You are instructed that the United States has admitted for purposes of this trial the following facts to be true:

1. In 1983, DCI Casey asked Secretary of Defense Weinberger if the Department of Defense ("DoD") could obtain infantry weapons that Israel had confiscated from PLO forces. Following discussions between Major General Meron of Israel and Retired Major General Richard Secord of the United States government ("USG"), Israel secretly provided several hundred tons of weapons to the DoD on a grant basis in May 1983. This was known as Operation TIPPED KETTLE. In February 1984, the CIA again asked DoD if it could obtain additional PLO weapons from Israel at little or no cost for CIA operational use. After negotiations between March 1984 and July 1984, Israel secretly provided the additional weapons to DoD in Operation TIPPED KETTLE II. The DoD then transferred the weapons to the CIA. Although CIA advised Congress that the weapons would be used for various purposes, in fact many of
them were provided to the Nicaraguan Resistance as appropriated funds ran out. (The effort to funnel materiel to the Contras at a time when there were limits on the amount of funds the USG could spend to support the Resistance also found expression in 1984 in Project ELEPHANT HERD, under which the CIA was to stockpile weapons and materiel provided by DoD at the lowest possible cost under the Economy Act.) DoD assured Israel that, in exchange for the weapons, the U.S. Government would be as flexible as possible in its approach to Israeli military and economic needs, and that it would find a way to compensate Israel for its assistance within the restraints of the law and U.S. policy.

2. In late March 1984, National Security Advisor Robert C. McFarlane suggested that he pursue funding alternatives for the Resistance for use after Congressional funding ran out. McFarlane proposed putting a member of the NSC staff in touch with an Israeli official to pursue funding alternatives with the Israelis. In an "Eyes Only," Secret memo, DCI Casey agreed with McFarlane's proposal. Casey informed McFarlane that the CIA was exploring two alternative means of acquiring equipment and materiel from Israel for use by the Resistance after the funding ran out. First, the CIA was considering the acquisition from Israel of ordnance captured from the PLO. Casey advised McFarlane that in 1983 the USG had acquired some $10 million worth of weapons and ammunition in this manner from the Israelis (in Operation
TIPPED KETTLE). Second, the CIA was considering procuring additional assistance from another country. Casey informed McFarlane that a foreign government official had indicated that he might be able to make some equipment and training available to the Resistance through Honduras.

3. In April 1984, McFarlane directed Howard Teicher of the NSC staff to discuss aid to the Resistance with David Kimche of the Israeli Government. McFarlane instructed Teicher to tell Kimche that the USG would not press Israel on assistance to the Resistance; that aid to the Resistance was an important matter to the USG; that the USG faced a temporary shortfall in supporting the Resistance; that the USG understood the risks involved for Israel; that Israeli aid to the Resistance should be arranged through Honduras; that the USG would furnish a point of contact; and that, although McFarlane was disappointed with Israel's reluctance to assist directly, the USG would not raise the matter further.

4. In early 1984, in a discussion with the Ambassador from Saudi Arabia, McFarlane encouraged that country to support the Resistance. A short time later, the Ambassador informed McFarlane that his government would contribute $1 million per month. The money became available during the early summer of 1984.

5. On June 25, 1984, the National Security Planning Group ("NSPG") -- including President Reagan, Vice
President Bush, Secretary of State Shultz, Secretary of Defense Weinberger, DCI Casey, U.N. Ambassador Kirkpatrick, CJCS Vessey, Admiral Moreau, Counselor to the President Meese, McFarlane and Admiral Poindexter (among others) — discussed third country funding for the Resistance. Director Casey noted that the CIA considered El Salvador, Guatemala, Honduras and one South American country as possible sources of support for the Resistance. He suggested that the USG provide Honduras and Costa Rica with increased economic assistance as an incentive for them to assist the Resistance.

6. In late summer and early fall 1984, CIA stations reported to CIA Headquarters concerning apparent offers by the Peoples Republic of China ("PRC") to provide assistance to the Resistance.

7. At a meeting in mid-July 1984 between DCI Casey, Deputy DCI John McMahon, and Deputy Secretary of State Dam, Casey indicated that those present ought to get moving on non-USG funding for the Resistance since Attorney General Smith had recently concluded that raising the funds in this manner would not be an impeachable offense, as had been suggested at the NSPG meeting on June 25, 1984.

8. In August 1984, the U.S. government learned of a meeting between Adolfo Calero and a senior military official of Taiwan to solicit support for the Resistance. The Taiwan official had emphasized the need for secrecy. Taiwan initially decided to reject the Resistance because of
patently adverse diplomatic consequences. The Taiwan official did not inform Calero of this decision, but he recommended to his government that aid be provided to the Resistance through third parties so that it could not be traced to Taiwan. In July 1984, Calero had renewed his request to Taiwan, which again rejected his proposal for diplomatic reasons. U.S. Ambassadors in Honduras, Panama, Nicaragua, and Costa Rica, the Southern Command of the Armed Forces of the United States (SouthCom), CIA, the Defense Intelligence Agency ("DIA"), DoS, and the National Security Advisor were advised of this information.

9. In December 1984, LtCol North advised McFarlane of efforts to obtain aid for the Resistance from third countries, including Taiwan, the PRC and South Korea. Admiral Poindexter acknowledged receiving the information that LtCol North provided.

10. With McFarlane's approval, LtCol North had met with a senior military official of the PRC in a meeting arranged with the assistance of Dr. Gaston Sigur of the NSC. The meeting was precipitated by reports that the PRC had decided not to proceed with a Canadian-originated sale of anti-aircraft missiles to the Resistance using end-user certificates provided by Guatemala. LtCol North told the military official that Calero would agree to a diplomatic concession to the PRC if the Resistance prevailed in Nicaragua. LtCol North advised McFarlane that the meetings
with the PRC official were likely to be reported in FBI channels. The FBI had been requested to make no distribution of this information except to McFarlane. LtCol North asked McFarlane to inform FBI Director William Webster that McFarlane had endorsed the contact with the Asian official and further to apprise Webster that dissemination of intelligence regarding the meeting could jeopardize the operation.

11. General John Vessey, Chairman of the Joint Chiefs of Staff ("CJCS"), followed up on LtCol North's approach to the PRC military officer. The PRC agreed to provide anti-aircraft missiles to the Resistance, and Retired General Richard Secord consummated the transaction and arranged shipment through Guatemala. The CIA reported the details of this transaction to McFarlane.

12. LtCol North also advised McFarlane that General Singlaub had met with the South Korean Ambassador and a representative of Taiwan to urge them privately to support the Resistance.

13. In late December 1984, LtCol North advised McFarlane that a former European officer had reported that anti-aircraft missiles might be available in a South American country for use by the Resistance in dealing with the Soviet-supplied HIND attack helicopters. Calero had discovered that, while the South American country had the missiles, they would need a European country's permission for
their transfer since the missiles initially had been obtained from the European country. North furnished McFarlane with a memorandum to the President recommending that the President raise the anti-aircraft missile issue with a senior European government official. The memorandum recommended that the President offer a quiet expression of USG thanks, since the European official might not be fully aware of the constraints Congress had imposed upon CIA and DoD with respect to the Resistance. In late January 1985, LtCol North recommended to McFarlane that NSC official Lyle Cox hand-carry a secure, "Eyes Only" letter to another senior European government official regarding the anti-aircraft missile matter.

14. In early January 1985, CIA Headquarters requested that U.S. officials attempt to determine why the South American country had cancelled the sale or donation of anti-aircraft missiles to the Resistance.

15. In February 1985, General Singlaub met with South Korean officials and discussed the possible provision of a substantial sum of money for weapons to the Resistance from South Korea. General Singlaub also discussed this possible military aid with a senior CIA official. General Singlaub also discussed with a senior South Korean official the interdiction of a shipload of arms to the Sandinistas. In that regard, General Singlaub told the senior South Korean official that the CIA and General Stilwell of DoD knew he was meeting with the senior South Korean official.
16. In early 1985, President Reagan urged the Head of State of Saudi Arabia to continue its support for the Resistance. Saudi Arabia subsequently made a contribution of more than $25 million.

17. In early February 1985, LtCol North advised McFarlane that, as a consequence of Singlaub's recent trip, both the Taiwanese and the South Koreans had indicated to U.S. officials that they would help the Resistance. Clair George, CIA Deputy Director of Operations ("DDO"), withheld dissemination of the offers and contacted LtCol North privately to ensure that they would not become common knowledge. LtCol North sought and received McFarlane's permission to have Singlaub approach officials of the Embassies of Taiwan and South Korea to urge them to proceed with their offers. Singlaub would then put Calero in direct contact with the officials.

18. In mid-March 1985, at a meeting with DCI Casey and Deputy DCI John McMahon, Secretary of Defense Weinberger stated that he had heard that the Ambassador of Saudi Arabia had earmarked $25 million for the Contrás in $5 million increments.

19. At a meeting in late March 1985 with McFarlane and Deputy DCI McMahon, DCI Casey expressed his concern that the Administration would request authorization from Congress only for non-lethal aid to the Resistance and rely on third countries to supply weapons or funds for weapons. McFarlane
stated that he would take the issue to President Reagan for his decision.

20. In mid-April 1985, LtCol North advised McFarlane that the Resistance had received a total of $24.5 million since appropriated funds had run out, of which more than $17 million had gone for arms, munitions, combat operations, and combat support activities. (This money consisted primarily of the Saudi contribution of which McFarlane was aware.) Future operations included increasing the Resistance force, launching a special operations attack against Sandino Airport to destroy Soviet-supplied HIND attack helicopters, launching an operation against a Nicaraguan mines complex and opening a Southern Front along the Costa Rica-Nicaragua border. LtCol North informed McFarlane that the funds remaining were insufficient to support these operations and recommended that efforts be made to seek an additional $15 million to $20 million from current donors.

21. In early May 1985, LtCol North provided McFarlane and CJCS General Vessey with an analysis of Resistance expenditures and outlays for, among other things, weapons and other ordnance, and a summary of Resistance military operations since October 1984. LtCol North recommended that the current donors to the Resistance be approached to provide the remainder of their $25 million pledge and an additional $15 million to $20 million between
May 1 and June 1, 1985. McFarlane approved LtCol North's recommendation that the current donors be approached to provide the remainder of their pledge, but McFarlane turned down the recommendation that the donors be asked to provide an additional $15 million to $20 million.

22. In early August 1985, the White House and various CIA stations learned of reports that, during the visit of David Kimche to the U.S. in May 1985, he had met with Michael Armacost, the U.S. Undersecretary for Political Affairs, and had negotiated the continuation of military aid from Israel to Central America.

23. In August 1985, Gaston Sigur approached a senior intelligence officer of South Korea to meet with LtCol North to discuss Central America and the Resistance.

24. In October 1985, the President of an Asian country was approached and advised that other concerned private and foreign sources had been supporting the Resistance with munitions and combat supplies, and that their identities had not been revealed. The Resistance had a specific need for communications equipment, and the Asian country produced some of the best in the world.

25. In November 1985, LtCol North asked Vince Cannistraro of the NSC to contact a senior South American government official to encourage the sale by that country of planes and spare parts to A.C.E., a company that was providing private support to the Resistance.
26. In early December 1985, the U.S. became aware that a South American country had offered to sell combat materiel/equipment to the Resistance. A U.S. Chief of Mission requested that the developments be brought to the attention of Elliott Abrams, Assistant Secretary of State for Latin American Affairs. Abrams discussed those offers with LtCol North and other USG officials.

27. In early December 1985, a CIA officer requested that Headquarters provide the number of anti-aircraft missiles in the Resistance inventory. The CIA officer no longer had their original reporting, but recalled that the Resistance had purchased five launchers and ten missiles from the PRC.

28. In early March 1986, Retired General Secord notified LtCol North that the purchase of anti-aircraft missiles from a South American country had stalled because it wanted approval from a European country before any transfer. The arms dealer attempting to arrange the transfer had asked that a U.S. government official contact the South American government to emphasize the interest in a quick transfer of the missiles.

29. In early May 1986, LtCol North notified Admiral Poindexter that a representative of Israeli Defense Minister Rabin had offered on behalf of Israel to furnish Spanish-speaking military trainers and advisors to the Resistance. Advisors would be placed in Honduras in
connection with an Israeli plan to sell the Kfir fighter to the Hondurans. Other advisors would be placed on the Southern Front. LtCol North advised Admiral Poindexter that Defense Minister Rabin wanted to meet with him privately in New York to discuss the details, and that Assistant Secretary of State Elliott Abrams liked the idea.

30. In early May 1986, McFarlane noted that the U.S. might obtain assistance for the Resistance from certain Asian countries, although he had lost confidence in the discretion of those countries. McFarlane told LtCol North that he would try to find a better alternative.

31. In May 1986, U.S. intelligence reports reflected that a South American country was aware that the Reagan administration had asked Israel, Taiwan, South Korea and an organization headed by a U.S. resident to contribute to the purchase of weapons for the Resistance. The South American country was aware that the PRC had already given anti-aircraft missiles, and that Honduras hoped that Israel would give extensive aid, including military assistance.

32. In mid-May 1986, Donald Fortier, the Director of Political-Military Affairs at the NSC, was advised that the situation for the Resistance was bleak. President Reagan needed to pursue means of obtaining additional aid promptly, including talking personally to heads of state to tell them that he was dispatching a special emissary with his personal request for their assistance to the Resistance.
33. In mid-May 1986, a senior European official notified Admiral Poindexter that the European country would not approve the transfer of anti-aircraft missiles and launchers from a South American country to El Salvador, for use by the Resistance. The European official was concerned about the risk that the intended final destination of the missiles would leak. A senior Salvadoran military official had furnished a false end-user certificate for the missiles, but the certificate was not used in light of the European response.

34. At the NSPG meeting of May 16, 1986 (attended by President Reagan, Vice President Bush, Secretary of State Shultz, Secretary of the Treasury Baker, DCI Casey, Admiral Poindexter, and LtCol North, among others), Secretary Shultz mentioned an Asian country and DCI Casey mentioned Israel, Taiwan, Saudi Arabia and South Korea as possible sources of additional support for the Resistance.

35. At the President's National Security Briefing on May 19, 1986, Admiral Poindexter discussed Israel and South Korea as possible sources of additional support for the Resistance.

36. In early June 1986, Admiral Poindexter and President Reagan discussed funding for the Resistance. Admiral Poindexter mentioned aid from third countries and the possibility of a letter from a private organization.
37. In early June 1986, LtCol North advised Admiral Poindexter to talk with Assistant Secretary of State Abrams about arranging the transfer of funds from third countries to the Resistance. North said he knew of the accounts and the means by which the funds could be transferred. North also suggested that the U.S. government renew its earlier request to a senior European official for anti-aircraft missiles. North recommended that Poindexter and McFarlane discuss how much Shultz knew about previous support for the Resistance by Taiwan and Saudi Arabia. Poindexter answered that, to his knowledge, "Shultz knows nothing about prior financing. I think it should stay that way."

38. In mid-June 1986, Admiral Poindexter advised LtCol North that he was attempting to get the State Department to seek funding for the Resistance from third countries so that North and the NSC could disengage from the effort. Assistant Secretary Abrams had suggested Brunei as a potential source of funds, and Poindexter had responded that the transfer should be accomplished by having Brunei's Washington Embassy receive a person designated by Poindexter and North.

39. In the summer and fall of 1986, the DoS -- particularly Abrams, Sigur, U.S. Ambassador to Brunei King, and Secretary Shultz -- had discussions with a senior Brunei official in an effort to obtain a contribution from the
Sultan to the Resistance. Brunei subsequently agreed to contribute $10 million to the Resistance.

40. In mid-September 1986, LtCol North reported to Admiral Poindexter after another meeting with Defense Minister Rabin of Israel. Defense Minister Rabin was pleased with the reaction of Poindexter and Secretary Shultz to Rabin's plans to introduce Kfir fighters into Honduras and in the process to provide advisors to the Resistance. Defense Minister Rabin also offered North a recently seized shipment of PLO arms for use by the Resistance. Rabin agreed that the ship Erria be sent to Haifa to pick up the weapons. Admiral Poindexter approved the plan to pick up the weapons, noting that the transaction would appear to be a private deal between Retired General Secord and the Israelis.

41. In mid-September 1986, Amiram Nir, an advisor to Israel's Prime Minister, indicated that Prime Minister Peres would raise several topics in his upcoming private discussion with President Reagan, including Israel's offer to provide captured PLO arms to the Resistance. LtCol North suggested that Admiral Poindexter tell President Reagan that the arms would be picked up by a foreign flag vessel and delivered to the Resistance. If Prime Minister Peres raised the issue, President Reagan should thank him, since the Israelis held considerable stores of weapons compatible with ordnance used by the Resistance.
CEN T R A L A M E R I C A N C O U N T R I E S

42. In early July 1984, a CIA officer reported to CIA headquarters that Honduras was taking the position that it would continue to support the Resistance following the U.S. funding cut-off, but Resistance operations would have to be covert to avoid political embarrassment to Honduras.

43. In mid-August 1984, Poindexter discussed with President Reagan and others a proposal ascribed to Secretary Shultz that would permit Congress to "wink" at lethal support for the Resistance. Under Shultz's plan, the U.S. government would supply non-lethal aid directly to the Resistance. The U.S. government would provide military aid to El Salvador, which in turn would provide lethal aid to the Resistance.

44. In mid-November 1984, a CIA officer reported to CIA Headquarters concerning support for the Resistance by Guatemala and Honduras. Guatemala had provided aircraft and had agreed to facilitate Resistance shipments of munitions and other materiel. Honduras had permitted the Resistance to operate from within its borders, had repaired Resistance aircraft at cost, had allowed government aircraft to bring in aircraft parts, had permitted the Resistance to borrow ammunition when Resistance stocks were too low, and had provided the Resistance with false end-user certificates.

45. In mid-November 1984, DCI Casey requested that LtCol North be provided with a CIA analysis of recent performance and near-term prospects for the Resistance.
(Vice President Bush and McFarlane also received copies of the analysis.) According to the analysis, the Resistance had spent approximately $5 million since the funding cutoff. Calero had raised between $2 million and $2.5 million from undisclosed private donors. A Southern Front Resistance leader had received $100,000 from Panamanian Defense Forces Chief Noriega in July 1984 and $20,000 from a European official, who had previously given $40,000. In addition, the Resistance had received increased aid from some Central American governments. Honduras had facilitated the purchase of ammunition and hand grenades and had donated 10,000 pounds of equipment and two C-47 aircraft. El Salvadoran military officials continued to allow the use of a military airbase in support of ARDE air operations but had not yet supplied rifles previously promised. One European leader had reacted favorably to a request from a Southern Front Resistance leader for arms and funding but had not yet followed through, while Taiwan had refused a request for aid from FDN officials. The analysis reported several specific Resistance operations inside Nicaragua. These operations and other Resistance military activities were hindered by logistics problems, particularly difficulties in airlifting supplies into Nicaragua.

46. In December 1984, a CIA assessment concluded that the future of the FDN without U.S. government support depended on the FDN's ability to obtain continued private
funding and continued support from Honduras. The leader of
that government had threatened to cease support for the FDN
unless it received a signal of U.S. government support.
LtCol North urged McFarlane to visit Central America and
deliver a signal of U.S. resolve.

47. In mid-January 1985, in anticipation of
McFarlane's trip to Central America, LtCol North furnished an
analysis of U.S. government policy options in Central
America. The options included seeking a negotiated solution
toward Nicaragua, restoring U.S. government support to the
Resistance, or using U.S. military force to overthrow the
Sandinista regime. North recommended the second option --
restoration of U.S. government support to the Resistance --
and discussed in detail variations on the provision of that
support. The possibilities included legislation authorizing
only third country support; restoration of the original CIA-
managed program; U.S. non-lethal and third country lethal
support; seeking congressional clarification on third country
support; overt assistance to a new state established by the
Resistance; and funding a collective security organization
that would, in turn, provide aid to the Resistance. North
recommended that the Administration discuss these options
with congressional and Central American leaders before
selecting one. North noted that support for military
operations by the Resistance should be accompanied by support
for non-military activities. In addition, an effort should
be made to identify leaders within the FSLN who did not support the Sandinista Revolution. The Department of State ("DoS"), the Office of the Secretary of Defense ("OSD"), CIA, Joint Chiefs of Staff ("JCS"), and NSC felt that the third option -- non-lethal U.S. support with third country lethal assistance -- should be pursued.

48. In mid-January 1985, LtCol North arranged a visit to Central America for McFarlane with stops in Panama, Costa Rica, El Salvador, Honduras, and Guatemala. One purpose of the trip was for McFarlane to discuss with his counterparts in those countries their continued willingness to support the Resistance. At McFarlane's request, North arranged a secret meeting between McFarlane and Calero during the visit to Honduras. North accompanied McFarlane on the trip, together with (among others) Vice Admiral Moreau and General Gorman, Commander-in-Chief of U.S. Southern Command.

49. In the course of McFarlane's trip, Alan Fiers (CIA's C/CATF) briefed him privately on political action programs in support of U.S. government objectives. McFarlane was advised before his departure that Guatemala would continue to support the Resistance, provided that it received a quid pro quo from the United States in the form of foreign assistance funds or credits, diplomatic support or other forms of assistance. In El Salvador, McFarlane urged President Duarte to continue his support for the Resistance, including facilitating Resistance resupply operations, and
McFarlane told Duarte that such regional support was essential to resumption of U.S. government support.

50. On February 2, 1985, the CIA reported to NSA, DoS, DIA, FBI, White House, NSC staff, and U.S. SOUTHCOM (among others) that Honduran military officers were assisting the Resistance in transporting materiel (including ammunition) bought on the international arms market through Guatemala to Resistance camps in Honduras. The report noted that the Resistance was having difficulty maintaining their logistical network.

51. At a February 7, 1985 meeting of the Crisis Pre-Planning Group attended by Admiral Poindexter, Don Fortier (NSC), Ray Burghardt (NSC), Michael Armacost (DoS), Fred Ikle (DoD), Nestor Sanchez (DoD), Clair George (CIA), Alan Fiers (CIA), VADM Arthur Moreau (JCS) and LtCol North, among others, the CPPG principals agreed that a Presidential letter should be sent to President Suazo of Honduras and to provide several enticements to Honduras in exchange for its continued support of the Nicaraguan Resistance. These enticements included expedited delivery of military supplies ordered by Honduras, a phased release of withheld economic assistance (ESF) funds, and other support. The CPPG was in agreement that transmission of the letter should be closely followed by the visit of an emissary who would verbally brief the "conditions" attached to the expedited military deliveries, economic assistance, and other support. The CPPG
did not wish to include this detail of the quid pro quo arrangement in written correspondence.

52. On February 12, 1985, North proposed that McFarlane send a memo to Shultz, Weinberger, Casey and Vessey informing them of the recommendation of the CPPG that expedited military deliveries, economic funding, and other support should be offered as an incentive to Honduras for its continued support to the Nicaraguan Resistance. The memo stated that this part of the message should not be contained in a written document but should be delivered verbally by a discreet emissary. The McFarlane memo sought approval to send a Presidential letter to Suazo through an emissary. If Shultz, Weinberger, Casey, and Vessey agreed, then President Reagan's letter would be signed and delivered through the U.S. Ambassador to Suazo, and a U.S. government emissary would advise Honduran officials of U.S. government expectations concerning support for the Resistance.

53. On February 19, 1985, McFarlane sent a memorandum to President Reagan informing him of the recommendation of the CPPG to provide incentives to Honduras so that it would maintain its aid to the Resistance. The memorandum described each of the agreed-upon incentives. It further recommended a Presidential letter to the leader of Honduras, to be delivered by an emissary who would very privately explain U.S. criteria for the expedited economic
support, security assistance deliveries, and other support. President Reagan personally authorized the entire plan.

54. Later in February 1985, President Reagan sent the agreed-upon message to Suazo via the U.S. Ambassador. The letter urged that Honduras do all in its power to support "those who struggle for freedom and democracy." Shortly thereafter, McFarlane sent a memorandum to Shultz, Weinberger, Casey, and Vessey informing them that President Reagan's letter had been sent and proposing steps to be taken to implement the President's intent. The memorandum requested DoD to commence expedited delivery of military items, as previously planned and personally authorized by President Reagan, and it requested necessary documentation to enhance other support programs in Honduras.

55. In early March 1985, Vice Admiral Moreau was advised that military leaders of Honduras had offered assurances that the Resistance could continue to deliver supplies through Honduras, and that Honduras would continue to supply end-user certificates for arms purchases by the Resistance. Major munitions deliveries were scheduled for mid-to-late March. LtCol North recommended that Honduran military officials be told that the United States Government would soon discuss enhancing other support programs. Vice Admiral Moreau was informed that senior Salvadoran military officials had provided maintenance and storage for the Resistance at a military airfield. President Duarte was
concerned that further support for the Resistance would be detected by congressional investigators and would result in a cut-off of U.S. security assistance for El Salvador.

56. In early March 1985, Vice President Bush sought McFarlane's judgment as to whether he (Vice President Bush) should encourage a private group to donate a plane load of medical supplies that would arrive in Honduras coincident with the Vice President's meetings with President Suazo. Bush strongly favored such a flight, noting that the group was supportive of the Resistance. At LtCol North's recommendation, McFarlane advised Bush that the flight was a good idea.

57. In early March 1985, Secretary Weinberger informed McFarlane that the DoD had commenced expedited procurement and delivery of military and other items to Honduras.

58. When Vice President Bush met with President Suazo, Bush told Suazo that President Reagan had directed expedited delivery of U.S. military items to Honduras. Vice President Bush also informed Suazo that President Reagan had directed that currently withheld economic assistance for Honduras should be released; that the United States would provide from its own military stocks critical security assistance items that had been ordered by Honduran armed forces; and that several security programs underway for Honduran security forces would be enhanced.
59. In March 1985, LtCol North proposed that McFarlane send a memorandum to Secretary Shultz, Secretary Weinberger, DCI Casey, and CJCS Vessey recommending that the U.S. government furnish additional assistance to Guatemala through the State Department. North advised McFarlane that the assistance was a means of compensating Guatemala for the assistance it was providing to the Resistance. Guatemala had provided end-user certificates for the purchase of nearly $8 million of munitions to be delivered to the Resistance. The ammunition and weapons identified in the certificates would be delivered in several shipments to be receipted by Guatemalan military officers and turned over to Resistance representatives at the point of arrival. North advised McFarlane that Guatemala had presented a list of military equipment that it needed. North noted that once U.S. government approval had been obtained for some of what Guatemala wanted, Guatemalan officials could be made to understand that the additional U.S. government assistance was the result of Guatemala's assistance to the Resistance.

60. In late March 1985, the CIA reported to NSA, DoS, DIA, White House, NSC staff, U.SOUTHCOM, and U.S. Ambassadors in Honduras, Panama, Nicaragua and Costa Rica that a ship was scheduled to arrive in Honduras in mid-April 1985, carrying munitions worth almost $2 million that the Resistance had purchased on the international arms market. The CIA reported that a Honduran military official had agreed
to arrange transportation of the weapons from the port of arrival to Resistance units.

61. In late March 1985, North advised McFarlane that the initial deliveries of U.S. arms from DoD to Honduras had gone well. The Honduran government had expressed its gratitude through those who were supporting the Resistance. North proposed that McFarlane ask Secretary of Defense Weinberger to convey President Reagan's and McFarlane's thanks to DoD personnel who had effected the expedited procurement for the Honduran government, including Assistant Secretary of Defense Richard Armitage and General Gast.

62. On April 25, 1985, McFarlane informed President Reagan that military support for the Resistance from Honduras was in jeopardy as a consequence of the House vote refusing to provide new funds for the Resistance. The Honduran military had stopped a shipment of ammunition from an Asian country en route to the Resistance after it had arrived in Honduras. McFarlane recommended that President Reagan call President Suazo to make clear that the Executive Branch was determined to maintain pressure on the Sandinistas. During the call between the two leaders, Suazo urged that the U.S. government continue to oppose Communism. President Reagan's personal notes of his telephone call reflect that President Suazo told President Reagan that the Honduran military commander would be ordered to deliver the ammunition to the Resistance. President Reagan pledged his
continued support for the Resistance; President Suazo raised the subject of U.S. government aid for his country and the fact that he hoped Secretary Shultz and Secretary Weinberger would meet with a high-level group of Honduran officials in Washington.

63. On April 26, U.S. Ambassador Negroponte notified McFarlane that President Suazo had called Negroponte immediately after Suazo's telephone conversation with President Reagan to say that Suazo was satisfied with the U.S. government commitment to continue support for the Resistance. President Suazo told Ambassador Negroponte that he (Suazo) had assured President Reagan of his full support and had promised that he (Suazo) would check into the interdicted munitions shipment, which he did immediately after the conversation with President Reagan by calling a senior Honduran military official. Suazo told Negroponte that Honduras supported the Resistance fully, and Suazo asked that Negroponte convey his strongest assurances to President Reagan that Honduras would not let down the Resistance. Ambassador Negroponte recommended under the circumstances that the Honduran delegation be received in Washington by Vice President Bush in President Reagan's absence.

64. In May 1985, President Reagan personally approved increased U.S. special support to Honduras and Guatemala for joint programs with those countries.
65. During the period when the Boland Amendments were in effect, individuals within the State Department, DIA, National Security Agency ("NSA"), White House, and NSC, among others, were informed about the following support for the Resistance by Central American countries: that Honduras had agreed to provide the Resistance with end-user certificates for hand grenades and for rounds for grenade launchers, which the Resistance wanted to purchase from South Korea; that the relative success of the Resistance since the United States government funding cutoff depended upon its ability to raise private funds and to operate from Honduras with its approval; that a Honduran military official in charge of providing support to the Resistance had agreed to provide the Resistance end-user certificates for automatic rifles; that a senior Guatemalan military officer had said that a decision had been made at the highest levels of his government to continue its support for the Resistance; that the bulk of Guatemala's aid to the Resistance consisted of providing end-user certificates for items purchased from other countries.

66. In August 1985, Costa Rican President Monge indicated to U.S. officials that he would be willing to provide assistance to the Resistance if the United States government would help fund a certain operation in Costa Rica. The U.S. officials concluded that the operation could be funded if President Monge would take certain specified actions to assist the Resistance.
67. In the fall of 1985, Benjamin Piza, a senior Costa Rican official, agreed to permit the Resistance to construct an airstrip in Santa Elena in northern Costa Rica. Payments were made to Colonel Montero, an official of the Costa Rican Civil Guard, for the official's services in guarding the Santa Elena airstrip.

68. In October 1985, Honduras seized a shipment of NHAO humanitarian goods in response to reports that Honduras was facilitating NHAO shipments. The U.S. Ambassador requested that LtCol North travel promptly to Honduras to brief its senior military leaders on NHAO procedures and plans, and to assure its leaders about U.S. government handling of aid to the Resistance.

69. In October 1985, following meetings with Honduran military officials, Colonel Comee of USSOUTHCOM informed General Galvin (CINC, USSOUTHCOM) that Honduras was wavering in its support for the Resistance because U.S. government help had not been fully implemented; Honduran officials were thinking of signing the Contadora Agreement in light of their conclusion that the Resistance could not prevail without more U.S. government assistance. The Honduran officials were particularly angry that the U.S. Embassy there had recently denied any connection with the Resistance, referring inquiries to representatives of Honduras. In Comee's view, the U.S. government had to
respond to the concerns of Honduras or lose its support for the Resistance.

70. In December 1985, individuals within the DoS, CIA, DIA, White House, NSC, and USSOUTHCOM were informed about the refusal of Honduras to permit NHAO flights into the country. The refusal stemmed from the failure of the U.S. government and Honduran officials to keep a senior Honduran military official informed of Resistance activities. The senior military official was concerned, among other reasons, because there was no local point of contact for coordination between Honduran government officials, the Resistance, and the United States Government.

71. In December 1985, CIA reported to Headquarters that LtCol North would arrive for a meeting with a senior Honduran military official, and that U.S. Ambassador Farch wanted LtCol North to know that the military official was anxious for the meeting. The most significant operational problem arising from Honduras' refusal to permit use of its airfields was not the restriction on NHAO flights into Honduras, but the restriction on resupply flights into Nicaragua, which threatened to force 5,000 Resistance troops to withdraw from Nicaraguan into Honduras.

72. In mid-December 1985, LtCol North and Admiral Poindexter visited Costa Rica, El Salvador, Guatemala, Panama, and Honduras to urge those countries to provide continued support for the armed Resistance. Admiral
Poindexter assured them that the U.S. Government was committed to supporting the armed forces in those countries. Poindexter made clear to a senior Honduran military official that his country's support for the Resistance -- particularly logistical support -- was essential.

73. In Costa Rica, Admiral Poindexter met with and was briefed by U.S. and Costa Rican officials on the progress of the Resistance airfield at Santa Elena.

74. On December 20, 1985, Admiral Poindexter discussed with President Reagan the provision of U.S. arms to Honduras.

75. In late December 1985, Ambassador Ferch met with Honduran President Suazo and a senior U.S. official concerning the resumption of NHAO flights into Honduras. President Suazo took the request under advisement.

76. In late December 1985, Deputy Assistant Secretary of State William Walker and Chris Arcos of NHAO met in Honduras with one of its senior military officials and other officials as a follow-up to the Poindexter trip in mid-December. The follow-up team also stopped in El Salvador, where they discussed with the Ambassador the use of Ilopango military airfield as an alternate transshipment point for NHAO humanitarian assistance.

77. In January 1986, the American Embassy in Honduras furnished Secretary of State Shultz and Assistant Secretary Abrams with a statement of U.S. objectives in
Honduras for 1986. The Embassy noted that Honduras had collaborated over a broad range of security issues -- including support for the Resistance -- during 1985. As a goal for the coming year, the Embassy listed the encouragement of Honduran support for the Resistance and pointed out that Honduran cooperation would turn upon the extent of U.S. government security assurances and military and economic support. According to the Embassy, Honduras regarded support for the Resistance primarily as a U.S. government program. The responsibility for ensuring Honduran support for the Resistance was assigned to the Ambassador, other officers from other government agencies assigned to the Embassy, and the U.S. Military Group.

78. In mid-January 1986, LtCol North prepared talking points for a meeting between Admiral Poindexter, Vice President Bush, and Honduran President Azcona. North recommended that Admiral Poindexter and Vice President Bush tell President Azcona of the need for Honduras to work with the U.S. government on increasing regional involvement with and support for the Resistance. Poindexter and Bush were also to raise the subject of better U.S. government support for the states bordering Nicaragua.

79. In mid-January 1986, the State Department prepared a memorandum for Donald Gregg (the Vice President's national security advisor) for Vice President Bush's meeting with President Azcona. According to DoS, one purpose of the
meeting was to encourage continued Honduran support for the Resistance. The memorandum alerted Gregg that Azcona would insist on receiving clear economic and social benefits from its cooperation with the United States. Admiral Poindexter would meet privately with President Azcona to seek a commitment of support for the Resistance by Honduras. DoS suggested that Vice President Bush inform President Azcona that a strong and active armed Resistance was essential to maintain pressure on the Sandinistas, and that the United States government's intention to support the Resistance was clear and firm.

80. In late January 1986, a U.S. official inquired of DoS, CIA Headquarters, DIA, U.S. Ambassadors in Tegucigalpa, Managua, San Jose, and Panama City, and USSOUTHCOM concerning an upcoming approach to President Azcona about the resumption of NHAO flights into Honduras. The official believed that Azcona would permit a temporary resumption of flights based on an agreement by the United States government to open negotiations on increased aid to Honduras.

81. In late January 1986, the U.S. official was instructed that, in seeking President Azcona's permission to resume flights and truck transportation in support of the Resistance into and through Honduras, the categories of supplies should not be specified because Resistance flights
from Ilopango airfield in El Salvador and Aguacate airfield in Honduras would have mixed (lethal and non-lethal) loads.

82. In late January 1986, LtCol North visited Costa Rican government officials and Resistance leaders on the Southern Front to discuss progress of the Resistance. These meetings and their purpose were approved by Admiral Poindexter and DCI Casey and known to others in DoD, CIA, and DoS.

83. On January 30, 1986, U.S. Ambassador Ferch met with President Azcona to request Honduras' assistance in supplying the Resistance. The Ambassador sought permission to overfly Honduras when dropping material to the Resistance; to truck material to the Resistance; and for the Resistance to position private contractor aircraft at Aguacate, a military airfield in Honduras, for resupply missions into Nicaragua.

84. On February 22, 1986, there was a meeting in the office of DoD official Fred Ikle attended by Nestor Sanchez (DoD), Fiers (CIA), General Gordon, LtCol North, a representative of the Joint Chiefs of Staff, and others with respect to strategy for the Resistance. Although much of the discussion focused on what would be done in the event funding were restored, North stated that the past external support for the Resistance from the private sector had been ruptured because there was no unity of command and people did not know who to talk to. Ikle praised the effort of Retired General
Singlaub in that regard. North also indicated that DoD's FOCAL POINT system had not worked; for example, there had been problems obtaining maps for the Resistance from the Defense Mapping Agency.

85. In late February 1986, Secretary Shultz, Secretary Weinberger, Admiral Poindexter, DCI Casey and other senior officials received intelligence reports that a Salvadoran government official had acknowledged that, at the request of the United States government, Ilopango military airfield was being used to help the Resistance as a temporary alternative and supplement to airfields in Honduras.

86. In late February 1986, a CIA officer reported to CIA Headquarters concerning the conditions imposed by Honduras for the resumption of direct resupply flights to the Resistance into and out of that country. A key condition was that for the trial run there could be no leaks or publicity. The CIA officer noted that the problem with leaks arose in part from the involvement of external agencies in Washington, Miami, San Salvador and Guatemala City.

87. In March 1986, a CIA official notified CIA headquarters that Honduras had approved a private lethal shipment to the Resistance to arrive on a certain date. In addition, Honduras had approved shuttle flights to move lethal materiel for the Resistance from one military airfield in Honduras to another military airfield. It developed that the same aircraft scheduled to perform the shuttle flight for
lethal materials was scheduled to perform a NHAO flight at the same time.

88. In mid-March 1986, LtCol North prepared a memorandum from Admiral Poindexter to President Reagan concerning a photo opportunity for Benjamin Piza, a senior Costa Rican official. The memorandum noted that Piza had been instrumental in helping the U.S. organize the Southern Front. Piza had intervened with another senior Costa Rican official on numerous occasions and had personally assisted in the development of a logistics support base for Resistance forces deployed north from Costa Rica. Admiral Poindexter noted that during his trip to Central America he had met with Piza to discuss future plans for the Resistance and support for them through Costa Rica. At the photo opportunity with President Reagan and Piza were (among others) Chief of Staff Donald Regan, Admiral Poindexter, Joseph Fernandez (CIA's San Jose Chief of Station (COS)), and LtCol North.

89. On March 20, 1986, the White House Situation Room was advised that senior Honduran military leaders planned to ask the United States for permission to control lethal aid sent through that country to the Resistance in Nicaragua, and that they wanted to receive some sophisticated weapons given the Resistance that were not already in Honduras' inventory.

90. On March 22, 1986, Admiral Poindexter advised President Reagan in a memorandum prepared by North that
Elliott Abrams, Gen. Jack Galvin (CINC, USSOUTHCOM) and a team of experts had just returned from visits with three Central American leaders and that the delegation had been successful in obtaining commitments for continued support to the Nicaraguan Resistance. Vice President Bush and Chief of Staff Regan received copies of the memorandum.

91. In late March 1986, Elliott Abrams offered Honduran President Azcona immediate additional security assistance. LtCol North prepared a memorandum from Admiral Poindexter to President Reagan (with copies to Vice President Bush and Chief of Staff Regan) describing the results of Abrams' discussions with Azcona. The details of the enhanced security assistance to Honduras were worked out between Col. Royer (Chief of the Latin America Division of DoD's DSAA) and various Honduran military officials. The Honduran army and navy specifically requested a sophisticated ground-to-air missile on the ground that the U.S. had already furnished such weapons to the Resistance. The total cost for the items ultimately agreed upon was approximately $20 million. Among those aware of the additional assistance to Honduras (in addition to President Reagan, Vice President Bush, Regan, and Admiral Poindexter) were LtGen Gast (Director of DSAA), Assistant Secretary of Defense Richard Armitage, and Deputy Assistant Secretary of Defense Nestor Sanchez.

92. In early May 1986, President Reagan wrote to Presidents Duarte and Azcona, thanking them for their support
for the Resistance and affirming his commitment to obtain U.S. government funding for the Resistance. In the letter to President Duarte, President Reagan announced that he would propose legislation that Duarte had sought extending U.S. participation in an international trade agreement of benefit to El Salvador. In the Azcona letter, President Reagan announced that the U.S. was disbursing ESF funds that Honduras sought. LtCol North had proposed that these letters be sent, and Donald Fortier of the NSC staff had forwarded them to President Reagan. Assistant Secretary of State Abrams, DCI Casey, and Undersecretary Fred Ikle of DoD concurred in sending the letters.

93. In May 1986, the CIA reported to NSA, DoS, DIA, the White House, the NSC staff, SouthCom, and U.S. Embassies at San Jose, Managua, Tegucigalpa, and Panama City about donations from donors in Latin America and the United States to Resistance forces fighting on the Southern Front. A Nicaraguan Resistance leader had received funds from Panamanian Defense Forces General Manuel Noriega.

94. In May 1986, Nestor Sanchez, DoD Deputy Assistant Secretary of Defense, provided the Secretary of Defense with a translation of a memorandum to President Reagan from President Azcona, calling for substantial increases in military aid for the next five years and increasing coordination between and among the U.S., Honduras' armed forces, and the leadership of the Resistance regarding
UNO/FDN military operations. The letter articulated conditions for continuing to help the U.S. maintain all facets of the Resistance, including military.

95. In May 1986, President Azcona indicated to President Reagan that Honduras' continued support for the Resistance depended upon significant increases in U.S. government military aid to the Honduran armed forces and the Resistance. President Azcona noted that his armed forces wanted weapons and ammunition for use by the Resistance -- including grenades and launchers aboard a ship about to leave Europe -- transferred to Honduran armed forces to assure the military success of the Resistance. President Azcona stated that in past months these matters had been discussed with William Taft of DoD, Abrams, Admiral Poindexter, and General Galvin.

96. On July 29, 1986, there was a discussion in the RIG about how the Resistance should best fight the war. Attending were Abrams, Sanchez, Fiers, LtCol North, General Galvin, LtGen Moellering, and Colonel Croker. Fiers indicated that UNO/South was in desperate straits, that UNO/North was not in good shape, and that all funds for resupply were exhausted on July 1.

97. In late August 1986, North reported to Admiral Poindexter that a representative of Panamanian leader Manuel Noriega had asked North to meet with him. Noriega's representative proposed that, in exchange for a promise from
the USG to help clean up Noriega's image and a commitment to lift the USG ban on military sales to the Panamanian defense forces, Noriega would assassinate the Sandinista leadership for the U.S. government. North had told Noriega's representative that U.S. law forbade such actions. The representative responded that Noriega had numerous assets in place in Nicaragua and could accomplish many essential things, just as Noriega had helped the USG the previous year in blowing up a Sandinista arsenal.

98. North advised Admiral Poindexter that the British persons who had run the operation against the arsenal had used a Panamanian civilian ordnance expert. North noted that Noriega had the capabilities that he had proffered, and that the cost of any operations could be borne by Project Democracy.

99. Admiral Poindexter responded that if Noriega had assets inside Nicaragua, he could be helpful. The USG could not be involved in assassination, but Panamanian assistance with sabotage would be another story. Admiral Poindexter recommended that North speak with Noriega directly.

100. In early September 1986, General Galvin of SouthCom and an official of the U.S. Military Group met in Tegucigalpa to discuss Honduran support for the Resistance with a senior Honduran military official. General Galvin advised the senior Honduran military official that a U.S.
military official would go to Honduras to work with the Resistance. The senior Honduran military official expressed concern about leaks to the media concerning arrangements between the U.S. Embassy, the Honduran military, and President Azcona in supporting the Resistance. General Galvin and the senior Honduran military official also discussed U.S. cooperation with Honduras in various military and intelligence areas.

101. In mid-September 1986, LtCol North notified Admiral Poindexter that Noriega wanted to meet with him in London within a few days. North had discussed the matter with Assistant Secretary of State Abrams, who had raised it with Secretary of State Shultz. Shultz thought that the meeting should proceed. Admiral Poindexter approved.

102. In mid-September 1986, LtCol North advised Admiral Poindexter that former U.S. Ambassador Negroponte, General Gorman of SouthCom, senior CIA official Duane Clarridge, and LtCol North had worked out arrangements for support of the Resistance with General Bueso-Rosa, a former Honduran military officer who had recently been convicted of offenses in the U.S. LtCol North suggested that efforts be made on Bueso-Rosa's behalf to deter him from disclosing details of these covert activities.

103. In late September 1986, LtCol North advised Admiral Poindexter that Costa Rican Interior Minister Garron had disclosed the existence of the Santa Elena airstrip.
North stated that President Arias of Costa Rica had breached his understanding with the U.S. government. Assistant Secretary of State Abrams and Secretary of State Shultz wanted to cancel Arias' scheduled visit with President Reagan and replace his appointment by scheduling a meeting with President Cerezo of Guatemala. Admiral Poindexter agreed.

104. A U.S. official met with President Cerezo of Guatemala in September 1986. Cerezo told the U.S. official that he intended to pursue U.S. government goals in Central America, including specific support for the armed Resistance, but that he would seek additional military aid from the U.S. in return.

105. President Reagan, Vice President Bush, Shultz, Weinberger, and Poindexter were informed of the U.S. official's meeting with President Cerezo. It was reported to these officials that, in return for Guatemalan support for the Resistance, Cerezo would ask Secretary of State Shultz to triple military assistance to Guatemala, to double economic assistance to Guatemala, and to undertake other forms of support for Guatemala.

106. In late September 1986, LtCol North reported to Admiral Poindexter on his London meeting with Noriega. Noriega would try to take immediate actions against the Sandinistas and offered a list of priorities including an oil refinery, an airport, and the Puerto Sandino off-load facility.
107. At the end of September 1986, LtCol North reemphasized to Admiral Poindexter that President Arias of Costa Rica should not be invited to meet President Reagan in light of Arias' disclosure of the Santa Elena airstrip. North recommended that Presidents Duarte and Cerezo be invited to meet President Reagan instead, because El Salvador and Guatemala had supported the Resistance.