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OFFICE OF D.A. TO PROBE LL&T

Deposits Allegedly Taken During Insolvency

An assistant district attorney said Wednesday that his office will conduct an inquiry into the possibility that officials of the Louisiana Loan and Thrift Corp. violated state law.

First Asst. D. A. Charles R. Ward said six depositors of the defunct corporation and their attorney, Sidney Bach, visited his office and requested the inquiry.

"They alleged that officers and directors of LL&T had taken their deposits knowing the corporation was insolvent, which is a crime under one Louisiana statute," Ward said.

Ward said he did not know if the Orleans Parish Grand Jury will be involved in the inquiry. He said he will consult with the foreman of the body.

Asked what his office has to go on, Ward said the depositors produced certain evidence.

"We have all the evidence they gave us—deposit books, letters, an audit report," Ward said.

LL&T is in receivership. Hearings are being conducted before a federal bankruptcy referee to determine its fate.

Ward said he did not know if the depositors who visited his office have lost every chance of recovering their deposits. However, he said "it may be 10 years" before they get their deposits.

D. A. Jim Garrison said recently that he almost bought some stock in LL&T shortly before it was formed, but backed out of the deal before it became final.