the amount of the required reimbursement in an October 26, 1995, letter of agreement signed by Representative Kim.

---

<sup>8</sup> The amount of \$112,258 represents the difference between \$132,298 – the amount of income reported by Representative Kim – and the \$20,040 cap on outside income.

On or about December 31, 1997, Representative Kim transmitted three checks to the Committee totaling \$20,000 in partial satisfaction of his obligation to repay excess earned income from his book. The checks consisted of a \$10,000 cashier's check purchased on December 31, 1997 from First Union National Bank of Virginia, payable to the U.S. Treasury; a personal check in the amount \$4,000 dated December 31, 1997, drawn on the joint account of Jay Changjoon Kim and June Kim at California Korea Bank in Rowland Heights, California; and a personal check in the amount of \$6,000 dated December 31, 1997, drawn on the joint account of Jay Kim and June Kim at the Congressional Federal Credit Union in Washington, D.C.

On or about January 23, 1998, Representative Kim submitted a second cashier's check to the Committee in the amount of \$20,000, payable to the U.S. Treasury, in partial satisfaction of his obligation to repay excess earned income from his book. That cashier's check also was purchased from First Union National Bank of Virginia.

By Representative Kim's own admission, Jennifer Ahn purchased and transmitted to him the two cashier's checks in the amounts of \$10,000 and \$20,000 that he submitted to the Committee on or about December 31, 1997, and January 23, 1998, respectively, in partial reimbursement for excess earned income from his book. Jennifer Ahn confirmed under oath that she purchased both cashier's checks on behalf of Representative Kim. Ms. Ahn, who resides in Northern Virginia, assisted Representative Kim with the marketing of his book in South Korea and the United States, and has helped to raise funds for his campaigns for election to the U.S. House of Representatives. Hun Kim, who purportedly served as a marketing agent for sales of Representative Kim's book in South Korea, is Ms. Ahn's brother-in-law.

Both Jennifer Ahn and Representative Kim testified that the funds Ms. Ahn used to purchase the cashier's checks derived from proceeds from sales of Representative Kim's book to which he was entitled.

Jennifer Ahn testified that in October or November 1997, Representative Kim contacted her and told her that he was required to repay money to the House of Representatives or the Committee on Standards of Official Conduct in connection with his book. According to Ms. Ahn, Representative Kim told her that he wanted Hun Kim to repay to him \$30,000 that he had previously loaned to Hun Kim in order to pay part of the reimbursement owed for excess outside earned income. According to Ms. Ahn, the \$30,000 represented proceeds from sales of Representative Kim's book by Hun Kim to which Representative Kim was entitled. Ms. Ahn testified that in approximately 1995 Hun Kim had asked if he could "borrow" the \$30,000 in sales proceeds because of financial difficulties at the time relating to medical problems.

Jennifer Ahn testified that she conveyed Hun Kim's request to Representative Kim, and that Representative Kim agreed. According to both Jennifer Ahn and Representative Kim, the purported agreement between Hun Kim and Representative Kim regarding deferred payment of the \$30,000 was solely a verbal agreement.

In late 1997, according to Ms. Ahn, Representative Kim told her to "get the money back" that he purportedly had loaned to Hun Kim. According to Ms. Ahn, Hun Kim began to repay the \$30,000 "loan" from Representative Kim in periodic installments beginning in 1996. She testified that sometimes Hun Kim personally paid her in cash in Korea, and sometimes he wired money to her in the United States. She kept no records of any of the payments by Hun Kim, according to her testimony.

According to Ms. Ahn, she already had received repayment from Hun Kim of the entire \$30,000 by the time that Representative Kim asked her to “get the money back” from Hun Kim. She testified that she did not inform Representative Kim she had previously received the money, however, because “[h]e never asked for it.” According to Ms. Ahn, she had been in possession of most of the \$30,000 for a year or more before Representative Kim asked her for the money. Ms. Ahn further testified that she used some of the money that Hun Kim had repaid to pay her own expenses, deposited some of it in a personal financial account, and invested some of it in mutual funds. She testified that she liquidated personal investments to obtain funds with which to purchase the cashier’s check in the amount of \$10,000 in December 1997. She also testified that she used the proceeds from a loan by a close personal friend in South Korea to purchase the cashier’s check in the amount of \$20,000 in January 1998.

Ms. Ahn testified that she gave Representative Kim a cashier’s check for only \$10,000 in December 1997 – rather than funds totaling \$30,000 – “because that’s all I could afford at the time.” According to Ms. Ahn, Representative Kim asked her when she could pay the remaining \$20,000, and she said she would make the payment as soon as possible.

Representative Kim initially addressed the matter of the cashier’s checks purchased by Ms. Ahn in a May 21, 1998, letter from his attorney -- which Representative Kim personally reviewed, approved, and signed -- to the Chairman and Ranking Democratic Member of the Investigative Subcommittee. In that letter, Representative Kim stated as follows:

At approximately the time funds were being deposited into my wife’s personal checking account in South Korea as a result of sales of my book,

Ms. Ahn's brother-in-law, Mr. Hong [sic] Kim, inquired if he could borrow approximately \$30,000 because of medical and financial problems. I agreed to lending Mr. Kim the money. Accordingly, Mr. Kim retained \$30,000 of my book proceeds instead of depositing such sums into my wife's bank account. This was an interest-free loan to be repaid when Mr. Kim was financially able to do so.

Subsequently, Mr. Kim was able to repay me the \$30,000 and I recently learned that he did so by transferring such sums to his sister-in-law, Ms. Ahn, over a period of time. It is my further understanding that the funds were on deposit in one of Ms. Ahn's equity or other banking accounts. Ms. Ahn did not immediately remit the repayment to me nor did I press her for it. When I became responsible to repay what was considered to be excessive outside earned income as a result of sales of my book, it became necessary to acquire the funds previously repaid by Mr. Hong [sic] Kim. To this end, Ms. Ahn transferred to me the \$30,000 . . . [in the form of] two [cashier's] checks of \$10,000 and \$20,000.

At his deposition, Representative Kim adopted under oath the statements quoted above from his letter of May 21, 1998.

At all times during the events described above, House Rule 51, clause 1(a), stated that "[n]o Member, officer, or employee of the House of Representatives shall knowingly accept a gift except as provided in this rule." The term "gift" is defined in clause 1(b)(1) of Rule 51 as "any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value."

At all times during the events described above, House Rule 43, clause 1, stated that "[a] Member, officer or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives."

It is undisputed that Jennifer Ahn purchased and transmitted two cashier's checks to Representative Kim totalling \$30,000, and that Representative Kim used the cashier's checks to make a partial reimbursement to the U.S. Treasury for excess earned income

from his book. There is no evidence in the record that the \$30,000 received by Representative Kim represents payment for any services rendered by Representative Kim, or investment income earned by Representative Kim.

The Investigative Subcommittee therefore would have to credit representations by Representative Kim and Jennifer Ahn that the cashier's checks represented deferred income from book sales by Hun Kim in order to find that the cashier's checks do *not* constitute improper gifts to Representative Kim.

Based on a review of the record as a whole, the Investigative Subcommittee did not credit Representative Kim's or Jennifer Ahn's explanations regarding the origins of the funds that Ms. Ahn used to purchase the cashier's checks.

First, the only evidence offered in support of the claim that the cashier's checks represented deferred repayment of a \$30,000 loan by Representative Kim to Hun Kim is the testimony of Representative Kim and Jennifer Ahn, a close associate of Representative Kim. Representative Kim acknowledged that no written agreement existed between himself and Hun Kim, and Ms. Ahn provided no documentary evidence to substantiate her testimony that Hun Kim made periodic loan repayments to her in cash or by wire transfer in connection with Representative Kim's book.

Second, the Investigative Subcommittee finds it implausible that Representative Kim would have agreed to defer repayment by Hun Kim of \$30,000 during the period in question. According to disclosure reports filed by his campaign with the Federal Election Commission ("FEC"), his campaign owed him more than \$200,000 during the period of November 28, 1994, to September 30, 1996, a period that overlaps with the period in which Hun Kim purportedly owed \$30,000 to Representative Kim. In addition,

Representative Kim was confronting legal fees at the time relating to the criminal investigation by the U.S. Attorney's Office for the Central District of California. In light of the substantial personal debt that he confronted during the relevant time period, the Investigative Subcommittee did not credit the notion that Representative Kim would have foregone repayment of \$30,000.

Third, Hun Kim's purported debt to Representative Kim is premised upon a purported marketing agreement between Hun Kim and Representative Kim whereby the publisher of Representative Kim's book was entitled to fifty percent of the revenue from Hun Kim's sales of the book. The publisher, however, advised counsel to the Investigative Subcommittee that he has no knowledge of such an agreement; that neither Hun Kim nor Sunkyong Bookstore (Hun Kim's business) was under any obligation to remit any percentage of subsequent sales of the book; and that neither Hun Kim nor Sunkyong Bookstore gave any money, either directly or indirectly, to the publishing company in connection with sales of the book by Hun Kim or Sunkyong Bookstore.

Counsel to the Investigative Subcommittee also interviewed Hun Kim by telephone with the assistance of a translator. When asked if he had "any agreements with Jay Kim regarding the sale or marketing of his book," Hun Kim responded, "As far as I remember, I don't think there was one. . . . To the best of my recollection, there was no agreement with Jay Kim." Subsequently, he stated that he "I don't remember exactly whether there was an agreement or not."

Hun Kim also told counsel to the Subcommittee that he could not remember if Representative Kim received any money from his involvement in the sale of Representative Kim's book in Korea. Nor did he have any recollection of retaining a

percentage of the proceeds from his sales of Representative Kim's book, or remitting fifty percent of the sales proceeds to the publisher. Finally, Hun Kim told counsel to the Subcommittee that he did not remember whether Representative Kim received any money from his sale of Representative Kim's book.

As stated above, Jennifer Ahn is Hun Kim's sister-in-law and worked with Hun Kim to market Representative Kim's book in South Korea. She testified that she has no knowledge of any agreement or understanding between Hun Kim and Representative Kim regarding how much money Representative Kim would receive from sales of his book in South Korea. She also testified that she has no knowledge of whether Hun Kim received a percentage of the proceeds from sales of Jay Kim's book in South Korea.

Based on the record as a whole, the Investigative Subcommittee therefore has substantial reason to believe that Representative Kim's acceptance of the cashier's checks purchased by Jennifer Ahn in approximately December 1993 and January 1994 constituted gifts within the meaning of House Rule 51, and that Representative Kim's acceptance of the checks was in violation of House Rule 51. The record further supports the conclusion that Representative Kim used those improper gifts to make a partial reimbursement to the U.S. Treasury in connection with his violation of the limit on outside earned income. For that reason, the Investigative Subcommittee also has substantial reason to believe that, by accepting the cashier's checks, Representative Kim conducted himself in a manner that does not reflect creditably on the House of Representatives, in violation of the Code of Official Conduct as set forth in Clause 1 of Rule 43 of the House of Representatives.

795

**EXH. 165**

August 24, 1998

ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEXICO CITY, MEXICO  
\* ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

SENT VIA FAX: 775-7392

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

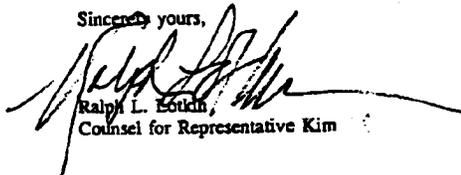
The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

Enclosed you will find Representative Jay Kim's Motion for a Bill of Particulars and Memorandum of Points and Authorities.

Sincerely yours,



Ralph L. Eskin  
Counsel for Representative Kim

Enclosure

[Original Motion with Enclosures  
provided via U.S. Mail]

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT**

**MOTION AND MEMORANDUM OF POINTS AND AUTHORITIES IN  
SUPPORT OF REQUEST FOR BILL OF PARTICULARS**

**IN THE MATTER OF REPRESENTATIVE JAY C. KIM**

**INTRODUCTION**

The Honorable Jay C. Kim submits the following Motion and Memorandum of Points and Authorities in support of his request for a Bill of Particulars.

Despite having had almost 1 year to review documents, financial accounts and interview witnesses, the Committee and through it, its Investigative Subcommittee ("Subcommittee") has presented a Statement of Alleged Violations ("Statement") that suffers from an obvious failure to inform Representative Kim of all of the specific theories and information necessary for him to respond to the charges made against him. Further, and because of its reliance upon a prior Department of Justice investigative record, the Statement of Alleged Violations does not indicate whether any steps were taken to independently verify the accuracy of assertions made against Representative Kim by witnesses who were previously interviewed by other law enforcement personnel (as opposed to simply seeking reiterations of prior testimony).

In certain obvious but unexplained respects, contradictory witness statements are acknowledged by the Subcommittee but only the one most damaging to Representative Kim is utilized as the basis for a charge (e.g., the inconsistent statements of Dobum Kim who, according to the Subcommittee, knowingly and intentionally lied to FBI agents when he was interviewed and gave exculpatory testimony beneficial to Representative Kim to them.) Even more troublesome, the Subcommittee never gave Representative Kim such exculpatory interview information in flagrant disregard of Committee Rule 26. Indeed, Mr. Dobum Kim's FBI interview occurred on June 3, 1997, almost 1 year prior to the Subcommittee deposition of the Congressman. The fact of this exculpatory testimony was never provided to Representative Kim and could have been utilized by the Congressman during his own appearances before the Subcommittee on matters related to Dobum Kim. Unfortunately, such procedural flaws typify the instant investigation and serve to underscore the concern that the Congressman was disadvantaged by the Subcommittee's withholding of critical information.

Because of the history of this inquiry, Representative Kim submits a Bill of Particulars in order to limit the potential for further surprise; to assure all exculpatory

Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 2  
August 24, 1998

evidence has been provided; and to ascertain that all necessary investigative actions have been pursued. He requests certain specific information which will enable him to adequately defend himself and to assure both notice and due process at any adjudicatory hearing. Listed below are the particularized requests and a supporting Memorandum.

#### BILL OF PARTICULARS

The Honorable Jay Kim, pursuant to Rule 23(b) of the Rules of the Committee on Standards of Official Conduct requires the following information in order to prepare an informed response to the Statement of Alleged Violations.

#### Count I

- (1) Specify the particular actions Representative Kim personally undertook to contribute to the Jay Kim for Congress Committee during the period March 1992 through July 1993 as distinguished from his causing JayKim Engineers Inc. to make in-kind corporate contributions. In this regard, please specify the reasoning supporting the allegation that, as an individual, Representative Kim, personally, was accorded corporate status for the purposes of relevant federal election laws or, that as a candidate he was limited in contributing to his own campaign.
- (2) Specify where in Representative Kim's letter to Judge Paez dated February 25, 1998, the Congressman explicitly acknowledged his guilt regarding Count Six of the Information.
- (3) Specify where in Representative Kim's Deposition II at pp. 145-149, the Congressman explicitly adopted the Plea Agreement, including the statement of facts regarding Count Six of the Information.
- (4) Specify which particular political contributions allegedly authorized by Representative Kim (either to other federal candidates or in support of his own candidacy) came from general corporate treasury funds of JayKim Engineers, Inc., and not from a nonrepayable corporate drawing account (the latter of which is explicitly permissible under the Federal Election Campaign Act).

Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 3  
August 24, 1998

- (5) Specify where in the depositions of Representative Kim there was introduced any copy of a criminal information that had been filed against him or Mrs. Kim. If not in the deposition records, please provide a copy of such documents.
- (6) Explain by facts and precedents how House Rule XLIII, clause 1, which on its face relates to undertaking improper conduct, can separately be charged a second time based solely upon an admission of the very same conduct without giving rise to an impermissible duplicity in charging. Please explain how an admission of conduct is equivalent to, but separate from, the conduct itself.

**Count II**

- (1) Specify the reasons why the September 9, 1993, letter from Mr. Jerry Yeh's attorney to Representative Kim and the August 10, 1993 memorandum to Representative Kim from Michael Li were not conclusive evidence of a loan between the Congressman and Mr. Jerry Yeh, although repayment of the principal was to be directed to Song Nien Yeh, a fact which, on its face, does not alter the creditor/debtor relationship between Representative Kim and Jerry Yeh.
- (2) Specify why it is legally and factually impossible for a creditor, such as Jerry Yeh, to separately and independently borrow funds from a third party source, such as his own (Jerry Yeh's) father, in order to consummate a loan to his debtor, such as Representative Kim.
- (3) Specify the precise evidence establishing that Representative Kim was not entitled to a reasonable belief that he was indebted to Jerry Yeh, separate and apart from any independent financial relationship Jerry Yeh may have had with his own father.
- (4) Specify the evidence in the Subcommittee's investigative files establishing the fact that Ms. Suarez had direct personal knowledge that any campaign funds obtained while Representative and Mrs. Kim and Mr. Ma traveled to South Korea were contributed by particular prohibited sources either as to organizational status or nationality of the contributor.
- (5) Specify the California home address of Jerry Yeh during the period of the loan relevant to this Count.

**Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 4  
August 24, 1998**

- (6) Specify the evidence establishing that Song Nien Yeh undertook any effort to communicate directly with Representative Kim either to obtain funds allegedly due to him from the Congressman or to confirm that Representative Kim owed Song Nien Yeh the money and not his son, Jerry Yeh.
- (7) Explain the apparent contradiction in the communications between Jerry Yeh and his father (Song Nien Yeh) regarding the loan to Representative Kim and why a promissory note was used in light of Song Nien Yeh's interview with the FBI on February 15, 1995, in which he stated that if the funds were used for a political donation, as opposed to a business loan purpose as had been represented to him by his son, then no note would have been executed.
- (8) Specify how Song Nien Yeh knew the funds loaned to Representative Kim were to be used only for political purposes.
- (9) Specify where in the Congressman's February 25, 1998 letter to Judge Paez or in the March 9, 1998 sentencing hearing record there is explicit mention of Count Seven of the Information.
- (10) Specify how an admission of accepting improper campaign contributions constitutes a separate chargeable offense from the actual acceptance of the contribution under House Rule XLIII, Clause 1.
- (11) Specify how a possible misapprehension or legitimate mistake as to the technical identity of a creditor constitutes a knowing and willful filing offense under the Ethics in Government Act (EIGA) when the debt is disclosed and reported in accordance with filing guidelines and the filed report (as to amount and creditor identity) is supported by independent documentation from the attorney representing the purported creditor.
- (12) Specify whether the Subcommittee could or would have charged Representative Kim with EIGA violations had he, instead, listed the creditor as Song Nien Yeh despite the absence of any documentation evidencing the signature or acceptance of Mr. Song Nien Yeh on any debt instrument reflecting funds owed to him by the Congressman.
- (13) Specify whether it is unusual in the Korean ethnic community for a son to be named after his living father and if so, what specific evidence establishes that Representative Kim knew that Jerry Yeh and his father did not have the same first names or "nicknames".

**Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 5  
August 24, 1998**

- (14) Specify that portion of the record establishing that Michael Li knew the specific Chinese (or American equivalent) name of Jerry Yeh's father and so communicated that precise name to Representative Kim prior to a meeting allegedly held in 1992.
- (15) Specify the California residence address of Song Nien Yeh.
- (16) Specify where in the deposition of Jerry Yeh it is unambiguously clear that the funds in question went directly from Song Nien Yeh to Representative Kim (and that Representative Kim knew this) or that Jerry Yeh stated to his father that the Congressman actually wanted to borrow money from his father using Jerry Yeh merely as a payment conduit but not as the Congressman's creditor.
- (17) Specify why Jerry Yeh's attorney apparently inaccurately described the financial relationship that was the subject of her September 9, 1993, letter to Representative Kim (i.e., a loan from Jerry Yeh to Representative Kim) and why she did not differentiate the identities of Jerry Yeh (the referenced creditor) and the Mr. Yeh who was to be repaid the sums due. Further, specify the evidence establishing that the attorney was authorized to represent Song Nien Yeh or to offer modifications to the prior indebtedness agreement which Jerry Yeh had presented to Representative Kim on May 13, 1992.
- (18) Specify whether Representative Kim spoke Chinese with Song Nien Yeh; or whether both spoke English to each other; or whether Song Nien Yeh spoke Korean.
- (19) Provide a copy of any interview notes or depositions of Song Nien Yeh establishing that he told the Subcommittee he was Representative Kim's creditor and that Representative Kim knew this. Otherwise, explain why Song Nien Yeh was not interviewed by the Subcommittee.

**Count III**

- (1) Specify why the \$12,000 check was sent to JayKim Engineers, Inc., by Attorney Limb instead of either to the Congressman's campaign office or congressional address.
- (2) Provide a copy of all of the Subcommittee's interview or deposition records taken concerning Mr. Yoo.

**Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 6  
August 24, 1998**

- (3) Specify whether the Subcommittee has any information indicating that Mr. Yoo would (or had a history of) obtain funds from party A (such as Mr. Chang) on the basis of seeking a campaign contribution from party A but then providing such funds to party B, the purported candidate, while informing party B that the moneys were a loan from A and not a political contribution.
- (4) Specify the records of any interviews or depositions with Attorney Limb regarding the communications or transactions related to his September 29, 1992, letter to Representative Kim.
- (5) Explain why there is not duplicity in charging when Representative Kim is alleged to have acted improperly under House Rule XLIII, clause 1 when he admitted to a campaign act violation regarding this matter and then charged a second time under the same provision for the acceptance of guilt in the matter.
- (6) Specify why Representative Kim was not required to report the receipt of funds from Mr. Chang on his Financial Disclosure Statement if he believed he was personally responsible for repayment and there is not documentation from Mr. Chang to either Representative or Mrs. Kim "negating" the debt.
- (7) Specify why Mr. Chang did not simply return the \$2000 repayment of funds directly back to Mrs. Kim with an explanation as to her misunderstanding about the underlying transaction.

**Count IV**

- (1) Specify why Representative Kim was not acting in accordance with the Committee's Advisory Opinion dated June 29, 1998, if he believed that he was personally indebted to Mr. Chang notwithstanding the legal implications under the Federal Election Campaign Act as to the reporting of the funds received and their treatment as a campaign contribution for the purposes of that statute.

**Count V**

- (1) Specify the particular investigative actions taken and records relied upon by the Subcommittee establishing that Representative Kim was, in fact, in Diamond Bar, California on January 29, 1994, as testified to under oath by Dobum Kim. If there is exculpatory information regarding such matter, specify in writing why

**Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 7  
August 24, 1998**

such materials were withheld from Representative Kim in violation of his rights under Committee Rules. Explain whether Mr. Dobum Kim's testimony was independently investigated for accuracy as to dates and places, particularly as to the January 29, 1994 meeting in California.

- (2) Specify and provide the written documentation from the Department of Justice that establishes that Representative Kim's book was the subject of the prior criminal investigation by the Department of Justice, as opposed to cursory Subcommittee references to discussions of such matters. Specify who in the U.S. Attorney's office (or elsewhere in the Department) was the source of such information and the specific scope of the investigation of this book.
- (3) Provide a copy of the actual hotel receipt identifying which specific golf items were purchased for Representative Kim using Dobum Kim's American Express Card, including cost, brand name(s) and model(s). Provide proof Dobum Kim was reimbursed for such expenses by his employer as he so testified to the Subcommittee.
- (4) Specify what steps have been taken to notify the Federal Bureau of Investigation that the Subcommittee has obtained information indicating that Dobum Kim either committed perjury or otherwise obstructed justice when he allegedly provided false information to interviewing Federal agents in the course of their investigation and why Mr. Dobum Kim has greater credibility now in his interactions with the Subcommittee than he did when he was earlier interviewed by the FBI.

**Count VI**

- (1) Specify the specific documentary evidence in the Subcommittee's possession refuting the explanation of Representative Kim and Ms. Ahn as to the circumstances giving rise to a \$30,000 repayment to the Congressman.
- (2) Provide evidence that Hun Kim was explicitly apprised about the claim of having owed Representative Kim \$30,000 as opposed to an ambiguous inquiry as to whether there were any understandings or agreements between him and the Congressman.

Motion for Bill of Particulars and  
 Memorandum of Points and Authorities  
 Page 8  
 August 24, 1998

- (3) Explain why Hun Kim's testimony, regardless of its substance, is to be given greater weight than the sworn depositions of Ms. Ahn and Representative Kim since Hun Kim was not deposed or placed under oath.

**MEMORANDUM OF POINTS AND AUTHORITY  
 IN SUPPORT OF MOTION FOR BILL OF PARTICULARS**

**ARGUMENT--A BILL OF PARTICULARS IS MANDATED BY FUNDAMENTAL  
 PRINCIPLES OF FAIRNESS**

Rule 23(b) of the Rules of the Committee on Standards of Official Conduct provides for the filing of a bill of particulars. As was noted in a similar Motion submitted in connection with H. Rept. 104-876 at 98:

"the purpose of a bill of particulars is multi-faceted: "[T]o inform the [respondent] of the charges[s] . . . with sufficient precision to allow [for preparation] of [his] defense, to minimize surprise at trial, and to enable [her] to plead double jeopardy in the event of a later prosecution for the same offense." *United States v. Cole*, 755 F.2d 748, 760 (11th Cir. 1985) (citations omitted); see also *United States v. Giese*, 597 F.2d 1170, 1180, (9th Cir.), cert. denied, 444 U.S. 979 (1979); *Yeargin v. United States*, 314 F.2d 881, 882 (9th Cir. 1963). A bill of particulars, properly viewed, is to provide the information *necessary* for Representative Kim to defend himself at a hearing.

The object and purpose of a bill of particulars is not to supplement charges but to better apprise an individual of the pending charges. *United States v. Pipkin*, 243 F.2d 491 (5th Cir. 1957). Since respondents should be presumed innocent, it cannot be assumed that they know the particular information sought and can only be considered "Ignorant of the facts on which the pleader founds his charges." *Fontana v. United States*, 262 F.2d 283, 286 (8th Cir. 1919); *United States v. Smith*, 16 F.R.D. 372, 375 (W.D. Mo. 1954).

The granting of a bill of particulars is within the Subcommittee's power. Such authority should be liberally exercised because a statement may be sufficient to state an offense, yet be insufficient to adequately inform a Representative of the charges to enable the preparation of a

Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 9  
August 24, 1998

defense and to avoid prejudicial surprise. *United States v. Peele*, 122 F. Supp. 923, 924, (E.D.N.Y. 1954) (The charges may meet the notice requirements but inform the defendant only as to the general nature of the charges against him. The bill of particulars is "meant to remedy just a situation"). *Accord, United States v. Solomon*, 26 F.R.D. 397, 407 (S.D.N.Y. 1960), ("[w]hen a Bill of Particulars is warranted, its scope will vary from case to case, depending upon the complexity of the charges laid in the indictment.")"

In this case, the Committee and its Subcommittee have spent almost 1 year investigating Representative Kim. Yet, it is also apparent that the vast majority of evidence was obtained primarily from the Department of Justice and that separate interviews were not begun until 1998 or even after Representative Kim's first deposition. The documents that have been provided to Representative Kim simply reflect an overall effort to obtain confirmation of information previously obtained by the Department of Justice and not a constitutionally independent review designed to obtain new data or explanations or to validate prior testimony.

For example, the Statement claims that Representative Kim knew and approved of certain conduct. In some cases, the Subcommittee failed to explain the basis for Representative Kim's alleged knowledge and approval of the conduct beyond the simple fact of an assertion made by a third party. In point of fact, it is clear that, at least with regard to portions of Count V, no apparent efforts were taken to validate Mr. Dobum Kim's assertions about meeting with Representative Kim on January 29, 1994 at the Congressman's house. Not only did Dobum Kim allegedly (and admittedly) lie to investigating FBI agents about this matter but there is separate documentary evidence (either ignored or not pursued by the Subcommittee) that Representative Kim was in Texas at the precise time of the alleged meeting with Dobum Kim in California. By contrast, Dobum Kim was emphatic as to the date and location of the meeting. Such an obvious and irreconcilable contradiction taints the entire undertaking, particularly in light of still unresolved issues as to witness abuse and violations of marital privileges and constitutional rights.

At an absolute minimum, Representative Kim is entitled to know the facts and theory which places him in Texas and California simultaneously on January 29, 1994. It is not Representative Kim's duty or responsibility to provide guidance, advice, or assistance to the Committee to avoid (or mitigate) investigative or procedural deficiencies. The Committee's Rules of Procedure contemplate the process and steps for such an adversarial undertaking and do not impose a duty upon a Respondent to correct investigative subcommittee mistakes. Representative Kim has no choice but

**Motion for Bill of Particulars and  
Memorandum of Points and Authorities  
Page 10  
August 24, 1998**

to pursue such matters, including cross examination of all witnesses at the appropriate time. Without a meaningful response to this Bill of Particulars, Representative Kim will be forced to speculate about the theory on which the Statement is predicated.

Belated, after-the-fact, rulings do not and cannot "unring the bell" on matters improperly pursued from their inception. Any ultimate Subcommittee report on this matter must directly address witness abuse issues and the steps taken to investigate and to resolve such allegations. In particular, Mrs. Kim's July 14, 1998, letter withdrawing her testimony on the basis of claimed Subcommittee misrepresentations demands review and analysis by the full Committee on Standards of Official Conduct in light of the Subcommittee's refusal to pursue her sworn claims. A copy of Mrs. Kim's letter is attached to this correspondence in order that any public record issued by the Committee is complete as to all claims and actions bearing on the scope and details of the review. Also attached herewith is a copy of the Subcommittee's July 15, 1998, ruling on other relevant issues.

As a separate matter, please accept this correspondence as confirmation of Representative Kim's decision to withdraw all answers or documents improperly obtained by the Subcommittee as was acknowledged in its formal ruling of July 15, 1998 wherein the Subcommittee ruled such improprieties occurred from the beginning of the Committee's investigation dating back to as early as December 17, 1997.

#### **CONCLUSION**

Representative Kim's Bill of Particulars is fully justified to identify the reasoning and bases for the Subcommittee's charges. Answers to the questions raised are needed to assure due process in any further proceedings.

**Cochran & Lotkin**

By: **Ralph L. Lotkin**  
Counsel for Respondent, Honorable Jay C. Kim

**Enclosures**

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPFLY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KWOLLENBERG, MICHIGAN

EXH. 166

HOWARD L. BERMAN, CALIFORNIA  
RANKING MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
DIANA PATTON, PENNSYLVANIA  
JOE LOFOPORI, CALIFORNIA  
SUITE HF-2, THE CAPITOL  
DIR: 226-7402

**U.S. House of Representatives**  
COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT  
Washington, DC 20515-6326

August 25, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jav Kim

Dear Mr. Lotkin:

Pursuant to Rule 23(b) of the Rules of the Committee on Standards of Official Conduct, I am responding on behalf of the Investigative Subcommittee to Representative Jay Kim's Motion for a Bill of Particulars ("Motion") and related Memorandum of Points and Authorities ("Memorandum"), which the Investigative Subcommittee received by fax on August 24, 1998.

In considering the merit of Representative Kim's motion, the Subcommittee assessed whether the information contained in the Statement of Alleged Violation served on Representative Kim on or about August 7, 1998 ("SAV"), is sufficient to advise Representative Kim of the allegations against him, and sufficient to afford him a meaningful opportunity to respond to those allegations.

The Subcommittee has carefully reviewed Representative Kim's Motion and supporting Memorandum, and has determined that the information contained in each of the counts comprising the SAV is sufficient to advise Representative Kim of the allegations against him, and sufficient to afford him a meaningful opportunity to respond to those allegations. Further, Representative Kim previously received an annotated draft of the SAV that identified witnesses, cited specific testimony, and included supporting documentation. Consequently, Representative Kim's motion is denied.

In its discretion, the Subcommittee is providing you a copy of the information filed in the criminal investigation of Representative Kim by the United States Attorney for the Central District of California, pursuant to your request. The Subcommittee previously had understood that you had obtained a copy of that document at the outset of your representation.

With respect to your request for information concerning Jerry Yeh and his father, Song Nien Yeh, we suggest that you review publicly available disclosure reports filed with the Federal Election Commission by Representative Kim's campaign, which may contain the information you are seeking.

Finally, you indicated in the Memorandum that you are in possession of exculpatory information regarding Count V of the SAV, and that you intend to withhold that information from the Subcommittee. Specifically, you claim to be in possession of "documentary evidence" that Representative Kim was in Texas at the time he allegedly received a \$30,000 check from Dobum Kim at his home in Diamond Bar, California.

As the Subcommittee advised you in its letter of August 6, 1998, both you and Representative Kim were afforded an opportunity at the August 5, 1998, meeting of the Subcommittee to comment upon each of the proposed charges contained in the draft SAV, and both you and Representative Kim declined to do so. In addition, the Subcommittee asked Representative Kim in writing about Dobum Kim in a letter dated April 2, 1998, and it questioned Representative Kim extensively about Dobum Kim at his deposition on June 18, 1998. Not until the filing of the instant Motion on August 24, 1998, did Representative Kim assert the existence of documentary evidence that he did not meet with Dobum Kim, as alleged, to receive the \$30,000 check at issue in Count V.

You did not identify the purported "documentary evidence" in the Motion, or provide a copy of such purported evidence to the Subcommittee. Instead, you stated that "[i]t is not Representative Kim's duty or responsibility to provide guidance, advice, or assistance to the Committee to avoid (or mitigate) investigative or procedural deficiencies."

Your position on this matter is regrettable. Although Representative Kim is not *required* by House or Committee rules to provide exculpatory information to the Subcommittee, it is clearly in his best interests to do so without further delay. The integrity of the ethics process, and the ability of Subcommittee and full Committee Members to make informed judgments on matters critical to a respondent's interests, are both diminished when a respondent or his or her counsel deliberately withholds information that could be exculpatory. I therefore reiterate that if, in fact, you are in possession of exculpatory information within the meaning of Committee Rule 26, and have withheld such information from the Subcommittee, you have done a disservice both to Representative Kim and to the ethics process.

808

This concludes the Subcommittee's reply to Representative Kim's motion.

Sincerely,

A handwritten signature in black ink that reads "Lamar Smith". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Lamar Smith  
Chairman  
Investigative Subcommittee

Enclosure

EXH. 167

LAW OFFICES  
**COCHRAN & LOTKIN**  
 CAPITOL HILL WEST BUILDING  
 101 MASSACHUSETTS AVENUE, N.E.  
 SUITE 0-1  
 WASHINGTON, D.C. 20002  
 PHONE (202) 547-9286  
 FAX (202) 547-9286

LOS ANGELES OFFICE  
 WILSHIRE HIGHLAND BUILDING  
 4939 WILSHIRE BOULEVARD  
 SUITE 1810  
 LOS ANGELES, CALIFORNIA 90010  
 PHONE (213) 921-6300  
 FAX (213) 921-9431

OF COUNSEL  
 EDNA & BILLAR  
 LOS ANGELES, CALIFORNIA  
 ORANGE COUNTY, CALIFORNIA  
 SACRAMENTO, CALIFORNIA  
 MENARD CITY, MICHIGAN  
 \*ADMITTED ONLY IN CALIFORNIA  
 AND WASHCO, D.C.

August 27, 1998

SENT VIA FAX: 225-7392

The Honorable Lamar S. Smith  
 Chairman  
 Investigating Subcommittee  
 Committee on Standards of Official Conduct  
 HT-2 U.S. Capitol  
 Washington, D.C. 20515

Re: Representative Jay C. Kim

Dear Mr. Chairman:

By copy of this letter to the other members of the Investigative Subcommittee, I am raising what is clearly a critical question resulting from your August 25, 1998, letter in which, for all intents and purposes, you appear to unilaterally deny our request for response to Representative Kim's Motion for a Bill of Particulars and Memorandum of Points and Authorities in support of that Motion. The record establishes that our 10-page Motion with attachments seeking response to 40 questions was faxed to the Committee office at 4:37 p.m. on August 24, 1998. Your 3-page response and summary denial was sent by fax to me at 5:58 p.m. on August 25, approximately 24 hours later. It is, therefore, curious how any serious review -- or Subcommittee deliberation -- could have been undertaken in such a short period of time during a congressional recess.

You begin by stating that you are "responding on behalf of the Investigative Subcommittee" pursuant to Rule 23(b) of the Rules of the Committee on Standards of Official Conduct. The referenced Rule reads as follows:

"The respondent may file a Motion for a Bill of Particulars within 15 days of the date of transmittal of the Statement of Alleged Violation. If a

The Honorable Lamar S. Smith  
 Page 2  
 August 27, 1998

Motion for a Bill of Particulars is filed, the respondent shall not be required to file an answer until 15 days after the subcommittee has replied to such motion."

For the reasons set forth below, your "response" represents a patent violation of all relevant and controlling rules of the Committee.

First, I simply do not understand how the language of Committee Rule 23(b), above, applies to the activities or authorities granted to the Chairman of a subcommittee. Instead, the provision seems to pertain to avenues available to a respondent following the transmittal of a Statement of Alleged Violations and action by the Subcommittee -- not simply one member of it.

Second, as described more fully in the accompanying footnote, the Committee's Rules of Procedure limit those circumstances in which the Chairman or a subcommittee chairman is empowered to act unilaterally with regard to activities of the Committee (or Subcommittee).\*

---

\* INSTANCES WHEN CHAIRMAN (OR SUBCOMMITTEE CHAIRMAN) CAN ACT UNILATERALLY:

**RULE 5 - MEETINGS**

- (a) scheduling
- (b) agenda
- (c) meetings of a subcommittee
- (f) waiving of advance notice of meetings

**RULE 8 - SUBCOMMITTEES - GENERAL POLICY**

- (a) naming member of subcommittee to be its chairman
- (d) referring matters to appropriate subcommittee

**RULE 9 - QUORUMS AND MEMBER DISQUALIFICATION**

- (e) notifying Speaker of disqualified member

**RULE 20 - INVESTIGATIVE SUBCOMMITTEE**

- (a)(2) ask respondent and witness if represented by counsel
- (a)(6) administers oath
- (b)(2) rules on questions of admissibility, or pertinency of evidence, motion, procedure or any other matter, and may direct a witness to answer, at any investigative subcommittee proceeding. Ruling subject to appeal to the members present at that proceeding.

**RULE 23 - RESPONDENT'S ANSWER**

- (e)(1) may permit respondent to file answer or motion after day prescribed
- (e)(2) may direct respondent to file answer or motion prior to day prescribed
- (g) transmits Statement of Alleged Violations to Chairman and Ranking Member of full Committee

**RULE 24 - ADJUDICATORY HEARINGS**

- (a) designates members of CSOC who did not serve on the investigative subcommittee to serve on adjudicatory subcommittee
- (i)(2) rule upon question of admissibility or pertinency of evidence, motion, procedure, or any other matter, and may direct any witness to answer any question under penalty of contempt. Ruling may

The Honorable Lamar S. Smith  
 Page 3  
 August 27, 1998

Third, there can be no question, particularly based upon the recent history of this inquiry with respect to deliberations and presentation of objections that have been raised during your review, that a Rule 9(c) violation exists. In this regard, you will recall having read into the record the text of Rule 9(c) which dictates that "Except as stated in clauses (a) and (b) of this rule, a quorum for the purpose of conducting business consists of a majority of the members of the Committee or subcommittee". It cannot be argued that disposition of a Motion for a Bill of Particulars is not "conducting business."

Fourth, Committee Rule 10 clearly sets forth the vote requirements with regard to the Committee (or a subcommittee) taking action. In particular, Rule 10(b) states "Except as stated in clause (a), action may be taken by the Committee or any subcommittee thereof by a simple majority, a quorum being present". Again, there is nothing in Rule 10(a) or 10(b) which even inferentially authorizes action to be taken by the Committee or a Subcommittee based on the vote of but one Member, acting alone in the absence of a quorum as contemplated by Rule 9(c), referenced above.

In light of the above, we believe it is incumbent upon the full Committee (Chairman Hansen and Ranking Member Berman) to confirm whether your unilateral interpretation and application of Rule 23(b) is correct -- particularly where such ruling has a direct and adverse effect on any respondent, including Representative Kim.

The unfortunate fact is that the history of this inquiry is replete with examples of procedural violations. Indeed, it was your motion of July 15, 1998, which acknowledged the improper requests for information that had been sought either by you or Subcommittee counsel during the course of your review. The adverse effects of such improprieties pale in comparison to an interpretation and application of Rule 23(b) which denies not only a respondent, but all members of an investigative subcommittee, the opportunity for an objective and comprehensive consideration of his request for Particulars.

---

be appealed to the members present at that proceeding.

- (j)(1) opens hearing with statement of subcommittee's authority and purpose
- (j)(2) recognizes committee counsel and respondent's counsel for purpose of giving opening statements
- (j)(4) decides if redirect and recross examination permitted
- (k) determines reasonable period of time for witnesses to be subpoenaed to appear
- (m) administers oath

*Rules, Committee on Standards of Official Conduct, U.S. House of Representatives, Adopted September 30, 1997, 105th Congress*

The Honorable Lamar S. Smith  
Page 4  
August 27, 1998

On the other hand, I recognize at least the possibility that sometime during the period August 24 - August 25, 1998, a required quorum of your Subcommittee (i.e., 3 Members pursuant to Rule 9(c)) met and reached the conclusions reflected in your letter. If that is the case, please confirm the fact of such a meeting in order to eliminate any question as to whether Rules 9 and 10 have been violated. In the meantime, pending receipt of either your confirmation or response from Chairman Hansen and Ranking Member Berman, we will continue to prepare other filings considered appropriate in this matter.

Finally, two additional observations merit discussion. First, your "ruling" of August 25, 1998, consciously avoids any acknowledgement of the fact that exculpatory information has been withheld from Representative Kim -- indeed, our awareness of this material (Dobum Kim's FBI interview) was only occasioned by a review of the materials provided in connection with the draft Statement of Alleged Violations. Based upon the most recent disclosure of such information, I again request a thorough review of investigative files to preclude future and repetitive violations of Representative Kim's due process rights.

Last, I find it regrettable in light of your explicit statement that Representative Kim is not required to provide exculpatory information that our refusal to do so represents a disservice to the ethics process. I believe that the "ability of subcommittee and full committee members to make informed judgments on matters critical to a respondent's interests" are diminished when apparently incomplete and allegedly abusive investigative efforts have been undertaken, exculpatory information has been withheld, and there is a conscious refusal on the part of the responsible subcommittee chairman to investigate alleged abuses which have been reduced to writing and sworn to under penalty of perjury.

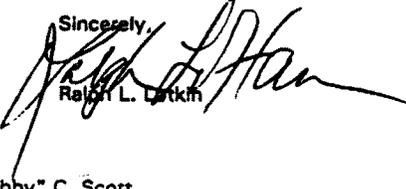
On the other hand, it is clear that only under Rule 24(g) must a respondent disclose defense-related information. Until the current process reaches such a point, your continued exhortations (and insults) regarding a refusal to share exculpatory information as "diminishing" the ethics process represent a clear intention to undermine Representative Kim's rights, as well as flagrant disregard of Rule 24(g). Quite simply, if you have documentary evidence establishing Representative Kim was in California on January 29, 1994, and not elsewhere, then you should not be so apparently disconcerted about what information may be in our possession. If your data is not confirmed, then the Statement of Alleged Violations must be amended.

Of course, should you wish to discuss any of the matters raised or hold a subcommittee hearing to debate the merits of our arguments, we would be pleased to participate in such an endeavor.

The Honorable Lamar S. Smith  
Page 5  
August 27, 1998

I look forward to the courtesy of a timely response and ask that until this critical procedural matter is resolved, the period during which any subsequent filings are due be held in abeyance.

Sincerely,

  
Ralph L. Letkin

cc: The Honorable Ed Pastor  
The Honorable Ed Bryant  
The Honorable Robert "Bobby" C. Scott

JAMES V. HANSEN, Utah  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEPLBY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KWOLLENBERG, MICHIGAN

**EXH. 168**

ONE HUNDRED FIFTH CONGRESS

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MEMBER  
MARTIN CLAY BARD, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LUPFER, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
2053 228-7162

September 2, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin, Esq.  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Ave., N.E.  
Suite C-1  
Washington, DC 20002

Re: Representative Jav Kim

Dear Mr. Lotkin:

This letter is in response to your letter dated August 27, 1998, regarding the denial of Representative Kim's Motion for a Bill of Particulars.

On September 2, 1998, a majority of the members of the Investigative Subcommittee, a quorum being present, found that the Subcommittee Chairman's ruling on August 25, 1998, to deny Representative Kim's Motion for a Bill of Particulars was consistent with the rules of the Committee on Standards of Official Conduct. The Subcommittee further ratified the Chairman's August 25 ruling by separately voting to deny Representative Kim's Motion for a Bill of Particulars. Representative Kim's Motion to Dismiss is therefore due by September 9, 1998, should he file such a motion.

Even if the Subcommittee regarded September 2, 1998, as the beginning of the 15-day period allotted to Representative Kim under Committee Rule 23 to file a Motion to Dismiss following the denial of his Motion for a Bill of Particulars, the Subcommittee Chairman, with the endorsement of a majority of other Subcommittee members, still would require Representative Kim to file a Motion to Dismiss by September 9 pursuant to his authority under Committee rule 23(e)(2).

Consistent with Rule 23(e)(2), the Subcommittee believes that requiring the respondent to file a Motion to Dismiss by September 9 would not adversely affect Representative Kim's ability to present an adequate defense, and that special circumstances require the filing of a Motion to Dismiss by that date. As you know, Committee Rule 23(c)(2) provides that a Motion to Dismiss may be filed only "on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or

standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement.”

Representative Kim has been on notice of the allegations contained in the Statement of Alleged Violation (“SAV”) since at least August 7, 1998, when the SAV was served pursuant to Committee Rule 20(e). Thus, he has had ample time to prepare a Motion to Dismiss. In addition, increasing constraints imposed by the legislative calendar constitute special circumstances meriting an expedited resolution of a Motion to Dismiss.

Sincerely,



Lamar Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

**EXH. 169**

JOHNNIE L. COCHRAN, JR.  
RALPH L. LOTKIN  
ALSO MEMBER OF  
THE CALIFORNIA BAR

SUITE C-1  
WASHINGTON, D.C. 20002  
PHONE (202) 847-9228  
FAX (202) 847-9228

September 9, 1998

LOS ANGELES OFFICE  
WILSHIRE HIGHLAND BUILDING  
4928 WILSHIRE BOULEVARD  
SUITE 1010  
LOS ANGELES, CALIFORNIA 90010  
PHONE (213) 931-6200  
FAX (213) 931-9521

OF COUNSEL  
DOHA & SILLAS\*  
LOS ANGELES, CALIFORNIA  
ORANGE COUNTY, CALIFORNIA  
SACRAMENTO, CALIFORNIA  
MEXICO CITY, MEXICO  
\* ADMITTED ONLY IN CALIFORNIA  
AND MEXICO, D.F.

**HAND DELIVER**

The Honorable Lamar S. Smith  
Chairman  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

The Honorable Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee  
Committee on Standards of Official Conduct  
HT-2, U.S. Capitol Building  
Washington, D.C. 20515

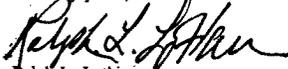
RECEIVED  
SEP 11 11 45 AM '98  
U.S. HOUSE OF REPRESENTATIVES

Re: Representative Jay Kim

Dear Mr. Subcommittee Chairman and Ranking Democratic Member:

Pursuant to Committee Rule 23(c)(2) and (d), and in accordance with your September 2, 1998, directive reducing the filing period, enclosed is Representative Jay Kim's Motion to Dismiss along with Memorandum of Points and Authorities.

Sincerely yours,

  
Ralph L. Lotkin  
Counsel for Representative Kim

Enclosure

U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT  
IN THE MATTER OF REPRESENTATIVE JAY C. KIM

RECEIVED  
98 SEP -9 PM 11:56  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Pursuant to Committee Rule 23(c)(2), Representative Jay C. Kim submits the following Motion to Dismiss. Accompanying the Motion, in accordance with Committee Rule 23(d), is a Memorandum of Points and Authorities relied upon. The Motion raises six distinct and independent bases for dismissing all or parts of the Statement of Alleged Violation:

MOTION TO DISMISS

- I. The process and activities culminating in the Committee's December 17, 1997, letter to Representative Kim were undertaken in violation of the Committee's Rules of Procedure and render the actions of the Investigative Subcommittee a nullity as the actions of an improperly constituted entity.
- II. The scope of the Committee's authority does not embrace Federal Election Campaign Act violations not specifically assigned under House Rules.
- III. This inquiry constitutes a clear case of impermissible selective prosecution.
- IV. House Rule XLIII, clause 1 has been misapplied resulting in excess, duplicitous charges.
- V. The Subcommittee's Statement of Alleged Violation contradicts of the Committee's June 29, 1998, Advisory Opinion to Representative Kim under the Ethics in Government Act of 1978.
- VI. There are critical differences between the draft and the final version of the Statement of Alleged Violation which establish procedural violations under Committee Rule 27(c) and its history as reflected in the 1997 Ethics Task Force Report.

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT  
IN THE MATTER OF REPRESENTATIVE JAY C. KIM**

**MEMORANDUM OF POINTS AND AUTHORITIES  
IN SUPPORT OF MOTION TO DISMISS**

I.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(C)(2), THE COMMITTEE DOES NOT HAVE JURISDICTION TO CONSIDER ANY ALLEGATIONS IN ANY STATEMENT OF ALLEGED VIOLATION WHICH, ITSELF, WAS NOT THE PRODUCT OF A PROCESS THAT, IN ALL RESPECTS, WAS IN FULL COMPLIANCE WITH THE COMMITTEE'S RULES OF PROCEDURE.**

The process and activities culminating in the Committee's December 17, 1997 letter to Representative Kim were undertaken in violation of the Committee's Rules of Procedure and render the actions of the Investigative Subcommittee a nullity as the actions of an improperly constituted entity.

This inquiry formally began when the Chairman and Ranking Democratic Member of the full Committee notified Representative Kim in a letter dated December 17, 1997, that they had "established an investigative subcommittee to examine matters related" to his and Mrs. Kim's plea agreements, financial disclosure statements, book publication of himself and his wife, and corporate donations to his congressional campaign. The operative language in this communication was that, "According to the House Parliamentarian, the Department of Justice's transmittal to the Committee of indictments and plea agreements relating to your campaigns for election to the House of Representatives, as well as related official documents obtained by the Committee, may be considered by the Committee to meet the requirements of House and Committee rules for what constitutes a complaint." A copy of the December 17, 1997, letter to Representative Kim is Attachment 1.

The Chairman and Ranking Democratic Member's authority to establish an Investigative Subcommittee derives from Committee Rule 17(b) and (c).<sup>1</sup> In light of the mandates and restrictions of such provisions, we believe that unless the Committee can establish that the timeframes for deliberation and action prescribed by the Rules have been met, the entire endeavor regarding Representative Kim was flawed from the start and should be dismissed. Otherwise, the Committee's Rules of Procedure are meaningless and provide no indication of how or when the Committee will undertake investigative actions.

Applying the known facts to both the Committee's Rules of Procedure and the 1997 official congressional calendar<sup>2</sup> leads to the conclusion that there was a failure (both as to time and substance) to correctly determine a "complaint" was before the Committee and to establish the Investigative Subcommittee within required timeframes and, thus, rendering its work a nullity as being the acts of an illegally

---

<sup>1</sup> Committee Rules 17(b) and (c) state, respectively:

(b) Whenever information offered as a complaint is submitted to the Committee, the Chairman and Ranking Minority Member shall have 14 calendar days or 5 legislative days, whichever occurs first, to determine whether the information meets the requirements of the Committee's rules for what constitutes a complaint.

(c) Whenever the Chairman and Ranking Minority Member jointly determine that information submitted to the Committee meets the requirements of the Committee's rules for what constitutes a complaint, they shall have 45 calendar days or 5 legislative days, whichever is later, after the date that the Chairman and Ranking Minority Member determine that information filed meets the requirements of the Committee's rules for what constitutes a complaint, unless the Committee by an affirmative vote of a majority of its members votes otherwise, to--

(1) recommend to the Committee that it dispose of the complaint, or any portion thereof, in any manner that does not require action by the House, which may include dismissal of the complaint or resolution of the complaint by a letter to the Member, officer, or employee of the House against whom the complaint is made;

(2) establish an investigative subcommittee; or

(3) request that the Committee extend the applicable 45-calendar day period when they determine more time is necessary in order to make a recommendation under paragraph (1).

<sup>2</sup> Because of the significant differences between calendar and legislative days as to periods of time under Rules 17 (b) and (c), the dates of when advice was sought and decisions made will directly affect the validity of the Committee's actions. The Congressional Research Service (CRS) reports that there were a total of only 41 legislative days in the House of Representatives during the period August 1 - December 31, 1997, as follows: August 1; September 3, 4, 5, 8, 9, 10, 11, 15, 16, 17, 18, 22, 23, 24, 25, 26, 29, and 30; October 1, 2, 6, 7, 8, 9, 21, 22, 23, 24, 28, 29, 30, and 31; November 4, 5, 6, 7, 8, 9, 10, 12, and 13; and none in the month of December 1997 at all. (According to CRS, November 9 and 10, 1997, were deemed one legislative day.)

created entity. We assert this flaw under any of four separate analyses, discussed below.

**First Argument -- When was a "complaint" determined:**

Committee Rule 17 and the quoted portion of the Committee's December 17, 1997, letter, above, make clear that the Chairman and Ranking Democratic Member could not have begun their specific review of the Kim matter any earlier than when the Congressman entered his guilty plea on August 11, 1997. Therefore, assuming the Rule 17 process began on or about August 11, 1997, Chairman Hansen and Ranking Democratic Member Berman had to have concluded that, based upon the Parliamentarian's advice, the then known facts met the "complaint" requirements of the Rules by no later than August 25, 1997 -- i.e., 14 calendar days after plea entry under Rule 17(b). (Since there were no legislative days during the period August 11-25, 1997, Rule 17(b) would mandate use of calendar days to apply its deadlines to the entry date of the guilty plea.) This means the Parliamentarian also must have provided such advice by August 25, 1997. We doubt such facts exist because there is no basis to assume the Committee had in its possession any of the materials allegedly provided to or considered by the Parliamentarian as meeting the "complaint" requirement.

If the Parliamentarian in fact ruled by August 25 -- 14 calendar days after plea entry under (Rule 17(b)-- the Subcommittee had to have been established by October 9, 1997 (45 calendar days later; since under Rule 17(c) the Subcommittee had to be established by the later of 45 calendar days or 5 legislative days after the Rule 17(b) "complaint" determination. A period of 5 legislative days would have expired on September 9, 1997). Only if an extension under Rule 17(c)(3) was made, the Subcommittee could have been established as late as November 23, 1997 -- again, using calendar days and not legislative days to apply Rule 17(c).

Clearly, the December 17, 1997, notification is almost 1 month after such deadlines and indicates a per se procedural violation. The failure to establish an Investigative Subcommittee within the requisite time automatically results in the dismissal of the "complaint." Otherwise, none of the timelines imposed by the Rules serve any purpose and one of the purported improvements in the 1997 Ethics Task Force package -- i.e., avoid delays in processing complaints -- is pure rhetoric.

Accordingly, we move to dismiss this matter because of our belief that, pursuant to Rule 17(b), the Chairman and Ranking Minority Member did not act within the required time period "to determine whether the information [claimed to have been received from the Department of Justice and the Parliamentarian] meets the requirements of the Committee's Rules for what constitutes a complaint." The Subcommittee can only resolve this issue by disclosure of the communications to and

from the Parliamentarian establishing such advice was timely rendered on an accurately presented factual inquiry. Such proof would include the dates on which information was received, what that information was, and the precise date the Parliamentarian advised that such data met the requirement for a "complaint". The specific language of the Parliamentarian's formal response is also critical. We do not believe the Subcommittee can satisfy such a burden. If not, the matter must be dismissed.

Production of the relevant correspondence is also necessary to assure that the time frame prescribed in Rule 17(c) was met as to the issue of establishing an Investigative Subcommittee on a timely basis. If the record establishes that the Chairman and the Ranking Minority Member did not establish the Investigative Subcommittee within the period mandated by the rule (or seek and obtain from the Committee an extension of such time under 17(c)(3)), then it can only be concluded that the investigative process has been flawed from its very beginnings.

Hopefully, there cannot and should not be disagreement as to the deadlines for establishing an Investigative Subcommittee. In our view, the known facts support our view that there were documentable failures to act within prescribed time limits both as to obtaining the Parliamentarian's advice (which we know was based on misinformation) as to what satisfied a "complaint" and as to establishing the Investigative Subcommittee. If we are correct on either ground, and only full disclosure of relevant materials will suffice to put the issues to rest, the inquiry is, and has been, improper on its face.

**Second Argument -- The Parliamentarian's advice was based on incorrect facts:**

The December 17, 1997, letter from the Chairman and the Ranking Democratic Member incorrectly states that Representative and Mrs. Kim's "indictments" were a part of the Parliamentarian's (and apparently the Committee Chairman's and Ranking Democratic Member's) thought process and advice. The fact is that Representative Kim was never indicted. For the Parliamentarian to have relied upon the fact of what was indisputably a nonoccurrence vitiates the validity of his advice to the Committee. (Indeed, in the Committee's September 25, 1997, letter to the Department of Justice, Attachment 2, another erroneous reference is made wherein the Chairman and Ranking Minority Member requested copies of Representative and Mrs. Kim's "indictments." Thus, the December 17, 1997, error is apparently neither singular nor inadvertent and clearly implies the probability that such a basic factual misapprehension was communicated to the House Parliamentarian.) This means that the Parliamentarian provided, at best, questionable advice based upon unquestionably bad and incorrect facts. It also means the Chairman and Ranking Democratic Member's thought process was flawed by incorrect factual assumptions.

Since Representative Kim was not indicted, it is clear that the Parliamentarian relied upon incorrect facts (presumably supplied to him by the Committee) when rendering the advice alleged in the December 17, 1997, letter. Consequently, it is, again, incumbent upon the Committee to produce for the public, if not at least for Representative Kim's inspection, a copy of its letter seeking the advice of the Parliamentarian and the Parliamentarian's written response thereto. This is critical for two reasons, first only such correspondence can put to rest whether the Parliamentarian was misinformed as to the operative facts and thus leaves open for conjecture whether a similar response would have been provided to the Committee if the Congressman's plea to three misdemeanors had been presented for consideration as an adequate basis for a "complaint." This flaw cannot be remedied by self-serving or retrospective advice rendered in response to this Motion. Only actual documents can resolve this aspect of the Motion. Simple recognition of the significant legal difference and process between an "indictment" versus an "information" underscores this concern-- Representative Kim was not indicted meaning he was not alleged to have committed any felonies. It is only felony convictions under Committee Rule 19(e) which trigger the Committee's investigative processes.

Accordingly, Representative Kim moves to Dismiss the Statement of Alleged Violation ("SAV") on the basis that there has not been any showing or proof that the advice the Chairman and the Ranking Democratic Member of the full Committee sought from and received from the Parliamentarian accurately described the Kim situation and satisfied the "complaint" issue.

Of course, under any iteration of procedure or facts, it still remains that proof that all required actions were undertaken in satisfaction of the rules must have been completed by no later than December 17, 1997. Failure to have done so renders all subsequent actions of the Committee and its investigative subcommittee moot and without any substantive or legal basis. Such a situation would mandate dismissal of the matter.<sup>3</sup>

---

<sup>3</sup> The foregoing two analyses are further exacerbated by the fact that, according to materials provided to Representative Kim by the Subcommittee, it was not until a September 25, 1997, letter to the U.S. Attorney (Attachment 2, supra.) who prosecuted Representative Kim that a Committee request was even made for materials such as "indictments and plea agreements." Even utilizing September 25, 1997, and not August 11 (the date of plea entry) as the operative decision trigger-date does not overcome the Rule 17 flaws. For such procedures to have been complied with (and the December 17, 1997, letter still to be valid), an answer from the Department of Justice in response to the September 25, 1997 Committee request would have to have been received by no later than October 2, 1997 (because that would be when 5 legislative days would have expired after September 25 and not the 14 calendar day period pursuant to the restrictions of Rule 17(b) -- i.e., to get a Parliamentarian's advisory). As to the 45 calendar day requirement under Rule 17(c) to establish the Investigative Subcommittee, the period would run from October 2 to November 16 (the later of 45 calendar days and not 5 legislative days-- the latter of which would have expired on October 21, 1997), which of course is not when the Subcommittee was established.

**Third Argument -- Analyze the Committee's action working backward from December 17, 1997:**

According to Subcommittee documents, the Department of Justice did not fully respond to the September 25, 1997, letter until at least a series of letters dated January 20, 28, and February 17, 1998. See Attachment 3. (In fact, the Committee sent a follow-up to its initial September 25, 1997, letter on December 1, 1997, also included in Attachment 3.) In this light, it appears impossible that the time requirements for Rule 17 were met. Thus, the third way to analyze Rule 17(b)(c) compliance is to count backward from December 17, 1997, the date of the purported Subcommittee's creation. If that is when the Subcommittee was created, the 45-day period had to have begun on November 3, 1997 -- 45 calendar days earlier since 5 legislative days prior to December 17, 1997 occurred on November 7, 1997. Using November 3, 1997 as the Rule 17(c) date, the timeframe for receiving the Parliamentarian's advice, and deciding a "complaint" existed, had to have begun on October 24, 1997-- 5 legislative days earlier-- not 14 calendar days-- since such is the lesser period as required under Rule 17(b) . As noted, the Committee did not even seek information from the Department of Justice until September 25, 1997 and the Department's triggering responses were not sent until early 1998. Thus, the calendar and the correspondence dates belie compliance with Rule 17. In point of fact, the only way the December 17, 1997 Subcommittee date can work is for the Committee to demonstrate it obtained the Department of Justice's information, the Parliamentarian's advice, and established the Subcommittee by December 17, 1997. We assert this did not occur-- particularly during a congressional recess-- and move to dismiss unless the Committee produces documents somehow establishing that it satisfied its own Rules and deadlines.

**Fourth Argument -- Even a hypothetical inquiry on "complaint" requirements fails:**

To remove any possible doubt that all reasonable theories have been examined, we also considered a fourth approach which assumes the Parliamentarian's advice was rendered in response to a hypothetical inquiry from the Committee and not based upon an actual document review and analysis. Of course, such advice could have been sought and rendered at any time prior to, or after, August 11, 1997. Nonetheless, the same result obtains -- a flawed procedure. First, the Parliamentarian's advice was explicit as to the reliance, in part, on "indictments." Thus, regardless of timing or date such advice was received, the Parliamentarian's "complaint" analysis was on its face defective -- a flaw which also fatally infects the Rule 17(b) process, discussed above. Second, and even assuming, arguendo, the advice was valid, then the Investigative Subcommittee had to have been established within the relevant 5 legislative or 45 calendar days of receipt of such guidance, whichever occurred later. Absent any indication that an extension under Rule 17(c)(3) was received -- and we doubt this ever occurred or could be proven -- the

Investigative Subcommittee had to be established within the appropriate period after the Parliamentarian submitted his response to the Chairman and Ranking Democratic Member of the full Committee, who presumably had to agree with such analysis in a documentable process.

Thus, only if the Parliamentarian's guidance was given on or after November 3, 1997, could the current process be proper. If the Parliamentarian's advice was provided anytime earlier than November 3, it, again, must be concluded that the Investigative Subcommittee was improperly established outside the time deadlines prescribed. Only the actual documents will resolve this obvious problem. As noted, and based upon the official congressional schedule of the House of Representatives, if the Parliamentarian provided his advice earlier than November 3, 1997, the 5 legislative day aspect of Rule 17(c) would also become relevant and would require action to have been taken to create the Subcommittee well before December 17, 1997, depending upon how much prior to November 3, 1997, the advice was rendered. Similarly, the Chairman and Ranking Democratic Member of the full Committee would also had to have made their "complaint" decision under Rule 17(b) on a timely basis after the Parliamentarian's ruling.<sup>4</sup>

In a matter so serious as the undertaking of an investigation of a Member, prudence would mandate a formal written Committee inquiry to and a similarly documented response from the Parliamentarian. To assert such communications were only verbal renders Members and the House powerless to identify and correct both factual errors or abuses of discretion. Such a *modus operandi* would place a dark cloud over the integrity of the Committee's processes and should not be allowed to continue, nor should it be ignored in this case simply because Representative Kim will not be returning to the Congress as a Member in 1999.

---

<sup>4</sup> Finally, we assert the December 17, 1997, letter was, per se, a violation of Rule 17(d) which states: "The Chairman and Ranking Minority Member may jointly gather additional information concerning alleged conduct which is the basis of a complaint or of information offered as a complaint until they have established an investigative subcommittee or the Chairman or Ranking Minority Member has placed on the agenda the issue of whether to establish an investigative subcommittee." Since the letter says an Investigative Subcommittee had been established, the efforts of Chairman Hansen and Ranking Democratic Member Berman to continue to gather additional facts (they asked Representative Kim to respond to 14 questions) constituted an improper exercise of authority they presumably relinquished when the Subcommittee was established. The questions were not stated to be those of the Subcommittee and Representatives Hansen and Berman had no authority to act on its behalf, nor were they on the Subcommittee. At a minimum, all such questions and responses thereto should be thrown out, as well as any Counts in the SAV based upon any such materials. Thus, Representative Kim not only moves to dismiss the SAV as having been issued in violation of Rule 17(b) and (c) but also any part of the SAV predicated on materials obtained or derived from responses to the clearly improper December 17, 1997, letter.

## II.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(c)(2), THE COMMITTEE LACKS SUBSTANTIVE JURISDICTION TO CONSIDER THE CONGRESSIONAL CAMPAIGN-RELATED ALLEGATIONS CONTAINED IN THE STATEMENT OF ALLEGED VIOLATION NOT DERIVED FROM HOUSE RULES X AND XLIII.**

The scope of the Committee's authority does not embrace Federal Election Campaign Act violations not specifically assigned under House Rules.

Throughout this inquiry, the Subcommittee has taken the position that it (through the Committee) has unlimited power to investigate a Member under the guise of potential violations of House Rule XLIII, clause 1 -- conduct discrediting the House. To such end, this logic has been employed to assert the authority to investigate and potentially punish violations of the Federal Election Campaign Act ("FECA") that are wholly unrelated to House Rules.

Any reasonable reading of the Committee's jurisdiction makes clear that the House has circumscribed the Committee's jurisdiction in the matter of the oversight of campaign activities. By so doing, the Committee has only been given the authority under House Rule XLIII, clause 6 to investigate and punish improper commingling of personal and campaign funds, non-bona fide political expenditures, and conversions of campaign funds for personal use. Nothing in the history of the Rules suggests the unstated or tacit authority to investigate excessive campaign contributions, improper corporate donations or other campaign matters not explicitly addressed by clause 6. To assert that clause 1 is the jurisdictional basis for so-called FECA investigations gives to the Committee unlimited jurisdiction that no other organization in our system of jurisprudence can claim. Even the United States Supreme Court and the lower courts have limits of jurisdiction and none have ever claimed inherent authority to consider a matter on the basis of a generic discredit to society. If this be so, then such an assertion or justification for Committee jurisdiction separately supports Argument III, below, as to selective prosecution.

In this light, the improper charging of FECA statutory violations unrelated to House Rule XLIII, clause 6 separately constitutes evidence that the Subcommittee has sought to exercise jurisdiction (in the SAV) over matters which do not directly relate to an explicit standard of conduct assigned to the Committee for enforcement. In this connection, House Rule XLIII, clause 1 is not a free-standing grant of authority and jurisdiction and cannot be used as the sole justification to support the bulk of the existing SAV. The House of Representatives has not given to the Committee or to this Subcommittee jurisdiction to investigate or sanction alleged violations of 2 U.S.C. § 441b, 441e, 441f, and 437g as alleged in the SAV. Such charges should be dismissed.

As with our other arguments, the Subcommittee must provide detailed explanation of any rationale it relies upon to reject this argument. A simple denial without a clarification of where in the Committee's jurisdiction it is explicitly vested with authority to enforce these specific laws (which, for example, is the case in the Ethics in Government Act and House Rule XLIV) would be an abdication of responsibility to assure all Members are on notice as to the reach of the Committee's power. This would include explaining how compliance with the cited FECA provisions is within the scope of a Member's official duties -- the basic grant of authority assigned to the Committee under House Rule X. Even the Subcommittee could not argue that compliance with FECA is an official responsibility of a Member under House Rule X.

### III.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(C)(2), THE COMMITTEE LACKS JURISDICTION TO CONSIDER THE ALLEGATIONS CONTAINED IN A STATEMENT OF ALLEGED VIOLATION WHICH IS THE PRODUCT OF IMPERMISSIBLE SELECTIVE PROSECUTION.**

This inquiry constitutes a clear case of impermissible selective prosecution.

If the Committee is serious in its view that it can use House Rule XLIII, clause 1 as the basis to investigate virtually any conduct, and certainly at least FECA violations, then it must dismiss this action as representing a clear case of selective improper prosecution. A review of the publicly reported investigations of the Federal Election Commission ("FEC") during the period 1993 to present establish that 50 of 78 publicly reported Matters Under Review ("MURs") involved sitting Members of Congress at the time of the FEC determinations -- which involved either imposition of civil penalties or a statement that the FEC had reason to believe violations of the FECA occurred.<sup>5</sup>

To the best of our knowledge, only in the case of former Representative Charles Wilson of Texas, did the Committee on Standards of Official Conduct initiate an investigation based upon an FEC review or admission of FECA violations. See House Report 104-886 at p. 19. And even in the *Wilson* matter, the Committee dropped the issue. It is critical to note that the violation which was the subject of the *Wilson* matter had to do with improper disbursements from his congressional campaign committee in violation of Rule XLIII, clause 6, and not issues outside the scope of House Rule XLIII as is the case in the Kim matter.

---

<sup>5</sup> A copy of the FEC summary is Attachment 4. We chose the 1993 to present timeframe to coincide with Representative Kim's period of service as a Member.

In view of the foregoing, there can be no question that the Committee has consciously chosen to focus upon Representative Kim for his campaign actions notwithstanding both the limits of its jurisdiction and an undisputed history of not undertaking FECA-related reviews as to other Members despite the affirmative findings of the FEC as to improper conduct. Regardless of the purported validity of the SAV (and we do not agree as to this), it cannot be used to overcome an underlying selective prosecution. The courts routinely dismiss indictments and convictions based on selective prosecution.

Such a selective approach to implementation of its investigative and sanctioning duties should result in dismissal of the matter because this inquiry represents an abuse of the Committee's authority in stark contrast to how it has responded to such matters in the recent past.

The Subcommittee and the full Committee specifically owe Representative Kim an explanation of why he has not been singled out for investigation versus the other Members on the FEC violations list. If the Subcommittee is serious in its SAV, then it must acknowledge that the other 50 members in the FEC list also, at least potentially, violated House Rule XLIII, clause 1, through their (admitted or alleged) campaign act improprieties. At least such Members should have been Respondents in at least a "fact-gathering" or more formal investigative review by the Committee. If true, Representative Kim is entitled to know why others of his colleagues were not separately investigated and/or sanctioned by the Committee. We do not have any expectation such an explanation can, or will, be provided. Yet, this issue will not go away.

There is, in our view, third-party confirmation of the matter of improper selective treatment. In this regard, the Subcommittee is well aware of concerns raised by Representative Kim and one of the Subcommittee's witnesses, Ms. Jennifer Ahn, that she was mistreated by Subcommittee counsel and subjected to unjustified searches by law enforcement personnel when traveling through U.S. Customs checkpoints. We repeatedly sought independent review of the allegations because of the seriousness of Ms. Ahn's charges. Much of our concern derived from Ms. Ahn and her attorney informing us that she had been threatened by Subcommittee Counsel simply for her not being "candid" in their view. In particular, we expressed concern that only after the Investigative Subcommittee began its work was she searched by Customs personnel upon her return from foreign travel. Despite having traveled on numerous occasions during the multi-year period of the criminal investigation of Representative Kim by the Department of Justice, she was never stopped and searched by Customs agents. It was only after initiation of this Investigative Subcommittee inquiry and her assertions of threats by Subcommittee Counsel that the searches began. (Notably, the Subcommittee has already acknowledged a violation of Ms. Ahn's procedural rights when she was improperly compelled to answer

Subcommittee Counsel's questions in the absence of a quorum. Thus, the record already has established questionable improper treatment.)

In response to our efforts to seek a review of this issue, the Subcommittee Chairman, at page 20 of his July 2, 1998, ruling, Attachment 5, indicated that he was satisfied no improper treatment occurred. Such statement, of course, neglected to mention or address the issue of whether the Subcommittee or either of its Counsels improperly communicated Ms. Ahn's travel plans (directly or otherwise) to U.S. Customs personnel or any other law enforcement agency either to request or to precipitate such searches. We also objected that in reaching this conclusion neither Ms. Ahn nor her attorney were interviewed by the Subcommittee Chairman in reviewing this serious matter.

In response to our independent inquiry, the Assistant Commissioner, Office of Investigations, U.S. Customs Service, confirmed our worst fears -- there was indeed selective negative treatment of Ms. Ahn. By letter dated August 5, 1998, Attachment 6, the Assistant Commissioner stated: "Please be advised that we have reviewed our records and taken action so that Ms. Ahn will no longer encounter any special attention \* \* \*." [Emphasis added.] The implication is undeniable -- Ms. Ahn was given special attention by the U.S. Customs Service. Why? In this light, a grave issue exists as to what specific review the Subcommittee undertook, if any, in response to Representative Kim and Ms. Ahn's objections as to her treatment. At a minimum, the correspondence from the Assistant Commissioner independently suggests critical need for independent review as to the facts and circumstances causing Ms. Ahn to suffer unjustified "special attention." This issue of selective treatment is a festering sore which can only be cured through the medication of comprehensive independent review. And why did not this "special attention" exist prior to the existence of the Investigative Subcommittee? In short, who is policing the policemen? And does the Committee care? How the Subcommittee and Committee respond to this matter will speak volumes as to its procedures and objectivity.

Absent any meaningful analysis or explanation and rebuttal, it is evident that steps were indeed taken in connection with the subject inquiry to impose unprecedented and selective negative treatment on Representative Kim and one of his supporting witnesses.

Dismissal of this matter is but one of the various actions warranted. Both the Subcommittee and full Committee should immediately undertake all reasonable steps to determine the basis for the Assistant Commissioner's remarks and suspend further proceedings until this critical issue is resolved.

One can only speculate whether Count VI of the SAV is a by-product of the negative selective treatment given Ms. Ahn. (Both the Subcommittee and Customs

have already admitted such a situation-- the Subcommittee in improperly compelling her testimony, and Customs through selective searches.) Is it just coincidental that Ms. Ahn was a supportive witness for Representative Kim? While the Subcommittee "did not credit" Ms. Ahn's explanations relative to Count VI, by contrast it accepted as "credible" the sworn testimony of Dobum Kim in Count V, notwithstanding his admission under oath that he lied to FBI Agent Gordon (Dobum Kim, May 20, 1998, Deposition p. 155) when questioned about the matter of giving money to Representative Kim. However, after repeated interviews by the Department of Justice, Ms. Ahn was never alleged to have mislead investigators. Nonetheless, the Subcommittee has come to a contrary view without documentary evidence to support its "findings". As will be demonstrated at the appropriate time, Representative Kim has exculpatory documentary evidence which refutes the accuracy of Dobum Kim's testimony. Perhaps the SAV is based, in part, on selective use of testimony to support a selective prosecution.

To avoid further assertions of selective or wholly inadequate consideration of critical concerns, the Subcommittee should respond in detail, with documents, to these issues. A simple or terse denial of this portion of the Motion can only be construed to mean no reasonable explanation exists. The burden is now on the Subcommittee to address these matters. Representative Kim, the House of Representatives and the public deserve no less. Since it has taken virtually the entire second session of this Congress for the Investigative Subcommittee to get to this point, then one would expect it has within its possession and control a mass of documents and analyses readily available to respond to all aspects of this Motion on a point-by-point basis -- just as Representative Kim has had to submit a Memorandum of Points and Authorities to support his contentions. That has always been a hallmark of the essence of due process at the House Ethics Committee -- not just the announcement of decisions without explanation. By contrast, one need only review the Committee's issuances in the *Wright* and *Gingrich* matters in 1989 and 1990, respectively. The public is entitled to know why the Committee acts as it does, not simply that it has acted and be left to surmise as to possible rationales.

#### IV.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(C)(2), THE STATEMENT OF ALLEGED VIOLATION FAILS TO STATE FACTS THAT CONSTITUTE A VIOLATION OF THE CODE OF OFFICIAL CONDUCT OR OTHER APPLICABLE LAW, RULE, REGULATION, OR STANDARD OF CONDUCT.**

House Rule XLIII, clause 1 has been misapplied resulting in excess, duplicitous charges.

All charges based upon alleged violations of House Rule XLIII, clause 1 that are themselves not improper conduct should be dismissed. The SAV is permeated with examples of Clause 1 being charged not only as to the specified improper conduct but also to the admission of such conduct (as evidenced, for example, in the Congressman's plea agreement). Charging Representative Kim twice -- once for doing the alleged improper act and a second time for simply acknowledging the act is proof of a Subcommittee effort to "pile on" additional violations.

In point of fact, it could well be argued that Representative Kim's prior admission of improper FECA conduct is not a discredit to the House but, rather, a conscious attempt on his part to attenuate the judicial process and through such agreement save this institution from any further embarrassment it might suffer by virtue of a lengthy trial on the allegations. It is an anomaly for Courts to give credit to a defendant for their acceptance of responsibility under the Sentencing Guidelines but for the House of Representatives to take the exact opposite approach and seek to further punish the Member for such acceptance. The excessive charges of Rule XLIII, clause 1 violations should be dismissed as being wholly unjustified and in direct conflict with the manner in which admissions are treated in the criminal justice system.

V.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(C)(2), THE STATEMENT OF ALLEGED VIOLATION FAILS TO STATE FACTS THAT CONSTITUTE A VIOLATION OF THE CODE OF OFFICIAL CONDUCT OR OTHER APPLICABLE LAW, RULE, REGULATION, OR STANDARD OF CONDUCT.**

The Subcommittee's Statement of Alleged Violation contradicts the Committee's June 29, 1998, Advisory Opinion to Representative Kim under the Ethics in Government Act of 1978.

On June 29, 1998, the Chairman and Ranking Democratic Member of the full Committee responded to Representative Kim's May 22, 1998, request for advice regarding a financial disclosure matter relevant to the instant inquiry. See Attachments 7 and 8. In short, the Committee had been asked if Representative Kim had to report a liability on his Financial Disclosure Statement (assuming the amount borrowed reached the reporting threshold) even though the funds obtained by such credit arrangement were subsequently deposited into the campaign account and were treated as campaign donations under the FECA. In other words, Representative Kim wished to know if a transaction treated as a campaign contribution under FECA relieved him of simultaneous reporting under the Ethics in Government Act ("EIGA") if the EIGA reporting standards also were present. The Committee's June 29, 1998,

opinion concurred in Representative Kim's understanding and to explicitly state that such a transaction, as summarized above, would be reportable under the liabilities section of the applicable EIGA Financial Disclosure Statement.

The SAV issued to Representative Kim by the Investigative Subcommittee directly contradicts the subject advisory opinion by charging Representative Kim with Financial Disclosure Statement violations for having reported the liability transactions. Regardless of the technical identity of the actual creditor, whether it be Jerry Yeh or his father Song Nien Yeh, such transaction between Representative Kim and the lender constituted a valid personal obligation of the Congressman which he was required to report on his Financial Disclosure Statements. In this light, the political and FECA consequences of the loans notwithstanding, this aspect of the SAV directly conflicts with the Committee's June 29, 1998 advisory opinion and should be dismissed.

The same objection and motion to dismiss applies with equal force to the financial disclosure charges made as to Representative Kim's loan from David Chang at Nikko Enterprises. Again, notwithstanding the FECA implications, Representative Kim had, in his view, a reportable debt to Mr. Chang which, according to the June 29, 1998, Advisory Opinion was correctly disclosed separate and apart from the FECA issues raised. The fact that the Congressman has admitted that the Yeh and Chang obligations had FECA implications is not an assertion that his other statutory (EIGA) responsibilities were preempted by FECA.

The inferences to be drawn from the Subcommittee's EIGA charges in the SAV are obvious. On the one hand, the Subcommittee alleges multiple EIGA violations arising out of personal obligations and borrowings of the Congressman while on the other hand the full Committee provided formal written advice that the campaign issues implicated have nothing to do with reporting EIGA obligations and such transactions should be disclosed.

In short, the Congressman has been charged by the Subcommittee in an SAV alleging compliance with formal advice provided by the full Committee. Such an obvious flaw can only be remedied by dismissing the relevant EIGA charges.

## VI.

**RATIONALE: PURSUANT TO COMMITTEE RULE 23(C)(2), THE COMMITTEE LACKS JURISDICTION TO CONSIDER THE ALLEGATIONS CONTAINED IN THE STATEMENT OF ALLEGED VIOLATION THAT WERE NOT CONTAINED IN THE DRAFT SAV PROVIDED UNDER RULE 27(C).**

There are critical differences between the draft and the final Version of the SAV which establish procedural violations under Committee Rule 27(c) and its history as reflected in the 1997 Ethics Task Force Report.

The draft version of the SAV provided under Rule 27(c) reflected an inaccurate record of events which either did not occur or documents that were not a part of the record presented to Representative Kim. (For example, references to the criminal information as having been introduced as an Exhibit during his depositions.) The final SAV also contains such numerous errors. The only difference is that the annotations by way of footnoted sources have been deleted in the final text so the uninitiated reader can not discern where the multiple mistakes occurred. Such mistakes precipitated many of Representative Kim's efforts to seek factual clarifications and responses to his Motion for a Bill of Particulars-- e.g., where is such evidence or fact in the formal record?

Without any significant exception, almost every one of our requests for explanation of factual errors in the Motion for a Bill of Particulars were denied without any discussion. Our questions remain unanswered as does the Subcommittee's response to specific factual inquiries prompted by the SAV. Instead, we believe the Subcommittee's August 25, 1998, letter, Attachment 9, was simply an ill-disguised attempt to coerce Representative Kim to provide to the Investigative Subcommittee exculpatory information to which the Subcommittee is not entitled until implementation of an adjudicatory hearing. The Subcommittee's repeated and unfounded accusations that our refusal to acquiesce to such procedurally improper demands constituted a disservice to the ethics process were not only highly inappropriate and inflammatory but also self-evident both as to its motive and substance of its lack of confidence in the SAV.<sup>6</sup>

---

<sup>6</sup> Specifically, the logic and procedure set forth in the Committee's Rules contemplates that a Motion to Dismiss is to be filed after response to a Motion for a Bill of Particulars. The logic of this chronology of procedure should be obvious -- assuming an Investigative Subcommittee's good faith response to the Motion for a Bill of Particulars, then, a Respondent will know whether there exist any additional facts not presented in the SAV that would render unnecessary all or a portion of the Motion to Dismiss. Why? Because the Motion to Dismiss may be filed on the basis that the SAV "fails to state facts \* \* \*." Our Motion for a Bill of Particulars simply and only sought facts not provided in the draft SAV considered critical in evaluating whether to admit or deny all or part of the Counts. In response, we were directed to review FEC documents, or given an unsolicited "lecture" on ethical duties which, *per se*, violate Rule 24(g). See Attachment 9.

A careful reading of the SAV and the plea agreement and related documents entered into by Representative Kim discloses a glaring and legally critical difference. In the Department of Justice case, the Congressman was charged with having "caused JayKim Engineers, Inc. to make [improper in-kind corporate contributions]" to the Jay Kim for Congress Committee. By contrast, Count I of the SAV charges that Representative Kim "knowingly and willfully contributed and caused to be contributed \* \* \* improper (continued...)

Of greater significance is the fact that the final SAV added additional charges not included in the original draft provided to Representative Kim for review under Rule 27(c). Examples of such additional charges were alluded to above and are best exemplified by the Subcommittee's having added separate charges as to violations of the House gift rule (related to the Dobum Kim matter) when the draft SAV alleged but one gift rule violation. A similar concern arises in connection with the funds received from Ms. Ahn discussed in Count VI -- additional and separate rules violations charges not included in the original text. So, too, were statutory charges added.<sup>7</sup>

---

<sup>6</sup>(...continued)

in-kind corporate contributions. (Emphasis added to highlight the fact of two separate, but related charges.) Regardless of whatever the Subcommittee may believe is the case concerning the Congressman's knowledge of Federal Election Campaign Act limitations, I do not believe, and do not recall, that anywhere in the depositions of the Congressman or in the materials submitted in connection with the draft SAV is there any evidence establishing that Representative Kim separately "contributed" (as a corporation) in addition to "having caused" an in-kind contribution from his company to his campaign. Accordingly, our Motion for a Bill of Particulars specifically sought an explanation for this discrepancy. The Subcommittee simply ignored this request for explanation and our Motion was denied.

Consequently, we have been denied any form of meaningful Investigative Subcommittee response in order to objectively determine whether, in fact, facts exist which support Count I of the SAV. We could go on with numerous other examples of our attempts in the Motion for a Bill of Particulars to obtain information relevant to making a decision on whether to file a Motion to Dismiss. Unfortunately, we must conclude that in its zeal to be able to claim that it has completed its assigned duties by the anticipated congressional adjournment date, the Investigative Subcommittee has decided not to take needed or additional time to respond to or analyze our Motion in any meaningful detail. In this way, it is the Subcommittee's denial of information which requires, at least in part, that this Motion to Dismiss be submitted.

In light of the above, it is troublesome that the Subcommittee Chairman concluded that despite his procedurally improper actions on August 25 (a unilateral denial of our Motion for a Bill of Particulars), a reduction of time in which to submit a Motion to Dismiss "would not adversely affect Representative Kim's ability to present an adequate defense". To this end, the Subcommittee Chairman has reduced Representative Kim's analysis and pleading preparation time by 50% in order to obtain the Congressman's Motion to Dismiss on September 9, 1997, as if no procedural violations had been committed. Thus, Representative Kim is being penalized for the Chairman's mistakes which took almost one week to address and "rectify" by a real quorum of the Subcommittee.

As counsel for Representative Kim, I submit I am in a far better position to know whether summarily imposed reductions in pleading periods will have negative consequences on the Congressman's defense. By the same token, the Subcommittee will recall that in my August 27, 1998, letter (Attachment 10), I specifically asked that appropriate adjustments be made in the pleading schedule pending resolution of our procedural concerns.

<sup>7</sup> Specifically, the final SAV, p. 15, adds statutory charges to Count II.B; page 22 adds a House Rule violation for the guilty plea in Count III.A; pages 35 and 42 add House gift rule violations to Count V.A and C; and p. 63 adds additional violation language for Count VI. A total of at least six additional and separate charges are made in the final SAV adopted by the Subcommittee that were not included in the draft SAV  
(continued...)

Such changes simply underscore how this inquiry has been handled for many months. It was not until the receipt of the final SAV that Representative Kim had any true knowledge of the ultimate scope and multitude of the charges to be levied against him....the earlier draft was substantially modified to add charges by either duplicating an admission as equivalent to improper conduct or adding additional Rule or statutory violations. Had Representative Kim been given the document to which he was entitled under the Rules, he would have used the opportunity of the August 5, 1998, meeting to identify and discuss such errors. But the fact is such matters were not disclosed until after delivery of the final SAV and any opportunity for interaction ceased. One cannot be expected to discuss or debate the unstated views of another -- Representative Kim had absolutely no warning the SAV would be changed to increase the number of alleged violations. We firmly believe this was a punitive action to punish Representative Kim for not seeking to avoid an adjudicatory hearing on fewer charges. How else can the Subcommittee justify adding charges? A detailed explanation is required.

In this specific regard, the 1997 Ethics Task Force Report at page 39, footnote 24 states,

"However, an amendment to a SAV, either prior to or after its adoption, which either adds counts(s) or materially changes existing count(s), should require an additional 10-day review period and the immediate presentation to the respondent of whatever new evidence the subcommittee intends to introduce to prove the amended count(s).

This explicit and unambiguous language was consciously ignored by the subcommittee in issuing the final SAV. One need only compare the relevant texts of the original and modified Counts to readily ascertain that additional charges were made and the concomitant denial of any knowledge or opportunity to focus on such issues in any conversations with the Subcommittee.

The language in the Subcommittee's August 7, 1998, letter transmitting the SAV (at page two) describes the modifications in such a way as not necessitating an additional 10-day review period. Such an approach is patently self-serving and gratuitous and avoids any reasonable analysis of the fact that charges have been added, none of which were ever discussed (or even could have been discussed) during a "settlement" meeting. The Subcommittee rejected without discussion any attempts to settle the matter by giving absolutely no consideration to our offer to seek

---

<sup>7</sup>(...continued)

presented under Rule 27(c). Despite assertions to the contrary, the Congressman will still have to present evidence refuting or explaining each of such additional charges -- a burden unknown when the original SAV draft was presented.

meaningful middle ground -- or even by making a counter offer. It is, therefore, not surprising that the Subcommittee has sought to preempt our clearly anticipated disagreement with the view that no material changes exist between draft and final SAV. The Subcommittee's mere acknowledgement of SAV differences on its face gives rise to different perspectives as to what is material and buttresses the validity of our concerns.

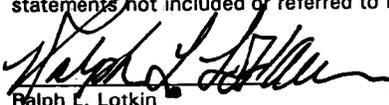
Accordingly, the Subcommittee's August 7, 1998 letter notwithstanding, we move for the dismissal in their entirety of all differences in text and content which exist between the draft and the final SAV.

#### CONCLUSION

In light of how our Motion for a Bill of Particulars initially was apparently unilaterally disposed of by the Subcommittee Chairman, without a quorum of the Subcommittee, it is our hope and expectation that all Members of the Investigative Subcommittee will be given a procedurally proper opportunity to interact -- and act -- on this Motion to Dismiss.<sup>8</sup>

We reiterate that a simple or cursory denial of this Motion to Dismiss without proof or explanation that timely, appropriate, and documented steps were taken to act within the Rules can only be viewed as evidence of a conscious attempt to deny Representative Kim, and the House of Representatives, the information it needs to be assured that the Committee has not either ignored or misapplied its own Rules of Procedure.

We look forward to an appropriately detailed response to our Motion to Dismiss and expect that this filing, as with other correspondence, will be made a part of the full public record of the Subcommittee's actions. Should you choose not to include certain portions of our pleadings, Attachments, and other filings, we reserve the right to ensure full public awareness of the objections and other concerns which have been raised to date while maintaining compliance with our duties under Rule 27(f) as to any "documents, information, or other materials" obtained through receipt of the SAV. Such restriction would, of course, not apply to materials not obtained under Rule 27(c) or (e), such as any Subcommittee Ruling, exculpatory information or witness statements not included or referred to in the SAV.

  
Ralph L. Lotkin  
Counsel for Representative Jay C. Kim

<sup>8</sup> We were both pleased and gratified that our objections as to the earlier improper procedure on the Motion for a Bill of Particulars were accepted. See Attachments 10 and 11, our August 27, 1998, letter and the Subcommittee's September 2, 1998 response. We reserve judgment on whether the Subcommittee Chairman's decision to shorten the time in which to submit this Motion (see September 2, 1998, letter regarding Rule 23(e)(2)) constitutes the penalty for having prevailed on our objections.

EXH. 170

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOE HESLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KWOLLENBERG, MICHIGAN  
THEODORE J. VAN DER NEEUW,  
CHIEF COUNSEL/STAFF DIRECTOR  
BAM L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN OLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHUCK FATTAL, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 225-7103

**U.S. House of Representatives**

COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

September 10, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: Representative Jay Kim

Dear Mr. Lotkin:

This letter is in response to Representative Kim's Motion to Dismiss and related Memorandum of Points and Authorities filed on September 9, 1998. The Subcommittee has thoroughly considered Representative Kim's Motion and supporting Memorandum, and has determined that each of the counts comprising the SAV states facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct and that the Committee has jurisdiction to consider the allegations contained in each count of the SAV. Consequently, the Motion to Dismiss is denied. A letter providing further explanation with be provided shortly.

Pursuant to Committee Rule 23(c)(1), Representative Kim's answer is due by September 25, 1998, should he choose to file an answer.

Sincerely,

  
Lamar Smith  
Chairman  
Investigative Subcommittee

  
Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

**EXH. 171**

**UNITED STATES HOUSE OF REPRESENTATIVES  
Committee on Standards of Official Conduct**

In The Matter of :  
: :  
JAY C. KIM :

**ANSWER TO THE STATEMENT  
OF ALLEGED VIOLATION**

RECEIVED  
98 SEP 25 PM 3:24  
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Representative Jay Kim, pursuant to Rule 23 of this Committee's Rules of Procedure answers the August 7, 1998, Statement of Alleged Violation against him as follows:

**FIRST DEFENSE**

The Investigative Subcommittee established to conduct the inquiry into the conduct of Representative Kim has repeatedly violated the spirit and the letter of the Committee's Rules of Procedure during this investigation, in contravention of Clause 2 of House Rule XLIII, the Code of Official Conduct. Such violations have resulted, for example, in the Subcommittee having to take action to suppress improperly obtained testimony; to allow certain witnesses to withdraw information that was provided in violation of the Rules of the House of Representatives and the Committee's Rules of Procedure; and to permit the Chairman and Ranking Minority Member of the full Committee to continue fact-gathering after the creation of the Investigative Subcommittee in direct violation of Rule 17(d).

**SECOND DEFENSE**

Representative Kim re-alleges and incorporates by reference all defenses and objections previously raised in his Motion to Dismiss which was submitted on September 9, 1998. In denying such Motion to Dismiss, the Investigative Subcommittee improperly exercised authority to interpret and apply certain Rules of the Committee on Standards of Official Conduct, actions beyond the scope of its authority pursuant to Committee Rules 2(d) and 20. Such improper interpretations included, for example, interpreting the limitations of Committee Rule 17(d) to allow the Chairman and Ranking Minority Member of the full Committee to continue fact-gathering after the establishment of an Investigative Subcommittee and interpreting the application of Rules 17(b) and (c) concerning when an Investigative Subcommittee must be created. Such matters should have been referred to the full Committee on Standards of Official Conduct for guidance. In all such instances, the Investigative Subcommittee exceeded its authority and, not surprisingly, rendered self-serving interpretations of the Rules.

**THIRD DEFENSE**

The summary denial of the Respondent's August 24, 1998, Motion for a Bill of Particulars, without meaningful response to any factual inquiry necessary for Representative Kim to advance or explain his conduct has effectively denied Representative Kim the critical information necessary to advancing either a defense or making an admission based upon all known and available information in the possession of the Investigative Subcommittee. Such

abdication of responsibility is a violation of House Rule 43, clause 2 and the reasonable expectation of what an Investigative Subcommittee "reply" means as that term is used in Committee Rule 23(b) and (c). Moreover, on the rare occasion when a substantive "reply" has been provided it has been long after the denial (e.g., of a Motion) or weeks after an evidentiary objection was raised.

**FOURTH DEFENSE**

Compelling Representative Kim to file an Answer at this time is in direct violation of Committee Rule 20(e). In point of fact, the Investigative Subcommittee continues to investigate matters relevant to Representative Kim based upon exculpatory information provided to the Investigative Subcommittee on September 18, 1998. Consequently, Representative Kim has been required to file an Answer prior to the completion of the Investigative Subcommittee's inquiry. In this connection, Representative Kim incorporates by reference, in its entirety, the September 25, 1998, letter from the Congressman's counsel to the Investigative Subcommittee transmitting this Answer.

**FIFTH DEFENSE**

Notwithstanding the "explanation" provided by the Investigative Subcommittee, almost one week after its summary denial of Representative Kim's Motion to Dismiss, there has been no documentation provided setting forth and explaining how the Chairman and Ranking Minority Member of the full Committee acted within the strict time constraints imposed by Committee Rule 17.

Specifically, the Investigative Subcommittee's September 16, 1998, explanation effectively acknowledges a violation of Rule 17 wherein it stated that the Committee received information from the Department of Justice regarding Representative Kim in late October 1997 and the Parliamentarian provided his guidance to the Committee in early December 1997. The Subcommittee's explanation completely ignores the month of November 1997 and the time constraints imposed by Rule 17(b). Nowhere in the Committee's Rules of Procedure is there implied or stated a tolling of the Rule 17(b) time limits or deliberative process occasioned by the Chairman and/or Ranking Minority Member seeking guidance from the House Parliamentarian.

Under the Subcommittee's construct, therefore, Rule 17(b) is meaningless since the House Parliamentarian could take any amount of time to provide guidance to the Committee and, nowhere in the Committee's Rules of Procedure is it stated or implied that the House Parliamentarian has any role in the operation or deliberative process assigned to the Committee. Assuming, arguendo, the accuracy of the Investigative Subcommittee's explanation as to timeframe, one can only conclude that the decision required under Rule 17(b) had to have been made within 14 calendar days or 5 legislative days after the "late October 1997" receipt of information from the Department of Justice. The Investigative Subcommittee admits that this did not occur. It therefore follows that the Investigative Subcommittee was not established in accordance with Rule 17, rendering its actions a nullity.

**SPECIFIC ANSWERS AND DENIALS****COUNT I: VIOLATION OF HOUSE RULE 43, CLAUSE 1 (CONTRIBUTING AND CAUSING IN-KIND CONTRIBUTIONS FROM A CORPORATION)**

A. Based upon footnote 9 of the Investigative Subcommittee's September 16, 1998, "explanation" of its denial of the Motion to Dismiss, Representative Kim **admits** having caused to be contributed improper in-kind corporate contributions to the Jay Kim for Congress Committee in violation of 2 U.S.C. §§ 441b and 437g. Such admission is consistent with the Congressman's August 11, 1997, plea agreement.

B. Representative Kim **denies** that the statutory violations occasioned by the improper conduct referenced in item I-A, above, constitute a violation of House Rule 43, clause 1. Such statutory violations are in no way related to the "performance of his duties or the discharge of his responsibilities" as a Member of Congress. Representative Kim disagrees that House Rule 43, clause 1, is a free-standing and unlimited grant of authority to the Committee on Standards of Official Conduct to punish Members for actions not specifically identified or prohibited in House Rules. The Investigative Subcommittee has no authority to interpret Rule 43, clause 1 -- an action only the full Committee can undertake. See, Second Defense, supra.

C. Representative Kim **denies** that, standing alone, his August 11, 1997, guilty plea to the matter addressed in item I-A, above, constituted a separate violation of House Rule 43, clause 1. Such charge is duplicitous and does not reflect independent improper

conduct of Representative Kim but, instead, is simply a restatement of item I-B, above.

**COUNT II: VIOLATIONS OF HOUSE RULE 43, CLAUSE 1; HOUSE RULE 44, CLAUSE 2; AND ETHICS IN GOVERNMENT ACT OF 1978 (ACCEPTANCE AND RECEIPT OF A CONTRIBUTION FROM A FOREIGN NATIONAL; FALSE STATEMENTS ON FINANCIAL DISCLOSURE STATEMENTS; AND FALSE STATEMENTS TO INVESTIGATIVE SUBCOMMITTEE)**

A. Consistent with his August 11, 1997, plea agreement, Representative Kim admits acceptance and receipt of a contribution from a foreign national in violation of 2 U.S.C. §§ 441e and 437g.

B. Representative Kim denies that the statutory violations occasioned by the improper conduct referenced in item II-A, above, constitute a violation of House Rule 43, clause 1. Such statutory violations are in no way related to the "performance of his duties or the discharge of his responsibilities" as a Member of Congress. Representative Kim disagrees that House Rule 43, clause 1, is a free-standing and unlimited grant of authority to the Committee on Standards of Official Conduct to punish Members for actions not specifically identified or prohibited in House Rules. The Investigative Subcommittee has no authority to interpret Rule 43, clause 1 -- an action only the full Committee can undertake. See, Second Defense, supra.

C. Representative Kim denies that, standing alone, his August 11, 1997, guilty plea to the matter addressed in item II-A, above, constituted a separate violation of House Rule 43, clause 1. Such charge is duplicitous and does not reflect independent improper conduct of Representative Kim but, instead, is simply a restatement of item II-B, above.

D. Representative Kim denies that he knowingly and willfully either reported or did not report accurately the personal liability incurred as a result of the transaction described in item II-A, above, on his relevant Financial Disclosure Statements. The Investigative Subcommittee has in its possession correspondence from an attorney, copy attached, supporting Representative Kim's understanding of the transaction; i.e., that he borrowed money from Jerry Yeh. The implication of this charge is that the attorney knowingly and willfully lied and/or mislead Representative Kim.

E. Representative Kim denies that he knowingly made a false statement to the Investigative Subcommittee regarding the identities of Jerry Yeh and Song Nien Yeh. Accordingly, Representative Kim denies that he violated House Rule 43, clause 1, as charged in connection with this allegation.

**COUNT III: VIOLATIONS OF HOUSE RULE 43, CLAUSE 1 (ACCEPTANCE AND RECEIPT OF AN EXCESSIVE CORPORATE CONTRIBUTION FROM NIKKO ENTERPRISES INC., AND FALSE STATEMENTS TO THE INVESTIGATIVE SUBCOMMITTEE)**

A. Consistent with his August 11, 1997, plea agreement, Representative Kim admits acceptance and receipt of an excessive corporate contribution in violation of 2 U.S.C. §§ 441b and 437g.

B. Representative Kim denies that the statutory violations occasioned by the improper conduct referenced in item III-A, above, constitute a violation of House Rule 43, clause 1. Such statutory violations are in no way related to the "performance of his duties or the discharge of his responsibilities" as a Member of Congress. Representative Kim disagrees that House Rule 43, clause 1, is a free-standing and unlimited grant of authority to the Committee on

Standards of Official Conduct to punish Members for actions not specifically identified or prohibited in House Rules. The Investigative Subcommittee has no authority to interpret Rule 43, clause 1 -- an action only the full Committee can undertake. See, Second Defense, supra.

C. Representative Kim **denies** that, standing alone, his August 11, 1997, guilty plea to the matter addressed in item III-A, above, constituted a separate violation of House Rule 43, clause 1. Such charge is duplicitous and does not reflect independent improper conduct of Representative Kim but, instead, is simply a restatement of item III-B, above.

D. Representative Kim **denies** that he made a false statement to the Investigative Subcommittee regarding the transaction described in item III-A, above, in light of his understanding that the transaction created a personal obligation between Representative Kim and Mr. David Chang. Accordingly, Representative Kim **denies** that he violated House Rule 43, clause 1, as charged in connection with this allegation.

**COUNT IV: VIOLATIONS OF HOUSE RULE 44, CLAUSE 2 (FALSE STATEMENTS ON FINANCIAL DISCLOSURE STATEMENTS RELATED TO THE CONTRIBUTION BY NIKKO ENTERPRISES, INC.)**

A. Representative Kim **denies** that he knowingly and willfully made false statements on his Financial Disclosure Statements with regard to the transaction addressed in Count III, above. This assertion is supported by the formal advice of the Committee on Standards of Official Conduct in its advisory opinion dated June 29, 1998, copy attached. Such opinion is relevant both to this Count as well as

Count II-D, above. The Investigative Subcommittee has in its possession documentation, attached, consistent with Representative Kim's understanding of the transaction.

**COUNT V: VIOLATIONS OF THEN-HOUSE RULE 43, CLAUSE 4; HOUSE RULE 43, CLAUSE 1; ETHICS IN GOVERNMENT ACT OF 1978; AND HOUSE RULE 44, CLAUSE 2 (IMPROPER GIFTS FROM HANBO STEEL AND GENERAL CONSTRUCTION; FAILURE TO DISCLOSE GIFTS ON FINANCIAL DISCLOSURE STATEMENT; ATTEMPT TO INFLUENCE STATEMENTS TO INVESTIGATORS; AND FALSE STATEMENTS TO INVESTIGATIVE SUBCOMMITTEE)**

A. Based upon exculpatory information provided to the Investigative Subcommittee, copies attached, and the fact that the Investigative Subcommittee has reopened and begun reinvestigation this matter, Representative Kim denies this allegation in the absence of conclusive information establishing the time, date, and value of any alleged benefits received directly or indirectly from Hanbo Steel. The Congressman denies having violated House Rule 43, clause 1, in the absence of such additional information and in light of the on-going investigation.

B. Based upon the situation described in item A, above, including exculpatory information provided to the Investigative Subcommittee, Representative Kim denies that he knowingly and willfully failed to disclose gifts of travel expenses and golf equipment on his Financial Disclosure Statement for calendar year 1994.

C. Based upon exculpatory information provided to the Investigative Subcommittee which refutes the accuracy of Mr. Dobum Kim's testimony, Representative Kim denies that he received a \$30,000 gift from Mr. Kim in January of 1994 -- a matter, which

also is currently being reinvestigated by the Investigative Subcommittee.

D. Based upon the response to item V-C, above, Representative Kim **denies** a violation of House Rule 43, clause 1.

E. Based upon the responses in items V-C and D, above, Representative Kim **denies** the allegation of an improper Financial Disclosure Statement for calendar year 1994 regarding the \$30,000 "gift" from Dobum Kim.

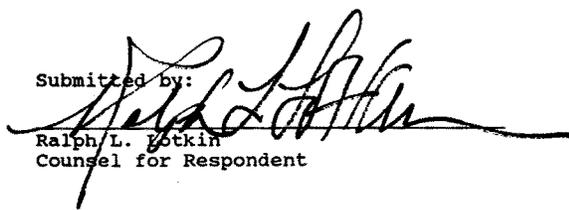
F. Representative Kim **denies** the allegation that he attempted to induce Dobum Kim to give false information to federal investigative authorities regarding the \$30,000 check alleged to have been given directly to him by Dobum Kim. Accordingly, Representative Kim **denies** that he violated House Rule 43, clause 1, as charged.

G. Representative Kim **denies** having knowingly submitted false answers regarding Dobum Kim in his May 21, 1998, letter to the Investigative Subcommittee. In this regard, Representative Kim also **denies** a violation of House Rule 43, clause 1, as charged.

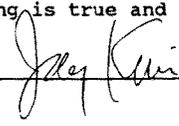
**COUNT VI: VIOLATIONS OF HOUSE RULE 51 AND HOUSE RULE 43, CLAUSE 1  
(RECEIPT OF IMPROPER GIFTS TO PAY PARTIAL REIMBURSEMENT  
TO HOUSE OF REPRESENTATIVES FOR EXCESS OUTSIDE EARNED  
INCOME FROM BOOK)**

A. Based upon exculpatory information provided to the Investigative Subcommittee, copy attached, Representative Kim **denies** receipt of an improper gift of \$30,000 from Heon Kim through Ms. Jennifer Ahn. Consequently, Representative Kim **denies** that he violated House Rule 43, clause 1, as charged in this Count.

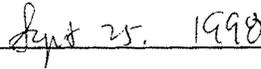
Submitted by:

  
Ralph L. Potkin  
Counsel for Respondent

I swear pursuant to penalty of perjury  
that the foregoing is true and correct.

  
\_\_\_\_\_  
JAY C. KIM  
Respondent

Date

  
\_\_\_\_\_  
Sept 25, 1998

Attachments

JAMES V. HANSEN, UTAH  
CHAIRMAN  
LAMAR SMITH, TEXAS  
JOEL HEFLEY, COLORADO  
BOB GOODLATTE, VIRGINIA  
JOE KNOLLENBERG, MICHIGAN  
THEODORE J. VAN DER MEID,  
CHIEF COUNSEL/STAFF DIRECTOR  
BARI L. SCHWARTZ  
COUNSEL TO THE RANKING  
MINORITY MEMBER

**EXH. 172**

ONE HUNDRED FIFTH CONGRESS

**U.S. House of Representatives**COMMITTEE ON STANDARDS OF  
OFFICIAL CONDUCT

Washington, DC 20515-6328

HOWARD L. BERMAN, CALIFORNIA  
RANKING MINORITY MEMBER  
MARTIN CLAV SABO, MINNESOTA  
ED PASTOR, ARIZONA  
CHAKA FATTAH, PENNSYLVANIA  
ZOE LOFGREN, CALIFORNIA  
SUITE HT-2, THE CAPITOL  
(202) 226-7103

September 29, 1998

**BY FACSIMILE & U.S. MAIL**

Ralph L. Lotkin  
Cochran & Lotkin  
Capitol Hill West Building  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002

Re: Representative Jay Kim

Dear Mr. Lotkin:

This letter is in response to Representative Kim's Answer (hereinafter "Answer") to the Statement of Alleged Violation (hereinafter "SAV") filed on September 25, 1998. The Answer raises six defenses to all or parts of the SAV. The Subcommittee's consideration of each defense is discussed below.

1. First Defense

The first defense alleges that the Investigative Subcommittee has repeatedly violated the spirit and the letter of the Committee's Rules of Procedure during this investigation in violation of Clause 2 of House Rule XLIII.<sup>1</sup> Each allegation raised in this defense has been thoroughly investigated by the Subcommittee and previously addressed.<sup>2</sup> This Subcommittee has acted in good faith and fairness in all of its proceedings regarding this matter and will continue to do so.

<sup>1</sup> Rule XLIII, Clause 2 provides, "[a] Member, officer, or employee of the House of Representatives shall adhere to the spirit and the letter of the Rules of the House of Representatives and to the rules of duly constituted committees thereof."

<sup>2</sup> See Letter of Hon. Lamar Smith to Hon. Jay Kim, July 2, 1998, for an overview of the procedural issues and objections raised on Representative Kim's behalf during the course this investigation. See also Letter from Hon. Lamar Smith and Hon. Ed Pastor to Ralph Lotkin, September 16, 1998 (hereinafter "Letter of September 16, 1998"), for an explanation of the last allegation raised by this defense.

## 2. Second Defense

The second defense alleges that the Subcommittee improperly denied Representative Kim's Motion to Dismiss, which was filed on September 9, 1998. Each allegation raised in this defense has been previously addressed by the Subcommittee.<sup>3</sup>

## 3. Third Defense

The third defense alleges that Representative Kim's Motion for a Bill of Particulars, filed on August 24, 1998, was denied by the Subcommittee without a "meaningful response." Each allegation raised in this defense has been previously addressed by the Subcommittee.<sup>4</sup>

## 4. Fourth Defense

The fourth defense alleges that compelling Representative Kim to file an Answer violated Committee Rule 20(e). Rule 20(e) provides that "[u]pon completion of the inquiry" an investigative subcommittee may adopt an SAV. In this defense, you assert that the inquiry is not complete because the Subcommittee "continues to investigate matters relevant to Representative Kim based upon exculpatory information provided to the Investigative Subcommittee on September 18, 1998."<sup>5</sup>

Your assertion is incorrect. Investigative action caused by a Respondents belated provision of possible exculpatory information after adoption of an SAV does not violate Rule 20(e).

On September 18, 1998, you provided information to counsel for the Subcommittee regarding Counts V and VI of the SAV. We directed counsel for the Subcommittee to investigate the information you provided. However, investigation of material provided after the Subcommittee's decision to adopt the SAV does not mean an "inquiry" as contemplated by Rule 20(e) has started again.<sup>6</sup> As with any evidence provided to the Subcommittee, the material provided on September 18, 1998, will be given the consideration it merits.<sup>7</sup>

<sup>3</sup> See Letter from Hon. Lamar Smith and Ed Pastor to Ralph Lotkin, September 10, 1998, and Letter of September 16, 1998.

<sup>4</sup> See Letter from Hon. Lamar Smith to Ralph Lotkin, August 25, 1998, and Letter from Hon. Lamar Smith and Hon. Ed Pastor to Ralph Lotkin, September 2, 1998.

<sup>5</sup> Answer, page 3.

<sup>6</sup> You indicate knowledge of some of the material provided to the Subcommittee on September 18, 1998, as early as prior to July 28, 1998 (Answer, pages 2-4). We note, without further comment, that submission of this material to the Subcommittee prior to September 18, 1998, would have aided in a more timely assessment of its probative value.

<sup>7</sup> As you acknowledge on page 4 of your letter of September 25, 1998 (which is incorporated by reference into the Answer), counsel for the Subcommittee have acted appropriately and diligently and have brought these matters to the Subcommittee's attention. As you also know, pursuant to Rule 20(g) (see below), the Answer and the incorporated letter (which described the evidence provided to the Subcommittee on September 18, 1998) will be

5. Fifth Defense

The fifth defense alleges that the Investigative Subcommittee was not established in accordance with Committee Rule 17.<sup>8</sup> Each allegation raised in this defense has been previously addressed by the Subcommittee.<sup>9</sup>

Finally, you ask to be informed as to the procedural status of the SAV. Based upon the filing of the Answer, Committee Rule 20(g) is the appropriate rule. Committee Rule 20(g) provides in pertinent part that, “[a]s soon as practicable after an answer has been filed ...the Statement of Alleged Violation and any answer, motion, reply, or other pleading connected therewith shall be transmitted by the Chairman of the investigative subcommittee to the Chairman and Ranking Minority Member of the Committee.”

Sincerely,



Lamar Smith  
Chairman  
Investigative Subcommittee



Ed Pastor  
Ranking Democratic Member  
Investigative Subcommittee

---

forwarded to the Chairman and Ranking Minority Member of the full Committee if the SAV is transmitted to the full Committee.

<sup>8</sup> Rule 17 describes the duties of the Committee Chairman and Ranking Minority Member.

<sup>9</sup> See Letter of September 16, 1998.