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JOHR MECAIN UNITED STATES SENATOR WASHINGTON, DC 20510

May 25, 1989

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

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Dear Mr. Gray:

As you know, there have been many reports in the media recently about the meeting held with five U.S. Senators, including myself, early in 1987 regarding Lincoln Savings and Loan.

According to comments attributed to you in the media, you were quite displeased by the meeting. You said you thought the Senators were exerting undue pressure to influence the Home Loan Bank Board's treatment of Lincoln. I, for one, tried to make it very clear that I did not want to do anything improper and wanted to be told if our inquiries on Lincoln's behalf would be so considered.

To clarify the circumstances, I would appreciate it if you would, to the best of your recollection, tell-me if you think any of my comments or actions in that meeting were improper. As a D.S. Senator, I have an obligation to represent my constituents and determine whether or not they receive equitable treatment from the government, and to do everything in my power to ensure that they receive fair and equitable treatment under the law. That does not mean, however, that I should intervane improper'v on their behalf with any government agencies. To do so would be an abuse of my authority, and I would like to know if you think I did so at the meeting in which we discussed Lincoln Savings.

I know that this issue has been an extremely difficult one, Ed, and I respect the manner in which you have handled it. Hopefully we will learn from the mistakes of the past and can prevent our mation from ever having to face this kind of crisis again.

McCain

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