

# Federal Judge Allows Attorneys' Testimony

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TULSA (AP) A federal judge ruled Tuesday that attorneys could use testimony they claim suggests Associate U.S. Attorney General Frank Keating was asked by his brother to influence the prosecution of a wealthy Tulsa businessman for bank fraud.

Daniel Keating, brother of the No. 3 man in the Justice Department, is president of Village South National Bank, one of four Tulsa banks John H. Williams Jr. is accused of defrauding.

U.S. District Judge James O. Ellison denied a request by federal prosecutors to bar testimony about whether Daniel Keating asked his brother to influence prosecution of the case. Ellison said a jury should be allowed to weigh the relevance of the testimony and credibility of the government witnesses.

Attorneys representing Williams claimed they discovered a letter last week referring to possible contacts Daniel Keating may have made concerning prosecution of the case with Frank Keating, who was then a Treasury Department undersecretary.

The letter indicates that Daniel Keating may have told a bank president he discussed with his brother the possibility of getting the U.S. attorney's office to take the case "on a criminal basis at taxpayers' expense."

The letter was written in 1986 by Village National's then-president, Marc B. Wolin, to a board of creditors.

Daniel Keating said Tuesday in a hearing that he mentioned the Williams' case to his brother to discuss a federal requirement that Valley National submit a criminal referral form about loans to Williams.

"Frank is my brother. I knew that if I received any advice that basically he wouldn't charge me for it while other attorneys would," Daniel Keating said. "I didn't in my mind consider this a criminal case."

Daniel Keating said at the time he was concerned with meeting a banking requirement that directs bank officials to notify the government if they suspect fraud.

He said his brother referred him to the U.S. attorney's office and the bank's lawyers submitted the criminal referral form in March 1987.

Frank Keating has denied any involvement in the decision to prosecute Williams, who was indicted by a federal grand jury in May and accused of overvaluing personal worth in loan applications.

Defense attorney Joel Wohlegemuth said in motions supporting use of the evidence that serious issues are raised about potential government misconduct in the case and possible selective prosecution.

Assistant U.S. Attorney Susan Fisher said allowing the testimony to be used in the trial, which begins today, would cloud the issues before the jury. BIOG: NAME:

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