

interpretation of a statement by Mr. Fey to representatives of the Bureau.

Mr. Fey was developing substantial amounts of real property in parcels. He was subdividing the real property and thereafter subleasing the individual units therein. As he subdivided each tract or series of tracts, it was necessary to obtain a court order approving the proposed subleases. Mr. Fey, early in his tenancy, discovered that his own attorneys at times were ill equipped and uneducated in the requirements established and maintained by the Bureau in regards to subleases and other matters and, therefore, called upon me from time to time to assist him in the obtaining of these court approvals. He knew, and I advised him, that I was representing the Indian landlord. He stated he would pay for my services because he expected and required prompt action in connection with all of his sublease and financing approvals.

Naturally, I was not going to perform extraordinary rush services at the request of a tenant and charge the landlord. Therefore, Mr. Fey did pay for these particular services.

When Fey had a tract which had been completed and needed a sublease approval before he was going into one, he wanted the approval as expeditiously as possible, and I performed these services for him, charging him for the services that I performed. By inference, the statement contained in the report is that I charged him for approval of each particular sale he sought, but Mr. Fey determined the extent of the orders that he sought.

As an aside, gentlemen, Mr. Fey prospered, I think, largely because he was a cautious man. He gets a large piece of property, divided it up and progressed in small parcels rather than going into the whole project at once and then being stuck with houses, so as he went along, he would need a court order authorizing the next 18, 20, or 30 units. Now, those petitions are voluminous. Your counsel can look at them. The petitions cover not only the standard form of sublease, but financing agreements, TV, notes, and the like.

Mr. Fey thereafter on each draft would then have the complete format. He would not have to come back to Jim Hollowell for any more work.

The alleged statement that I was—complaints that I was stalling him in not obtaining full powers for the conservator. If Mr. Fey had a complaint, he could have gone to the conservator who, in fact, did not want full powers, who, in fact, wanted court approval on every act because of the complexity of the development of Mr. Fey's project and the liability attaching to the conservator should he act improperly without prior court approval.

I have gone to the time and expense of preparing exhibit B because I think that when you get back in Washington, your counsel can give you the meat of the matter.

I direct your attention—the attention of the committee counsel—to the complexity of these subleasing and financing arrangements, and when we talk about an ex parte order, we're not talking about something I can whip out in a minute or two.

The task force sets up as a special heading "Alleged Misuse of Conservatorship Proceedings" and cites as examples of their conclusion two estates, each of which I personally was involved in.