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Federal Bureau of Investigation  
Washington, D.C. 20535

November 29, 2016

MR. JOHN GREENEWALD JR.



FOIPA Request No.: 1260585-000  
IRS Tracking No.: M16138-0061  
EOUSA Tracking No.: CNSLT-2016-02505  
Subject: 029-SF-9888

Dear Mr. Greenewald:

You were previously advised we were consulting with another agency concerning information located as a result of your Freedom of Information Act (FOIA) request.

This consultation is complete and the enclosed material is being released to you with deletions made pursuant to Title 5, United States Code, Section 552 as noted below. See the enclosed form for an explanation of these exemptions.

Section 552		Section 552a
<input type="checkbox"/> (b)(1)	<input type="checkbox"/> (b)(7)(A)	<input type="checkbox"/> (d)(5)
<input type="checkbox"/> (b)(2)	<input type="checkbox"/> (b)(7)(B)	<input type="checkbox"/> (j)(2)
<input checked="" type="checkbox"/> (b)(3)	<input checked="" type="checkbox"/> (b)(7)(C)	<input type="checkbox"/> (k)(1)
<u>26 USC Section 6103</u>	<input checked="" type="checkbox"/> (b)(7)(D)	<input type="checkbox"/> (k)(2)
<u>Federal Rules of Criminal</u>	<input type="checkbox"/> (b)(7)(E)	<input type="checkbox"/> (k)(3)
<u>Procedure – Rule 6e</u>	<input type="checkbox"/> (b)(7)(F)	<input type="checkbox"/> (k)(4)
<input type="checkbox"/> (b)(4)	<input type="checkbox"/> (b)(8)	<input type="checkbox"/> (k)(5)
<input checked="" type="checkbox"/> (b)(5)	<input type="checkbox"/> (b)(9)	<input type="checkbox"/> (k)(6)
<input checked="" type="checkbox"/> (b)(6)		<input type="checkbox"/> (k)(7)

Seven pages were reviewed and seven pages are being released.

Deletions were made by the Department of Treasury, Internal Revenue Service (IRS). Please see the attached IRS Notice 393 for appeal instructions and an explanation of exemptions.

Deletions were also made by the Executive Office for United States Attorneys (EOUSA). To appeal those denials, please write directly to the EOUSA at the address listed below.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S. C. § 552(c) (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist.

For questions regarding our determinations, visit the [www.fbi.gov/foia](http://www.fbi.gov/foia) website under "Contact Us." The FOIPA Request Number listed above has been assigned to your request. Please use this number in all correspondence concerning your request. Your patience is appreciated.

You may file an appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, Suite 11050, 1425 New York Avenue, NW, Washington, D.C. 20530-0001, or you

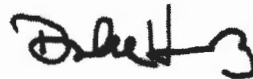
may submit an appeal through OIP's FOIAonline portal by creating an account on the following web site: <https://foiaonline.regulations.gov/foia/action/public/home>. Your appeal must be postmarked or electronically transmitted within sixty (60) days from the date of this letter in order to be considered timely. If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please cite the FOIPA Request Number assigned to your request so that it may be easily identified.

You may seek dispute resolution services by contacting the Office of Government Information Services (OGIS) at 877-684-6448, or by emailing [ogis@nara.gov](mailto:ogis@nara.gov). Alternatively, you may contact the FBI's FOIA Public Liaison by emailing [foipaquestions@ic.fbi.gov](mailto:foipaquestions@ic.fbi.gov). If you submit your dispute resolution correspondence by email, the subject heading should clearly state "Dispute Resolution Services." Please also cite the FOIPA Request Number assigned to your request so that it may be easily identified.



See additional information which follows.

Sincerely,



David M. Hardy  
Section Chief,  
Record/Information  
Dissemination Section  
Records Management Division

Enclosure(s)

## EXPLANATION OF EXEMPTIONS

### SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information ( A ) could reasonably be expected to interfere with enforcement proceedings, ( B ) would deprive a person of a right to a fair trial or an impartial adjudication, ( C ) could reasonably be expected to constitute an unwarranted invasion of personal privacy, ( D ) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, ( E ) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or ( F ) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

### SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

# Memorandum



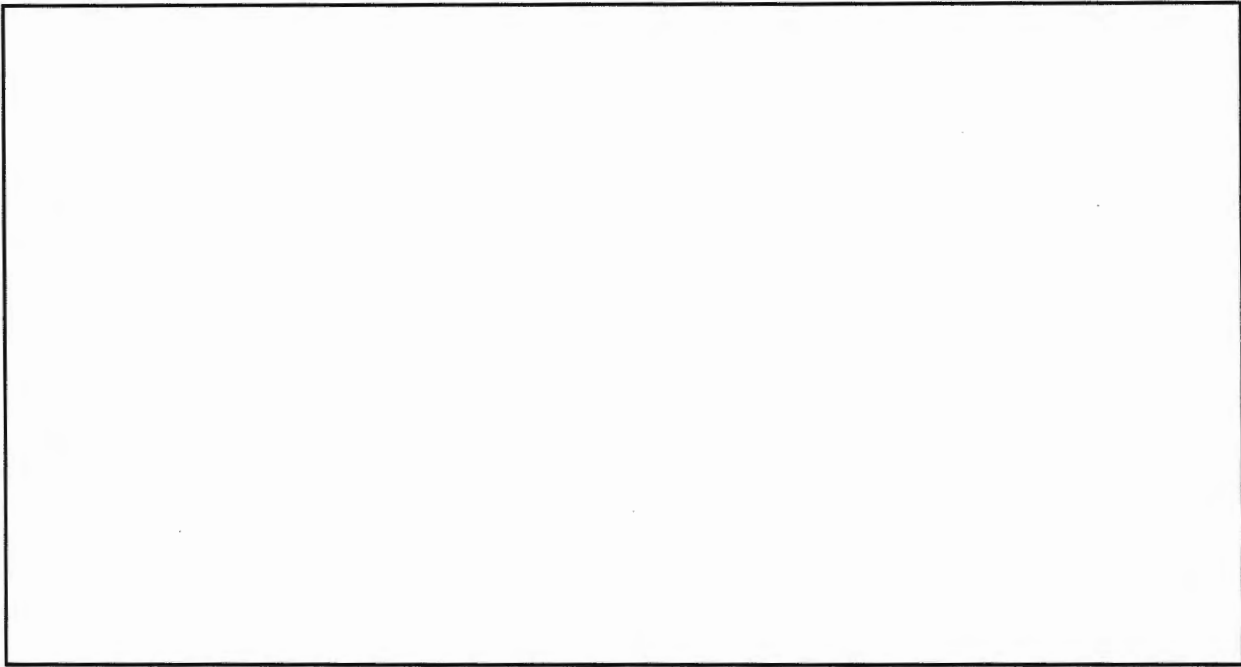
To : SAC, SAN FRANCISCO (29A-SF-9888) (P) Date 10/23/89

From : SA [redacted] (SJRA)

b6  
b7C

Subject : [redacted]  
BF&E  
OO: SAN FRANCISCO

b3 Per IRS and EOUSA  
b5  
b7C



X

Writer will follow and report developments in this as appropriate.

JBD/mk  
(2)

SEARCHED <i>h</i>	INDEXED <i>h</i>
SERIALIZED <i>h</i>	FILED <i>h</i>
OCT 23 1989	
FBI - SAN FRANCISCO	
[redacted]	<i>193</i>

*29A-SF 9888-53*

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MEMORANDUM OF INTERVIEW

In re: Sylvia C. BROWN, C77880001C  
[redacted]

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Date: June 13, 1989

Time: 3:00 p.m. to 4:10 p.m.

Place: 2105 South Bascom Avenue, Suite 240  
Campbell, CA 95008

Present: [redacted] Special Agent, FBI  
[redacted] Special Agent, IRS-CID  
[redacted] Witness

b6 per FBI & IRS  
b7C

Special Agents [redacted] and [redacted] met [redacted] to discuss b6 per FBI & IRS  
loans [redacted] of the Bank of Northern b7C  
California. During the meeting [redacted] stated the following:

1. [redacted] the Bank of Northern California  
from [redacted]  
had loan approval up to \$100,000. Any loan requests larger than  
\$100,000 had to be approved by the Board of Directors. His loan  
officers did not have any loan approval authority so all loan  
requests had to be reviewed by him.

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2. He met [redacted] in the Spring of 1986. He  
believes the meeting was arranged by [redacted] It is possible  
that [redacted] may have made the first  
contact, but all business transactions were conducted with  
[redacted]

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3. [redacted] to open accounts with the Bank of  
Northern California and to establish a line of credit. [redacted]  
wanted a \$250,000 line of credit, but was told the bank would  
review a \$100,000 request.

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4. By reviewing loan files provided by S/A [redacted] b6 per FBI  
was able to discuss loans the Bank of Northern California made to b7C

[redacted]

5. [redacted] believes [redacted] provided a completed real estate  
loan application and two years of personal income tax returns  
when he first met with [redacted] to discuss a loan. [redacted] also

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when he first met with [ ] to discuss a loan. [ ] also provided completed verification of deposit requests and copies of bearer bonds. [ ] reviewed the loan application. Verification of items shown on the application is left to the discretion of the loan officer. [ ] knows a credit report would have been received but does not believe any other inquiries were made. It was difficult to receive a straight answer from [ ] regarding the activities of [ ]. He also could not obtain financial statements for this company.

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6. Based on information provided by [ ] the bank felt they had a customer who could easily repay the loans. The bank relied heavily on the income tax returns provided because repayment of the loans depended available sources of income. [ ] also remembered looking at the returns and seeing they were prepared by a Certified Public Accountant, [ ]. This was also considered when evaluating the package.

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7. When the requests for additional funds were received, the loan package would have been updated as necessary. The three loans were made in a relatively short period of time so little additional information was needed. [ ] probably would have asked for [ ] 1985 personal income tax return when the July loan was made and he may have requested a new credit report. [ ] believes [ ] commercial loan was current when the other requests were made. Had the loan been delinquent, [ ] would have been required to make all late payments before other money was received.

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8. [ ] dealt mainly with [ ]. He may have had conversations with [ ] but because [ ] most of the contacts were with him.

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9. [ ] took [ ] to dinner and lunch on several occasions. [ ] was interested in buying an interest in the Bank of Northern California, but he could not borrow enough money. [ ] was a member of the Board of Directors for about a month before the bank closed.

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10. [ ] introduced two other customers [ ]. He first introduced Sylvia BROWN who wanted a line of credit. [ ] initially provided the application, financial statements and tax returns for BROWN. All follow-up questions were asked of Sylvia BROWN and she seemed very familiar with the information on her application. BROWN came to the bank to sign the loan documents and she took the documents to be signed by her husband. [ ] received no gifts from BROWN. BROWN may have been present during one of his lunch dates with [ ] also attended BROWN'S open house when she moved to her new office space on Bascom.

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11. The second customer [ ] brought to the bank was [ ].  
[ ] Again, [ ] probably brought [ ] the loan package and follow up questions would have been

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directed to [redacted] may have made two loans to [redacted]  
[redacted] loan application included valuable property in [redacted]  
[redacted] with a minimal loan outstanding against it. [redacted] received  
no gifts or lunches from [redacted]

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This memorandum was prepared on June 14, 1989, from memory  
and from notes taken during the interview with [redacted] on June  
13, 1989.

[redacted]  
[redacted] Special Agent

b6 per IRS  
b7C

[redacted]  
[redacted] cial Agent

b6 per FBI  
b7C



FBI

TRANSMIT VIA:

- Teletype
- Facsimile
- AIRTEL

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date 6/7/89

1 TO: SAC, SACRAMENTO

2 FROM: SAC, SAN FRANCISCO (29A-SF-9888)(P)(SJRA)

3 SUBJECT: [REDACTED]

4 BF&E

5 OO: SAN FRANCISCO

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b7C

6 For the information of Sacramento, captioned

7 individual did business as several entities in the San  
 Jose, California area acting as a [REDACTED]

8 [REDACTED] has been engaged in

9 these activities for the last six or seven years and during

10 that time has fraudulently prepared and submitted loan

11 applications to numerous banks to fund his acquisition

12 of real estate, support his business activities and engage

13 in an extravagant lifestyle. In April, 1988, [REDACTED]

14 [REDACTED] and the totality

15 of his activities became known. Losses to federally insured

16 institutions are approximately \$4,000,000.

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b7D

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 2 - Sacramento

2 - San Francisco *mb*

JBD/mk

(4)

b6  
b7C

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_

(Number) (Time)

SEARCHED \_\_\_\_\_

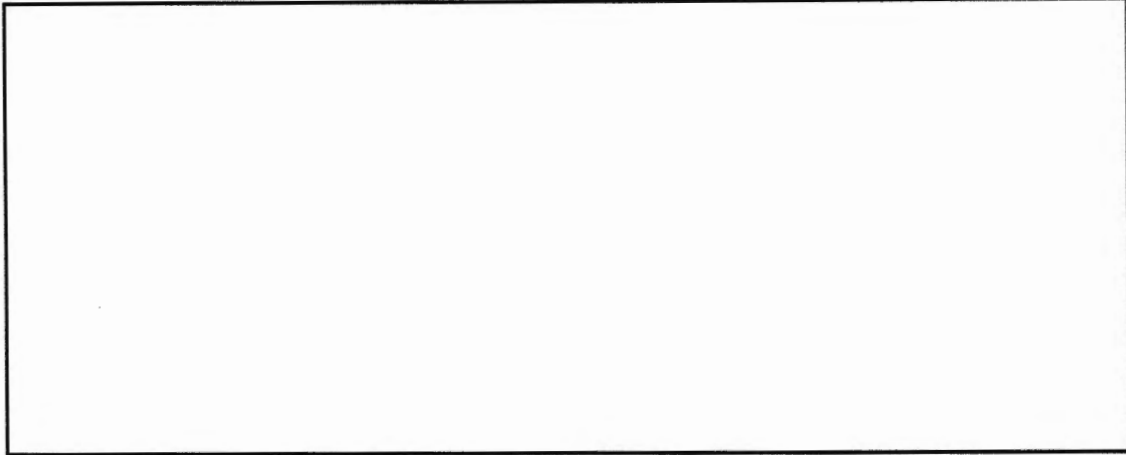
SERIALIZED \_\_\_\_\_

INDEXED \_\_\_\_\_

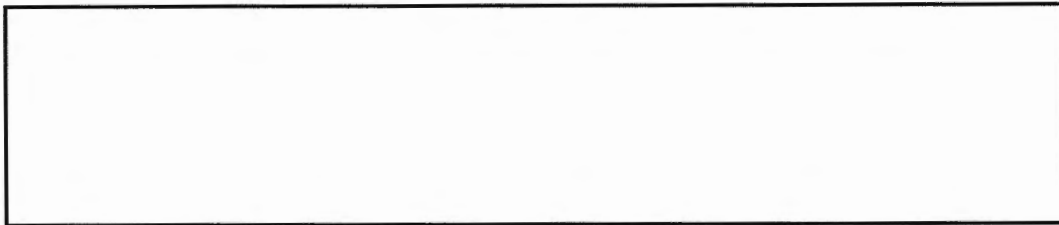
FILED \_\_\_\_\_

29A-9888-40

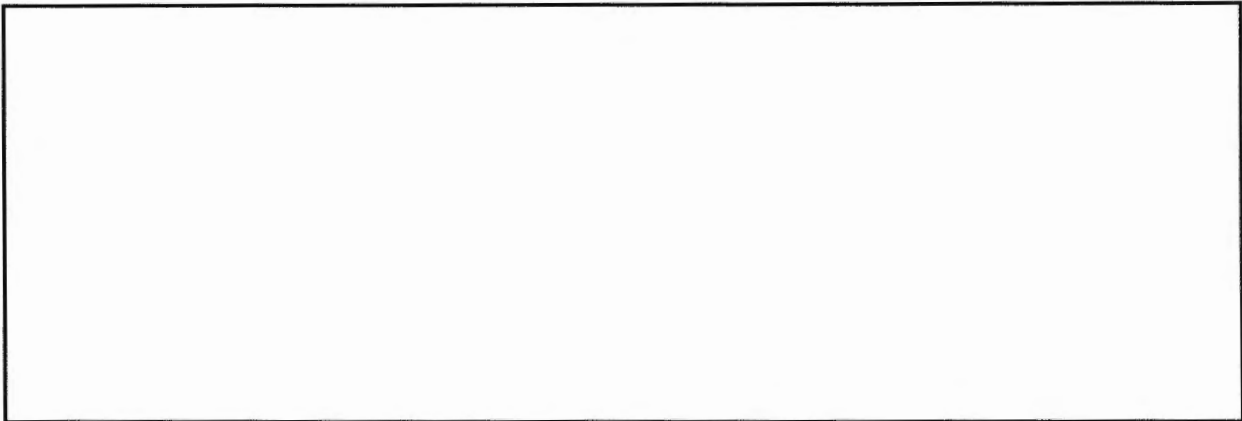
29A-SF-9888  
JBD/mk



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b7D



[redacted] Directory information indicates  
that his telephone number is [redacted]

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Deputy California Attorney General RONALD D. SMETANA  
has been cross designated as a Special Assistant United  
States Attorney and is prosecuting this investigation.

29A-SF-9888  
JBD/mk

LEAD

SACRAMENTO

AT SACRAMENTO, CALIFORNIA: Will locate and interview [redacted] concerning his knowledge of an involvement with SYLVIA BROWN and [redacted]. As is noted above, there is no indication that [redacted]

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The purpose of the interview is to determine [redacted]

(For the information of Sacramento, a separate investigation concerning BROWN is currently underway, jointly with the Internal Revenue Service - CID and the FBI. Also, the San Jose Resident Agency is currently [redacted]

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[redacted] It is anticipated that [redacted] will not admit to the participation in or knowledge of felonies committed by [redacted] BROWN or others. However, it is important that whatever information can be obtained concerning his knowledge of and relationship to SYLVIA BROWN and [redacted] be obtained. Depending upon [redacted] response to questions by the interviewing agent, he may be subpoenaed before the Federal Grand Jury at San Jose. However, the interviewing agent should not discuss this potential with him. [redacted] should not be discussed with him and the interview should be kept relatively low key.

Should Sacramento have any questions concerning this interview, contact could be made with San Jose Case Agent SA [redacted] FTS 466-7417.

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