

**VOLUME II  
ARKANSAS INVESTIGATION**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>Part A</b>	
<b>The Clintons, the McDougals, and the Whitewater Development Company</b>	
I. INTRODUCTION .....	1
II. FINDINGS .....	2
III. FACTUAL SUMMARY .....	5
A. The Clintons' Involvement with Whitewater Began in 1978, When the Partnership First Purchased 230.24 Acres, and Ended in 1992, When the Clintons Were Bought Out by Jim McDougal .....	6
1. The Clintons' Participation in Whitewater Grew Out of Personal, Political, and Professional Ties Between Bill Clinton and Jim McDougal .....	6
a. President Clinton Met Jim McDougal in 1968 .....	6
b. Bill Clinton and Jim McDougal Began Their Financial Relationship in 1977 .....	7
2. The Clintons and the McDougals Formed the Whitewater Partnership in 1978 .....	9
3. The Whitewater Development Company Was Incorporated to Develop the Marion County Land in 1979 .....	11
4. Whitewater's Lot Sales Were Sluggish .....	12
a. Chris Wade of Ozarks Realty Conducted Much of the Marketing and Sales .....	12
b. Jim McDougal Exchanged the Remaining Whitewater Lots with Chris Wade for a Piper Seminole Airplane in 1985 .....	14

5.	The Clintons Ended Their Relationship with Whitewater in December 1992 by Selling Their Remaining Whitewater Shares to Jim McDougal.....	15
B.	While the Clintons Were Owners of Whitewater, Ten Loans, Many Interrelated, Were Taken Out in the Name of, or which Conferred a Benefit on, the Whitewater Partnership and/or Corporation.....	17
1.	The Clintons and the McDougals Took Out Two Loans from Two Arkansas Banks in 1978 to Purchase the Land.....	18
a.	The \$20,000 Loan from Union National Bank in Little Rock for the Down Payment.....	19
b.	The Clintons and the McDougals Took Out a \$182,611.20 Loan from Citizens Bank & Trust in Flippin to Finance the Remaining Purchase Price .....	21
i.	Citizens Bank & Trust Loan No. 5885 .....	21
ii.	Citizens Bank & Trust Loan No. 10295 .....	26
2.	Hillary Rodham Took Out a \$30,000 Loan from the Bank of Kingston/Madison Bank & Trust in 1980 to Build a Model Home on Whitewater Lot 13 .....	27
a.	Bank of Kingston/Madison Bank & Trust Loan No. 23039.....	27
b.	Security Bank of Paragould Loan No. 957-585.....	30
3.	Jim McDougal Obtained a \$30,000 Loan in Whitewater's Name from Madison Bank in 1981 That He Repaid through a Series of Fraudulent Transactions.....	33
a.	Madison Bank & Trust Loan No. 23337-01 .....	36
b.	Madison Guaranty Loan in Bill Clinton's Name .....	37
i.	Microfilm .....	38
ii.	Original Check .....	39
c.	The Madison Guaranty Loan to "Bill Clinton" Was Repaid by a Nominee Loan to Chris Wade and a Payment from the James B. McDougal Trustee Account.....	40

i.	Wade Nominee Loan .....	41
ii.	"Payoff Clinton" Microfilm .....	42
4.	A \$300,000 Loan from CMS to Susan McDougal and Master Marketing Was Used to Benefit the Whitewater Corporation .....	44
a.	The Lorange Heights Purchase .....	45
b.	Jim and Susan McDougal Executed a Note and Mortgage for Whitewater Development to Cover the Remainder of the Lorange Heights Purchase .....	47
i.	Jim McDougal and David Hale Alleged That Bill Clinton Knew about the CMS Loan and the Lorange Heights Purchase.....	48
ii.	President and Mrs. Clinton Denied Hale's and McDougal's Allegations Concerning the CMS Loan.....	53
c.	The CMS Loan's Effect on the Madison Guaranty Loan to "Bill Clinton" .....	56
5.	Susan McDougal Refused to Answer All Questions about President Clinton's Involvement in and/or Knowledge of the Madison Guaranty Loan, the Lorange Heights Purchase, or the CMS Master Marketing Loan.....	58
C.	The Clintons and the McDougals Had Varied Roles Managing and Funding Whitewater.....	63
1.	The Clintons and the McDougals Assumed Different Responsibilities During the Whitewater Venture .....	63
a.	The McDougals Exercised De Facto Control over Whitewater from Approximately 1978 until 1986.....	63
b.	Hillary Clinton Took a More Active Role in Whitewater in 1986.....	65
i.	Problems at Madison Guaranty.....	65
ii.	Jim McDougal Became Too Ill to Manage Whitewater .....	67
iii.	Mrs. Clinton's Whitewater Management .....	68

2.	The Final 1994 Lyons Report, the RTC, and the Independent Counsel Agreed on the Clintons' and McDougals' Fundings of Whitewater .....	72
a.	The Final 1994 Lyons Report Determined That the Clintons Contributed Approximately \$46,635.75 and the McDougals \$92,200.00 to Whitewater .....	74
b.	The RTC Found the Clintons Contributed \$42,192 to Whitewater.....	76
c.	The Independent Counsel Found That the Clintons Loaned or Advanced Approximately \$36,862.33 and the McDougals \$80,077.03 to Whitewater .....	77
i.	The Independent Counsel Reconstructed the Available Books and Records.....	78
ii.	The Independent Counsel Determined That the Lyons Reports Overstated the Clintons' and McDougals' Contributions to Whitewater.....	79
D.	The Clintons' Personal Tax Returns and the Whitewater Corporate Tax Returns Required Corrective Adjustments .....	79
1.	Improper Deductions and Unreported and Underreported Income Relating to Whitewater on the Clintons' Personal Tax Returns Totaled \$26,348.....	79
2.	Whitewater Development Company's Corporate Tax Returns Corrections Reduced Reported Losses from (\$115,588.60) to (\$80,290.09).....	84
3.	Tax Treatment of Additional Income or Loss Arising from Outstanding Loans the Clintons Made to Whitewater.....	87
E.	Crimes Jim McDougal and Chris Wade Committed Concerning Whitewater Development .....	87
1.	Jim McDougal Committed Numerous Financial Crimes to Meet His Financial Obligations .....	87
a.	McDougal's Financial Crimes with Madison Guaranty and Other McDougal-Controlled Entities, Including Whitewater Development, Were First Detailed in RTC Criminal Referral No. C-0004.....	88

b.	Jim McDougal Unlawfully Moved Funds through Various Accounts, Including Whitewater's while Operating Madison Guaranty.....	89
c.	Nominee Loans.....	91
2.	Chris Wade Committed Criminal Acts Selling Whitewater Estates Lot 7.....	91
IV.	ANALYSIS.....	93
A.	Governor Clinton's Knowledge and Approval of CMS's \$300,000 Loan to Mrs. McDougal.....	94
B.	President Clinton's Knowledge of the \$27,600 Loan, Taken Out in His Name at Madison Guaranty, and Whitewater's Acquisition of Lorraine Heights.....	95
C.	Jim McDougal's Financial Transactions.....	96
V.	SUMMARY CONCLUSION.....	97

**Part B**  
**The Relationship of Madison Guaranty, CMS,**  
**Jim McDougal, the Rose Law Firm, Hillary**  
**Rodham Clinton and William Clinton**

**Chapter 1**  
**The Final Fifteen Months of Jim McDougal's Involvement**  
**at Madison Guaranty (1985 to Summer 1986)**

I.	INTRODUCTION.....	98
II.	FINDINGS AND ANALYSIS.....	100
A.	Madison Bank and Trust Bill.....	103
B.	Castle Grande.....	104
III.	FACTUAL SUMMARY.....	106
A.	The Rose Law Firm's Representation of a McDougal-Controlled Financial Institution before 1985.....	107
1.	Rose Represented the McDougals' Bank of Kingston (Madison Bank & Trust) in a Regulatory Matter and Litigation.....	108

2.	Madison Guaranty Was Principally Represented by the Mitchell Williams Firm.....	114
B.	Madison Guaranty Initially Retained Rose on Two Issues before State Regulators .....	115
1.	Arkansas Securities Department.....	116
2.	Madison Guaranty's Net Worth Problems .....	118
3.	Preferred Stock Idea: After Madison Guaranty Employees Worked on the Proposal, Regulators Denied the Application.....	120
4.	Limited Partnership/Broker-Dealer Matter.....	122
5.	Madison Guaranty Retained Rose in April 1985 .....	123
6.	Rose Worked on the Preferred Stock Matter .....	126
7.	Rose Worked on the Limited Partnership/Broker-Dealer Matter .....	133
C.	Castle Grande Transactions (Fall 1985 through Spring 1986) .....	137
1.	The Relationship of Rose Partner Webb Hubbell and Madison Financial Employee Seth Ward .....	137
2.	Acquisition of the IDC Property (August through October 1985) .....	140
a.	Madison Guaranty Hired Harry Don Denton and Seth Ward.....	140
b.	Ward Began Work on the IDC Purchase .....	141
c.	Negotiations between McDougal and Ward: Ward Agreed to Take Title to Part of the IDC Property.....	143
i.	Ward and McDougal Agreed That Ward Would "Purchase" Part of the IDC Property with No Risk to Himself.....	143
ii.	The Incomplete September 3, 1985 Memorandum .....	146
iii.	The Unexecuted September 23, 1985 Letter.....	147

iv.	The Original September 24, 1985 Agreement.....	148
d.	Rose's Work and Negotiations between Madison Financial and IDC .....	151
i.	Webster Hubbell Opened a New Matter at Rose.....	151
ii.	Rose Law Firm Attorneys Began Work on the IDC Matter .....	154
iii.	Sale of the IDC Property to Madison Financial and Ward Closed.....	156
3.	October 1985 - February 1986: The IDC Property is Developed and Sold to Insiders .....	157
a.	Development of the Property -- Initial Sales to Insiders .....	157
i.	Jim Guy Tucker.....	159
ii.	Davis Fitzhugh .....	160
iii.	Larry Kuca .....	161
b.	Madison Financial and Ward Developed Property South of 145th Street, and Hillary Rodham Clinton and Rose Provided Legal Work .....	161
i.	An Overview of Hillary Rodham Clinton's Billings for November 1985 through January 1986 .....	161
ii.	The Brewery Proposal and the "Wet/Dry Issue".....	164
iii.	Mrs. Clinton's December 1985 Activities.....	168
iv.	Rose Began Legal Research.....	170
v.	Mrs. Clinton and Rose Worked on the Utilities Issues.....	173
c.	Madison Financial Prepared to Sell the Utilities to Castle Sewer and Water .....	176

d.	Madison Guaranty Received Formal Notice of the FHLBB Examination .....	178
e.	Friday, February 28, 1986.....	179
i.	Sale of Property North of 145th Street to Senator Fulbright .....	181
ii.	The Sale of the Utility to Castle Sewer & Water.....	182
iii.	Madison Guaranty \$825,000 Loan to Dean Paul, Ltd.....	183
iv.	Mrs. Clinton's Activities .....	186
D.	March 1986 Federal Examination and Attempted Cover-Ups; The McDouglals Were Removed by Federal Regulators.....	188
1.	Examiners Looked at Castle Grande and Other Land Deals .....	188
a.	Ward Demanded His "Commissions"; Cross Loans Were Executed to Conceal them from Examiners.....	188
b.	On April 7, 1986, the Original Cross Notes Were Replaced; Denton's April 7, 1986 Telephone Conference with Mrs. Clinton.....	193
c.	Examiners Learned about Ward's Compensation for His Role in the IDC Transaction; an Option Agreement Was Used to Conceal the True Nature of the Transactions .....	200
i.	Clark Questioned Denton, and Denton's False Explanation Created the Need for the Option Agreement to be Quickly Created .....	200
ii.	Hubbell Drafted the April 30, 1986 Employment Agreement for Ward.....	202
iii.	May 1, 1986: Mrs. Clinton Billed Madison Guaranty for Preparing the Option Agreement.....	203
iv.	Mrs. Clinton Drafted the Option Agreement .....	207
v.	The Option Concealed the True Nature of the Transactions from Examiners .....	209



2.	The Evidence of Wrongdoing Uncovered by the Examiners Ultimately Led to an Order Requiring McDougal and Others to Resign; Mrs. Clinton Returned the Madison Guaranty Retainer .....	211
a.	Examiners Submitted Interim Reports That Criticized Madison Guaranty .....	211
b.	Non-Recourse Agreements Were Executed as "A Way of Protecting Seth's Interest"; Madison Guaranty Lent Seth Ward an Additional \$93,000 .....	212
c.	Parties Executed a June 24, 1986 Addendum to the September Agreement, which Materially Changed Ward's Compensation .....	217
3.	The FHLBB Examination Culminated with a July 11, 1986 Meeting where Federal Regulators Demanded That the McDougals and Others Be Removed from Control of Madison Guaranty.....	218
a.	Madison Guaranty Was Notified of the July Meeting with FHLBB .....	219
b.	Bassett Gave the Governor's Office a "Heads Up" about Madison Guaranty's Problems and the July 11 Meeting with the FHLBB .....	220
c.	On July 10, a Memorandum Was Circulated at Rose Discouraging New or Expanded Representation of Thrifts.....	223
d.	Madison Guaranty's July 11, 1986 Meeting with the FHLBB.....	225
4.	The Events of Monday, July 14, 1986 .....	226
a.	Betsey Wright Sent Governor Clinton a Memo about the McDougals' Troubles .....	227
b.	The Backdated September 24, 1985 Agreement.....	228
c.	Don Denton's July 14, 1986 Memorandum "RE: Ward, Seth" .....	234
d.	Mrs. Clinton Returned the Madison Guaranty Retainer .....	235

IV.	SUMMARY CONCLUSION .....	244
-----	--------------------------	-----

**Part B**  
**The Interrelationship of Madison Guaranty, CMS,**  
**and the Rose Law Firm**

**Chapter 2**  
**Aftermath of the McDougals' Involvement with Madison**  
**Guaranty -- Federal Investigations and Attempted**  
**Cover-Ups (1986 to 1999)**

I.	INTRODUCTION .....	247
II.	FINDINGS .....	254
III.	FACTUAL SUMMARY .....	258
A.	Discovery of Rose's Conflicts and Hubbell's Statements to FDIC and RTC Investigators .....	258
1.	FDIC Legal Division and the RTC Investigated Rose Conflicts of Interest.....	259
2.	The FDIC and RTC Offices of Inspector General Investigated the Rose Conflicts Issue and Concluded There Were Substantial Conflicts .....	274
a.	February 17, 1995 Submission from Rose to the FDIC and RTC Inspectors General.....	275
b.	Webster Hubbell's Statements to the FDIC-OIG and RTC-OIG .....	275
c.	Federal Investigators Unwittingly Provided Incorrect Information to Congress Because They Were Unaware of the Work Mrs. Clinton Had Done for Madison Guaranty.....	278
d.	Rose's Response to the Investigative Reports.....	284
e.	Fall 1995 Senate Special Whitewater Committee Hearings .....	285
f.	Pillsbury Madison & Sutro Reports.....	287

3.	Billing Records Were Discovered in the White House, and for the First Time, Federal Investigators Learned the Extent of Mrs. Clinton's Work for Madison Guaranty .....	288
4.	The FDIC-OIG and RTC-OIG Reports Led to Criminal Referrals to this Office of Hubbell and Others .....	293
B.	Events Outside of the Rose Firm -- the FBI Investigation of Madison Guaranty and Ward's Lawsuit against Madison Guaranty.....	294
1.	Investigations of Misconduct at Madison Guaranty -- FHLBB, Borod & Huggins, and the FBI .....	295
a.	The FHLBB Issued Madison Guaranty a Cease and Desist Order, and Filed a Critical Report of Examination .....	295
b.	Borod & Huggins Investigated Misconduct at Madison Guaranty and Referred the Matter to the FBI which Opened a Criminal Investigation .....	298
c.	The FBI Investigated Madison Guaranty.....	300
d.	Federal Investigations of Madison Guaranty Led to a Guilty Plea and Trial .....	303
e.	Later Criminal Investigations .....	309
2.	Ward and Madison Guaranty .....	311
a.	Initial Attempts by Madison to Collect from Ward .....	311
b.	Ward Sued Madison.....	313
c.	Ward Attempted to Collect His Judgment .....	315
d.	The FDIC Unsuccessfully Tried to Remove the <u>Ward v. Madison Guaranty</u> Case to Federal Court.....	316
e.	The Statute Creating the Resolution Trust Corporation Altered the Outcome of the Federal <u>Ward v. FDIC</u> Appeal .....	318

C.	Activity at the Rose Law Firm -- The FSLIC/Giroir Conflict, Mrs. Clinton's Madison Billing Records, and the Representation of Madison in the Suit against Frost & Company.....	320
1.	The Rose Law Firm and the FSLIC.....	320
a.	Rose Law Firm Solicited Work on the FirstSouth Matter, but Was disqualified by a Conflict of Interest.....	320
b.	FSLIC's Action against the Rose Firm .....	322
c.	Vince Foster Tried to Get FSLIC to Hire Rose as Fee Counsel.....	326
2.	Mrs. Clinton Ordered the Destruction of Her Madison Guaranty Files in July 1988 .....	328
3.	Madison Guaranty's Suit against Frost & Company.....	330
a.	Madison Guaranty Was Declared Insolvent; and the FDIC Hired the Rose Law Firm to Represent it in the Frost Litigation.....	331
b.	The FDIC Completed a Report on Madison Guaranty and Recommended Suit against Mitchell, Williams, Selig, Jackson & Tucker; Because the Rose Law Firm's Role Was Unknown, it Was Not Named.....	336
c.	Sue Strayhorn and Others Complained about Rose's Conflicts of Interests.....	339
d.	Hubbell Concealed Potential Conflicts of Interest Brought to His Attention from the FDIC and RTC while the <u>Frost</u> Suit Was Pending.....	345
i.	Hubbell's Knowledge of Rose Billing Records .....	345
ii.	Hubbell's Review of the Borod & Huggins Report.....	347
iii.	Hubbell's Knowledge of Rose Associate Pat Heritage's Involvement with Madison .....	340
iv.	Other Conflicts Not Disclosed .....	351

e.	McDougal's Criminal Trial and the <u>Frost</u> Matter.....	356
f.	Beverly Bassett Schaffer Criticized Rose for its Conflict of Interest in <u>Frost</u> .....	357
g.	Patricia Heritage Was Deposed Shortly before <u>Frost</u> Settled .....	359
D.	1992: Governor Clinton's Presidential Campaign .....	364
1.	The Campaign Reacts to Media Scrutiny Over Hillary Rodham Clinton's Representation of Madison Guaranty .....	365
a.	February 11, 1992 .....	365
b.	Gathering Information at the Rose Law Firm.....	366
c.	Early Campaign Investigation -- February 11 to 19 .....	368
d.	Susan Thomases' Efforts -- February 20 to 23 .....	370
e.	Webb Hubbell -- February 24 .....	371
f.	Beverly Bassett Schaffer -- February 25 to 28 .....	375
g.	Other Campaign Activities Prior to Publication .....	377
2.	The Clinton Campaign's Reaction to the <u>New York Times</u> 's Article .....	380
a.	March 7-8.....	380
b.	The "Unpaid Bill" -- March 9 & 10 .....	383
c.	Dealing with Jim McDougal -- March 11 - 16 .....	385
d.	The Brown-Clinton Debate and Mrs. Clinton's Public Statements -- March 15 - 16 .....	389
e.	Subsequent Press Inquiries -- March 22 - 23 .....	390
f.	At the Rose Law Firm - March 23 - 26.....	392
g.	April Breslaw Learned from the Media Coverage That Rose Had Some Involvement with Madison Guaranty before <u>Frost</u> .....	398

E.	Evidence Relating to Mrs. Clinton.....	399
1.	Associate White House Counsel Neil Eggleston Drafted a Memorandum Discussing the FDIC and RTC Investigation of Rose .....	399
2.	Mrs. Clinton's 1994 Statements to the FDIC-OIG and the RTC-OIG .....	401
3.	Mrs. Clinton's 1995 Sworn Statements.....	402
IV.	ANALYSIS.....	405
A.	Webb Hubbell and the Rose Conflicts.....	405
B.	The Prominence of Ongoing Events.....	407
V.	CONCLUSION.....	409

**Part B**  
**The Relationship of Madison Guaranty, CMS,**  
**and the Rose Law Firm**

**Chapter 3**  
**Mrs. Clinton's Madison Guaranty Representation**

I.	INTRODUCTION .....	410
II.	ANALYSIS.....	412
A.	Madison Guaranty Hired Rose.....	412
1.	McDougal's Account of Madison Guaranty's Retention of Rose.....	414
2.	Evidence Reflecting on the Accuracy of McDougal's Version.....	419
a.	Mrs. Clinton's Income.....	419
b.	Others' Statements about McDougal's Account.....	420
3.	Mrs. Clinton's Version .....	427
a.	Mrs. Clinton's Unsworn Statements.....	428
b.	Statements to Federal Investigators .....	431

i.	Mrs. Clinton's April 1995 Deposition.....	431
ii.	May 1995 RTC Interrogatories.....	436
iii.	February 1996 FDIC Interview.....	437
iv.	Mrs. Clinton's 1998 Deposition .....	439
c.	Other Evidence Regarding Mrs. Clinton .....	449
i.	Whether Massey and Latham Arranged to Have Madison Guaranty Hire Rose .....	449
ii.	Whether Rose Partners Objected to Madison Guaranty Becoming a Client.....	456
iii.	Mrs. Clinton's Discussion with McDougal .....	460
iv.	Payment of McDougal's Old Bill.....	461
v.	Mrs. Clinton as Billing Partner .....	463
4.	Analysis of the Rose Retainer.....	465
B.	Mrs. Clinton's Madison Guaranty Work.....	468
1.	Work Related to the IDC and Castle Grande Transactions .....	468
2.	Mrs. Clinton's Work According to the Billing Records.....	469
3.	Mrs. Clinton's Recollection of Madison Guaranty Work .....	472
4.	Denton's Explanation of His April 7, 1986 Phone Conversation with Mrs. Clinton.....	474
a.	The Billing Records and Denton's Testimony .....	474
b.	Mrs. Clinton's Recollection of the Denton Conversation .....	478
c.	Other Evidence of Mrs. Clinton's Degree of Involvement with the IDC Transaction and Ward Loans.....	480

5.	Mrs. Clinton's Statements about the May 1, 1986 Option Agreement.....	481
a.	Background.....	481
b.	Mrs. Clinton's Statements.....	483
6.	Mrs. Clinton's Work for Ward.....	487
7.	Analysis of Mrs. Clinton's Work on Castle Grande/IDC.....	489
III.	SUMMARY CONCLUSION.....	495

APPENDIX 1- WHITEWATER LOT SALES (1980-1991)

APPENDIX 2 - RECONSTRUCTED REPAYMENT SCHEDULES FOR LOANS MADE TO OR WHICH CONFERRED A BENEFIT ON THE WHITEWATER PARTNERSHIP OR CORPORATION

I.	UNION NATIONAL LOAN NO. 4197 MADE TO WILLIAM J. CLINTON AND JAMES B. McDOUGAL (JUNE 19, 1978).....	i
II.	CITIZENS BANK LOAN NO. 5885 MADE TO WILLIAM J. CLINTON, HILLARY RODHAM, JAMES B. McDOUGAL AND SUSAN McDOUGAL (AUGUST 2, 1978).....	i
III.	BANK OF CHERRY VALLEY LOAN NO. 25997 MADE TO JAMES B. McDOUGAL (JUNE 19, 1980) AND SUCCESSOR LOANS.....	viii
A.	Bank of Cherry Valley Loan No. 25997.....	viii
B.	Bank of Cherry Valley Loan No. 26731 (April 13, 1981).....	viii
C.	Bank of Cherry Valley Loan No. 27572 (April 13, 1982).....	viii
D.	Bank of Cherry Valley Loan No. 27851 (December 9, 1982).....	ix
E.	Bank of Cherry Valley Loan No. 28262 (June 9, 1983).....	ix
F.	Bank of Cherry Valley Loan No. 28861 (June 9, 1984).....	x
G.	Bank of Cherry Valley Loan No. 28997 (September 4, 1984).....	x
IV.	BANK OF KINGSTON/MADISON BANK & TRUST LOAN NO. 23039 MADE TO HILLARY RODHAM (DECEMBER 16, 1980).....	x
V.	MADISON BANK AND TRUST LOAN NO. 23337-01 MADE TO WHITEWATER DEVELOPMENT (AUGUST 14, 1981).....	xii



VI.	SECURITY BANK LOAN NO. 957-585 MADE TO BILL CLINTON (SEPTEMBER 30, 1982) AND SUCCESSOR .....	xii
A.	Security Loan No. 957-585 (September 30, 1982).....	xii
B.	Security Bank Loan No. 838-608 (March 26, 1987) .....	xiii
VII.	CITIZENS BANK LOAN #10295 MADE TO WHITEWATER DEVELOPMENT (NOVEMBER 1, 1982).....	xiii
VIII.	MADISON GUARANTY SAVINGS & LOAN CHECK # 924 MADE PAYABLE TO "BILL CLINTON" (NOVEMBER 15, 1982).....	xiv
IX.	CAPITAL MANAGEMENT SERVICES LOAN MADE TO SUSAN McDOUGAL D/B/A MASTER MARKETING (APRIL 3, 1986) .....	xiv
X.	INTERNATIONAL PAPER REAL ESTATE NOTE AND MORTGAGE SIGNED BY JIM McDOUGAL AND SUSAN McDOUGAL ON BEHALF OF WHITEWATER DEVELOPMENT (OCTOBER 10, 1986).....	xiv

APPENDIX 3 - HISTORY OF \$27,600 MADISON GUARANTY LOAN  
ISSUED IN THE NAME OF BILL CLINTON

APPENDIX 4 - TOTAL LOANS, ADVANCES, AND REPAYMENTS MADE  
BY AND TO THE CLINTONS, THE McDOUGALS, AND  
McDOUGAL CONTROLLED ENTITIES TOWARDS THE  
WHITEWATER VENTURE; ERRORS FOUND IN THE LYONS  
REPORT BY THE INDEPENDENT COUNSEL

I.	TOTAL LOANS, ADVANCES, AND REPAYMENTS MADE BY AND TO THE CLINTONS TOWARDS THE WHITEWATER VENTURE .....	i
II.	TOTAL LOANS, ADVANCES, AND REPAYMENTS MADE BY AND TO THE McDOUGALS, THROUGH THEMSELVES AND ENTITIES THEY CONTROLLED, TOWARDS THE WHITEWATER VENTURE.....	ii
III.	LOANS, ADVANCES, AND REPAYMENTS ERRONEOUSLY INCLUDED IN THE LYONS REPORTS .....	vii

APPENDIX 5 - ILLEGAL FINANCIAL TRANSACTIONS UNDERTAKEN BY  
JIM McDOUGAL INVOLVING WHITEWATER

I.	SEPTEMBER 10, 1984 PAYMENT .....	i
II.	OCTOBER 26, 1984 PAYMENT .....	iii
III.	NOVEMBER 7, 1984 PAYMENT.....	iv
IV.	NOVEMBER 20, 1984 PAYMENT.....	v

V.	DECEMBER 7, 1984 PAYMENT .....	vi
VI.	JANUARY 10, 1985 PAYMENT .....	viii
VII.	JANUARY 28, 1985 PAYMENT .....	viii
VIII.	MARCH 13, 1985 PAYMENTS .....	x
IX.	APRIL 9, 1985 FLOW-THROUGH TRANSACTION.....	xi
X.	MAY 1, 1985 FLOW-THROUGH TRANSACTION.....	xiii
XI.	NOVEMBER 8, 1985 PAYMENT.....	xiv