

Former Peoria attorney probed

By SCOTT WILLIAMS
of the Journal Star

Paul Cation, once a force in Peoria politics, is under investigation by a federal grand jury that has seized records of bank loans he obtained before abandoning his power base last year.

Formerly a local Republican leader and close political associate of Congressman Robert Michel, Cation is being investigated in connection with an estimated \$250,000 in bank loans obtained from five Illinois banks.

Officials at all but one of the banks said records of the loans have been subpoenaed in recent weeks by the grand jury — apparently still in the early, document-gathering stages of its investigation.

Bank officials said the loan records were turned over to FBI investigators, who later confirmed that they have been participating in an investigation of Cation for at least the past four months.

The president of the bank with the

largest outstanding loan to Cation said he is awaiting the outcome of the government's probe before deciding how to proceed on the defaulted loan.

Ronald Blevins of Kewanee National Bank said Cation never has made a payment on a \$97,000 loan he received last July, about three months before leaving his native Peoria.

Pointing out that bank officials have since found no evidence that Cation has any assets, Blevins said, "You could spend a lot of money pursuing an empty pocket."

Contacted in Chicago, where he has been living since last year, Cation, 63, acknowledged the government's investigation, but declined to discuss it.

"Under the circumstances," he said during an interview this week, "I don't think anybody would discuss anything until these types of matters are concluded."

The bank loans under investigation — ranging individually from \$15,000 to nearly \$100,000 — are the

same loans for which Cation's ex-wife has claimed that her signature was forged.

In a divorce action initiated about the same time Cation left town last year, Muriel Cation has successfully freed herself of any obligation for the loans by claiming that her signature was forged as a co-signer.

A spokesman for the FBI would not discuss the reasons for the grand jury investigation of Cation, although, he said, "It's got to be a suspected federal violation for us to be involved."

In the divorce proceedings, which have yet to be completed, Cation has refused to answer questions about his personal finances, citing the Fifth Amendment protection against self-incrimination.

And Associate Circuit Court Judge Joe B. McDade has approved of Cation's silence, stating in a written order: "Answers to these questions would tend to incriminate the

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