

Not a Dollar's Worth of Interest in LL&T--Garrison

But Almost Bought Some Stock, He Says

By CLARENCE DOUCET

District Attorney Jim Garrison, commenting publicly for the first time about the appearance of his name in the records of the Louisiana Loan & Thrift Corp., Wednesday told The Times-Picayune he does not have "a dollar's worth of interest in the company," although he "almost bought some stock."

"Someone is trying to construct a role for me," he said, asserting he had reservations about the company since first hearing of it from William A. Glennon Jr., attorney, before the company was incorporated. Garrison and Glennon used the same office suite before Garrison became district attorney.

Garrison admitted that he signed a note in 1967 with LL&T after Glennon told him there was a way he could purchase stock without putting up any money.

Two days after signing the note, Garrison said, he was still unable to feel confident about the company and he called Glennon and told him he didn't feel good about the arrangement.

IT'S CANCELED

"I don't want to go through with the deal," Garrison said he told Glennon, adding that he was adamant about Glennon canceling the note.

"Okay," Garrison said Glennon answered, "It's canceled."

Garrison said he spoke to Glennon again three days later and asked if his note had been canceled.

"Your note is already canceled," Garrison said Glennon told him.

"You're positive?" Garrison asked.

"I'm positive," Glennon answered.

Commenting on the incident, Garrison said: "I almost let them sell me some stock."

The district attorney said that

Glennon had been after him to purchase stock since before the company was incorporated.

"Every time I bumped into Billy (Glennon) he talked about my buying stock. He really thought I had missed the opportunity of a lifetime. Billy was so enthusiastic about it — it was nearly a year after he first talked to me about it that I finally signed and then changed my mind."

MET BARTLETT

Garrison said he was first contacted by Glennon in 1966 when he invited Garrison to attend a meeting of individuals, some connected with the company and others invited to purchase stock, at the home of New Orleans businessman James O. Veale.

Garrison said Ernest A. Bartlett Jr., the prime force behind the organization of LL&T, was at the meeting and it was the first of two times that he met Bartlett.

Garrison said Glennon had explained the operation of LL&T to him, but he could not understand how the company could handle loans — knowing that a certain percentage would be bad loans — and still pay a high rate of interest to depositors.

On several occasions when Glennon talked to him about buying stock, Garrison said he asked who "is handling the paper," and Glennon would reply, "It's no problem; everything's wonderful."

Regarding the meeting at Veale's home, Garrison said he was called by Veale who said that Glennon had asked him to call to invite Garrison to the meeting.

SECOND CALL

Then, Garrison said, he received a second telephone call; this one from Glennon, "who told me it was very important that I be there."

Garrison said he went to the meeting "had a couple of drinks and sat around for awhile," leaving before the meeting was over. He said that he told someone at the meeting that he did

not want to buy any stock.

Veale said he was contacted about the meeting by Glennon who had talked to him about the company when he happened to meet Glennon while having lunch at Moran's.

Veale said Glennon asked him if he'd be interested in buying stock in a company and doubling his money in 90 days. Veale said he told Glennon he was interested and asked how it could be done.

He said Glennon answered that an Arkansas loan company was opening a business in Louisiana and a "few preferred people" were being offered an opportunity to purchase stock at \$1 a share. Veale said Glennon told him that if he purchased 25,000 shares of pre-incorporation stock at \$1 a share it would be worth \$2.50 a share after it went on sale to the public and Veale could sell for \$2.00 a share.

AGREED TO CALL DA

Veale said he was interested and Glennon asked if a meeting could be held at Veale's house. Veale said he agreed and then he said Glennon asked him, "Incidentally, do you think you could get Jim Garrison to come."

Veale and Garrison are personal friends, and Veale agreed to call the DA.

Veale said that at the meeting were Glennon, Bartlett, state Rep. Salvador Anzelmo (Glennon's law partner), Garrison and "five or six others" he did not know.

Commenting on Bartlett's talk at the meeting, Veale said he "just didn't like the sound; you can't pay that rate of interest and come out on top."

Veale said that was his last association with the LL&T people.

Garrison admitted that some of the persons who saw him at the 1966 meeting might have assumed he was one of the pre-incorporators.

Glennon contacted Garrison again about stock, the DA said,

this time when Garrison and his wife were in Biloxi.

'LET'S CHECK OUT'

Veale, who was with the Garrisons, said the occasion for the visit was an attorneys' meeting. Veale said he did not know it, but Glennon had the room next to his. Veale said that when Glennon found out Veale had the room next to his, he asked Veale if he'd have Garrison call him in the morning.

Veale said when he told Garrison about Glennon's request, Garrison replied: "Let's check out of this place."

Regarding the actual signing of the \$25,000 note, Garrison said Glennon approached him in 1967 (the note was dated April 23, 1967) and said: "Look, you don't want to buy stock. We've figured out a way you can buy stock without putting out any money."

Glennon explained that Garrison would sign a note for the stock, but that dividends on the stock would be applied to pay off the note, and when the note was paid, Garrison would own the stock.

Garrison said he asked Glennon how this was possible and Glennon said because "it's going so well."

CALLS TO CANCEL

Garrison said he signed the note, adding that to his recollection it was for \$12,000, not \$25,000. He said Glennon emphasized that if Garrison signed, he would not have to put up any money; that the stock would be put aside, and "one day we'll come and hand it (the stock) to you."

For two days he did not feel good about the arrangement, Garrison said, and he called Glennon to cancel the note.

(An audit of LL&T refers to the undetermined status of a \$25,000 note signed by Glennon and Garrison. The audit said there was no notation that the note was paid, but the LL&T bookkeeper said the note was paid in May, 1967. Glennon said, according to the audit, "in so many words, that this note was paid, by whom he did not know, but that he was advised of its payment a few days thereafter . . . Mr. Glennon stated that Mr. Garrison was

not a stockholder.")

Regarding ownership of the stock, Garrison said he thought it would be simple enough for the auditors to check to see who received the dividends on the stock he allegedly owned.

TELLS OF INCIDENT

Garrison said the second time he met Bartlett was at lunch at the Vieux Carre Restaurant. He said he received a telephone call from Anzelmo inviting him to join himself, Glennon and Bartlett for lunch.

Commenting on the appearance of the name of Gov. John J. McKeithen in records of Arkansas Loan & Thrift (a twin sister of LL&T), Garrison said: "I don't think he's involved in any way. His name never came up. I think they tried to latch on to us. I was pursued from the beginning."

Garrison also commented on an incident during which he was in the governor's mansion with McKeithen when the governor received a telephone call from Bruce Bennett, former attorney general of Arkansas who was involved in both AL&T and LL&T.

He said McKeithen answered the telephone, chatted a few minutes, then told Garrison it was the attorney general of Arkansas and that he and others were opening a new business in Louisiana. Garrison says there

was no mention of the kind of business.

Garrison said McKeithen asked him, "How'd I like to represent a new business," and Garrison answered that he did not maintain a private law practice as this was a campaign promise of his.

APPARENTLY PERSISTS

Bennett apparently persisted in his request for the name of an attorney, and Garrison said Anzelmo's name was mentioned.

He said he doesn't remember how it came about except that he and McKeithen had been talking about Anzelmo just before Bennett called—"I had recommended Anzelmo as a house leader"—and Garrison told McKeithen, "What about Anzelmo." The name was passed on to Bennett.

The DA noted that his name and McKeithen's did not come up in the LL&T-AL&T affair "until Bartlett started to sink."

AL&T has been declared insolvent and work is now underway to determine how much money is available for distribution to depositors. LL&T is in a reorganization proceeding in federal court in New Orleans.