FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR #: 1597

Date Filmed 1/3/86 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

Conciliation Materials

Internal Documents

Routing Slips

Withdrawn Report

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ___ | (1) Classified Information | ___ | (6) Personal privacy |
| ✓ | (2) Internal rules and practices | ___ | (7) Investigatory files |
| ✓ | (3) Exempted by other statute | ___ | (8) Banking Information |
| ___ | (4) Trade secrets and commercial or financial information | ___ | (9) Well Information (geographic or geophysical) |
| ✓ | (5) Internal Documents | | |

Signed [signature]

date 12/20/85

FEC 9-21-77

8604056375 4

MCA # 1597

9/5/85 Date of Close-out Letters (Mailing Date)

CONTENT CHECK-OFF

✓ Close-Out Letter(s)

✓ Final OGC Report or Memorandum or Conciliation Agreement(s)

____ Respondent(s) Reply to Brief(s)

____ General Counsel's Brief(s)

____ Respondent's Reply to RIB Finding

✓ First General Counsel's Report

____ Respondent's Reply to the Complaint

____ Original Complaint(s) (If Any)

✓ Other Report or Correspondence*

✓ All Certifications**

Roch Preparer of the Summary File

Date 12/10/85 File Reviewed by [signature]

* To be included if, in the opinion of the staff member, it is important.

** Certifications of Commission actions should be placed in the Summary File prior to the documents which formed the basis of the action and in reverse chronological order.

(Revised 7/5/83)

8604056375 5

DANIEL K. WHITEHURST
KATHLEEN M. WHITEHURST
204 E. HARVARD AVE. 227-4048
FRESNO, CALIF 93704

GCC#8985 6375

NOV. 15 1985

11-85/1210

Pay to the order of Federal Election Commission — $ 2,250

Two Thousand - Two Hundred - Fifty + 00/100 Dollars

BANK OF AMERICA

For MUR 1597

Kathleen M. Whitehurst

⑆121000358⑆6375⑈ 00104⑈04355⑈

GCC#8985

Raich

MEMORANDUM

TO: RETHA DIXON

TO: JOAN HARRIS

FROM: JOAN HARRIS

FROM: RETHA DIXON

CHECK NO. 6375 (a copy of which is attached) RELATING TO MUR 1597 AND NAME Whitehurst for U.S. Senate Committee

WAS RECEIVED ON 11-20-85. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT ($95F3875.16)

/X/ CIVIL PENALTIES ACCOUNT ($95-1099.160)

/ / OTHER _____

SIGNATURE Robyn M. Bishop DATE 11-20-85

NOV 20 10:05

DANIEL K. WHITEHURST
KATHLEEN M. WHITEHURST
204 E. HARVARD AVE. 227-4048
FRESNO, CALIF 93704

GCC#8790 6328

Oct. 15 1985

11-35/1210

Pay to the Order of Federal Election Commission $ 1,125.00

One Thousand - One hundred - Twenty-Five & 00/100 Dollars

BANK OF AMERICA

For MUR 1597 U.S. Senate Kathleen M. Whitehurst

⑆121000358⑆6328⑈ 00104⑈04355⑈

GCC#8790

Rach

MEMORANDUM

TO: RETHA DIXON

TO: JOAN HARRIS

FROM: JOAN HARRIS

FROM: RETHA DIXON

CHECK NO. 6328 (a copy of which is attached) RELATING TO MUR 1597 AND NAME Daniel K Whitehurst WAS RECEIVED ON 10-24-85. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT (#95F3875.16)

/*/ CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Robyn M Bishop DATE 10-24-85

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
'85 OCT 24 A9:27

Kris Kringle & Co.
"A Shoppe For All Seasons"
716 W. Shaw Ave. • Fresno, CA 93704

FRESNO CA 937
-PM
19 OCT
1985

ANY
USE ZIP CO

Mathew Gerson Esq.
General Counsel
Federal Election Commission
1325 'K' St. N.W.
Washington, D.C. 20463

18:21 PM 85 OCT 22

8604056637758

GCC 7 0 2

**MEMORANDUM**

TO: RETHA DIXON

FROM: JOAN HARRIS

TO: JOAN HARRIS

FROM: RETHA DIXON

CHECK NO. 6292 (a copy of which is attached) RELATING TO MUR 1597 AND NAME Whitehurst for U.S. Senate WAS RECEIVED ON 10-10-85. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT (#95F3879.16)

/*/ CIVIL PENALTIES ACCOUNT (#95-1099.160)

/ / OTHER _____

SIGNATURE Robyn M Bishop DATE 10-10-85

[redacted]

[redacted]

8604056375 9

GCCF 3 10-2

MEMORANDUM

TO: RETHA DIXON

TO: JOAN HARRIS

FROM: JOAN HARRIS

FROM: RETHA DIXON

CHECK NO. 6293 (a copy of which is attached) RELATING TO MUR 1597 AND NAME Leadership for the 80's WAS RECEIVED ON 10-10-85. PLEASE INDICATE THE ACCOUNT INTO WHICH IT SHOULD BE DEPOSITED:

/ / BUDGET CLEARING ACCOUNT (#95F3875.16)

/*/ CIVIL PENALTIES ACCOUNT (#95-1099.1607)

/ / OTHER _____

SIGNATURE Rosemary M Bishop DATE 10-10-85

6

DANIEL K. WHITEHURST
KATHLEEN M. WHITEHURST
204 E. HARVARD AVE. 227-4048
FRESNO, CALIF 93704

FEC# 8102

Oct. 3 19 86

11-35/1210

Pay to the order of Federal Election Commission — $ 700.00

Seven Hundred and 00/100 Dollars

BANK OF AMERICA
FRESNO MAIN OFFICE 0010
1011 VAN NESS AVENUE
P.O. BOX 1072
FRESNO, CA 93717

For MUR 1597 Leadership Conv The 80's

Kathleen M. Whitehurst

⑆121000358⑆6293⑈ 00104⑈04355⑈

Rocky Mountain Bank Note

Cable Car Checks

Kris Kringle & Co.
"A Store For All Seasons"
716 W. Shaw Ave. • Fresno, CA 93704

FRESNO CA 93
PM
3 OCT
1985

ALWAYS
USE ZIP CODE

Mathew Gerson Esq.
General Counsel
Federal Election Commision
1325 'K' St. N.W.
Washington, D.C.
20463

85 OCT 7 P1:50

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 5, 1985

James E. Shekoyan, Esquire
Shekoyan & Soley
6700 North First Street
Fresno, California 93710

RE: MUR 1597

Dear Mr. Shekoyan:

On August 28, 1985, the Commission accepted the conciliation agreement signed by Alan Yengoyan, as treasurer of Leadership for the '80's, in settlement of violations of 2 U.S.C. §§ 433, 434 and 441a, provisions of the Federal Election Campaign Act of 1971, as amended. The Commission also accepted the conciliation agreement signed by William S. Whitehurst and Donald R. Fischbach, as treasurer of the Whitehurst for U.S. Senate Committee, in settlement of violations of 2 U.S.C. §§ 434(b)(8), 441a(f), and 441a(a)(1)(A). The Commisison expects to receive the seven hundred dollar civil penalty from Leadership for the '80's within thirty days. Based on your telephone conversation with Commission staff attorney Matthew Gerson, the Commission expects to receive 25% of the forty five hundred dollar civil penalty from the other Respondents during each of the four months following the date the Commission accepted their conciliation agreement.

The file has been closed in this matter, and will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the Respondents and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find fully executed copies of the final conciliation agreements for your files.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreements

11860405637763

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Leadership for the 80's | ) | MUR 1597 |
| | ) | |

CONCILIATION AGREEMENT

This matter was initiated by a referral from the Federal Election Commission's Reports Analysis Division. The Commission found reason to believe that Leadership for the 80's (Hereinafter "Respondent" or "Leadership Committee") violated 2 U.S.C. §§ 433, 434 and 441a. Thereafter, the Commission conducted an investigation.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of concilation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. During the relevant time period, Leadership for the 80's was a California registered political action committee that never registered with the Federal Election Commission. Alan Yengoyan was the Leadership Committee's treasurer.

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2. During an "exploratory period" when Daniel K. Whitehurst was deciding whether to become a candidate for federal office, the Leadership Committee made what amounts to two contributions to him (collectively, the "contributions"); one was a $10,000 loan and the other involved $9,707.45 in in-kind contributions.

3. The Leadership Committee became a political committee pursuant to 2 U.S.C. § 431(4)(A) when it made those contributions. The Leadership Committee did not register with, nor report to, the Commission despite the requirements of 2 U.S.C. §§ 433 and 434.

4. A political committee which is not a multicandidate political committee may not make contributions to a candidate in excess of $1,000 per election. 2 U.S.C. § 441a(a)(1)(A) and 441a(a)(4).

5. After Mr. Whitehurst declared his candidacy, the Leadership Committee and Mr. Whitehurst's authorized political committee took corrective action to refund the excessive and unlawful contributions.

6. The full amount of the Leadership Committee's contribution and the appropriate interest payments were refunded more than three months before the primary election and prior to the Commission's notifying the Whitehurst or Leadership Committees of any unlawful contributions.

V. The Respondent violated 2 U.S.C. §§ 433, 434 and 441a(a) of the Federal Election Campaign Act, as amended.

8 6 0 4 0 5 6 3 7 6 5

VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Seven Hundred Dollars ($700) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that it shall not undertake any activity which in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et. seq.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matter at issue herein on or its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

XI. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

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made by either party or by agents of either party, that is not contained in this written agreement, shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY: Kenneth A. Gross — September 3, 1985
Kenneth A. Gross — Date

FOR THE RESPONDENT:

Alan Yengoyan — 7-30-85
Alan Yengoyan, — Date
as treasurer of
Leadership for the 80's

86040563767

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Whitehurst for U.S. Senate | ) | |
| Committee and | ) | MUR 1597 |
| Donald R. Fischbach, | ) | |
| as treasurer | ) | |
| William S. Whitehurst | ) | |

CONCILIATION AGREEMENT

This matter was initiated by a referral from the Federal Election Commission's Reports Analysis Division. The Commission found reason to believe that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer (hereinafter "Whitehurst Committee"), violated 2 U.S.C. §§ 434(b)(8) and 441a(f). In a separate and distinct determination, the Commission found reason to believe that candidate Daniel K. Whitehurst's father, William S. Whitehurst, violated 2 U.S.C. § 441a(a)(1)(A) and that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. § 441a(f). The Commission conducted investigations into both of these matters. The Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst are collectively referred to as the "Respondents".

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

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II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV(A). The pertinent facts with regard to the first 441a(f) reason to believe finding are as follows:

1. During the relevant time period, Leadership for 80's was a California registered political action committee that never registered with the Federal Election Commission ("Leadership Committee").

2. During an "exploratory period" when Daniel K. Whitehurst was deciding whether to become a candidate for federal office, the Leadership Committee made what amounts to two contributions to him (collectively, the "Contribututions"): one was a $10,000 loan and the other involved $9,707.45 in in-kind contributions.

3. The Leadership Committee became a political committee pursuant to 2 U.S.C. § 431(4)(A) when it made those Contributions. A political committee that is not a multicandidate political committee may not make contributions to a candidate in excess of $1,000 per election. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(4). No candidate or political committee may knowingly accept excessive contributions. 2 U.S.C. § 441a(f).

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4. After Mr. Whitehurst declared his candidacy, the Leadership and Whitehurst Committees took corrective action to refund the excessive and unlawful Contributions. The Whitehurst Committee reported the Contributions until they could be repaid. In addition, the Whitehurst Committee refunded the Contributions and appropriate interest payments three months before the primary election and before the Commission's Reports Analysis Division uncovered the error.

IV(B). The pertinent facts with regard to the 2 U.S.C. § 434(b)(8) and second 2 U.S.C. § 441a(f) reason to believe finding against the Whitehurst Committee and the 2 U.S.C. § 441(a)(1)(A) reason to believe finding against William S. Whitehurst, the candidate's father, are as follows:

1. The Whitehurst for U.S. Senate Committee's 1982 April Quarterly Report disclosed that on March 31, 1982, candidate Daniel K. Whitehurst loaned $90,000 to his authorized campaign committee ("Whitehurst Committee"). The Whitehurst Committee failed to report from where the candidate acquired the $90,000.

2. The response to a combined Subpoena and Order to the Whitehurst Committee and candidate Daniel K. Whitehurst indicated that the $90,000 came from a loan from a commercial bank. The loan agreement was between the bank and the candidate's father

3. The Respondents contend that the candidate sought a personal loan from the commercial bank and that they believed

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that the loan was to the candidate. Respondents contend that the father became involved in the transaction only after the bank requested that the father co-sign the loan.

V(A). The Whitehurst Committee accepted excessive contributions from the Leadership Committee, in violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act, as amended.

V(B). The Whitehurst Committee accepted a $90,000 excessive contribution from the candidate's father in violation of 2 U.S.C. §§ 434(b)(8), 441a(a)(1)(A) and 441a(f), provisions of the Federal Election Campaign Act, as amended.

VI. In order to conclude these matters without formal proceedings, a civil penalty in the amount of $4,500 (Fourty Five Hundred Dollars) will be paid to the Treasurer of the United States, pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the Untied States District Court for the District of Columbia.

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IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondents shall have no more than one hundred and twenty (120) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement, shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

September 3, 1985
Date

FOR THE RESPONDENTS

Donald R. Fischbach
Donald R. Fischbach, as
treasurer of the Whitehurst
for U.S. Senate Committee

9/1/85
Date

William S. Whitehurst

8-2-85
Date

8 6 0 4 0 5 6 3 7 7 2

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | MUR 1597 |
| | ) | |
| Leadership for the '80's | ) | |
| Whitehurst for U.S. Senate Committee | ) | |
| Donald R. Fischbach, as treasurer | ) | |
| William S. Whitehurst | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 28, 1985, the Commission decided by a vote of 6-0 to take the following actions in MUR 1597:

1. Accept the conciliation agreements attached to the General Counsel's Report signed August 22, 1985.
2. Close the file.
3. Approve and send the letter attached to the General Counsel's Report signed August 22, 1985.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively in this matter.

Attest:

8-29-85
Date

Jody C. Reisen
for Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: Fri., 8-23-85, 5:26
Circulated on 48 hour tally basis: Mon., 8-26-85, 4:00
Deadline for votes: Wed., 8-28-85, 4:00

8604056373

BEFORE THE FEDERAL ELECTION COMMISSION

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OFFICE OF THE FEC
COMMISSION SECRETARY
85 AUG 23 P5:26

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Leadership for the '80's | ) | MUR 1597 |
| Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer | ) | |
| William S. Whitehurst | ) | |

SENSITIVE

GENERAL COUNSEL'S REPORT

BACKGROUND

Attached is a Conciliation Agreement which has been signed by Alan Yengoyan, as treasurer of Leadership for the '80's, as well as a Conciliation Agreement signed by William S. Whitehurst and Donald R. Fischbach, as treasurer of the Whitehurst for U.S. Senate Committee. The signed Conciliation Agreements contain no changes from the agreements approved by the Commisison on July 2, 1985.

The Respondents did not provide checks in settlement of their civil penalties. The General Counsel does not object to this in as much as the agreement with Leadership for the '80's provides them 30 days from the date the agreement becomes effective to comply with the agreement. Similarly, the agreement with Mr. Whitehurst and the Whitehurst Committee provides them 120 days from the date the agreement becomes effective to comply.

RECOMMENDATIONS

1. The General Counsel's Office recommends that the Commission accept these agreements and close the file.

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2. The General Counsel's Office recommends that the Commission approve and send the attached letter.

Charles N. Steele
General Counsel

August 23, 1988
Date

Kenneth A. Gross
Associate General Counsel

Attachments
1. Conciliation Agreement signed by Alan Yengoyan
2. Conciliation Agreement signed by William Whitehurst and Donald R. Fischbach
3. Letter to Respondents' Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

James E. Shekoyan, Esquire
Shekoyan & Soley
6700 North First Street
Fresno, California 93710

RE: MUR 1597

Dear Mr. Shekoyan:

On , 1985, the Commission accepted the conciliation agreement signed by Alan Yengoyan, as treasurer of Leadership for the '80's, in settlement of violations of 2 U.S.C. §§ 433, 434 and 441a, provisions of the Federal Election Campaign Act of 1971, as amended. The Commission also accepted the conciliation agreement signed by William S. Whitehurst and Donald R. Fischbach, as treasurer of the Whitehurst for U.S. Senate Committee, in settlement of violations of 2 U.S.C. §§ 434(b)(8), 441a(f), and 441a(a)(1)(A). The Commisison expects to receive the seven hundred dollar civil penalty from Leadership for the '80's within thirty days. Based on your telephone conversation with Commission staff attorney Matthew Gerson, the Commission expects to receive 25% of the forty five hundred dollar civil penalty from the other Respondents during each of the four months following the date the Commission accepted their conciliation agreement.

The file has been closed in this matter, and will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the Respondents and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copies of the final conciliation agreements for your files.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreements

Attachment 3

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LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 120
FRESNO, CALIFORNIA 93710

JAMES E. SHEKOYAN
JUDITH LESLIE SOLEY
A PROFESSIONAL ASSOCIATION

TELEPHONE
(209) 435-0700

August 5, 1985

Matthew Gerson, Esq.
General Counsel's Office
Federal Election Commission
1325 "K" St., NW
Washington, D.C. 20463

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
'85 AUG 8 A9:09

RE: MUR 1597

Dear Mr. Gerson:

Enclosed is the Conciliation Agreement in the matter of the Whitehurst for U. S. Senate Committee, which has been executed by Donald R. Fischbach as treasurer and William S. Whitehurst.

We will await a fully executed copy of this agreement as well as the Conciliation Agreement in the matter of the Leadership for the 80's Committee previously transmitted on July 30, 1985.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosure

8604056377 7

LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 135
FRESNO, CALIFORNIA 93710

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PM
5 AUG
1985

USE

MATTHEW GERSON, ESQ.
GENERAL COUNSEL'S OFFICE
FEDERAL ELECTION COMMISSION
1325 "K" ST., NW
WASHINGTON, D.C. 20463

RECEIVED BY THE FEC
85 AUG 8 10:40

LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 125
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 435-5700

July 30, 1985

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
85 AUG 5 12:04

Matthew Gerson, Esq.
General Counsel's Office
Federal Election Commission
1325 "K" Street, NW
Washington, D.C. 20463

RE: MUR 1597

Dear Mr. Gerson:

Enclosed is the Conciliation Agreement in the matter of the Leadership for the 80's Committee, which has been executed by Alan Yengoyan, the treasurer. As soon as Mr. Fischbach returns, the Conciliation Agreement in the matter of the Whitehurst for U. S. Senate Committee will be mailed to you.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosure

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LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 135
FRESNO, CALIFORNIA 93710

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USA Rte

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ZIP CODE

MATTHEW GERSON, ESQ.
GENERAL COUNSEL'S OFFICE
FEDERAL ELECTION COMMISSION
1325 "K" ST., NW
WASHINGTON, D.C. 20463

85 AUG 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 15, 1985

James Shekoyan, Esquire
Shekoyan & Soley
6700 North First Street
Suite 135
Fresno, California 93710

Dear Mr. Shekoyan:

This letter is to confirm that on May 15, 1985, the Commission received your suggested revisions to the conciliation agreements that were mailed to you on April 4, 1985. The Commission has reviewed your counterproposals and has made several revisions to the original agreements. The following highlights those changes:

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Enclosed please find conciliation agreements ready for signature by Mr. Yengoyan and Mr. Fischbach, respectively. I am still hopeful that this matter can be settled through a conciliation agreement. Should you have any further questions, please call Matt Gerson at (202) 523-4143 or (800) 424-9530. Since this is pre-probable cause to believe conciliation, you should respond within 5 days.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Conciliation Agreements

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | MUR 1597 |
| | ) | |
| Leadership for the '80's | ) | |
| Whitehurst for U.S. Senate | ) | |
| Committee and | ) | |
| Donald R. Fischbach, as treasurer | ) | |
| William S. Whitehurst | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 2, 1985, the Commission decided by a vote of 6-0 to take the following actions in MUR 1597:

1. Approve the proposed conciliation agreement submitted with the General Counsel's Report signed June 26, 1985.

2. Approve and send the letters attached to the General Counsel's Report signed June 26, 1985.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

7-2-85
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 6-27-85, 11:17
Circulated on 48 hour tally basis: 6-27-85, 4:00

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RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY
85 JUN 27 A11:
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OFFICE OF THE FEC
COMMISSION SECRETARY
85 JUN 27 A11:1

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Leadership for the '80's | ) | MUR 1597 |
| Whitehurst for U.S. Senate | ) | |
| Committee and | ) | |
| Donald R. Fischbach, as treasurer | ) | |
| William S. Whitehurst | ) | |

SENSITIVE

GENERAL COUNSEL'S REPORT

BACKGROUND

The Commission has found reason to believe that Leadership for the '80's violated 2 U.S.C. §§ 433 and 434 because it made a $10,000 loan and a $9,707 in-kind contribution to a candidate without registering with, nor reporting to, the Commission. The Leadership Committee coincidentally made excessive contributions. 2 U.S.C. § 441a(a)(1)(A) and 2 U.S.C. 441a(a)(4). The Commission also has found reason to believe that the Whitehurst Committee violated 2 U.S.C. § 441a(f) by accepting those excessive contributions and violated § 434(b)(8) by failing to adequately report the source of a $90,000 loan.

In addition, the Commission has found reason to believe that William S. Whitehurst, candidate Daniel K. Whitehurst's father, violated 2 U.S.C. § 441a(a)(1)(A) by borrowing $90,000 from a commercial bank and loaning that money to his son who, in turn, loaned it to his campaign committee. The Commission also has found reason to believe that the Committee violated 2 U.S.C. § 441a(f) by accepting the proceeds of the $90,000 loan.

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On March 28, 1985, the Commission approved and mailed conciliation agreements to the attorney representing the Leadership Committee, the Whitehurst Committee, and William S. Whitehurst. On May 15, 1985, the General Counsel received a letter containing additional facts about the matter and counterproposals pertaining to the civil penalties. See Attachment 1. This Office subsequently engaged in numerous telephone conversations with counsel concerning the conciliation agreements. The attached conciliation agreements incorporate the results of those conversations.

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## RECOMMENDATIONS

1. Approve the attached proposed conciliation agreement.

2. Approve and send the attached letters.

Charles N. Steele
General Counsel

June 26, 1985
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments

1. Letter dated May 14, 1985 from counsel containing counter proposals.

2. Revised Conciliation Agreements.

3. Letter to respondents' counsel.

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

James Shekoyan, Esquire
Shekoyan & Soley
6700 North First Street
Suite 135
Fresno, California 93710

Dear Mr. Shekoyan:

This letter is to confirm that on May 15, 1985, the Commission received your suggested revisions to the conciliation agreements that were mailed to you on April 4, 1985. The Commission has reviewed your counterproposals and has made several revisions to the original agreements. The following highlights those changes:

Attachment 3

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Enclosed please find conciliation agreements ready for signature by Mr. Yengoyan and Mr. Fischbach, respectively. I am still hopeful that this matter can be settled through a conciliation agreement. Should you have any further questions, please call Matt Gerson at (202) 523-4143 or (800) 424-9530. Since this is pre-probable cause to believe conciliation, you should respond within 5 days.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Conciliation Agreements

8604056378 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MWE MARJORIE W. EMMONS/JODY C. RANSOM JCR

DATE: JUNE 12, 1985

SUBJECT: MUR 1597 - General Counsel's Report signed June 6, 1985

The above-captioned matter was circulated to the Commission on a 24 hour no-objection basis at 2:00, June 7, 1985.

There were no objections to the General Counsel's Report signed June 6, 1985.

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RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

85 JUN 7 A 9: 56

SENSITIVE

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|---|---|
| In the Matter of | ) |
| | ) |
| Leadership for the '80's and | ) |
| Alan Yengoyan, as treasurer | ) |
| Fay Andros | ) |
| Whitehurst for U.S. Senate Commitee | ) |
| and Donald R. Fischbach, as treasurer | ) |
| William S. Whitehurst | ) |

GENERAL COUNSEL'S REPORT

On March 28, 1985, the Commission decided to enter into pre-probable cause to believe conciliation with Leadership for the '80's, the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst. The Commission mailed notification letters and proposed conciliation agreements to those Respondents on April 4, 1985.

This Office and the Respondents' counsel have been engaging in frequent telephone conversations in an effort to reach viable conciliation agreements. This Office believes it is worthwhile to continue these pre-probable cause to believe negotiations for an additional thirty (30) days.

Charles N. Steele
General Counsel

June 6, 1985
Date

BY: Kenneth A. Gross
Associate General Counsel

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LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 130
FRESNO, CALIFORNIA 93710

JAMES E. SHEKOYAN
JUDITH LESLIE SOLEY
A PROFESSIONAL ASSOCIATION

TELEPHONE
(209) 438-5700

85 MAY 15 P 1:46

May 14, 1985

EXPRESS MAIL

Mr. Matthew Gerson
General Counsel's Office
Federal Election Commission
1325 "K" Street, NW
ashington, D.C. 20463

85 MAY 15 P 2:29

RE: MUR 1597

Dear Mr. Gerson:

I, JAMES E. SHEKOYAN, declare under penalty of perjury as follows:

This declaration (affidavit) has reference to our recent discussions concerning the above-referenced matter, and to the letter of Kenneth Gross dated April 4, 1985, with enclosures.

This declaration relates to my personal knowledge of the facts that the basis of the proposed conciliation agreements, and, in particular, to my review of the file on the $90,000 commercial bank loan, as well as my knowledge of the background concerning that loan.

Leadership for the 80's.

When Mr. Whitehurst decided in 1981 to explore the possibility of running for the U.S. Senate, he initially did not have any staff, campaign manager, legal advisor or other assistance. His first request to an individual to provide accounting and reporting assistance to his campaign was turned down. In December, 1981 or January, 1982, the Senate Committee learned that cash and in-kind contributions used during the exploratory period were possibly improper contributions under federal election rules. At that time, the Senate Committee and Mr. Whitehurst decided that the contributions should be immediately repaid and the matter reported to the FEC, which was done. The proposed conciliation agreements state that the Leadership Committee and the Senate Committee each took corrective action to refund the excessive and unlawful contributions and report them before the FEC's Reports Analysis Division uncovered the error. All funds used to repaid the contributions were federally qualified contributions. The Leadership Committee presently has

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no funds on hand. The Senate Committee still has debts payable in excess of $60,000, the bulk of which is the balance owed on a bank loan, to be discussed further below.

Senate Committee/William S. Whitehurst matter. From the beginning, the Senate campaign was an underdog campaign. Mr. Whitehurst was opposing Governor Jerry Brown, Gore Vidal, and several other candidates, and constantly had difficulty in obtaining contributions. By March, 1982, campaign was approximately two months behind in the payment of the salaries of the staff and professional campaign advisor, as well as other debts. (The amount owed to the professional campaign advisor, alone, was approximately $40,000, and he was threatening to quit the campaign unless payment was received.) The first campaign coordinator quit in February, 1982. I was helping as a volunteer fund raiser. In February or March, 1982, the candidate asked me to inquire about the availability of a personal loan to him for the campaign from a commercial lender. I contacted a couple of institutions for the candidate. The first institution that he contacted gave a tentative commitment, but later declined to make the loan (without giving any reason). The second institution the candidate contacted was Continental National Bank (CNB), which made the loan that is the subject of these proceedings. From the time that CNB was first contacted, it was told that the candidate was requesting a personal loan, that the loan was to be used for his Senate campaign, and that the source of repayment would campaign contributions. While I did not participate in the discussions between the candidate or his father with CNB, when the loan proceeds were received on March 31, 1982, we all believed that the loan was to the candidate, with his father as a co-signer at the bank's candidate. The bank loan was for one year, with interest payments only due quarterly. The notices from CNB requesting payment of interest, and the notice on March 21, 1985 requesting payment of the entire principal, always identified the note number and indicated both father and son as the obligors. The note was renewed for an additional year when it came due on March 31, 1983, and it was only then that it was learned that Daniel's name was not on the original note. The renewal note included Daniel's name. (When I reviewed the bank loan file recently, the original loan application contains only the signature of William Whitehurst, and only his signature on the note dated March 31, 1982. I know that Daniel Whitehurst was out of Fresno on that day, and while I know that it is a statement in his behalf on my part, I am sure that if he had been in Fresno on that date, he would have gone to the bank and signed the note. In hindsight, he probably should have gone to the bank and signed the note when he return, but unfortunately that was not done.)

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There have been several payments to reduce the principal balance, and the note has been renewed further. All funds that have used to make either interest or principal payments have come from federally qualified contributions. At the present time, the balance owing on the note is approximately $50,000, including accrued interest. The candidate is no longer an elected public official and has returned to private business. He is hopeful of having a fundraiser this summer to further reduce the debt.

William Whitehurst was not actively involved in his son's campaign. He never personally received any of the loan funds. On the day the loan was obtained the funds were deposited into the campaign bank account, and on the same day the proceeds were used to pay the past due debts, as mentioned above. (I was personally present at the campaign headquarters the afternoon of March 31, 1982, with the professional campaign advisor insisting on immediate payment, and other staff members anxiousy waiting to see if they were going to get paid.)

Neither William Whitehurst, the candidate, or anyone else connected with the campaign had any intent to violate any rule relating to federal campaign contributions, nor did anyone know that a rule was violated when the loan was obtained on March 31, 1982, or anytime thereafter until the FEC questioned the loan.

The loss of the campaign and the large debt that remains, have caused and continue to cause the candidate, his family and those of us who have supported him, much pain. Of even greater pain to the candidate is the fact that his well-earned reputation for the highest of integrity and ethical behavior while in public office has been affected, and that his father--a longtime, highly regarded businessman and member of this community, who innocently sought to aid his son--has been made a party to these proceedings.

EXECUTED at Fresno, California, on May 14, 1985.

I declare under penalty of perjury that the foregoing is true and correct.

James E. Shekoyan

JAMES E. SHEKOYAN

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# ACE

## -POUND PAK

EXPRESS MAIL POST OFFICE TO ADDRESSEE

FROM:

JAMES E. BEKEDZAN
6700 N. First St., #L35
Fresno, CA 93710

Customer Number, If any:

TO:

MARCUS ASHON
Attorney's Office

ORIGIN:

Initials of Receiving Clerk:

P.O. ZIP Code: 93704

Date In: 5-14-95 Time In: 1:30

Section Receipt Service
To Whom & Date Del.
To Whom, Date & Address of Del.

DESTINATION:

Date of Delivery:

Time of Delivery:

Initials of Delivery Clerk:

Signature of Addressee or Agent:

DELIVERY WAS ATTEMPTED

Date: Time:

FRESNO CALIF MAY 14 '95

U.S. POSTAGE 10.75

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 4, 1985

James E. Shekoyan, Esquire
6700 North First Street
Suite 135
Fresno, California 93710

RE: MUR 1597

Dear Mr. Shekoyan:

On December 9, 1983, the Commission found reason to believe that your client, Leadership for the 80's, violated 2 U.S.C. §§ 433, 434, and 441a. The Commission also found reason to believe that your clients, the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. §§ 434(b)(8) and 441a(f). The Commission subsequently made a separate and distinct determination that there was reason to believe that the Whitehurst Committee violated 2 U.S.C. § 441a(f). The Commission concurrently found reason to believe that your client, William S. Whitehurst, violated 2 U.S.C. § 441a(a)(1)(A). Based on your January 30 and February 19, 1985 requests, the Commission determined on March 28, 1985, to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed are separate conciliation agreements that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation neogtiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible. If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Matthew Gerson, the staff person assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Leadership for the 80's | ) | MUR 1597 |
| | ) | |

CONCILIATION AGREEMENT

This matter was initiated by a referral from the Commission's Reports Analysis Division. The Commission found reason to believe that Leadership for the 80's ("Leadership Committee") violated 2 U.S.C. §§ 433, 434 and 441a. Thereafter, the Commission conducted an investigation.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of concilation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. During the relevant time period, Respondent Leadership for the 80's was a California registered political action committee that never registered with the Federal Election Commission ("Leadership Committee").

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2. During an "exploratory period" when Daniel K. Whitehurst was deciding whether to become a candidate for federal office, the Leadership Committee made what amounts to two contributions to him (collectively, the "contributions"); one was a $10,000 loan and the other involved $9,707.45 in in-kind contributions.

3. The Leadership Committee became a political committee pursuant to 2 U.S.C. § 431(4)(A) when it made those contributions. The Leadership Committee did not register with, nor report to, the Commission despite the requirements of 2 U.S.C. §§ 433 and 434.

4. A political committee which is not a multicandidate political committee may not make contributions to a candidate in excess of $1,000 per election. 2 U.S.C. § 441a(a)(1)(A) and 441a(a)(4).

5. After Mr. Whitehurst declared his candidacy, the Leadership Committee and Mr. Whitehurst's authorized political committee took corrective action to refund the excessive and unlawful contributions.

6. The full amount of the Leadership Committee's contribution and the appropriate interest payments were paid prior to the FEC's notifying the Whitehurst or Leadership Committees of any unlawful contributions.

V. The Respondent violated 2 U.S.C. §§ 433, 434 and 441a(a) of the Federal Election Campaign Act, as amended.

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VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of Two Thousand Dollars ($2,000) pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that it shall not undertake any activity which in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et. seq.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matter at issue herein on or its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

XI. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire ageement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

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made by either party or by agents of either party, that is not contained in this written agreement, shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY: _____ _____
Kenneth A. Gross Date

FOR THE RESPONDENT:

_____ _____
Alan Yengoyan, Date
as treasurer of
Leadership for the 80's

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| The Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer | ) | MUR 1597 |
| William S. Whitehurst | ) | |

CONCILIATION AGREEMENT

This matter was initiated by a referral from the Commission's Reports Analysis Division. The Commission found reason to believe that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. §§ 434(b)(8) and 441a(f). In a separate and distinct determination, the Commission found reason to believe that candidate Daniel K. Whitehurst's father, William S. Whitehurst, violated 2 U.S.C. § 441a(a)(1)(A) and that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. § 441a(f). The Commission conducted investigations into both of these matters.

NOW, THEREFORE, the Commission and the Respondents, Whitehurst for U.S. Senate Committee ("Whitehurst Committee") and William S. Whitehurst, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

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III. Respondents enter voluntarily into this agreement with the Commission.

IV(A). The pertinent facts with regard to the first 441a(f) reason to believe findings are as follows:

1. During the relevant time period, Leadership for 80's was a California registered political action committee never registered with the Federal Election Commission ("Leadership Committee").

2. During an "exploratory period" when Daniel K. Whitehurst was deciding whether to become a candidate for federal office, the Leadership Committee made what amounts to two contributions to him (collectivley, the "contribututions"): one was a $10,000 loan and the other involved $9,707.45 in in-kind contributions.

3. The Leadership Committee became a political committee pursuant to 2 U.S.C. § 431(4)(A) when it made those contributions. A political committee that is not a multicandidate political committee may not make contributions to a candidate in excess of $1,000 per election. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(4).

4. After Mr. Whitehurst declared his candidacy, the Leadership and Whitehurst Committees took corrective action to refund the excessive and unlawful contributions. The Whitehurst Committee reported the contributions until they could be repaid and refunded and did so before the Commission's Reports Analysis Division uncovered the error.

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IV(B). The pertinent facts with regard to the 2 U.S.C. § 434(b)(8) and second 2 U.S.C. § 441a(f) reason to believe finding against the Whitehurst Committee and the 2 U.S.C. § 441(a)(1)(A) reason to believe finding against William S. Whitehurst, the candidate's father, are as follows:

1. The Whitehurst for U.S. Senate Committee's 1982 April Quarterly Report disclosed that on March 31, 1982, candidate Daniel K. Whitehurst loaned $90,000 to his authorized campaign committee ("Whitehurst Committee"). The Whitehurst Committee failed to report from where the candidate acquired the $90,000.

2. The response to a combined Subpoena and Order to the Whitehurst Committee and candidate Daniel K. Whitehurst indicated that the $90,000 came from a loan from a commercial bank.

3. The loan agreement is in William S. Whitehurst's name only and is signed by William S. Whitehurst only.

4. William S. Whitehurst made a $90,000 excessive contribution that the Whitehurst Committee knowingly accepted.

V(A). In connection with the contributions from the Leadership Committee, the Whitehurst Committee violated 2 U.S.C. § 441a(f) of the Act. In order to conclude this matter without formal proceedings, a civil penalty in the amount of $2,000 (Two Thousand Dollars) will be paid, pursuant to 2 U.S.C. § 437g(a)(5)(A).

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V(B). In connection with the $90,000 loan, respondent William S. Whitehurst violated 2 U.S.C. § 441a(a)(1)(A) of the Federal Election Campaign Act, as amended, and respondent Whitehurst for U.S. Senate Committee violated 2 U.S.C. § 434(b)(8) and 441a(f) of the Act. In order to conclude this matter without formal proceedings, a civil penalty in the amount of $9,000 (Nine Thousand Dollars) will be paid, pursuant to 2 U.S.C. § 437g(a)(5)(A).

VI. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matter at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the Untied States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

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IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement, shall be valid.

FOR THE COMMISSION:

Charles N. Steele
General Counsel

BY _____ _____
Kenneth A. Gross Date
Associate General Counsel

FOR THE RESPONDENTS

_____ _____
Donald R. Fischbach, as Date
treasurer of the Whitehurst
for U.S. Senate Committee

_____ _____
William S. Whitehurst Date

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | MUR 1597 |
| | ) | |
| Leadership for the 80's and | ) | |
| Alan Yengoyan, as treasurer | ) | |
| Fay Andros | ) | |
| Whitehurst for U.S. Senate | ) | |
| Committee and Donald R. | ) | |
| Fischbach, as treasurer | ) | |
| William S. Whitehurst | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 28, 1985, the Commission decided by a vote of 6-0 to take the following actions in MUR 1597:

1. Enter into pre-probable cause conciliation with Leadership for the 80's, the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst.

2. Approve the proposed conciliation agreement regarding Leadership for the 80's as submitted with the General Counsel's Report signed March 22, 1985.

3. Approve the proposed conciliation agreement regarding the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst, submitted with the General Counsel's Report signed March 22, 1985.

(Continued)

4. Approve and send the letter attached to the General Counsel's Report signed March 22, 1985.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

3-28-85
Date

Jody C Ransom
for Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 3-25-85, 9:06
Circulated on 48 hour tally basis: 3-25-85, 4:00

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter Of | ) | |
| | ) | |
| Leadership for the 80's and | ) | |
| Alan Yengoyan, as treasurer | ) | |
| Fay Andros | ) | |
| Whitehurst for U.S. | ) | MUR 1597 |
| Senate Committee and | ) | |
| Donald R. Fischbach, as | ) | |
| treasurer | ) | |
| William S. Whitehurst | ) | |

GENERAL COUNSEL'S REPORT

I. BACKGROUND

A. The Leadership Committee's Loan and In-Kind Contributions

The Whitehurst for U.S. Senate Committee's 1981 Year End Report disclosed the receipt of a $10,000 loan and $9,707.45 in in-kind contributions, all of which were designated for the primary election, from Leadership for 80's ("Leadership Committee"). The Leadership Committee, a California-registered political action committee, was not registered with the Commission.

The $10,000 loan from the Leadership Committee, received sometime between July 1 and July 15, 1981, was refunded on December 31, 1981 and was reported in the 1981 Year End Report. In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the $9,707 in in-kind contributions had been refunded after the close of books for the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the Whitehurst Committee on March 23, 1982. The RFAI noted the refund of the $10,000 loan from the Leadership Committee and the statement that

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the $9,707 in in-kind contributions was refunded to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive loan and contributions.

The 1982 April Quarterly Report, received on April 16, 1982, disclosed that the $9,707 in in-kind contributions and the accured interest payment of $550 on the $10,000 loan were refunded on February 16, 1982, soon after the close of books for the 1981 Year End Report.

The above referenced loans, contributions, refunds and reports can be summarized as follows:

<u>$10,000 Loan</u>

| | |
|---|---|
| 10,000 | received sometime between July 1 and July 15, 1981 |
| 10,000 | refunded on December 31, 1981 |
| 10,000 | reported on the 1981 Year End Report |
| 550 | accured interest payment tendered on February 16, 1982 |
| 550 | interest payment reported on the 1982 April Quarterly Report |

<u>$9,707.45 in In-Kind Contributions</u>

| | |
|---|---|
| 9,707 | received between March 1 and September 19, 1981 during exploratory period |
| 9,707 | repaid February 16, 1982 |
| 9,707 | payment reported on the 1982 April Quarterly Report |

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B. The $90,000 Bank Loan and $5,000 Personal Loan

The Whitehurst for U.S. Senate Committee's 1982 April Quarterly Report disclosed the receipt of 2 (two) loans from the candidate: a January 28, 1982, $5,000 interest free loan and a March 31, 1982, $90,000 loan with an 18% (eighteen percent) interest rate. Both loans were designated for the primary election and were due on "demand". Two Requests for Additional Information regarding the source of the funds that the candidate loaned to his authorized committee went unanswered. As a result, the Commission, on December 9, 1983, found reason to believe that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, had violated 2 U.S.C. § 434(b)(8) by failing to clarify the loans' source.

In connection with its investigation, the Commission, on June 21, 1984, authorized the issuance of a combined Subpoena and Order to the Whitehurst Committee and candidate Daniel K. Whitehurst. The response was submitted late, was not submitted under oath, and was incomplete.

While attempting to obtain complete answers, the General Counsel's Office recognized that the candidate's father had guaranteed or co-signed a $90,000 loan that, according to the Whitehurst Committee's responses, a commercial bank had extended to the candidate. As a result, the Commission, on December 13, 1984, found reason to believe that the candidate's father, William S. Whitehurst, had violated 2 U.S.C. § 441a(a)(1)(A).

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The Commission also found reason to believe that the Committee had violated 2 U.S.C. § 441a(f).

The Committee and the candidate's father were notified of these latest findings in a December 17, 1984 letter. On January 7, 1985, the General Counsel received a response that provided a great deal of information omitted from the response to the Subpoena and Order and, accordingly, made the facts of the case more clear.[1/]

## II. FACTUAL AND LEGAL ANALYSIS

### A. The Leadership Committee's Loan and In-Kind Contributions

Political committees must register with the Commission no later than 10 days after they are established and must file receipt and expenditure reports. 2 U.S.C. §§ 433 and 434. The Leadership Committee became a political committee pursuant to 2 U.S.C. § 431(4)(A) when it extended the loan and in-kind contributions. However, it did not register with, nor report to, the Commission.

Political committees which are not multicandidate political committees may not make contributions to a candidate in excess of

1/ Numerous conversations between counsel and the General Counsel's Office over the course of five weeks resulted in a January 30, 1985 request for pre-probable cause to believe conciliation for William S. Whitehurst and Daniel K. Whitehurst. On February 21, 1985, the General Counsel's Office received a request for conciliation for the Whitehurst and Leadership Committees and their treasurers.

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$1,000 per election. 2 U.S.C. §§ 441a(a)(1)(A) and 441a(a)(4). The $10,000 loan and $9,707 in in-kind contributions, therefore, placed the Leadership Committee in violation of the Act at the time that the loan and contributions were tendered. The Whitehurst Committee violated the Act by accepting the excessive contributions. 2 U.S.C. § 441a(f). Based on the foregoing, the Commission, on December 9, 1983, found reason to believe that the Leadership Committee violated 2 U.S.C. §§ 433, 434 and 441a and that the Whitehurst Committee violated 441a(f).

Attached for the Commission's approval are conciliation agreements.

8604056381 1

It is noteworthy that while the Leadership Committee violated the Act by tendering the loan and contributions, an August 23, 1983 memorandum from RAD to the General Counsel stated that the unregistered Leadership Committee may not have had a registration requirement because the full amount of both the loan and the contributions were repaid prior to the March 1982 notification from RAD. See Attachment 2.

B. The $90,000 Bank Loan and $5,000 Personal Loan

2 U.S.C. § 441a(a)(1)(A) prohibits any person from making contributions aggregating in excess of $1,000 per election to a candidate's authorized campaign committee. 2 U.S.C. § 441a(f) prohibits a political committee from knowingly accepting excessive contributions. The term "contribution" includes loans, and the term "loan" includes any form of security. 2 U.S.C. § 431(8)(a)(i). While there is no limit on the amount of personal funds a candidate may contribute to his

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own campaign, the term "personal funds" is narrowly defined to include:

> assets which, . . . at the time he . . . became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either:
> (1) legal and rightful title, or
> (2) an equitable interest

i. <u>The $5,000 loan</u>

The July 11, 1984 response to the Subpoena and Order states that the January 28, 1982 $5,000 loan to the Committee came from the candidate's personal funds. The response contained a photocopy of what appears to be a personal check from the candidate, Daniel K. Whitehurst, to his U.S. Senate Committee. See Attachment 3. Although the Whitehurst Committee's reports have not been amended, this Office is satisfied that the loan came from the candidate's personal funds.

ii. <u>The $90,000 loan</u>

In the July 11, 1984 response to the Subpoena and Order, Counsel states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst, (hereinafter referred to as the "Mayor" or the "candidate") which the candidate, in turn, loaned to the Whitehurst Committee. Counsel adds, "as indicated on the interest statements, the loan is

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listed in the names of the candidate and his father." See Attachment 4: The January 2, 1985 response states:

> The source of the $90,000 loan to my campaign committee on March 31, 1982, was a loan in the same amount, on the same date, from Continental National Bank, on which my father was a co-signer. . . . Although the loan is listed in my name and the name of my father, all funds were lent by me to my campaign committee and all payments of interest and principal have been from qualifying contributions to a federal campaign. See Attachment 5.

These statements indicate that, at the very least, a portion of the bank loan was not candidate Whitehurst's "personal funds" and, thus, was an excessive contribution by the candidate's father. That conclusion is based on the provisions of the Act that have been read to mean that the father, as endorser, guarantor, or co-signor, made a contribition to the extent of his pro rata share of the outstanding balance of the loan. 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11). However, a photocopy of the loan agreement suggests that, in fact, the loan was made to the father only and not to the candidate. See Attachment 5, pages 10 and 11.

The assertions in the Whitehurst Committee's response are supported by certain transaction statements from the bank that are addressed to both the father, William S. Whitehurst, and the candidate, Daniel K. Whitehurst. In addition, the text of the loan agreement seems to refer to the "borrower(s)" as if there

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were more than one, i.e., "... the undersigned jointly and severally promise . . . " and, . . ." the undersigned further promise. . . ." Finally, during telephone conversations with counsel and Mayor Whitehurst, both have explained that the loan application stated that the loan was to be made to the Mayor for his Senate campaign. The Mayor's father was listed as the co-signer and, purportedly, the Mayor did not sign the initial agreement because he was out of town on the day it was signed. Counsel and the Mayor contend that all subsequent related transactions were carried out as if both the Mayor and his father had signed the agreement.

In the January 2, 1985 response, Mayor Whitehurst states:

> [S]ince my principal financial asset is stock in a family company that I own with my father and my cousin, the bank requested

8604056381 5

that he co-sign the note. My father co-signed in response to that request as a favor to his son. If a violation is found to exist, I assure you that he hadn't the slightest idea that he might have been doing something improper. I was not aware either that this transaction might be improper, but if it is and blame is to be assessed, it should rest with me, not with him.

**RECOMMENDATIONS**

1. Enter into pre-probable cause conciliation with Leadership for the 80's, the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst.

2. Approve the attached proposed conciliation agreement regarding Leadership for the 80's.

3. Approve the attached proposed conciliation agreement regarding the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, and William S. Whitehurst.

4. Approve and send the attached letter.

Charles N. Steele
General Counsel

March 22, 1985
Date

BY: Kenneth A. Gross
Associate General Counsel

Attachments
1. January 29, 1982 letter from Donald R. Fischbach to the Secretary of the Senate.
2. August 26, 1983 memorandum from John Gibson to Charles Steele.
3. Photocopy of a $5,000 personal check from Daniel K. Whitehurst to the Whitehurst Committee.
4. July 11, 1984 response to the Commission's Subpoena and Order.
5. January 2, 1985 response from Counsel.
6. Conciliation Agreement Regarding Leadership for the 80's.
7. Conciliation Agreement Regarding the Whitehurst Committee, its treasurer, and William S. Whitehurst.
8. Letter to Counsel.

8604056381 6

Daniel K. Whitehurst
for United States Senate

RECEIVED
SECRETARY OF THE SENATE
FEB -3 AM 8 55
HAND DELIVERED

1981 Year End Rpt.

January 29, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Secretary of the Senate
119 "D" Street, N.E.
Washington, D.C. 20510

Re: Whitehurst for United States Senate Committee (I.D. No. C00144980); Report of Receipts and Disbursements For The Period Ending December 31, 1981

Ladies and Gentlemen:

Enclosed please find a completed Federal Election Commission Form 3, Report of Receipts and Disbursements, for the Whitehurst for United States Senate Committee.

There are some specific items on the report which I wish to bring to your attention on behalf of the committee. These items pertain to the exploratory period, during which our candidate, Daniel K. Whitehurst, was exploring the possibility of running for the United States Senate seat in California or for a state office in California. The exploratory period ended with the filing of Mr. Whitehurst's Statement of Candidacy with your office on September 19, 1981 (FEC Form 2). On that same date, the committee filed its Statement of Organization (FEC Form 1) with your office designating the undersigned as Treasurer of the committee. On October 5, 1981, the committee filed an amendment to its Statement of Organization with your office to change the name of its Assistant Treasurer.

From and after the dates of filing the Statement of Organization and the amendment thereto, we began establishing the required accounting procedures and attempting to document and review each and every receipt and expenditure that had been made during the exploratory period.

2301 Fresno Street • Fresno, California 93721 • Telephone (209) 233-1111

Attachment I, p. 1

In approximately mid-November we learned that Leadership For The 80's, a California-registered political action committee, made a $10,000 loan to the exploratory committee on or about July 15, 1981. We undertook to repay this loan, together with the accrued interest thereon at the rate of 12% per annum, at our earliest opportunity. We repaid the principal of $10,000 on December 31, 1981, and, as of the date of this letter, have repaid the accrued interest thereon. You will note that because the interest was not paid as of the end of the reporting period, the same is shown as an obligation on Schedule D of the enclosed report.

Secondly, in mid-November 1981, we received a communication from the treasurer of the Leadership For The 80's committee advising us of some $11,000 in expenditures that his committee had made during the exploratory period. He questioned whether the expenditures should be considered expenditures regarding exploration of a possible state office candidacy, or of a possible federal election campaign. In response to this communication, we immediately undertook to discover the facts and circumstances of each of these expenditures. We were unable to make any determination until after the close of the period covered by the enclosed Report of Receipts and Disbursements.

Ultimately, in mid-January 1982, we concluded that virtually all of these expenditures made after approximately the middle of March 1981 should be deemed to be expenditures to influence a federal election and therefore reportable, and properly paid for, by the Whitehurst for United States Senate Committee. We adopted the mid-March cut-off date out of an abundance of caution. As of that date there was some focus upon a run by Mr. Whitehurst for the United States Senate, even though there were still discussions about a possible candidacy for state office instead. We concluded, though, that we could not identify with complete confidence any of the circumstances of the expenditures after the mid-March date as being solely focused on a possible state candidacy, and therefore, we opted to treat all of the expenditures after mid-March as expenditures to influence a federal election.

rg

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Attachment I, p. 2

As a result of our determination in this regard, we concluded that $9,707.45 of these expenditures should be reimbursed to the Leadership For The 80's committee. As that reimbursement was not effected as of the closing date of the enclosed Report of Receipts and Disbursements, we have reflected this amount as an obligation on Schedule D of the report. As of the date of this letter, we have fully repaid this amount to Leadership For The 80's.

Therefore, as of the date of this letter, we are confident that we have resolved any questions concerning proper receipts and disbursements during the exploratory period. Furthermore, we are confident that subsequent to the exploratory period, with the assistance of competent accountants and attorneys, receipts and disbursements have been handled consistent with the requirements of the Federal Election Campaign Act and regulations promulgated by the Federal Elections Commission pursuant thereto.

We would appreciate your conforming the enclosed copy of our report and returning it to us in the preaddressed stamped envelope provided.

Thank you very much for your cooperation and assistance.

Sincerely,

Donald R. Fischbach

Donald R. Fischbach
Treasurer
Whitehurst for United
States Senate Committee

DRF/bjs
Enclosures

8 6 0 4 0 5 6 3 8 1 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 August 1983

**MEMORANDUM**

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURIA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR, RAD

SUBJECT: REFERRAL OF THE WHITEHURST FOR UNITED STATES SENATE COMMITTEE

This is a referral of the Whitehurst for United States Senate Committee (the "committee"). The committee has accepted and refunded excessive contributions from an individual and an unregistered committee, and has failed to clarify the original source of funds which were lent to the committee by the candidate. These matters, according to the Review and Referral Procedures (Charts 3 and 11), require further examination by your office.

The unregistered committee, Leadership for the '80's, did not have a registration requirement because the full amount of the loan and contribution was repaid prior to notification from RAD. Therefore, Leadership for the '80's was not notified that it may have exceeded the 2 U.S.C. 441a limitations.

If you have any questions, please contact Roberto Garcia at 523-4048.

Attachments

cc: The Commissioners

Attachment 2

8604056382 0

DANIEL K. WHITEHURST
488-1561
2254 EAST HARVARD
FRESNO, CA 93704

550

Mar 28 1982

11-38
1210

PAY TO THE ORDER OF Whitehurst for U.S. Senate $5000.00

Five thousand and 00/100 DOLLARS

BANK OF AMERICA
FRESNO MAIN OFFICE
TULARE AND VAN NESS STREETS
FRESNO, CALIF. 93721

Loan

Daniel K Whitehurst

⑆121000358⑆0550⑈00108⑈61844⑈

Attachment 3

FEC
Cat #4029
84 JUL 12 P3:49

LAW OFFICES OF
JAMES K. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 138
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 439-8700

VIA EXPRESS MAIL

84 JUL 13 AM:13

July 11, 1984

Federal Elections Commission
Washington, D.C. 20463

Attn: Kenneth A. Gross
Associate General Counsel

RE: MUR 1597

Dear Mr. Gross:

This letter is in response to your letters and subpena dated June 2, 1984. I have previously filed a Statement of Designation of Counsel.

Enclosed you will find the following:

1. Copy of a check from the candidate, Daniel K. Whitehurst, to his U.S. Senate Committee. (This check, in the sum of $5,000, was a loan of personal funds by the candidate to his committee.)

2. Copies of interest statements from Continental National Bank relating to a $90,000 loan to the candidate, Daniel K. Whitehurst, which he, in turn, loaned to his U. S. Senate Committee on the same terms and conditions as the loan from the bank. (The loan from the bank to Mr. Whitehurst was for one year, with innterest payments due quarterly, and the balace due on 3-31-83. The interest rate was variable in relation to changes in the prime lending rate. When the loan was due in March, 1983, a principal reduction of $8,000 was made, and the payment of the balance was extended to 3-31-84, with continuing quartrly interest payments. The loan balance has been further reduced to $69,000. As indicated on the interest statements, the loan is listed in the names of the candidate and his father. However, all funds were lent by the candidate to his campaign committee, and all payments of interest and principal to the candidate, and to the bank have been from qualifying contributions to the U.S. Senate Committee. Efforts to retire the debt through qualifying contributions are continuing.

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Attachment 4, p. 1

If you require further information, please call or write me.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosures

Attachment 4, p. 2

JAMES E. SHEROYAN
6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710
(209) 435-5700

Lawyer for Respondent

BEFORE THE FEDERAL ELECTION COMMISSION

| | |
|---|---|
| In the Matter of<br><br>The Whitehurst for U. S. Senate Committee | MUR 1597<br><br>ANSWER TO ORDER TO SUBMIT WRITTEN ANSWERS |

A1. The source of the $90,000 loan to my campaign committee on March 31, 1982, was a loan in the same amount, on the same date, from Continental National Bank, on which my father was a co-signer. The loan from the bank was for one year, with interest payments due quarterly, and the balance due on 3-31-83. The interest rate was variable in relation to changes in the prime lending rate. When the loan was due in March, 1983, a principal reduction of $8,000 was made, and the payment of the balance was extended to 3-31-84, with continuing quarterly interest payments. The loan balance has reduced to $47,000, and the balance is due in May, 1985. Although the loan is listed in my name and the name of my father, all funds were lent by me to my campaign committee, and all payments of interest and principal have been from qualifying contributions to a federal campaign.

I was not aware at the time that this transaction might be construed to constitute a "contribution" within the meaning of federal election regulations. First, the loan was an arms-length market rate loan from a bank. Second, I felt that due to the

Attachment 5, P

8604056382 4

fact that the loan was to me personally (and not to the campaign) and that the co-signer was a member of my immediate family, the loan funds would still be considered my "personal" funds and would not involve a "contribution." Third, my father has put none of his own money into the campaign other than what has been reported. The loan from me to the committee is being repaid to me entirely from duly reported committee funds. The loan from the bank to me is being repaid entirely from those funds and my own personal funds. No money from my father is being used to repay the bank loan.

Finally, since my principal financial asset is stock in a family company that I own with my father and my cousin, the bank requested that he co-sign the note. My father co-signed in response to that request as a favor to his son. If a violation is found to exist, I assure you that he hadn't the slightest idea that he might have been doing something improper. I was not aware either that this transaction might be improper, but if it is and blame is to be assessed, it should rest with me, not with him.

A2. This loan was a personal loan by me to my campaign committee. My lawyer has previously forwarded to you a copy of the check from me to the campaign committee.

A3. See answer to A1 above.

DATED: December 27, 1984 at Fresno, California.



Attachment 5, p. 2

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1-82

CONTINENTAL NATIONAL BANK
MAIN OFFICE
83 EAST SHAW AVE
FRESNO, CALIF. 93710

BRANCH 001
OFFICER SKC

STOMER
NOTE DESCRIBED BELOW AND DATED 03-31-82 WILL BE DUE 03-31-83. TH
AT MATURITY AT THE OFFICE OF THIS BANK. PLEASE RETURN THIS NOTI
MITTANCE.

CURRENT PRINCIPAL

C194930 NOTE NO. 5004930

DUE DATE

PRINCIPAL DUE

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

INTEREST DUE

TOTAL DUE

NOTE IS
E WITH

.000.00

3-31-83

.000.00

,365.76

,365.76

CONTINENTAL NATIONAL BANK
MAIN OFFICE
22 EAST SHAW AVE
FRESNO, CALIF. 93711

BRANCH
OFFICER SEC

DEAR CUSTOMER
YOUR PAYMENT ON THE NOTE DESCRIBED BELOW WAS DUE 3-31-83 WAS DUE 3-31-83
TO ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.
PLEASE DISREGARD THIS NOTICE IF PAYMENT HAS BEEN MADE.

CURRENT PRINCIPAL

ACCOUNT C194931 NOTE NO. 5204900

DUE DATE 83-3

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

PRINCIPAL DUE

INTEREST DUE

TOTAL DUE

8 6 0 4 0 5

Attachment 5 p. 4

05-20-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

NOTE

K CUSTOMER
PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 06-30-83
SURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

JUN 29 '83
TELLER

| | |
|---|---|
| CURRENT PRINCIPAL | 82,000.00 |
| DUE DATE | 06-30-83 |
| PRINCIPAL DUE | |
| INTEREST DUE | 2,555.48 |
| TOTAL DUE | 2,555.48 |

DAW paid
pur. money

LOAN 0194930 NOTE NO. 5011470

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

8604056382 8

Attachment 3, p. 3

09-20-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

DEAR CUSTOMER
PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 09-30-83
ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

ACCOUNT 0196930 NOTE NO. 5011470

CURRENT PRINCIPAL 82,000.00

DUE DATE 09-30-83

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

CNS #1
OCT 5 1983

$ 272396

PRINCIPAL DUE

INTEREST DUE 2,503.55

TOTAL DUE 2,503.55*

8604056382 9

Attachment 5, P. 6

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 F. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH NO
OFFICER NO

TO CUSTOMER

PAYMENT ON THE NOTE DESCRIBED BELOW DATED 6-11-83 WILL BE DUE 12-30-83
ISSUE CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

CNB
DEC30 1983

COINT C 80-3000 NOTE NO. 5011470

ORIGINAL PRINCIPAL 62,000.
DUE DATE 12-30-

WILLIAM S WHITENHURST
DANIEL K WHITENHURST
PO BOX 5003
FRESNO CA 93755

PRINCIPAL DUE
INTEREST DUE 2,511.
TOTAL DUE 2,511.

8604056383 0

Attachment 5 p. 5

09-30-84

CONTINENTAL BANK OF COMMERCE
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

EAR CUSTOMER
IN ACCORDANCE WITH THE TERMS OF YOUR LOAN AGREEMENT, WE HAVE INCREASED
OUR INTEREST RATE ON THE LOAN DESCRIBED BELOW:

CCOUNT 0194930 NOTE NO. 5011470

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

| | |
|---|---|
| CURRENT PRINCIPAL | 69,0 |
| ISSUE/RENEWAL DATE | 03- |
| MATURITY DATE | 03- |
| EFFECTIVE DATE | 05- |
| OLD INTEREST RATE | 1 |
| NEW INTEREST RATE | 1 |

8604056383 1

Attachment 3, p. 3

CONTINENTAL NATIONAL BANK

DEAR CUSTOMER,
THIS NOTICE REFLECTS THE AMOUNT OF INTEREST PAID ON YOUR COMMERCIAL LOAN ACCOUNT IN 1982. PLEASE RETAIN THIS NOTICE FOR TAX PURPOSES. THANK YOU.

| | |
|---|---|
| DATE | 12/31/82 |
| ACCOUNT NO | 0194933 |
| INTEREST PAID | 7,558.77 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA
93755

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Attachment 5, p.9

Attachment 5, p. 10

NAME WILLIAM S. WHITEHURST LOAN NO. 0194930 50 04900 RATE P+1.0 MATURITY DATE 03-31-83

No. _____ Fresno, California March 31, 1982 $ 90,000.00

On demand, or if no demand, then on March 31, 1983, for value received, the undersigned jointly and severally promise to pay to CONTINENTAL NATIONAL BANK, order, or upon written demand by Bank at any time, at its Main Office,

83 East Shaw Avenue Suite 110, Fresno Ca. 93710

* * * ** * * * *NINETY THOUSAND AND NO/100* * * * * * * * * * * Dollars ($ 90,000.00),

together with interest from the date hereof, computed per annum and charged for actual number of days elapsed until paid in full at CONTINENTAL NATIONAL BANK, Prime Interest Rate as it may change from time to time plus 1.0 %, said interest rate to be adjusted concurrently with any announced change in the aforementioned Prime Interest Rate, with a minimum rate of 15.0 %.

*Beginning 6-30-82

Interest payable Quarterly* and if not so paid, to become a part of the principal and thereafter bear like interest. Upon default in any payment of principal or interest, the whole sum of principal and interest shall become due at the option of the holder hereof.

Should default be made in the payment of any installment of principal or interest when due, then the entire sum of principal then unpaid, together with accrued interest thereon, shall become immediately due and payable at the option of the holder of this note without notice. Principal and interest payable in lawful money of the United States. The undersigned further promise to pay all costs of collection, including reasonable attorney's fees, incurred in the collection of this note. The makers, sureties, guarantors and endorsers of this note hereby consent to renewals and extensions of time at or after the maturity hereof and hereby waive diligence, presentment, protest and demand and notice of every kind and (to the full extent permitted by law) the right to plead any statute of limitations as a defense to any demand hereunder or in connection with any security hereto. Notwithstanding any other provision of this note the undersigned agrees to pay interest on all sums of interest and principal at the rate of 20.0 per cent per annum from date when due to date of payment

Secured by: Unsecured

Minimum charge $ 50.00

CONTINENTAL NATIONAL BANK

William S. Whitehurst

Address: 939 E. Decatur
Fresno Ca. 93710

* Where maker is a corporation, partnership, etc., type company name on top line followed by signatures (over titles) of authorized signers

COMMERCIAL SINGLE PAYMENT — VARIABLE RATE N 221

8604056373

Name WILLIAM S. WHITEHURST Rate P+1.0 % Due 03-31-83

| ACCOUNT | CLASS | LOAN |
|---|---|---|
| 0194930 | 50 | 04903 |

**FOR VALUE RECEIVED,** the undersigned, jointly and severally, endorse, guarantee and promise to pay the note on the reverse hereof and all extensions and renewals thereof, which extensions and renewals may be made without notice to or consent of the undersigned, and all taxes and insurance premiums and any other sums that may become due and payable under and by virtue of the provisions of any instrument of security, if any, securing the aforesaid note, and hereby waive (a) presentment, demand, protest, notice of protest, notice of dishonor, and notice of non-payment (b) the right, if any, to the benefit of, or to direct the application of, any security hypothecated to the holder until all indebtedness of the maker to the holder, however arising, shall have been paid, (c) the right to require the holder to proceed against the maker, or to pursue any other remedy in the holder's power, and agree that the holder may proceed against the undersigned directly and independently of the maker, and that the cessation of the liability of the maker for any reason other than full payment, or any extension, renewal, forbearance, change of rate of interest, or acceptance, release or substitution of security, or any impairment or suspension of the holder's remedies or rights against the maker, shall not in any way affect the liability of the undersigned hereunder.

| INTEREST PAID | | | PRINCIPAL | | |
|---|---|---|---|---|---|
| DATE | AMOUNT | PAID TO | DATE | PAYMENTS | BALANCE |
| | | | | | |

Attachment 5, p. 11

8604056383 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

James E. Shekogan, Esquire
6700 North First Street
Suite 135
Fresno, California 93710

Dear Mr. Shekogan:

On December 9, 1983, the Commission found reason to believe that your client, Leadership for the 80's, violated 2 U.S.C. §§ 433, 434, and 441a. The Commission also found reason to believe that your clients, the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. §§ 434(b)(8) and 441a(f). The Commission subsequently made a separate and distinct determination that there was reason to believe that the Whitehurst Committee violated 2 U.S.C. § 441a(f). The Commission concurrently found reason to believe that your client, William S. Whitehurst, violated 2 U.S.C. § 441a(a)(1)(A). Based on your January 30 and February 19, 1985 requests, the Commission determined on , 1985, to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed are separate conciliation agreements that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation neogtiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible. If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliaition agreement, please contact Matthew Gerson, the staff person assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures

8 6 0 4 0 5 6 3 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: FEBRUARY 27, 1985

SUBJECT: MUR 1597 - Comprehensive Investigative Report #1 signed February 25, 1985

The above-captioned matter was circulated to the Commission on a 24 hour no-objection basis at 11:00, February 26, 1985.

There were no objections to the Comprehensive Investigative Report at the time of the deadline.

8604056386

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Fay Andros | ) | MUR 1597 |
| Leadership for the 80's | ) | |
| Whitehurst for United States | ) | |
| Senate Committee and | ) | |
| Donald R. Fischbach, treasurer | ) | |
| William S. Whitehurst | ) | |

85 FEB 25 P3:59

SENSITIVE

COMPREHENSIVE INVESTIGATIVE REPORT

As a result of a referral by the Reports Analysis Division, the Commission opened a MUR in the above referenced matter on November 17, 1983. On December 9, 1983, the Commission found reason to believe that: 1) Fay Andros violated 2 U.S.C. § 441a;1/ 2) Leadership for the 80's violated 2 U.S.C. §§ 433, 434, and 441a; and 3) the Whitehurst for United States Senate Committee and Donald R. Fischbach, as its treasurer, (hereinafter the "Committee") violated an erroneously cited provision of the Act. The Commission revised its reason to believe certification on March 20, 1984, when it specified that the Committee violated 2 U.S.C. §§ 434(b)(8) and 441a(f) by failing to show where the candidate acquired the $95,000 that he loaned to his authorized committee.

In connection with the investigation, the Commission, on June 21, 1984, authorized the issuance of a combined Subpoena and Order to the Committee and candidate Daniel K. Whitehurst. The response was submitted late, was not submitted under oath and was incomplete.

1/ That portion of the file pertaining to Ms. Andros' $1,250 contribution was immediately closed when the Commission decided to take no further action against her.

8604056638 37

While attempting to obtain complete answers, this Office recognized that the candidate's father guaranteed or co-signed a $90,000 loan that, according to the Committee's responses, a commercial bank extended to the candidate. As a result, the Commission, on December 13, 1984, found reason to believe that the candidate's father, William S. Whitehurst, violated 2 U.S.C. § 441a(a)(1)(A). The Commission also found reason to believe that the Committee violated 2 U.S.C. § 441a(f).

The Committee and the candidate's father were notified of these latest findings in a December 17, 1984 letter. This Office received a response on January 7, 1985. This response provided a great deal of the information omitted from the response to the Subpoena and Order and, accordingly, made the facts of the case more clear. Numerous conversations between counsel and this Office over the course of five weeks resulted in a January 30, 1985 request for the pre-probable cause to believe conciliation for William S. Whitehurst and Daniel K. Whitehurst. On February 21, 1985, the General Counsel's Office received a request for conciliation for the Whitehurst and Leadership Committees and their treasurers.2/

2/ The finding against the Leadership Committee is for violating the reporting and registration provisions, and for loaning $10,000 and contributing $9,707 in in-kind contributions to the Whitehurst Committee. It is noteworthy that the full amounts of the loan and contribution were repaid prior to any notification from RAD.

8604056838

Counsel represents all four entities and is currently, "experiencing significant back problems." See Attachment One. Evidently, counsel's injury is preventing him from providing one last detail about the $90,000 bank loan. Once that information is provided, this Office will expeditiously prepare a general counsel's report incorporating proposed conciliation agreements.

Charles N. Steele
General Counsel

February 26, 1985
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachment
Letter from counsel received by the General Counsel's Office on February 21, 1985.

8604056383 9

ACCT 6733

85 FEB 21 P1:06

LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 135
FRESNO, CALIFORNIA 93710

JAMES E. SHEKOYAN
JUDITH LESLIE SOLEY
A PROFESSIONAL ASSOCIATION

TELEPHONE
(209) 435-5700

EXPRESS MAIL

February 19, 1985

Matthew Gerson
General Counsel's Office
Federal Election Commission
1325 "K" Street, NW
Washington, D.C. 20463

RE: MUR 1597

Dear Mr. Gerson:

This letter has reference to my leter of January 30, 1985, and to our phone conversation on February 19, 1985 concerning the above referenced matter.

In addition to the prior request on behalf of William S. Whitehurst and Daniel K. Whitehurst, I am requesting that negotiations be entered into between the following additional clients and the General Counsel directed towards reaching a conciliation agreement to be submitted to the Commission for approval:

(a) The Whitehurst U. S. Senate Committee

(b) Donald R. Fischbach, Treasurer of the Whitehurst for U. S. Senate Committee

(c) Leadership for the 80's Committee

(d) Alan Yengoyan, Treasurer of the Leadership for the 80's Committee

As I indicated in our most recent conversation, I met with the institutional lender last Friday, and should have further documentation concerning the loan in a few days.

I regret the recent delay in getting information to you in this matter, but the reason for the delay is not the fault of any of my clients. On February 7, 1985, I began experiencing significant back problems which are continuing. I am presently under the treatment of a therapist, and I am hopeful that the problem will not cause any further delay.

Sincerely,

JAMES E. SHEKOYAN

JES:jo

8604056384 0

LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 205
FRESNO, CALIFORNIA 93710

JAMES E. SHEKOYAN
JUDITH LESLIE SOLEY
A PROFESSIONAL ASSOCIATION

TELEPHONE
(209) 435-0700

85 FEB 21 P1:06

EXPRESS MAIL

February 19, 1985

Matthew Gerson
General Counsel's Office
Federal Election Commission
1325 "K" Street, NW
Washington, D.C. 20463

RE: MUR 1597

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(b) Donald R. Fischbach, Treasurer of the Whitehurst for U. S. Senate Committee

(c) Leadership for the 80's Committee

(d) Alan Yengoyan, Treasurer of the Leadership for the 80's Committee

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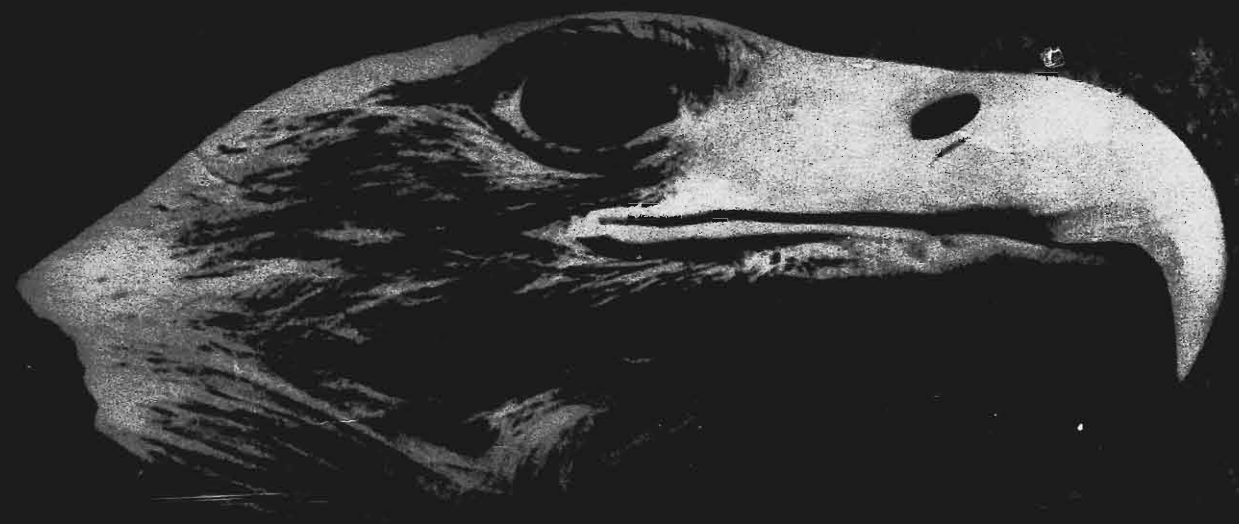
Sincerely,

JAMES E. SHEKOYAN

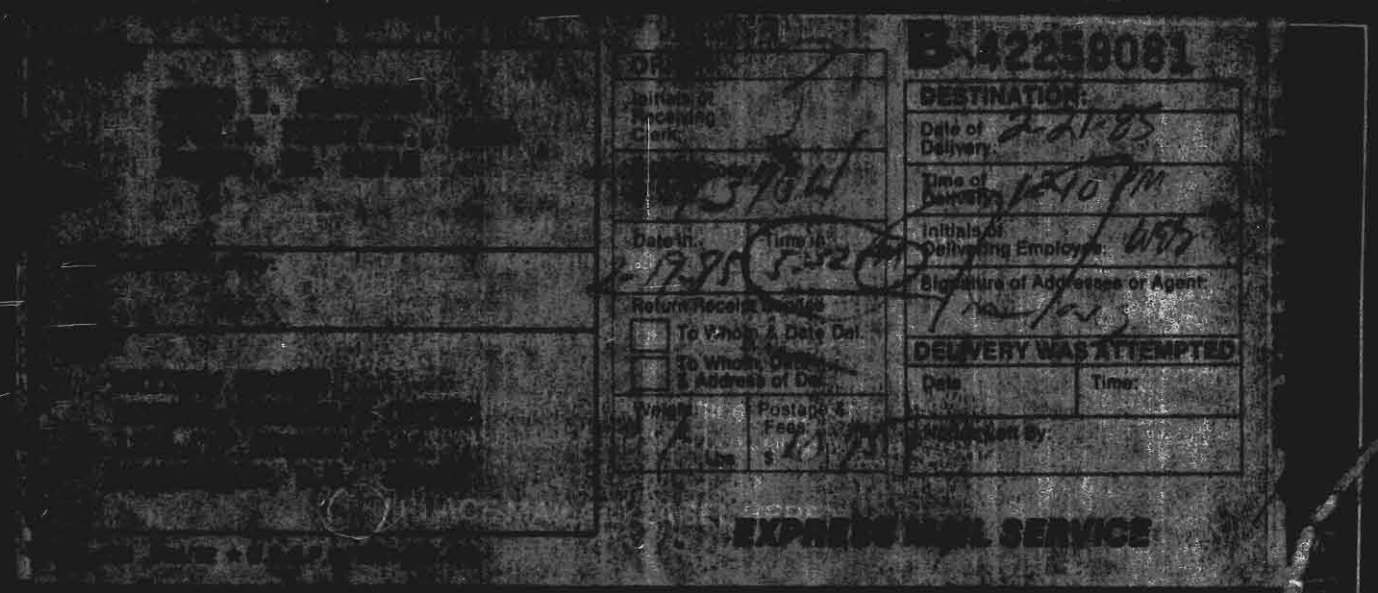
JES:jo

8604056384 1



CE

POUND PAK


B 42258081
DESTINATION
Date of Delivery 2-21-85
Time of Delivery 1240 PM
Initials of Delivering Employee
Signature of Addressee or Agent
DELIVERY WAS ATTEMPTED
Date
Time
Postage & Fees
EXPRESS MAIL SERVICE

LAW OFFICES OF
SHEKOYAN & SOLEY
6700 NORTH FIRST STREET
SUITE 126
FRESNO, CALIFORNIA 93710

JAMES E. SHEKOYAN
JUDITH LESLIE SOLEY
A PROFESSIONAL CORPORATION

TELEPHONE
(209) 435-6700

RECEIVED AT THE FEC
HAND DELIVERED
BY 2:00 P.M.

GCC# 0571

EXPRESS MAIL

January 30, 1985

Matthew Gerson
General Counsel's Office
Federal Election Commission
1325 "K" Street, NW
Washington, D.C. 20463

RECEIVED
GENERAL COUNSEL
'85 FEB 1 P2:32

RE: MUR 1597

Dear Mr. Gerson:

This letter has reference to our recent phone conversations concerning the above referenced matter.

On behalf of my clients, William S. Whitehurst and Daniel K. Whitehurst, I am requesting that negotiations be entered into between my clients and the General Counsel directed towards reaching a conciliation agreement to be submitted to the Commission for approval.

As I indicated in our most recent conversation, I will be seeking additional documentation of the loan agreement that is in question, and will communicate that information to you the first part of next week.

Sincerely,

JAMES E. SHEKOYAN

JES:jo

8604056384 3

CRANES CREST

EXPRESS MAIL POST OFFICE TO ADDRESSEE

B 42259077

FROM: JAMES E. SHEEHAN
6700 N. FIRST ST. #135
FRESNO, CA. 93710

Customer Number, if any: 01

TO: MATTHEW GERSON
GENERAL COUNSEL'S OFFICE
FEDERAL ELECTION COMMISSION
1325 "K" ST. NW
WASHINGTON, D.C. 20463

ORIGIN:
Initials of Receiving Clerk:
Date In: 3-1-85 Time In: 1:30
Return Receipt Service
To Whom & Date Del.
To Whom, Date & Address of Del.
Weight: 1 Lbs. Postage & Fees $ 9.35

DESTINATION:
Date of Delivery: 2-1-85
Time of Delivery: 12:45PM
Initials of Delivering Employee:
Signature (Address of Addressee)
DELIVERY ATTEMPTS
Date
Notice Left By:

EXPRESS MAIL SERVICE

FORM 11B JAN/82 ★U.S.G.P.O. 1982-362-[illegible]

FRESNO CA 93710 JAN 30 '85

U.S. POSTAGE 9.35

LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 138
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 436-8700

RECEIVED BY THE FEC
GCLM 6318
85 JAN 8 P3:31

EXPRESS MAIL

January 2, 1985

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
85 JAN 8 A11:57

Matthew Gerson, Esq.
General Counsel's Office
Federal Election Commission
1325 "K" Street., NW
Washington, D.C. 20463

RE: MUR 1597

Dear Mr. Gerson:

Enclosed you will find the following:

1. Answers of Daniel K.Whitehurst in response to Order to Submit Written Answers

2. Designation of Counsel by Daniel K. Whitehurst

3. Designation of Counsel by William S. Whitehurst

4. Copies of loan documents.

In regard to the letter to William S. Whitehurst dated December 17, 1984, it is requested that my letter dated July 11, 1984, and the answers of his son, Daniel K. Whitehurst, be considered.

Daniel K. Whitehurst has indicated to me that he may have to be in Washington,D.C. on January 21 or 22. If you desire, he could arrange to meet with you at that time.

Thank you for your consideration regarding this matter.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosures

8 6 0 4 0 5 6 3 6 4 5

JAMES E. SHEKOYAN
6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710
(209) 435-5700

Lawyer for Respondent

BEFORE THE FEDERAL ELECTION COMMISSION

| | |
|---|---|
| In the Matter of<br><br>The Whitehurst for U. S. Senate Committee | MUR 1597<br><br>ANSWER TO ORDER TO SUBMIT WRITTEN ANSWERS |

A1. The source of the $90,000 loan to my campaign committee on March 31, 1982, was a loan in the same amount, on the same date, from Continental National Bank, on which my father was a co-signer. The loan from the bank was for one year, with interest payments due quarterly, and the balance due on 3-31-83. The interest rate was variable in relation to changes in the prime lending rate. When the loan was due in March, 1983, a principal reduction of $8,000 was made, and the payment of the balance was extended to 3-31-84, with continuing quarterly interest payments. The loan balance has reduced to $47,000, and the balance is due in May, 1985. Although the loan is listed in my name and the name of my father, all funds were lent by me to my campaign committee, and all payments of interest and principal have been from qualifying contributions to a federal campaign.

I was not aware at the time that this transaction might be construed to constitute a "contribution" within the meaning of federal election regulations. First, the loan was an arms-length market rate loan from a bank. Second, I felt that due to the

8604005638 46

fact that the loan was to me personally (and not to the campaign) and that the co-signer was a member of my immediate family, the loan funds would still be considered my "personal" funds and would not involve a "contribution." Third, my father has put none of his own money into the campaign other than what has been reported. The loan from me to the committee is being repaid to me entirely from duly reported committee funds. The loan from the bank to me is being repaid entirely from those funds and my own personal funds. No money from my father is being used to repay the bank loan.

Finally, since my principal financial asset is stock in a family company that I own with my father and my cousin, the bank requested that he co-sign the note. My father co-signed in response to that request as a favor to his son. If a violation is found to exist, I assure you that he hadn't the slightest idea that he might have been doing something improper. I was not aware either that this transaction might be improper, but if it is and blame is to be assessed, it should rest with me, not with him.

A2. This loan was a personal loan by me to my campaign committee. My lawyer has previously forwarded to you a copy of the check from me to the campaign committee.

A3. See answer to A1 above.

DATED: December 27, 1984 at Fresno, California.

fact that the loan was to me personally (and not to the campaign) and that the co-signer was a member of my immediate family, the loan funds would still be considered my "personal" funds and would not involve a "contribution." Third, my father has put none of his own money into the campaign other than what has been reported. The loan from me to the committee is being repaid to me entirely from duly reported committee funds. The loan from the bank to me is being repaid entirely from those funds and my own personal funds. No money from my father is being used to repay the bank loan.

Finally, since my principal financial asset is stock in a family company that I own with my father and my cousin, the bank requested that he co-sign the note. My father co-signed in response to that request as a favor to his son. If a violation is found to exist, I assure you that he hadn't the slightest idea that he might have been doing something improper. I was not aware either that this transaction might be improper, but if it is and blame is to be assessed, it should rest with me, not with him.

A2. This loan was a personal loan by me to my campaign committee. My lawyer has previously forwarded to you a copy of the check from me to the campaign committee.

A3. See answer to A1 above.

DATED: December 27, 1984 at Fresno, California.



8 6 0 4 0 5 6 3 8 4 7

# STATEMENT OF DESIGNATION OF COUNSEL

MUR _____

NAME OF COUNSEL: JAMES E. SHEOVAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

December 17, 1984
Date

Signature

RESPONDENT'S NAME: William S. Whitehurst

ADDRESS: P. O. Box 5001
Fresno, California 93755

HOME PHONE:

BUSINESS PHONE: (209) 227-4048

8604056384 8

# STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: JAMES E. SHEKOYAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

December 17, 1984

Daniel K. Whitehurst

NAME: DANIEL K. WHITEHURST
CANDIDATE FOR UNITED STATES SENATE

ADDRESS: 204 E. HARVARD
FRESNO, CALIFORNIA 93704

HOME PHONE: (209) 227-9832

BUSINESS PHONE:

8604056384 9

03-31-82

CONTINENTAL NATIONAL BANK
MAIN OFFICE
83 EAST SHAW AVE
FRESNO, CALIF. 93710

BRANCH 001
OFFICER SKC

AR CUSTOMER
YOUR NOTE DESCRIBED BELOW AND DATED 03-31-82 WILL BE DUE 03-31-83. THE NOTE IS
YABLE AT MATURITY AT THE OFFICE OF THIS BANK. PLEASE RETURN THIS NOTICE WITH
UR REMITTANCE.

| | |
|---|---|
| CURRENT PRINCIPAL | 90,000.00 |
| DUE DATE | 03-31-83 |
| PRINCIPAL DUE | 90,000.00 |
| INTEREST DUE | 3,365.76 |
| TOTAL DUE | 93,365.76 |

COUNT C194930 NOTE NO. 5004900

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

paid 3/30/83
11:11

8604056473051

[illegible] NATIONAL BANK [illegible]
MAIN OFFICE OFFICER SEC
33 EAST SHAW AVE
FRESNO, CALIF. 93721

[illegible] CUSTOMER

YOUR PAYMENT ON THE NOTE DESCRIBED BELOW DATED [illegible]-31-82 HAS DUE [illegible]-31-83
TO ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.
PLEASE DISREGARD THIS NOTICE IF PAYMENT HAS BEEN MADE.

| | |
|---|---|
| CURRENT PRINCIPAL | 9[illegible],[illegible]00.00 |
| DUE DATE | 03-31-83 |
| PRINCIPAL DUE | 9[illegible],[illegible]00.00 |
| INTEREST DUE | |
| TOTAL DUE | 9[illegible],[illegible]00.00 |

ACCOUNT 0196933 NOTE NO. 5[illegible]

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

[illegible]

06-28-83 [illegible] NATIONAL BANK BRANCH NO. [illegible]
MAIN OFFICE OFFICER NO. [illegible]
1[illegible] E. [illegible] AVE.
FRESNO, CALIF. 93710

DUPLICATE

DEAR CUSTOMER:
PAYMENT ON THIS NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 06-30-83
SHOULD PAYMENT BE MADE PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

CONTINENTAL NATIONAL BANK
JUN 29 83
TELLER

| | |
|---|---|
| CURRENT PRINCIPAL | 82,000.00 |
| DUE DATE | 06-30-83 |
| PRINCIPAL DUE | |
| INTEREST DUE | 2,555.48 |
| TOTAL DUE | 2,555.000 |

LOAN 0134930 NOTE NO. 5011070

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5002
FRESNO CA 93755

Now paid
pur. money

3 5 8 6 0 1 0 5 4 3 8 5

[illegible]

[illegible] NATIONAL BANK
[illegible] OFFICE
[illegible] AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

[illegible]TAR CUSTOMER
PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 09-30-83
ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

[illegible]COUNT 0194930 NOTE NO. 5011470

| | |
|---|---|
| CURRENT PRINCIPAL | 82,000.00 |
| DUE DATE | 09-30-83 |
| PRINCIPAL DUE | |
| INTEREST DUE | 2,583.55 |
| TOTAL DUE | 2,583.550 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA
93755

CNB #1
OCT 5 1983

$ 272396
NATIONAL
TELLER

[illegible]

[illegible]
[illegible]
[illegible] AVE.
FRESNO, CALIF. 93710

[illegible] CUSTOMER
PAYMENT [illegible] NOTE DESCRIBED BELOW DATED [illegible]-31-83 WILL BE DUE 12-30-83
ISSU[illegible] EXCEPT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

DEC30 1983

ACCOUNT O[illegible] NOTE NO. 5031470

| | |
|---|---|
| LOAN AT PRINCIPAL | 82,000.00 |
| DUE DATE | 12-30-83 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

| | |
|---|---|
| PRINCIPAL DUE | |
| INTEREST DUE | 2,511.67 |
| TOTAL DUE | 2,511.67* |

[illegible] [illegible] BANK OF COMMERCE [illegible]
[illegible] OFFICER [illegible]
[illegible] E. [illegible] AVE.
FRESNO, CALIF. 93710

DEAR CUSTOMER
IN ACCORDANCE WITH THE TERMS OF YOUR LOAN AGREEMENT, WE HAVE INCREASED YOUR INTEREST RATE ON THE LOAN DESCRIBED BELOW:

| | | | |
|---|---|---|---|
| | | CURRENT PRINCIPAL | 69,000.00 |
| ACCOUNT 0190930 | NOTE NO. 5011470 | ISSUE/RENEWAL DATE | 03-31-83 |
| | | MATURITY DATE | 03-31-84 |
| | | EFFECTIVE DATE | 05-08-84 |
| | | OLD INTEREST RATE | 14.000 |
| | | NEW INTEREST RATE | 14.500 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX [illegible]
FRESNO CA 93799

NAME WILLIAM S. WHITEHURST LOAN NO. 0194930 50 04900 RATE P+1.0 % MATURITY DATE 03-31-83

No. _____ Fresno, California March 31, 1982 $ 90,000.00

On demand, or if no demand, then on March 31, 1983, for value received, the undersigned jointly and severally promise to pay to CONTINENTAL NATIONAL BANK, order, or upon written demand by Bank at any time, at its Main Office, 83 East Shaw Avenue Suite 110, Fresno Ca. 93710

* * * ** * * * *NINETY THOUSAND AND NO/100* * * * * * * * * * * Dollars ($ 90,000.00),

together with interest from the date hereof, computed per annum and charged for actual number of days elapsed until paid in full at CONTINENTAL NATIONAL BANK, Prime Interest Rate as it may change from time to time plus 1.0 %, said interest rate to be adjusted concurrently with any announced change in the aforementioned Prime Interest Rate, with a minimum rate of 15.0 %.

*Beginning 6-30-82

Interest payable Quarterly* and if not so paid, to become a part of the principal and thereafter bear like interest. Upon default in any payment of principal or interest, the whole sum of principal and interest shall become due at the option of the holder hereof.

Should default be made in the payment of any installment of principal or interest when due, then the entire sum of principal then unpaid, together with accrued interest thereon, shall become immediately due and payable at the option of the holder of this note without notice. Principal and interest payable in lawful money of the United States. The undersigned further promise to pay all costs of collection, including reasonable attorney's fees, incurred in the collection of this note. The makers, sureties, guarantors and endorsers of this note hereby consent to renewals and extensions of time at or after the maturity hereof and hereby waive diligence, presentment, protest and demand and notice of every kind and (to the full extent permitted by law) [redacted] to plead any statute of limitations as a defense to any demand hereunder or in connection with any security hereof. Not withst[redacted] provision of this note, the undersigned agrees to pay interest on all sums of interest and principal at the rate of 20.0 per cent p[redacted] from date when due to date of payment.

Secured by: Unsecured

Minimum charge $ 50.00

CONTINENTAL NATIONAL BANK — Cancelled — Reconveyed 3-7-83

William S. Whitehurst

Address: 939 E. Decatur
Fresno Ca. 93710

* Where maker is a corporation, partnership, etc., type company name on top line followed by signatures (over titles) of authorized signers.

COMMERCIAL SINGLE PAYMENT — VARIABLE RATE N 221

Name WILLIAM S. WHITEHURST Rate P+1.0 % Due 03-31-83

| ACCOUNT | CLASS | LOAN |
|---|---|---|
| 0194930 | 50 | 04903 |

**FOR VALUE RECEIVED**, the undersigned, jointly and severally, endorse, guarantee and promise to pay the note on the reverse hereof and all extensions and renewals thereof, which extensions and renewals may be made without notice to or consent of the undersigned, and all taxes and insurance premiums and any other sums that may become due and payable under and by virtue of the provisions of any instrument of security, if any, securing the aforesaid note, and hereby waive (a) presentment, demand, protest, notice of protest, notice of dishonor, and notice of non-payment; (b) the right, if any, to the benefit of, or to direct the application of, any security hypothecated to the holder until all indebtedness of the maker to the holder, howsoever arising, shall have been paid; (c) the right to require the holder to proceed against the maker, or to pursue any other remedy in the holder's power; and agree that the holder may proceed against the undersigned directly and independently of the maker, and that the cessation of the liability of the maker for any reason other than full payment, or any extension, renewal, forbearance, change of rate of interest, or acceptance, release or substitution of security, or any impairment or suspension of the holder's remedies or rights against the maker, shall not in anywise affect the liability of the undersigned hereunder.

| INTEREST PAID | | | | PRINCIPAL | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| DATE | AMOUNT | | PAID TO | DATE | PAYMENTS | | BALANCE | | |
| | | | | | | | | | |
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| | | | | | | | | | |

[illegible] NATIONAL BANK

DEAR CUSTOMER,
THIS NOTICE REFLECTS THE AMOUNT OF INTEREST PAID ON YOUR COMMERCIAL LOAN ACCOUNT IN 1982. PLEASE RETAIN THIS NOTICE FOR TAX PURPOSES. THANK YOU.

| | |
|---|---|
| DATE | 12/31/82 |
| ACCOUNT NO | 0194935 |
| INTEREST PAID | 7,550.77 |

WILLIAM S WHITEHURST
[illegible] S WHITEHURST
[illegible]
[illegible] CA
[illegible]

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 17, 1984

Donald R. Fischbach, Treasurer
Whitehurst for U.S. Senate
Committee
204 East Harvard
Fresno, California 93704

Re: MUR 1597
Leadership for the 80's
Fay Andros
Whitehurst for U.S. Senate
Committee and its treasurer,
Donald Fischbach.

Dear Mr. Fischbach:

On December 13, 1984, the Federal Election Commission determined that there is reason to believe the Whitehurst for U.S. Senate Committee and you, as treasurer, violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. Please note that this determination is separate and distinct from the reason to believe determination first issued on December 9, 1983 and revised on March 20, 1984.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter. (Statements should be submitted under oath.)

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

8 6 0 4 0 5 6 3 8 0

IVICE

2-POUND PAK

EXPRESS MAIL POST OFFICE TO ADDRESSEE

FROM: JAMES E. BURNHAM
6700 N. FIRST ST., #135
FRESNO, CALIFORNIA 93710

ORIGIN:
Initials of Receiving Clerk:
P.O. ZIP Code: 93214
Date In: 1-4-85
Time In:
Return Receipt Service
To Whom & Date Del.
To Whom, Date & Address of Del.
Weight:
Postage & Fees:

B 42251

DESTINATION:
Date of Delivery: 1-4-85
Time of Delivery: 1220 PM
Initials of Delivering Employee:

$9.35

TO: [illegible], ESQ.
[illegible] & OFFICE
[illegible] COMMISSION
1325 "K" ST., N.W.
WASHINGTON, D.C. 20463

EXPRESS MAIL CHARGE

EE

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Matthew Gerson, the staff member assigned to this matter, at (202) 523-4143.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual
and Legal Analysis
Procedures

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597

RESPONDENT Whitehurst for U.S. Senate Committee
and its treasurer, Donald Fischbach.

## SUMMARY OF ALLEGATIONS

While investigating violations of the Federal Election Campaign Act by the Whitehurst for U.S. Senate Committee, the Commission acquired evidence of an additional violation by the Committee. It appears that the candidate, and thus, the Committee, accepted the candidate's father's assistance in procuring a $90,000 loan that was subsequently loaned to the committee. As the amount in question is in excess of the 2 U.S.C. 441a(a)(1)(A) limitations, acceptance of the loan is a violation of 2 U.S.C. 441a(f).

## FACTUAL BASIS AND LEGAL ANALYSIS

The Federal Election Commission sent subpoenaes to produce documents and orders to answer interrogatories to Daniel K. Whitehurst and the Whitehurst for U.S. Senate Committee (hereinafter the "Committee") as part of its investigation into MUR 1597.

Counsel submitted a response on July 11, 1984 on behalf of the Committee (the respondents did not submit a signed statement of counsel designation until November 19, 1984.) In the response, the attorney states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst,

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which the candidate, in turn, loaned to the committee. The attorney adds, "as indicated on the (enclosed) interest statements, the loan is listed in the names of the candidate and his father." Candidate Whitehurst is permitted to contribute or loan unlimited personal funds to his own campaign. 11 C.F.R. § 100.7(a)(1). However, it appears that the father exceeded the 2 U.S.C. § 441a(a)(1)(A) contribution limitations because the proceeds of the bank loan do not appear to have been candidate Whitehurst's "personal funds." 11 C.F.R. § 110.10. While the father's role in securing the bank loan is unclear, 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11) provide that an endorser or guarantor has made a contribution to the extent of his pro rata share of the outstanding balance of the loan. Because it appears that the candidate, and thus, the Committee, accepted his father's assistance in procuring the loan, and the amount in question is in excess of the 2 U.S.C. § 441a(a)(1)(A) limitations, acceptance of the loan is a violation of 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 17, 1984

William S. Whitehurst
P.O. Box 5001
Fresno, California 93755

Re: MUR 1597
William S. Whitehurst

Dear Mr. Whitehurst:

On December 13 , 1984, the Federal Election Commission determined that there is reason to believe you violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed questions, within ten days of your receipt of this letter. (Statements should be submitted under oath.)

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437(a)(12)(A), unless you notify the Commission in writing that you wish the

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investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Matthew Gerson, the staff member assigned to this matter, at (202) 523-4143.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597

William S. Whitehurst
RESPONDENT

SUMMARY OF ALLEGATIONS

While investigating violations of the Federal Election Campaign Act by the Whitehurst for U.S. Senate Committee, the Commission acquired evidence that William S. Whitehurst violated 2 U.S.C. 441a and 11 C.F.R. 100.7(a)(1)(i)(A) by endorsing, guaranteeing, or otherwise co-signing a $90,000 loan that a commercial bank extended to candidate Daniel K. Whitehurst and that the candidate subsequently loaned to the committee.

FACTUAL BASIS AND LEGAL ANALYSIS

The Federal Election Commission sent subpoenaes to produce documents and orders to answer interrogatories to Daniel K. Whitehurst and the Whitehurst for U.S. Senate Committee (hereinafter the "respondents") as part of its investigation into MUR 1597.

Counsel submitted a response on July 11, 1984 on behalf of the Committee (the respondents did not submit a signed statement of counsel designation until November 19, 1984.) In the response, the attorney states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst, which the candidate, in turn, loaned to his committee. The attorney

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adds, "as indicated on the interest statements, the loan is listed in the names of the candidate and his father." Candidate Whitehurst is permitted to contribute or loan unlimited personal funds to his own campaign. 11 C.F.R. § 100.7(a)(1). However, William S. Whitehurst, the candidate's father, exceeded the 2 U.S.C.§ 441a(a)(1)(A) contribution limitations because the proceeds of the bank loan do not appear to have been candidate Whitehurst's "personal funds." 11 C.F.R. § 110.10. While the father's role in securing the bank loan is unclear, 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11) provide that an endorser or guarantor has made a contribution to the extent of his pro rata share of the outstanding balance of the loan. Because the father's portion may have exceeded $1,000, the Commission found reason to believe that William S. Whitehurst, the candidate's father, violated 2 U.S.C. § 441a(a)(1)(A).

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| Leadership for the 80's | ) | |
| Fay Andros | ) | |
| Whitehurst for United States | ) | |
| Senate Committee and its | ) | |
| treasurer, Donald R. Fischbach | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 13, 1984, the Commission decided by a vote of 6-0 to take the following actions in MUR 1597:

1. Find reason to believe that William S. Whitehurst violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. § 441a(f).

3. Send the letters attached to the General Counsel's Report signed December 10, 1984.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

12-13-84
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 12-10-84, 3:42
Circulated on 48 hour tally basis: 12-11-84, 11:00

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY
84 DEC 10 P3:42

In the Matter of )
)
Leadership for the 80's )
Fay Andros )
Whitehurst for United States )
Senate Committee and its )
treasurer, Donald R. Fischbach )

MUR 1597

GENERAL COUNSEL'S REPORT

As a result of a referral by the Reports Analysis Division, the Commission opened a MUR in the above referenced matter on November 17, 1983. On December 9, 1983, the Commission found reason to believe that: 1) Fay Andros violated 2 U.S.C. § 441a; 2) Leadership for the 80's violated 2 U.S.C. §§ 433, 434, and 441a;1/ and 3) the Whitehurst for United States Senate Committee and Donald R. Fischbach, as its treasurer, (hereinafter the "Committee") violated an erroneously cited provision of the Act. The Commission revised its reason to believe certification on March 20, 1984, when it specified that the Committee violated 2 U.S.C. §§ 434(b)(8) and 441a(f) by failing to show where the candidate acquired the $95,000 that he loaned to his authorized committee.

In connection with the investigation, the Commission on June 21, 1984 authorized the issuance of a combined subpoena and order to the Committee and candidate Daniel K. Whitehurst. The response was submitted late, was not submitted under oath and was incomplete. In addition, the response was sent by counsel even

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1/ That portion of the file pertaining to Ms. Andros' $1,250 contribution was immediately closed when the Commission decided to take no further action against her. The complaint against the Leadership Committee for violating reporting and registration provisions, and loaning $10,000 to the Whitehurst Committee and contributing $9707 in in-kind contributions is still open.

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though the Committee did not submit a signed statement of counsel designation until November 19, 1984 and Daniel K. Whithurst has not submitted a statement of counsel designation. We are currently trying to obtain complete answers. However, the answers we have received indicate an additional violation; it appears that the candidate's father endorsed, guaranteed, or otherwise co-signed a $90,000 loan that a commercial bank extended to the candidate. When the candidate's committee accepted those funds, his father was implicated in 2 U.S.C. § 441a and 11 C.F.R. § 100.7(a)(1)(i)(A) violations and the committee was implicated in an additional 2 U.S.C. § 441a(f) violation.

LEGAL AND FACTUAL ANALYSIS

The letter from counsel responding to the interrogatories did not address each question presented. For example, the Committee and candidate were asked to specify whether the candidate loaned the Committee his personal funds or funds borrowed from a lending institution. While counsel indicated that funds for a $90,000 loan were borrowed from a specified bank, he did not respond to all the parts of the order that addressed bank loans. He did not indicate whether or not the loan was secured nor did he list endorsers or guarantors' names, addresses, occupations, employers, and the amount guaranteed by each. Counsel's response also did not include copies of loan agreements that the Commission requested. The above mentioned

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omissions leave this Office with insufficient information to complete the investigation. However, the information in our possession provides evidence of additional violations.

Counsel's response states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst, which the candidate, in turn, loaned to the committee. Counsel adds, "as indicated on the interest statements, the loan is listed in the names of the candidate and his father." See Attachment 1. Although Mr. Whitehurst is permitted to contribute, or loan, unlimited personal funds to his own campaign 11 C.F.R. § 100.7(a)(1), his father exceeded the 2 U.S.C. § 441a(a)(1)(A) contribution limitations by co-signing or guaranteeing the loan because the proceeds of the bank loan do not appear to have been candidate Whitehurst's "personal funds." 11 C.F.R. § 110.10. While the father's role in securing the bank loan is unclear, 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11) provide that an endorser or guarantor has made a contribution to the extent of his pro rata share of the outstanding balance of the loan. Because the father's portion may have exceeded $1,000, we recommend that the Commission find reason to believe that William S. Whitehurst, the candidate's father, violated 2 U.S.C. § 441a(a)(1)(A).

As the amount is in excess of the 2 U.S.C. § 441a(a)(1)(A) limitations, acceptance of the loan is a violation of 2 U.S.C. § 441a(f). We recommend, therefore, that the Commission render an additional reason to believe finding against the Committee.

**RECOMMENDATIONS**

1. Find reason to believe that William S. Whitehurst violated 2 U.S.C. § 441a(a)(1)(A).

2. Find reason to believe that the Whitehurst for U.S. Senate Committee and Donald R. Fischbach, as treasurer, violated 2 U.S.C. § 441a(f).

3. Send the attached letters.

Charles N. Steele
General Counsel

Dec. 10, 1984
Date

BY: Kenneth A. Gross
Associate General Counsel

Attachments
1. Attorney's response to the subpoena and order
2. Letters to Respondents
3. General Counsel's Factual and Legal Analysis

LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 138
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 439-5700

84 JUL 12 P 3:49

VIA EXPRESS MAIL

July 11, 1984

Federal Elections Commission
Washington, D.C. 20463

Attn: Kenneth A. Gross
Associate General Counsel

RE: MUR 1597

Dear Mr. Gross:

This letter is in response to your letters and subpena dated June 2, 1984. I have previously filed a Statement of Designation of Counsel.

Enclosed you will find the following:

1. Copy of a check from the candidate, Daniel K. Whitehurst, to his U.S. Senate Committee. (This check, in the sum of $5,000, was a loan of personal funds by the candidate to his committee.)

2. Copies of interest statements from Continental National Bank relating to a $90,000 loan to the candidate, Daniel K. Whitehurst, which he, in turn, loaned to his U. S. Senate Committee on the same terms and conditions as the loan from the bank. (The loan from the bank to Mr. Whitehurst was for one year, with innterest payments due quarterly, and the balace due on 3-31-83. The interest rate was variable in relation to changes in the prime lending rate. When the loan was due in March, 1983, a principal reduction of $8,000 was made, and the payment of the balance was extended to 3-31-84, with continuing quartrly interest payments. The loan balance has been further reduced to $69,000. As indicated on the interest statements, the loan is listed in the names of the candidate and his father. However, all funds were lent by the candidate to his campaign committee, and all payments of interest and principal to the candidate, and to the bank have been from qualifying contributions to the U.S. Senate Committee. Efforts to retire the debt through qualifying contributions are continuing.

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If you require further information, please call or write me.

Sincerely,

JAMES E. SEEKOYAN

JES:jo
Enclosures

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DANIEL K. WHITEHURST
[illegible]-1541
[illegible] EAST HARVARD
FRESNO, CA 93704

550

Mar 28 1982

11-28
1210

PAY TO THE ORDER OF D. Whitehurst for U.S. Senate $5000.00

Five thousand and 00/100 DOLLARS

BANK OF AMERICA
[illegible]

Daniel K Whitehurst

⑈121000358⑆0550⑈00108⑈61844⑈

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03-10-84

CONTINENTAL BANK OF COMMERCE
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

DEAR CUSTOMER

IN ACCORDANCE WITH THE TERMS OF YOUR LOAN AGREEMENT, WE HAVE INCREASED YOUR INTEREST RATE ON THE LOAN DESCRIBED BELOW:

ACCOUNT 0194930 NOTE NO. 5011470

WILLIAM S WHITEHURST
DANIEL R WHITEHURST
PO BOX 5001
FRESNO CA 93755

| | |
|---|---|
| CURRENT PRINCIPAL | 69,000.00 |
| ISSUE/RENEWAL DATE | 03-31-83 |
| MATURITY DATE | 03-31-84 |
| EFFECTIVE DATE | 05-03-84 |
| OLD INTEREST RATE | 14.000 |
| NEW INTEREST RATE | 14.500 |

CONTINENTAL NATIONAL BANK

DEAR CUSTOMER,
THIS NOTICE REFLECTS THE AMOUNT OF INTEREST PAID ON YOUR COMMERCIAL LOAN ACCOUNT IN 1982. PLEASE RETAIN THIS NOTICE FOR TAX PURPOSES. THANK YOU.

| | |
|---|---|
| DATE | 12/31/82 |
| ACCOUNT NO | 0194930 |
| INTEREST PAID | 7,558.77 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA
93755

3 7 8

12-20-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RPR

TO CUSTOMER

PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 12-30-83
ASSUR[illegible] CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

CNB & T
DEC30 1983

| | | |
|---|---|---|
| | CURRENT PRINCIPAL | 82,000.00 |
| ACCOUNT O[illegible] NOTE NO. 5011470 | DUE DATE | 12-30-83 |
| WILLIAM S WHITEHURST<br>DANIEL K WHITEHURST<br>PO BOX 5001<br>FRESNO CA 93755 | PRINCIPAL DUE | |
| | INTEREST DUE | 2,511.67 |
| | TOTAL DUE | 2,511.67* |

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09-20-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

R CUSTOMER

PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 09-30-83
SURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

| | |
|---|---|
| CURRENT PRINCIPAL | 82,000.00 |
| DUE DATE | 09-30-83 |
| PRINCIPAL DUE | |
| INTEREST DUE | 2,583.55 |
| TOTAL DUE | 2,583.55* |

UNT 0194930 NOTE NO. 5011470

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA

CNB #1
OCT 5 1983
93755

$ 272396
NATIONAL
TELLER

0-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. SHAW AVE.
FRESNO, CALIF. 93710

BRANCH 001
OFFICER RRR

STATE

STOMER
ENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 06-30-83
E PAYMENT CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

CONTINENTAL NATIONAL BANK
JUN 28 83
TELLER

| | | | |
|---|---|---|---|
| | | CURRENT PRINCIPAL | 82,000.00 |
| 0194930 | NOTE NO. 5011470 | DUE DATE | 06-30-83 |

Now paid
pur. money

| | | | |
|---|---|---|---|
| ILLIAM S WHITEHURST | | PRINCIPAL DUE | |
| ANIEL K WHITEHURST | | | |
| O BIX 5001 | | INTEREST DUE | 2,555.48 |
| RESNO CA | 93755 | | |
| | | TOTAL DUE | 2,555.48* |

[illegible]

CONTINENTAL NATIONAL BANK
MAIN OFFICE
33 EAST SHAW AVE
FRESNO, CALIF. 93711

BRANCH [illegible]
OFFICER SEC [illegible]

DEAR CUSTOMER
YOUR PAYMENT ON THE NOTE DESCRIBED BELOW DATED [illegible]-31-72 WAS DUE [illegible]-31-73
TO ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.
PLEASE DISREGARD THIS NOTICE IF PAYMENT HAS BEEN MADE.

ACCOUNT [illegible]19493 NOTE NO. [illegible]

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
[illegible]
FRESNO CA

93755

CURRENT PRINCIPAL [illegible]

DUE DATE [illegible]-31-63

PRINCIPAL DUE

INTEREST DUE [illegible]

TOTAL DUE [illegible]

03-21-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
83 EAST SHAW AVE
FRESNO, CALIF. 93710

BRANCH 001
OFFICER SKC

EAR CUSTOMER
YOUR NOTE DESCRIBED BELOW AND DATED 09-31-82 WILL BE DUE 03-31-83. THE NOTE IS
AYABLE AT MATURITY AT THE OFFICE OF THIS BANK. PLEASE RETURN THIS NOTICE WITH
OUR REMITTANCE.

CURRENT PRINCIPAL 90,000.00

CCOUNT C194930 NOTE NO. 5004900

DUE DATE 03-31-83

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

PRINCIPAL DUE 90,000.00

INTEREST DUE 3,365.76

Paid 3/30/83

TOTAL DUE 93,365.76*

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

William S. Whitehurst
P.O. Box 5001
Fresno, California 93755

Re: MUR 1597
William S. Whitehurst

Dear Mr. Whitehurst:

On , 1984, the Federal Election Commission determined that there is reason to believe you violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed questions, within ten days of your receipt of this letter. (Statements should be submitted under oath.)

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437(a)(12)(A), unless you notify the Commission in writing that you wish the

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investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Matthew Gerson, the staff member assigned to this matter, at (202) 523-4143.

Sincerely,

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597

William S. Whitehurst
RESPONDENT

## SUMMARY OF ALLEGATIONS

While investigating violations of the Federal Election Campaign Act by the Whitehurst for U.S. Senate Committee, the Commission acquired evidence that William S. Whitehurst violated 2 U.S.C. 441a and 11 C.F.R. 100.7(a)(1)(i)(A) by endorsing, guaranteeing, or otherwise co-signing a $90,000 loan that a commercial bank extended to candidate Daniel K. Whitehurst and that the candidate subsequently loaned to the committee.

## FACTUAL BASIS AND LEGAL ANALYSIS

The Federal Election Commission sent subpoenaes to produce documents and orders to answer interrogatories to Daniel K. Whitehurst and the Whitehurst for U.S. Senate Committee (hereinafter the "respondents") as part of its investigation into MUR 1597.

Counsel submitted a response on July 11, 1984 on behalf of the Committee (the respondents did not submit a signed statement of counsel designation until November 19, 1984.) In the response, the attorney states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst, which the candidate, in turn, loaned to his committee. The attorney

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adds, "as indicated on the interest statements, the loan is listed in the names of the candidate and his father." Candidate Whitehurst is permitted to contribute or loan unlimited personal funds to his own campaign. 11 C.F.R. § 100.7(a)(1). However, William S. Whitehurst, the candidate's father, exceeded the 2 U.S.C.§ 441a(a)(1)(A) contribution limitations because the proceeds of the bank loan do not appear to have been candidate Whitehurst's "personal funds." 11 C.F.R. § 110.10. While the father's role in securing the bank loan is unclear, 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11) provide that an endorser or guarantor has made a contribution to the extent of his pro rata share of the outstanding balance of the loan. Because the father's portion may have exceeded $1,000, the Commission found reason to believe that William S. Whitehurst, the candidate's father, violated 2 U.S.C. § 441a(a)(1)(A).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Donald R. Fischbach, Treasurer
Whitehurst for U.S. Senate
Committee
204 East Harvard
Fresno, California 93704

Re: MUR 1597
Leadership for the 80's
Fay Andros
Whitehurst for U.S. Senate
Committee and its treasurer,
Donald Fischbach.

Dear Mr. Fischbach:

On , 1984, the Federal Election Commission determined that there is reason to believe the Whitehurst for U.S. Senate Committee and you, as treasurer, violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. Please note that this determination is separate and distinct from the reason to believe determination first issued on December 9, 1983 and revised on March 20, 1984.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter. (Statements should be submitted under oath.)

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

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The investigation now being conducted will be confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Matthew Gerson, the staff member assigned to this matter, at (202) 523-4143.

Sincerely,

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Procedures

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597

RESPONDENT Whitehurst for U.S. Senate Committee
and its treasurer, Donald Fischbach.

SUMMARY OF ALLEGATIONS

While investigating violations of the Federal Election Campaign Act by the Whitehurst for U.S. Senate Committee, the Commission acquired evidence of an additional violation by the Committee. It appears that the candidate, and thus, the Committee, accepted the candidate's father's assistance in procuring a 90,000 loan that was subsequently loaned to the committee. As the amount in question is in excess of the 2 U.S.C. 441a(a)(1)(A) limitations, acceptance of the loan is a violation of 2 U.S.C. 441a(f).

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Counsel submitted a response on July 11, 1984 on behalf of the Committee (the respondents did not submit a signed statement of counsel designation until November 19, 1984.) In the response, the attorney states that the Continental National Bank made a $90,000 loan to the candidate, Daniel K. Whitehurst,

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which the candidate, in turn, loaned to the committee. The attorney adds, "as indicated on the (enclosed) interest statements, the loan is listed in the names of the candidate and his father." Candidate Whitehurst is permitted to contribute or loan unlimited personal funds to his own campaign. 11 C.F.R. § 100.7(a)(1). However, it appears that the father exceeded the 2 U.S.C. § 441a(a)(1)(A) contribution limitations because the proceeds of the bank loan do not appear to have been candidate Whitehurst's "personal funds." 11 C.F.R. § 110.10. While the father's role in securing the bank loan is unclear, 2 U.S.C. § 431(8) and 11 C.F.R. § 100.7(b)(11) provide that an endorser or guarantor has made a contribution to the extent of his pro rata share of the outstanding balance of the loan. Because it appears that the candidate, and thus, the Committee, accepted his father's assistance in procuring the loan, and the amount in question is in excess of the 2 U.S.C. § 441a(a)(1)(A) limitations, acceptance of the loan is a violation of 2 U.S.C. § 441a(f).

8 6 0 4 0 5 6 3 8 9 1

LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 130
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 435-5700

RECEIVED AT THE
GCC#5682
84 NOV 13 A9:00

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 NOV 19 AM 11:49

November 13, 1984

Federal Elections Commission
Washington, D. C. 20463

Attn: Matthew Gerson

RE: MUR 1597

Dear Mr. Gerson:

Pursuant to our recent telephone conversation, enclosed are the executed Designation of Counsel forms as requested. If there is any additional information required, please let me know.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosures

8604056389 2

## STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: JAMES E. SHEROYAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700

The above-name individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

November 8, 1984

Signature

NAME: DONALD R. FISCHBACH, TREASURER
WHITEHURST FOR UNITED STATES SENATE

ADDRESS: 204 E. HARVARD
FRESNO, CALIFORNIA 93704

HOME PHONE:

BUSINESS PHONE: (209) 442-0550

8604056389 3

# STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: JAMES R. SHEEOYAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700

The above-name individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

November 8, 1984

Alan Yengoyan
Signature

NAME: ALAN YENGOYAN, TREASURER
LEADERSHIP FOR THE 80's

ADDRESS: 202 N. TEILMAN
FRESNO, CALIFORNIA 93706

HOME PHONE: (209) 227-7017

BUSINESS PHONE: (209) 448-3109

8604056389 4

LAW OFFICES OF
AMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 138
RESNO, CALIFORNIA 93710

8604056389 5

FRESNO, CA 93711
PM
'14 NOV
1984

USE CHRISTMAS SEAL

20

FEDERAL ELECTIONS COMMISSIONS
WASHINGTON, D.C. 20463

ATTN: MATTHEW GERSON

84 NOV 19 A9:

RECEIVED AT THE FEC
84 JUL 12 P3:48

THE OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 135
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 435-6700

VIA EXPRESS MAIL

July 11, 1984

Federal Elections Commission
Washington, D.C. 20463

Attn: Kenneth A. Gross
Associate General Counsel

RE: MUR 1597

Dear Mr. Gross:

This letter is in response to your letters and subpena dated June 2, 1984. I have previously filed a Statement of Designation of Counsel.

Enclosed you will find the following:

1. Copy of a check from the candidate, Daniel K. Whitehurst, to his U.S. Senate Committee. (This check, in the sum of $5,000, was a loan of personal funds by the candidate to his committee.)

2. Copies of interest statements from Continental National Bank relating to a $90,000 loan to the candidate, Daniel K. Whitehurst, which he, in turn, loaned to his U. S. Senate Committee on the same terms and conditions as the loan from the bank. (The loan from the bank to Mr. Whitehurst was for one year, with innterest payments due quarterly, and the balace due on 3-31-83. The interest rate was variable in relation to changes in the prime lending rate. When the loan was due in March, 1983, a principal reduction of $8,000 was made, and the payment of the balance was extended to 3-31-84, with continuing quartrly interest payments. The loan balance has been further reduced to $69,000. As indicated on the interest statements, the loan is listed in the names of the candidate and his father. However, all funds were lent by the candidate to his campaign committee, and all payments of interest and principal to the candidate, and to the bank have been from qualifying contributions to the U.S. Senate Committee. Efforts to retire the debt through qualifying contributions are continuing.

8604056389 6

If you require further information, please call or write me.

Sincerely,

JAMES E. SHEROVER

JES:jo
Enclosures

8604056389 7

CRANFORD CREST

8604056389 8

550

Nov 28 1982

[redacted] & U.S. Savings $5000.00

[redacted] 00/100 DOLLARS

[redacted]

[redacted]

⑆ 0 2 1000 3 5 8 ⑆ 0550-00 108-6 1844 ⑈

[illegible]

[illegible], BANK OF COMMERCE
MAIN [illegible]
111 E. [illegible] AVE.
FRESNO, CALIF. 93710

[illegible]
OFFICER [illegible]

DEAR [illegible]

IN ACCORDANCE WITH THE TERMS OF YOUR LOAN AGREEMENT, WE HAVE INCREASED YOUR INTEREST RATE ON THE LOAN DESCRIBED BELOW:

| | |
|---|---|
| CURRENT PRINCIPAL | 60,000.00 |
| ISSUE/RENEWAL DATE | 03-31-[illegible] |
| MATURITY DATE | 03-31-[illegible] |
| EFFECTIVE DATE | 05-08-[illegible] |
| OLD INTEREST RATE | 14.000 |
| NEW INTEREST RATE | 14.500 |

ACCOUNT 0199930 NOTE NO. 5011470

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

[illegible] NATIONAL BANK

DEAR CUSTOMER,
THIS NOTICE REFLECTS THE AMOUNT OF INTEREST PAID ON YOUR COMMERCIAL LOAN ACCOUNT IN 1987. PLEASE RETAIN THIS NOTICE FOR TAX PURPOSES. THANK YOU.

| | |
|---|---|
| DATE | 12/31/87 |
| ACCOUNT NO | 0194930 |
| INTEREST PAID | 7,550.77 |

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA
93755

[illegible] NATIONAL BANK

[illegible]

111 E. [illegible] AVE.

FRESNO, CALIF. 93710

BRANCH [illegible]

OFFICER [illegible]

DEAR CUSTOMER

PAYMENT [illegible] NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 12-3[illegible]

ASSUR[illegible] CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

DEC30 1983

CURRENT PRINCIPAL

ACCOUNT O[illegible] NOTE NO. 5011470

DUE DATE

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

PRINCIPAL DUE

INTEREST DUE

TOTAL DUE

09-20-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
111 E. WHAN AVE.
FRESNO, CALIF. 93710

BRANCH 006
OFFICER RRR

DEAR CUSTOMER
PAYMENT ON YOUR NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 09-30-8
ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

ACCOUNT 0194930 NOTE NO. 5011470

CURRENT PRINCIPAL 82,
DUE DATE 09

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA

CNB #1
OCT 5 1983
$3995

DUPLICATE
$ 272396
NATIONAL
TELLER

PRINCIPAL DUE
INTEREST DUE 2,
TOTAL DUE 2,

00.00
30-83
11.67
11.67*

06-20-83 [illegible] NATIONAL BANK [illegible] 008
[illegible] OFFICER RRR
[illegible] ST. [illegible] AVE.
FRESNO, CALIF. 93710

AR CONTINUE
PAYMENT ON THE NOTE DESCRIBED BELOW DATED 03-31-83 WILL BE DUE 06-30-83
ASSURE PROMPT CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.

CONTINENTAL NATIONAL
JUN 20 '83
TELLER

| | |
|---|---|
| CURRENT PRINCIPAL | 82,000.0 |
| DUE DATE | 06-30- |

COMMT 0194930 NOTE NO. 5011070

Now paid
pay. [illegible]

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

| | |
|---|---|
| PRINCIPAL DUE | |
| INTEREST DUE | 2,555. |
| TOTAL DUE | 2,555. |

04-06-89

CONTINENTAL NATIONAL BANK
MAIN OFFICE
83 EAST SHAW AVE
FRESNO, CALIF. 9371

BRANCH
OFFICER

DEAR CUSTOMER
YOUR PAYMENT ON THE NOTE DESCRIBED BELOW DATED 03-31-82 HAS DUE 03-31
TO ASSURE PROPER CREDIT PLEASE RETURN THIS NOTICE WITH YOUR REMITTANCE.
PLEASE DISREGARD THIS NOTICE IF PAYMENT HAS BEEN MADE.

CURRENT PRINCIPAL

DUE DATE

ACCOUNT 0194930 NOTE NO. 5004900

PRINCIPAL DUE

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001 93755
FRESNO CA

INTEREST DUE

TOTAL DUE

904

03-21-83

CONTINENTAL NATIONAL BANK
MAIN OFFICE
03 EAST SHAW AVE
FRESNO, CALIF. 93710

BRANCH 001
OFFICER SKC

EAR CUSTOMER
YOUR NOTE DESCRIBED BELOW AND DATED 03-31-82 WILL BE DUE 03-31-83. THE NOTE IS
ATABLE AT MATURITY AT THE OFFICE OF THIS BANK. PLEASE RETURN THIS NOTICE WITH
OUR REMITTANCE.

| | |
|---|---|
| CURRENT PRINCIPAL | 90,000.00 |
| DUE DATE | 03-31-83 |
| PRINCIPAL DUE | 90,000.00 |
| INTEREST DUE | 3,365.76 |
| TOTAL DUE | 93,365.76* |

CCOUNT C194930 NOTE NO. 5004900

WILLIAM S WHITEHURST
DANIEL K WHITEHURST
PO BOX 5001
FRESNO CA 93755

paid 3/30/83
#611

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 21, 1984

Mr. Daniel K. Whitehurst
204 East Harvard
Fresno, California 93705

RE: MUR 1597

Dear Mr. Whitehurst:

Please find enclosed a subpoena to produce documents and an order to submit written answers relating to the above-referenced Matter Under Review. As stated in the Order/Subpoena, a response is due to the Commission within 15 days of receipt.

If you have any questions regarding this matter, please contact Frances B. Hagan at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena/Order

8604056390 6

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| The Whitehurst for U.S. Senate Committee | ) | |
| | ) | |

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

Pursuant to 2 U.S.C. § 437d(a)(1) and (3) and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and Subpoenas you to produce requested documents.

Such answers must be submitted under oath and must be forwarded to the Commission within 15 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand on June 21, 1984.

Lee Ann Elliott
Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

8604056390 7

A. Please answer the following interrogatories:

1. Identify the source or sources of the candidate's loan to the Whitehurst for U.S. Senate Committee of $90,000 dated March 31, 1982. This loan was reported on the 1982 April Quarterly Report. The loan carried an interest rate of 18% and was due on demand.

2. Identify the source or sources of the candidate loan to the Committee of $5,000 dated January 29, 1982. This loan was reported on the 1982 April Quarterly Report. The loan was due on demand and carried no interest rate.

When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or other source. If the candidate borrowed funds from a lending institution or any other source, the amount of the loan, the date incurred, the date due, the interest rate, whether or not the loan was secured, and all endorsers' or guarantors' names, addresses, occupations, employers and the amount guaranteed by each, if applicable, should be itemized.

If the loans were from personal funds, please acknowledge that fact and amend reports accordingly. Further, it is important to note that the term "personal funds" is strictly defined by Commission regulations at 11 C.F.R. § 110.10. Please provide the information noted here in response to Nos. 1 and 2 above.

3. On January 5, 1983, an individual connected with the Committee stated that the loans in question were loaned by a family member. If this information is correct, please identify the individual(s) making the loan to the candidate.

B. Please provide in their entirety the following documents:

1. A copy of the loan agreements pertaining to the loans noted in A. 1 and 2 above.

2. All transaction statements pertaining to the loans noted in A. 1 and 2 above, showing the complete loan history from inception to the present or to termination (even if the loan was paid off by another loan).

8 6 0 4 0 5 6 3 9 0 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 21, 1984

Mr. Donald Fischbach, Treasurer
Whitehurst for U.S. Senate Committee
204 East Harvard
Fresno, California 93704

RE: MUR 1597

Dear Mr. Fischbach:

Please find enclosed a subpoena to produce documents and an order to submit written answers relating to the above-referenced Matter Under Review. As stated in the Order/Subpoena, a response is due to the Commission within 15 days of receipt.

If you have any questions regarding this matter, please contact Frances B. Hagan at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena/Order

8604056309

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| The Whitehurst for U.S. Senate Committee | ) | |
| | ) | |

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

Pursuant to 2 U.S.C. § 437d(a)(1) and (3) and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and Subpoenas you to produce requested documents.

Such answers must be submitted under oath and must be forwarded to the Commission within 15 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand on June 21, 1984.

Lee Ann Elliott

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

8604056391 0

A. Please answer the following interrogatories:

1. Identify the source or sources of the candidate's loan to the Whitehurst for U.S. Senate Committee of $90,000 dated March 31, 1982. This loan was reported on the 1982 April Quarterly Report. The loan carried an interest rate of 18% and was due on demand.

2. Identify the source or sources of the candidate loan to the Committee of $5,000 dated January 29, 1982. This loan was reported on the 1982 April Quarterly Report. The loan was due on demand and carried no interest rate.

When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or other source. If the candidate borrowed funds from a lending institution or any other source, the amount of the loan, the date incurred, the date due, the interest rate, whether or not the loan was secured, and all endorsers' or guarantors' names, addresses, occupations, employers and the amount guaranteed by each, if applicable, should be itemized.

If the loans were from personal funds, please acknowledge that fact and amend reports accordingly. Further, it is important to note that the term "personal funds" is strictly defined by Commission regulations at 11 C.F.R. § 110.10. Please provide the information noted here in response to Nos. 1 and 2 above.

3. On January 5, 1983, an individual connected with the Committee stated that the loans in question were loaned by a family member. If this information is correct, please identify the individual(s) making the loan to the candidate.

B. Please provide in their entirety the following documents:

1. A copy of the loan agreements pertaining to the loans noted in A. 1 and 2 above.

2. All transaction statements pertaining to the loans noted in A. 1 and 2 above, showing the complete loan history from inception to the present or to termination (even if the loan was paid off by another loan).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM JCR

DATE: JUNE 21, 1984

SUBJECT: MUR 1597 - Subpoenas and Orders

The attached subpoenas, which were Commission approved by a vote of 6-0, have been signed and sealed this date.

Attachments

8604056391 2

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| Whitehurst for U.S. Senate Committee | ) | |
| | ) | |
| Leadership for the 80's Committee | ) | |
| | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 19, 1984, the Commission decided by a vote of 6-0 to take the following actions in MUR 1597:

1. Approve the Subpoena for Documents and Order to Submit Written Answers for Daniel K. Whitehurst and Whitehurst for U.S. Senate Committee, submitted with the General Counsel's Report signed June 14, 1984.

2. Send the letters as attached to the General Counsel's Report signed June 14, 1984.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

6-19-84
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 6-14-84, 3:45
Circulated on 48 hour tally basis: 6-15-84, 2:00

8 6 0 4 0 5 6 3 9 1 3

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

84 JUN 14 P3: 45

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1597
Whitehurst for U.S. )
Senate Committee )
Leadership for the 80's )
Committee )

GENERAL COUNSEL'S REPORT

SENSITIVE

8604056391 4

BACKGROUND

On December 9, 1983, the Commission found reason to believe that the Leadership for the 80's Committee ("the Leadership Committee") violated 2 U.S.C. §§ 433 and 434 for failure to register and report as a political committee. The Commission also found reason to believe that the Leadership Committee violated 2 U.S.C. § 441a by making excessive contributions to the Whitehurst for U.S. Senate Committee ("the Whitehurst Committee"). On December 9, 1983, the Commission found reason to believe that the Whitehurst Committee violated 2 U.S.C. § 441a(f) by accepting excessive contributions in loan form and in-kind from the Leadership Committee. On March 29, 1984, the Commission also found reason to believe that the Whitehurst Committee violated 2 U.S.C. § 434(b)(8) (rather than § 438(b)(8) as previously certified) for failure to report the source of loans to the Committee.

Questions Concerning Source of Candidate Loans

On January 29 and March 31, 1982, the Whitehurst Committee received two loans totaling $95,000 reportedly from the candidate. Of these two loans, the earlier loan of $5,000

carried no interest rate and the second loan of $90,000 showed an interest rate of 18%. RAD sent two notices requesting information concerning the source of these loans. A Whitehurst Committee agent responded to the RFAIs by telephone, stating that the candidate's loan was composed of funds lent by another family member.

The Whitehurst Committee violated 2 U.S.C. § 434(b)(8) by failing to show the source of these two candidate loans. If the source of these funds is actually a family member (as stated by a Committee representative), additional § 441a findings could result against contributor and recipient.

Because this information concerning the source of loans is inconclusive, the Office of General Counsel is recommending that the Commission approve the attached Subpoenas for Documents and Order for Written Answers. The questions attempt to ascertain from the Whitehurst Committee and from the candidate the source of the reported loans. The subpoenas require copies of pertinent loan agreements and transaction histories, as applicable.

The Order/Subpoena is warranted in this case (rather than a request) because the Committee has not responded substantially to the reason to believe notice concerning other violations in this case.

RECOMMENDATIONS

1. Approve attached Subpoena for Documents and Order to Submit Written Answers for:

8 6 0 4 0 5 6 3 9 1 5

a) Daniel K. Whitehurst
b) Whitehurst for U.S. Senate Committee

2. Send attached letters.

Charles N. Steele
General Counsel

Date June 14, 1984

BY: Kenneth A. Gross
Associate General Counsel

**Attachments**
Subpoenas for Documents
Order to Submit Written Answers
Letters to Respondents

8604056391 6

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| The Whitehurst for U.S. Senate Committee | ) | |
| | ) | |

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

Pursuant to 2 U.S.C. § 437d(a)(1) and (3) and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and Subpoenas you to produce requested documents.

Such answers must be submitted under oath and must be forwarded to the Commission within 15 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand on , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

Attachment A(1)

8604056391 7

A. Please answer the following interrogatories:

1. Identify the source or sources of the candidate's loan to the Whitehurst for U.S. Senate Committee of $90,000 dated March 31, 1982. This loan was reported on the 1982 April Quarterly Report. The loan carried an interest rate of 18% and was due on demand.

2. Identify the source or sources of the candidate loan to the Committee of $5,000 dated January 29, 1982. This loan was reported on the 1982 April Quarterly Report. The loan was due on demand and carried no interest rate.

When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or other source. If the candidate borrowed funds from a lending institution or any other source, the amount of the loan, the date incurred, the date due, the interest rate, whether or not the loan was secured, and all endorsers' or guarantors' names, addresses, occupations, employers and the amount guaranteed by each, if applicable, should be itemized.

If the loans were from personal funds, please acknowledge that fact and amend reports accordingly. Further, it is important to note that the term "personal funds" is strictly defined by Commission regulations at 11 C.F.R. § 110.10. Please provide the information noted here in response to Nos. 1 and 2 above.

3. On January 5, 1983, an individual connected with the Committee stated that the loans in question were loaned by a family member. If this information is correct, please identify the individual(s) making the loan to the candidate.

B. Please provide in their entirety the following documents:

1. A copy of the loan agreements pertaining to the loans noted in A. 1 and 2 above.

2. All transaction statements pertaining to the loans noted in A. 1 and 2 above, showing the complete loan history from inception to the present or to termination (even if the loan was paid off by another loan).

A (2)

8 6 0 4 0 5 6 3 9 1 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Donald Fischbach, Treasurer
Whitehurst for U.S. Senate Committee
204 East Harvard
Fresno, California 93704

RE: MUR 1597

Dear Mr. Fischbach:

Please find enclosed a subpoena to produce documents and an order to submit written answers relating to the above-referenced Matter Under Review. As stated in the Order/Subpoena, a response is due to the Commission within 15 days of receipt.

If you have any questions regarding this matter, please contact Frances B. Hagan at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena/Order

8604056391 9

A (3)

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| The Whitehurst for U.S. | ) | |
| Senate Committee | ) | |

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

Pursuant to 2 U.S.C. § 437d(a)(1) and (3) and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and Subpoenas you to produce requested documents.

Such answers must be submitted under oath and must be forwarded to the Commission within 15 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand on , 1984.

Lee Ann Elliott

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions

Attachment B(1)

8 6 0 4 0 5 6 3 9 2 0

A. Please answer the following interrogatories:

1. Identify the source or sources of the candidate's loan to the Whitehurst for U.S. Senate Committee of $90,000 dated March 31, 1982. This loan was reported on the 1982 April Quarterly Report. The loan carried an interest rate of 18% and was due on demand.

2. Identify the source or sources of the candidate loan to the Committee of $5,000 dated January 29, 1982. This loan was reported on the 1982 April Quarterly Report. The loan was due on demand and carried no interest rate.

When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or other source. If the candidate borrowed funds from a lending institution or any other source, the amount of the loan, the date incurred, the date due, the interest rate, whether or not the loan was secured, and all endorsers' or guarantors' names, addresses, occupations, employers and the amount guaranteed by each, if applicable, should be itemized.

If the loans were from personal funds, please acknowledge that fact and amend reports accordingly. Further, it is important to note that the term "personal funds" is strictly defined by Commission regulations at 11 C.F.R. § 110.10. Please provide the information noted here in response to Nos. 1 and 2 above.

3. On January 5, 1983, an individual connected with the Committee stated that the loans in question were loaned by a family member. If this information is correct, please identify the individual(s) making the loan to the candidate.

B. Please provide in their entirety the following documents:

1. A copy of the loan agreements pertaining to the loans noted in A. 1 and 2 above.

2. All transaction statements pertaining to the loans noted in A. 1 and 2 above, showing the complete loan history from inception to the present or to termination (even if the loan was paid off by another loan).

B(2)

8 6 0 4 0 5 6 3 9 2 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Daniel K. Whitehurst
204 East Harvard
Fresno, California 93705

RE: MUR 1597

Dear Mr. Whitehurst:

Please find enclosed a subpoena to produce documents and an order to submit written answers relating to the above-referenced Matter Under Review. As stated in the Order/Subpoena, a response is due to the Commission within 15 days of receipt.

If you have any questions regarding this matter, please contact Frances B. Hagan at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena/Order

8604056392

B(3)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

Donald R. Fischbach, Treasurer
Whitehurst for United States
Senate Committee
204 East Harvard
Fresno, California 93704

RE: MUR 1597

Dear Mr. Fischbach:

On December 13, 1983, you were notified that the Federal Election Commission found reason to believe on December 9, 1983, that you and your committee violated 2 U.S.C. §§ 438(b)(8) and 441a(f). This letter is to advise that because of a proofreading error, the reason to believe notification contained an error. 2 U.S.C. § 438(b)(8) should read 2 U.S.C. § 434(b)(8). On March 29, 1984, the Commission found reason to believe that such a violation occurred. The General Counsel's Factual and Legal Analysis remains the same using the corrected cite.

If you have any questions concerning this matter, please contact Frances B. Hagan at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

Kenneth A. Gross
Associate General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| Whitehurst for United States | ) | |
| Senate Committee | ) | |
| Donald Fischbach, Treasurer | ) | |

## AMENDED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 29, 1984, the Commission decided by a vote of 5-0 to find reason to believe that the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 434(b)(8) and 441a(f), as recommended in the General Counsel's March 27, 1984 Memorandum to the Commission.

Commissioners Aikens, Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioner Reiche did not cast a vote.

Attest:

3-30-84
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 3-27-84, 10:18
Circulated on 48 hour tally basis: 3-27-84, 4:00

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

84 MAR 27 AM 11 10

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 27, 1984

MEMORANDUM

SENSITIVE

TO : The Commission

FROM : Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

SUBJECT: Amendment to Certification
MUR 1597: Whitehurst for U.S. Senate
Committee and Leadership for the 80s

The First General Counsel's Report concerning the above-referenced matter contains an error. As a result, the Certification reflects that error. In the original versions, § 434(b)(8) appeared as § 438(b)(8). This memorandum is to amend the certification to accurately reflect the statute.

Number 4 of the certification should read:

> Find reason to believe that the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 434(b)(8) and 441a(f).

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LAW OFFICES OF
JAMES E. SHEKOYAN
5700 NORTH FIRST STREET
SUITE 139
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 439-5700

MUR 1597
Callahan

January 31, 1984

Federal Election Commission
Washington, D.C. 20463

Attn: Suzanne Calahan

RE: MUR 1597

Dear Ms. Calahan:

Enclosed you will find two Statements of Designation of Counsel submitted on behalf of Donald R. Fischbach, Treasurer of the Whitehurst for United States Senate Committee, and Alan Yengoyan, Treasurer of the Leadership for the 80's Committee.

As the designated counsel, I am preparing statements as to why no legal action should be taken against either of the named committees as a consequence of the Commission's findings. I will have the statements to you by February 10, 1984.

I regret the delay in communicating with you after my letter of December 30, 1983. Within the last 45 days there have been unusual client demands which have caused me to be delayed in handling certain client matters. I appreciate your cooperation.

Sincerely,

JAMES E. SHEKOYAN

JES:jo
Enclosures

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# STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: JAMES E. SHEKOYAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700 - ____

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

1-26-84
Date

Signature

NAME: ALAN YENGOYAN, TREASURER
LEADERSHIP FOR THE 80's

ADDRESS: P. O. BOX 5001
FRESNO, CALIFORNIA

HOME PHONE:

BUSINESS PHONE:

RECEIVED
FEB 6 P4:24
GENERAL COUNSEL

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# STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: JAMES E. SHEEHAN

ADDRESS: 6700 N. FIRST ST., SUITE 135
FRESNO, CALIFORNIA 93710

TELEPHONE: (209) 435-5700

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

1-26-84
Date

Signature

NAME: DONALD R. FISCHBACH, TREASURER
WHITEHURST FOR U.S. SENATE

ADDRESS: 204 E. HARVARD
FRESNO, CALIFORNIA 93704

HOME PHONE:

BUSINESS PHONE: (209) 442-0550

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FEB 6 P4:24
FEC
GENERAL COUNSEL

LAW OFFICES OF
AMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 135
RESNO, CALIFORNIA 93710

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1 PM
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1984

ALWAYS

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

ATTN: SUZANNE CALAHAN

Occ# 1350

MUR 1597
Callahan

LAW OFFICES OF
JAMES E. SHEKOYAN
6700 NORTH FIRST STREET
SUITE 135
FRESNO, CALIFORNIA 93710
TELEPHONE (209) 435-5700

December 30, 1983

Federal Election Commission
Washington, D.C. 20463

Attn: Thomas J. Whitehead

RE: MUR 1597

Dear Mr. Whitehead:

This letter is in reference to a telephone conversation between yourself and my secretary on December 27, 1983 regarding the above referenced matter. I will be designated as counsel in this matter and will be formally submitting the Statement of Designation of Counsel forms in a few days. The parties who are required to sign the Statements are unavailable due to the holidays, however, I should be able to obtain their signatures by January 4, 1984 and forward the forms at that time.

Thank you for your cooperation in this matter.

Sincerely,

JAMES E. SHEKOYAN

JES:jo

RECEIVED
1 JAN 4 A9:5
GENERAL COUNSEL
FEC

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LAW OFFICES OF
MES E. SHEKOYAN
700 NORTH FIRST STREET
SUITE 138
ESNO, CALIFORNIA 93710

FRESNO, CA 937
PM
31 DEC
1983

ALWAYS USE
ZIP CODE
84 JAN 4 A8

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

ATTN: THOMAS J. WHITEHEAD

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 13, 1983

Ms. Fay Andros
5068 North Wishon, #A
Fresno, California 93704

RE: MUR 1597

Dear Ms. Andros:

On December 9, 1983, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by making an excessive contribution to the Whitehurst for United States Senate Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. The Commission has determined it will take no further action against you but reminds you that such actions should not occur in the future.

The file in this matter will be made public 30 days after the entire file is closed.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Suzanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Danny L. McDonald

Danny L. McDonald,
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597
STAFF MEMBER(S) & TEL. NO.
Suzanne Callahan
(202) 523-4529

RESPONDENT Fay Andros

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual by the name of Fay Andros resulting in a $250 excessive contribution.

Fay Andros' $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

A committee agent contacted the Commission on April 15, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

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FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 441a, individuals are limited to contributions of $1,000 per candidate, per election. The excessive contribution made by Fay Andros to the Whitehurst Committee places her in violation of 2 U.S.C. § 441a. However, in light of the small amount of funds involved in this particular violation, it is recommended the Commission not pursue this matter further.

Therefore, the General Counsel recommends that the Commission find reason to believe that Fay Andros violated 2 U.S.C. § 441a and take no further action.

RECOMMENDATIONS

1. Find reason to believe Fay Andros violated 2 U.S.C. § 441a.
2. Take no further action against Fay Andros' violation and close the file as it pertains to her.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 13, 1983

Leadership for the 80's
P.O. Box 5001
Fresno, California 93755

RE: MUR 1597

Dear Sir or Madame:

On December 9 , 1983, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. §§ 433, 434 and 441a, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 118.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Danny L. McDonald

Danny L. McDonald,
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

| | |
|---|---|
| | MUR NO. 1597 |
| | STAFF MEMBER(S) & TEL. NO. |
| RESPONDENT Leadership for the '80's Committee | Suzanne Callahan (202) 523-4529 |

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission

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action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 433, political committees must register with the Commission no later than 10 days after establishment and must file reports of receipts and expenditures according to 2 U.S.C. § 434. The Leadership Committee's failure to register and report places it in violation of the above provisions.

Additionally, as set forth in 2 U.S.C. § 441a, political committees which do not meet the criteria set forth in the Act for multicandidate status are limited to contributions of $1,000 per candidate, per election.

The excessive contribution made to the Whitehurst Committee by the Leadership for the 80's Committee is a violation of 2 U.S.C. § 441a. Therefore, the Office of General Counsel

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recommends the Commission find reason to believe the Leadership Committee has violated 2 U.S.C. §§ 433, 434 and 441a.

RECOMMENDATION

1. Find reason to believe the Leadership for the 80's Committee violated 2 U.S.C. §§ 433, 434 and 441a.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 13, 1983

Donald R. Fischbach, Treasurer
Whitehurst for United States
Senate Committee
204 East Harvard
Fresno, California 93704

RE: MUR 1597

Dear Mr. Fischbach:

On December 9, 1983, the Federal Election Commission determined that there is reason to believe that you and your committee violated 2 U.S.C. §§ 438(b)(8) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit a detailed clarification as to the source of the loan in question and the telephone number and name of your contact person at Leadership for the 80's.

In the absence of any additional information which demonstrates that no further action should be taken against you and the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 118.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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The investigation now being conducted will be confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Suzanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Danny L. McDonald

Danny L. McDonald,
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597
STAFF MEMBER(S) & TEL. NO.
Suzanne Callahan
(202) 523-4529

RESPONDENT Whitehurst for United States Senate Committee
Donald Fischbach, Treasurer

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual by the name of Fay Andros resulting in a $250 excessive contribution. On the same report, the committee disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

The individual's $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report. The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

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A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution, the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

The 1982 April Quarterly Report disclosed the receipt of two (2) loans totalling $95,000 from the candidate on January 29, and March 31, 1982. The loans were designated for the primary election with "demand" for due dates. The $5,000 loan had an interest rate of 0% and the $90,000 loan had an interest rate of 18%.

An RFAI for the April Quarterly Report was sent on November 30, 1982, requesting the source of the candidate loans. No response was received; therefore, a Second Notice was sent on December 23, 1982. An agent for the committee contacted the Commission on January 5, 1983. The person stated that the RFAI

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and Second Notice had just been received, because the letters had been sent to an individual who was no longer associated with the committee. The person also stated that the loans from the candidate had been composed of funds loaned by a family member. The staff member for the Commission suggested to the agent that she amend the report by letter to expedite the matter, but the Commission has yet to receive any response concerning the loans.

FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 441a(f), political committees shall not accept contributions which exceed the limitations set forth in 2 U.S.C. § 441a. While the committee has now refunded the excessive contributions, a violation of the above section appears to have been committed at the time the subject transactions were made.

Additionally, in light of the fact that a committee representative has orally indicated the source of a $95,000 candidate loan to be an individual other than the candidate, further action is warranted. The committee's failure to clarify the source of the subject loan appears to be a violation of § 438(b)(8).

Therefore, the General Counsel recommends that the Commission find reason to believe that the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 441a(f) and 438(b)(8).

RECOMMENDATION

1. Find reason to believe the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 438(b)(8) and 441a(f).

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1597 |
| Leadership for the 80's | ) | |
| Fay Andros | ) | |
| Whitehurst for United States | ) | |
| Senate Committee and its | ) | |
| treasurer, Donald Fischbach | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 9, 1983, the Commission decided by a vote of 5-0 to take the following actions in MUR 1597:

1. Find reason to believe Fay Andros violated 2 U.S.C. § 441a.

2. Take no further action against Fay Andros' violation and close the file as it pertains to her.

3. Find reason to believe the Leadership for the 80's Committee violated 2 U.S.C. §§ 433, 434 and 441a.

4. Find reason to believe the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 438(b)(8) and 441a(f).

(Continued)

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5. Send the notification as attached to the First General Counsel's Report dated December 6, 1983.

Commissioners Aikens, Elliott, Harris, McDonald and McGarry voted affirmatively in this matter; Commissioner Reiche did not cast a vote.

Attest:

12-9-83
Date

Marjorie W. Emmons
Secretary of the Commission

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Received in Office of Commission Secretary: 12-6-83, 1:38
Circulated on 48 hour tally basis: 12-7-83, 11:00

SENSITIVE

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

83 DEC 6 P1:38

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 12/6/83 - 1:35

MUR NO. 1597
STAFF MEMBER
Suzanne Callahan

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENTS' NAMES: Leadership for the 80's
Fay Andros
Whitehurst for United States Senate Committee and its treasurer, Donald Fischbach

RELEVANT STATUTES: 2 U.S.C. § 441a
2 U.S.C. § 434

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

SUMMARY OF ALLEGATIONS

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual by the name of Fay Andros resulting in a $250 excessive contribution. On the same report, the committee disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

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The individual's $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report. The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution, the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

The 1982 April Quarterly Report disclosed the receipt of two (2) loans totalling $95,000 from the candidate on January 29, and

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March 31, 1982. The loans were designated for the primary election with "demand" for due dates. The $5,000 loan had an interest rate of 0% and the $90,000 loan had an interest rate of 18%.

An RFAI for the April Quarterly Report was sent on November 30, 1982, requesting the source of the candidate loans. No response was received; therefore, a Second Notice was sent on December 23, 1982. An agent for the committee contacted the Commission on January 5, 1983. The person stated that the RFAI and Second Notice had just been received, because the letters had been sent to an individual who was no longer associated with the committee. The person also stated that the loans from the candidate had been composed of funds loaned by a family member. The staff member for the Commission suggested to the agent that she amend the report by letter to expedite the matter, but the Commission has yet to receive any response concerning the loans.

FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 441a(f), political committees shall not accept contributions which exceed the limitations set forth in 2 U.S.C. § 441a. The excessive contributions made to the Whitehurst Committee by Fay Andros and the Leadership Committee place each in violation of 2 U.S.C. § 441a. In light of the small amount of funds involved in Ms. Andros' violation, we recommend no further action be taken against her. However, while the committee has now refunded the excessive contributions from the Leadership Committee, a violation of the above section was committed by both the donor and recipient at the time the

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subject transactions were made; the Leadership Committee has also violated the registration and reporting provisions of 2 U.S.C. § 433 and § 434 which require that certain reports be filed when the committee's receipts and expenditures exceed $1,000.

Additionally, in light of the fact that a committee representative has orally indicated the source of a $95,000 candidate loan to be an individual other than the candidate, further action is warranted. The committee's failure to clarify the source of the subject loan appears to be a violation of § 438(b)(8).

RECOMMENDATIONS

1. Find reason to believe Fay Andros violated 2 U.S.C. § 441a.
2. Take no further action against Fay Andros' violation and close the file as it pertains to her.
3. Find reason to believe the Leadership for the 80's Committee violated 2 U.S.C. §§ 433, 434 and 441a.
4. Find reason to believe the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 438(b)(8) and 441a(f).
5. Send attached notifications.

Charles N. Steele
General Counsel

December 6, 1983
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
Notification letters (3)
General Counsel's Factual and Legal Analysis (3)
(13 total pages attached)

8604056395 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ms. Fay Andros
5068 North Wishon, #A
Fresno, California 93704

RE: MUR 1597

Dear Ms. Andros:

On , 1983, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by making an excessive contribution to the Whitehurst for United States Senate Committee. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. The Commission has determined it will take no further action against you but reminds you that such actions should not occur in the future.

The file in this matter will be made public 30 days after the entire file is closed.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Suzanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

8604056395 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Donald R. Fischbach, Treasurer
Whitehurst for United States
Senate Committee
204 East Harvard
Fresno, California 93704

RE: MUR 1597

Dear Mr. Fischbach:

On , 1983, the Federal Election Commission determined that there is reason to believe that you and your committee violated 2 U.S.C. §§ 438(b)(8) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit a detailed clarification as to the source of the loan in question and the telephone number and name of your contact person at Leadership for the 80's.

In the absence of any additional information which demonstrates that no further action should be taken against you and the committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 118.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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The investigation now being conducted will be confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

8604056395 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leadership for the 80's
P.O. Box 5001
Fresno, California 93755

RE: MUR 1597

Dear Sir or Madame:

On , 1983, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. §§ 433, 434 and 441a, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 118.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Suzanne Callahan, the staff member assigned to this matter, at (202) 523-4529.

Sincerely,

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

cc: Daniel K. Whitehurst

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597
STAFF MEMBER(S) & TEL. NO.
Suzanne Callahan
(202) 523-4529

RESPONDENT Fay Andros

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual by the name of Fay Andros resulting in a $250 excessive contribution.

Fay Andros' $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

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FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 441a, individuals are limited to contributions of $1,000 per candidate, per election. The excessive contribution made by Fay Andros to the Whitehurst Committee places her in violation of 2 U.S.C. § 441a. However, in light of the small amount of funds involved in this particular violation, it is recommended the Commission not pursue this matter further.

Therefore, the General Counsel recommends that the Commission find reason to believe that Fay Andros violated 2 U.S.C. § 441a and take no further action.

RECOMMENDATIONS

1. Find reason to believe Fay Andros violated 2 U.S.C. § 441a.
2. Take no further action against Fay Andros' violation and close the file as it pertains to her.

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597
STAFF MEMBER(S) & TEL. NO.
Suzanne Callahan
(202) 523-4529

RESPONDENT Whitehurst for United States Senate Committee
Donald Fischbach, Treasurer

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual by the name of Fay Andros resulting in a $250 excessive contribution. On the same report, the committee disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

The individual's $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report. The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

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A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution, the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

The 1982 April Quarterly Report disclosed the receipt of two (2) loans totalling $95,000 from the candidate on January 29, and March 31, 1982. The loans were designated for the primary election with "demand" for due dates. The $5,000 loan had an interest rate of 0% and the $90,000 loan had an interest rate of 18%.

An RFAI for the April Quarterly Report was sent on November 30, 1982, requesting the source of the candidate loans. No response was received; therefore, a Second Notice was sent on December 23, 1982. An agent for the committee contacted the Commission on January 5, 1983. The person stated that the RFAI

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and Second Notice had just been received, because the letters had been sent to an individual who was no longer associated with the committee. The person also stated that the loans from the candidate had been composed of funds loaned by a family member. The staff member for the Commission suggested to the agent that she amend the report by letter to expedite the matter, but the Commission has yet to receive any response concerning the loans.

FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 441a(f), political committees shall not accept contributions which exceed the limitations set forth in 2 U.S.C. § 441a. While the committee has now refunded the excessive contributions, a violation of the above section appears to have been committed at the time the subject transactions were made.

Additionally, in light of the fact that a committee representative has orally indicated the source of a $95,000 candidate loan to be an individual other than the candidate, further action is warranted. The committee's failure to clarify the source of the subject loan appears to be a violation of § 438(b)(8).

Therefore, the General Counsel recommends that the Commission find reason to believe that the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 441a(f) and 438(b)(8).

RECOMMENDATION

1. Find reason to believe the Whitehurst for United States Senate Committee and Donald Fischbach as its treasurer violated 2 U.S.C. §§ 438(b)(8) and 441a(f).

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1597
STAFF MEMBER(S) & TEL. NO.
Suzanne Callahan
(202) 523-4529

RESPONDENT Leadership for the '80's Committee

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

This matter was referred to the Office of General Counsel by the Reports Analysis Division. The Commission, on November 17, 1983, voted to give the referral MUR status.

The Whitehurst for United States Senate Committee's 1981 Year End Report disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission

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action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

FACTUAL AND LEGAL ANALYSIS

As set forth in 2 U.S.C. § 433, political committees must register with the Commission no later than 10 days after establishment and must file reports of receipts and expenditures according to 2 U.S.C. § 434. The Leadership Committee's failure to register and report places it in violation of the above provisions.

Additionally, as set forth in 2 U.S.C. § 441a, political committees which do not meet the criteria set forth in the Act for multicandidate status are limited to contributions of $1,000 per candidate, per election.

The excessive contribution made to the Whitehurst Committee by the Leadership for the 80's Committee is a violation of 2 U.S.C. § 441a. Therefore, the Office of General Counsel

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recommends the Commission find reason to believe the Leadership Committee has violated 2 U.S.C. §§ 433, 434 and 441a.

RECOMMENDATION

1. Find reason to believe the Leadership for the 80's Committee violated 2 U.S.C. §§ 433, 434 and 441a.

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | RAD Referral 83L-32 |
| Whitehurst for United States | ) | |
| Senate Committee | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 17, 1983, the Commission decided by a vote of 6-0 to open a MUR in the above-captioned matter.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

11-17-83
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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Received in Office of Commission Secretary: 11-15-83, 9:51
Circulated on 48 hour tally basis: 11-15-83, 4:00

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

83 NOV 15 A9:51

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1983

MEMORANDUM

SENSITIVE

TO : The Commission

FROM : Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

SUBJECT: RAD Referral 83L-32
Whitehurst for United States
Senate Committee

The Office of General Counsel has prepared for Commission review six (6) critiques of referrals from the Reports Analysis Division.

Attached to this referral is a critique prepared by this Office, a copy of the referral from the Reports Analysis Division, and a 48-hour tally vote sheet. The OGC critique summarizes the facts, presents an analysis of the legal issues involved, and makes a recommendation as to the disposition of the referrals. The copy of the RAD referral is attached for informational purposes, and the separate vote sheet provides for a vote on this referral.

Attachments
Critique and Referral

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RAD REFERRAL NUMBER: 83L-32

SUBJECT: Whitehurst for United States Senate Committee

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BACKGROUND

1. Date of referral: August 26, 1983

2. Financial background:

| | | |
|---|---|---|
| a. | Total 1981-1982 receipts: | $ 457,269.00 |
| b. | Total 1981-1982 disbursements: | $ 453,519.00 |
| c. | Cash on hand (12/31/82): | $ 3,747.00 |
| d. | Debts owed to the committee: | 0 |
| e. | Debts owed by the committee (12/31/82): | $ 123,596.00 |

3. Status of candidate:

Lost.

SUMMARY OF RAD ACTIONS

Referral categories 3 and 11 (contributions exceeding the limitations under 2 U.S.C. § 441a and failure to clarify loans under 2 U.S.C. § 434).

A. Receipt of Excessive Contributions from Other Persons - 2 U.S.C. § 441a(f)

The committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual resulting in a $250 excessive contribution. On the same report, the committee disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission.

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The individual's $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report. The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report.

In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report.

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982. The RFAI noted the refund of the $250 individual contribution, the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982.

A committee agent contacted the Commission on April 16, 1982, regarding the RFAI. He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

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B. Failure to Clarify the Source of Loans - 2 U.S.C. § 434(b)(8)

The 1982 April Quarterly Report disclosed the receipt of two (2) loans totalling $95,000 from the candidate on January 29, and March 31, 1982. The loans were designated for the primary election with "demand" for due dates. The $5,000 loan had an interest rate of 0% and the $90,000 loan had an interest rate of 18%.

An RFAI for the April Quarterly Report was sent on November 30, 1982, requesting the source of the candidate loans. No response was received; therefore, a Second Notice was sent on December 23, 1982. An agent for the committee contacted the Commission on January 5, 1983. The person stated that the RFAI and Second Notice had just been received, because the letters had been sent to an individual who was no longer associated with the committee. The person also stated that the loans from the candidate had been composed of funds loaned by a family member. The staff member for the Commission suggested to the agent that she amend the report by letter to expedite the matter, but the Commission has yet to receive any response concerning the loans.

OGC ANALYSIS

As set forth in 2 U.S.C. § 441a(f), political committees shall not accept contributions which exceed the limitations set forth in 2 U.S.C. § 441a. While the committee has now refunded the excessive contributions, a violation of the above section

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appears to have been committed at the time the subject transactions were made.

Additionally, in light of the fact that a committee representative has orally indicated the source of a $95,000 candidate loan to be an individual other than the candidate, further action is warranted. The committee's failure to clarify the source of the subject loan appears to be a violation of § 438(b)(8).

**RECOMMENDATION**

Open a MUR.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 August 1983

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR, RAD

SUBJECT: REFERRAL OF THE WHITEHURST FOR UNITED STATES SENATE COMMITTEE

This is a referral of the Whitehurst for United States Senate Committee (the "committee"). The committee has accepted and refunded excessive contributions from an individual and an unregistered committee, and has failed to clarify the original source of funds which were lent to the committee by the candidate. These matters, according to the Review and Referral Procedures (Charts 3 and 11), require further examination by your office.

The unregistered committee, Leadership for the '80's, did not have a registration requirement because the full amount of the loan and contribution was repaid prior to notification from RAD. Therefore, Leadership for the '80's was not notified that it may have exceeded the 2 U.S.C. 441a limitations.

If you have any questions, please contact Roberto Garcia at 523-4048.

Attachments

cc: The Commissioners

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REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 26 August 1983

ANALYST: Roberto Garcia

I. COMMITTEE: Whitehurst for United States Senate
(C00144980)
Donald R. Fischbach, Treasurer
204 East Harvard
Fresno, CA 93704

II. RELEVANT STATUTE: 2 U.S.C. 441a(f)
2 U.S.C. 434(b)(8)

III. BACKGROUND:

A. Receipt of Excessive Contributions from Other Persons - 2 U.S.C. 441a(f)

The committee's 1981 Year End Report disclosed the receipt of two (2) contributions totalling $1,250, designated for the primary election, from an individual resulting in a $250 excessive contribution. On the same report, the committee disclosed the receipt of a $10,000 loan and a $9,707.45 in-kind contribution, both designated for the primary election, from the Leadership for the '80's (the "Leadership Committee") which is not registered with the Commission (Attachment 2).

The individual's $250 excessive contribution, received on July 18, 1981, was refunded on August 31, 1981, and reported on the 1981 Year End Report. The loan from the Leadership Committee received on July 1, 1981, was refunded on December 31, 1981 and was reported on the 1981 Year End Report (Attachments 3 and 4).1/

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1/ The treasurer stated in the cover letter, filed with the 1982 Year End Report, that the accrued interest on the loan had been paid after the close of books for the reporting period, and therefore, was reported as an outstanding debt on the Year End Report.

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In a cover letter submitted with the 1981 Year End Report, the committee treasurer stated that the in-kind contribution had been refunded after the close of books for the 1981 Year End Report (Attachment 4).

A Request for Additional Information (RFAI) was sent to the committee on March 23, 1982 (Attachment 5). The RFAI noted the refund of the $250 individual contribution, the $10,000 loan from the Leadership Committee, and the statement of the $9,707.45 in-kind contribution refund to the Leadership Committee. The RFAI also noted the possibility of Commission action regarding the acceptance of the excessive contributions and loan.

The 1982 April Quarterly Report received on April 16, 1982, disclosed the refund of the $9,707.45 in-kind contribution and the accrued interest payment of $550 for the $10,000 loan on February 16, 1982 (Attachment 6).

A Committee agent contacted the Commission on April 16, 1982, regarding the RFAI (Attachment 7). He stated that the committee had refunded all of the excessive contributions and that the additional refunds were reported on the 1982 April Quarterly Report.

B. Failure to Clarify the Source of Loans - 2 U.S.C. 434(b)(8)

The 1982 April Quarterly Report disclosed the receipt of two (2) loans totalling $95,000 from the candidate on January 29, and March 31, 1982 (Attachment 8). The loans were designated for the primary election with "demand" for due dates. The $5,000 loan had an interest rate of 0% and the $90,000 loan had an interest rate of 18%.

An RFAI for the April Quarterly Report was sent on November 30, 1982, requesting the source of the candidate loans (Attachment 9). No response was received; therefore, a Second Notice was sent on December 23, 1982 (Attachment 10). An agent for the committee contacted the Commission on January 5, 1983. The person stated that the RFAI and Second Notice had just been received, because the letters had been sent to an individual who was no longer associated with the committee.2/ The person also

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2/ No amendments have been received noting a new treasurer or address.

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stated that the loans from the candidate had been composed of funds loaned by a family member. The staff member for the Commission suggested to the agent that she amend the report by letter to expedite the matter, but the Commission has yet to receive any response concerning the loans (Attachment 11).3/

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None

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3/ On the 1983 Mid-Year Report, loan repayments totalling $14,865.76 are disclosed as having been made to the candidate, thereby reducing the outstanding amount on the $90,000 loan to $75,134.24. No loan repayments are disclosed as having been made

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Attachment 01
DATE 15JUL83

FEDERAL ELECTION COMMISSION
1981-1982
CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)



| CANDIDATE/COMMITTEE/DOCUMENT | OFFICE SOUGHT/ | PARTY | RECEIPTS PRIMARY | RECEIPTS GENERAL | DISBURSEMENTS PRIMARY | DISBURSEMENTS GENERAL | COVERAGE DATES | # OF PAGES | MICROFILM LOCATION |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | TYPE OF FILER | | |
| WHITEHURST, DANIEL K | SENATE | DEMOCRATIC PARTY | | | CALIFORNIA | | 1982 ELECTION | ID# S2CA00070 | |
| 1. STATEMENT OF CANDIDATE | | | | | | | | | |
| 1981 STATEMENT OF CANDIDATE | | | | | | | 10SEP81 | 2 | 01SEN/006/2407 |
| 2. CANDIDATE REPORTS OF RECEIPTS & EXPENDITURES | | | | | | | | | |
| 3. PRINCIPAL CAMPAIGN COMMITTEE | | | | | | | | | |
| WHITEHURST FOR UNITED STATES SENATE | | | | | | | ID# C00144780 | SENATE | |
| 1981 STATEMENT OF ORGANIZATION | | | | | | | 10SEP81 | 3 | 01SEN/006/2407 |
| * YEAR-END | | | 272,509 | | 272,298 | | 1JAN81 -31DEC81 | 92 | 02SEN/003/042[illegible] |
| * YEAR-END | | - AMENDMENT | - | | - | | 1JAN81 -31DEC81 | 3 | 02SEN/003/17[illegible] |
| 1'ST LETTER INFORMATIONAL NOTICE | | | | | | | 1JAN81 -31DEC81 | 2 | 02FEC/224/472[illegible] |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1JAN81 -31DEC81 | 4 | 02FEC/2[illegible]/4320 |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1JAN81 -31DEC81 | 1 | 02FEC/247/4[illegible] |
| REQUEST FOR ADDITIONAL INFORMATION 2ND | | | | | | | 1JAN81 -31DEC81 | 3 | 02FEC/247/6173 |
| 1982 STATEMENT OF ORGANIZATION - AMENDMENT | | | | | | | 10FEB82 | 4 | 02SEN/004/0027 |
| STATEMENT OF ORGANIZATION - AMENDMENT | | | | | | | 14APR82 | 3 | 02SEN/004/1470 |
| * APRIL QUARTERLY | | | 159,778 | | 118,178 | | 1JAN82 -31MAR82 | 54 | 02SEN/005/3862 |
| * APRIL QUARTERLY | | - AMENDMENT | 159,778 | | 118,178 | | 1JAN82 -31MAR82 | 29 | 02SEN/007/3338 |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1JAN82 -31MAR82 | 1 | 02FEC/231/3269 |
| REQUEST FOR ADDITIONAL INFORMATION | | | | | | | 1JAN82 -31MAR82 | 1 | 02FEC/255/1028 |
| REQUEST FOR ADDITIONAL INFORMATION 2ND | | | | | | | 1JAN82 -31MAR82 | 2 | 02FEC/240/1373 |
| ** PRE-PRIMARY | | | 17,025 | | 31,518 | | 1APR82 -19MAY82 | 38 | 02SEN/007/1038 |
| ** PRE-PRIMARY | | - AMENDMENT | 17,025 | | 31,518 | | 1APR82 -19MAY82 | 17 | 02SEN/007/3321 |
| ** JULY QUARTERLY | | | 6,600 | | 18,770 | | 20MAY82 -30JUN82 | 23 | 02SEN/010/3709 |
| ** OCTOBER QUARTERLY | | | 1,357 | | 11,819 | | 1JUL82 -30SEP82 | 18 | 02SEN/013/1169 |
| ** OCTOBER QUARTERLY | | - AMENDMENT | - | | - | | 7JAN82 -30SEP82 | 2 | 02SEN/002/2770 |
| ** YEAR-END | | | 0 | | 934 | | 1OCT82 -31DEC82 | 10 | 02SEN/002/2760 |
| TOTAL | | | 457,269 | 0 | 453,519 | 0 | | 307 | TOTAL PAGES |
| 4. AUTHORIZED COMMITTEES | | | | | | | | | |
| 4B. TRANSFERS IN FROM JOINT FUNDRAISING COMMITTEES | | | | | | | | | |

* Basic Review

** Condensed Review

Ending Cash-on-Hand, as of December 31, 1982: $ 3,747.03

Outstanding debts/obligations, as of December 31, 1982: $ 123,595.68

| CANDIDATE/COMMITTEE/DOCUMENT | OFFICE SOUGHT/ | PARTY | RECEIPTS PRIMARY | RECEIPTS GENERAL | DISBURSEMENTS PRIMARY | DISBURSEMENTS GENERAL | COVERAGE DATES TYPE OF FILER | # OF PAGES | RECEIPT LOCATION |
|---|---|---|---|---|---|---|---|---|---|
| WHITEHURST, DANIEL K | SENATE | DEMOCRATIC PARTY | | | | CALIFORNIA | 1982 ELECTION | ID# S2CA00070 | |
| 1. STATEMENT OF CANDIDATE | | | | | | | | | |
| 2. CANDIDATE REPORTS OF RECEIPTS & EXPENDITURES | | | | | | | | | |
| 3. PRINCIPAL CAMPAIGN COMMITTEE | | | | | | | | | |
| WHITEHURST FOR UNITED STATES SENATE | | | | | | | ID# C00144790 | SENATE | |
| 1983 MID-YEAR REPORT | | | 27,150 | | 26,588 | | 1JAN83 -30JUN83 | 28 | [illegible] |
| TOTAL | | | 27,150 | 0 | 26,588 | 0 | | 28 | TOTAL PAGES |
| 4. AUTHORIZED COMMITTEES | | | | | | | | | |
| 4B. TRANSFERS IN FROM JOINT FUNDRAISING COMMITTEES | | | | | | | | | |

ENDING CASH-ON-HAND AS OF 6/30/83: $ 4,308.96
OUTSTANDING LOANS/DEBTS OWED BY THE COMMITTEE AS OF 6/30/83: $96,874.40
NO REVIEW HAS BEEN DONE FOR THE 1983 REPORT.

SCHEDULE A

# ITEMIZED RECEIPTS

Page 1

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full): WITTENHURST FOR UNITED STATES SENATE COMMITTEE — 1981 Year End Rpt.

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
|---|---|---|---|
| A. ANDROS, FAY<br>5068 N. Wishon #A<br>Fresno, CA 93704<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: N/A<br>Occupation: Housewife<br>Aggregate Year-to-Date-$1,250.00 | 5-4-81<br>7-18-81 | $ 500.00<br>$ 750.00 |
| B. ANDROS, ANN<br>6557 N. Van Ness Blvd.<br>Fresno, CA 93711<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: N/A<br>Occupation: Housewife<br>Aggregate Year-to-Date-$ 750.00 | 7-29-81 | $ 750.00 |
| C. ANDROS, DAN<br>5068 N. Wishon #A<br>Fresno, CA 93704<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: N/A<br>Occupation: Retired<br>Aggregate Year-to-Date-$ 750.00 | 7-18-81 | $ 750.00 |
| D. ANDROS, GEORGE<br>6557 N. Van Ness Blvd.<br>Fresno, CA 93711<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: Self<br>Occupation: Developer<br>Aggregate Year-to-Date-$ 1,000.00 | 7-31-81 | $1,000.00 |
| E. AZZARO, VERNON<br>1600 Fulton Street<br>Fresno, CA 93721<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: Self<br>Occupation: Florist<br>Aggregate Year-to-Date-$ 250.00 | 8-31-81 | $ 250.00 |
| F. AZZARO, ROBERT A.<br>5061 E. Tulare<br>Fresno, CA 93727<br>Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Employer: Self<br>Occupation: Florist<br>Aggregate Year-to-Date-$ 250.00 | 8-31-81 | $ 250.00 |
| G. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Employer:<br>Occupation:<br>Aggregate Year-to-Date-$ | | |

SUBTOTAL of Receipts This Page (optional) ..... 4,250.00

TOTAL This Period (last page this line number only) .....

SCHEDULE A

# ITEMIZED RECEIPTS

Page 10 of 21 for total subject to limit

Page

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)
WHITEHURST FOR UNITED STATES SENATE COMMITTEE 1981 Year End Report

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt this Period |
|---|---|---|---|
| LEADERSHIP FOR THE 80'S<br>P.O. Box 5001<br>Fresno, CA 93755<br>161 | N/A<br>N/A | 7-15-81 | $10,000.00 |
| Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ 10,000.00 | | |
| B. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| C. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| D. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| E. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| F. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| G. Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| SUBTOTAL of Receipts This Page (optional) | | | 10,000.00 |
| TOTAL This Period (last page this line number only) | | | |

00028853949 7

Attachment 72

Page 32 of 32 of Unit Schedule A to the Schedules Attached for the Campaign of John Seymour (Summary Page)

Page 3

SCHEDULE A

ITEMIZED RECEIPTS

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full) WHITEHURST FOR UNITED STATES SENATE COMMITTEE 1981 Year End Rpt

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
|---|---|---|---|
| A. LEADERSHIP FOR THE 80'S<br>P.O. Box 5001<br>Fresno, CA 93755<br>18U | In-kind contribution<br>N/A | 12-31-81 | 9,707.45<br>In-kind |
| Receipt For: ☒ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ 9,707.45 | | |
| B. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| C. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| D. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| E. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| F. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| G. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Aggregate Year-to-Date—$ | | |
| SUBTOTAL of Receipts This Page (optional) | | | 9,707.45 |
| TOTAL | | | 222,207.45 |

A 20203349 6

SCHEDULE B

# ITEMIZED DISBURSEMENTS

Attachment #3
Page 1 of 1 for
LINE NUMBER 7(b)
This page contains(s) the complete
Summary Page.

1981 Year End Report

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)

WHITEHURST FOR UNITED STATES SENATE COMMITTEE

| | Purpose of Disbursement | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>ANDROS, FAY<br>5068 N. Wishon #A<br>Fresno, CA 93704 | Refund of Contribution<br>Disbursement for: ☒ Primary ☐ General ☐ Other (specify): | 8-31-81 | $ 250.00 |
| B. Full Name, Mailing Address and ZIP Code<br>BULLARD HOMES CORPORATION<br>1691 Kettering Street<br>Irvine, CA 92714 22R | Refund of Contribution<br>Disbursement for: ☒ Primary ☐ General ☐ Other (specify): | 12-9-81 | $ 500.00 |
| C. Full Name, Mailing Address and ZIP Code<br>MORELLO CENTRAL VALLEY WAREHOUSE<br>854 E. Swift<br>Fresno, CA 93704 22R | Refund of contribution<br>Disbursement for: ☒ Primary ☐ General ☐ Other (specify): | 12-31-81 | $ 200.00 |
| D. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| E. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| F. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| SUBTOTAL of Disbursements This Page (optional) | | | |
| TOTAL This Period (last page this line number only) | | | $ 950.00 |

8 6 2 0 4 2 0 0 5 0 6 3 9 5 7 1 9 5

Attachment #3

Page 1 of 1 pages

Total amount itemized for this category of disbursements (Summary Page) Page 2

SCHEDULE B

ITEMIZED DISBURSEMENTS

1981 Year End Report

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

WEITHURST FOR UNITED STATES SENATE COMMITTEE

| A. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☒ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| LEADERSHIP FOR THE 80's<br>P. O. Box 5001<br>Fresno, CA 93755 2-U | Principal repayment-loan | 12-31-81 | $10,000.00 |
| B. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| C. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| D. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| E. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| F. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| SUBTOTAL of Disbursements This Page (optional) | | | |
| TOTAL This Period (last page this line number only) | | | $10,000.00 |

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CR

# Daniel K. Whitehurst
## for United States Senate

ACKNOWLEDGMENT OF RECEIPT
SECRETARY OF THE SENATE
1982 FEB -3 AM 8 55
HAND DELIVERED

1981 Year End R

January 29, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Secretary of the Senate
119 "D" Street, N.E.
Washington, D.C. 20510

Re: Whitehurst for United States Senate Committee (I.D. No. C00144980); Report of Receipts and Disbursements For The Period Ending December 31, 1981

Ladies and Gentlemen:

Enclosed please find a completed Federal Election Commission Form 3, Report of Receipts and Disbursements, for the Whitehurst for United States Senate Committee.

There are some specific items on the report which I wish to bring to your attention on behalf of the committee. These items pertain to the exploratory period, during which our candidate, Daniel K. Whitehurst, was exploring the possibility of running for the United States Senate seat in California or for a state office in California. The exploratory period ended with the filing of Mr. Whitehurst's Statement of Candidacy with your office on September 19, 1981 (FEC Form 2). On that same date, the committee filed its Statement of Organization (FEC Form 1) with your office designating the undersigned as Treasurer of the committee. On October 5, 1981, the committee filed an amendment to its Statement of Organization with your office to change the name of its Assistant Treasurer.

From and after the dates of filing the Statement of Organization and the amendment thereto, we began establishing the required accounting procedures and attempting to document and review each and every receipt and expenditure that had been made during the exploratory period.

[illegible] Pomona Street • Pomona, California [illegible] • Telephone [illegible]

In approximately mid-November we learned that Leadership For The 80's, a California-registered political action committee, made a $10,000 loan to the exploratory committee on or about July 15, 1981. We undertook to repay this loan, together with the accrued interest thereon at the rate of 12% per annum, at our earliest opportunity. We repaid the principal of $10,000 on December 31, 1981, and, as of the date of this letter, have repaid the accrued interest thereon. You will note that because the interest was not paid as of the end of the reporting period, the same is shown as an obligation on Schedule D of the enclosed report.

Secondly, in mid-November 1981, we received a communication from the treasurer of the Leadership For The 80's committee advising us of some $11,000 in expenditures that his committee had made during the exploratory period. He questioned whether the expenditures should be considered expenditures regarding exploration of a possible state office candidacy, or of a possible federal election campaign. In response to this communication, we immediately undertook to discover the facts and circumstances of each of these expenditures. We were unable to make any determination until after the close of the period covered by the enclosed Report of Receipts and Disbursements.

Ultimately, in mid-January 1982, we concluded that virtually all of these expenditures made after approximately the middle of March 1981 should be deemed to be expenditures to influence a federal election and therefore reportable, and properly paid for, by the Whitehurst for United States Senate Committee. We adopted the mid-March cut-off date out of an abundance of caution. As of that date there was some focus upon a run by Mr. Whitehurst for the United States Senate, even though there were still discussions about a possible candidacy for state office instead. We concluded, though, that we could not identify with complete confidence any of the circumstances of the expenditures after the mid-March date as being solely focused on a possible state candidacy, and therefore, we opted to treat all of the expenditures after mid-March as expenditures to influence a federal election.

rg

As a result of our determination in this regard, we concluded that $9,707.45 of these expenditures should be reimbursed to the Leadership For The 80's committee. As that reimbursement was not effected as of the closing date of the enclosed Report of Receipts and Disbursements, we have reflected this amount as an obligation on Schedule D of the report. As of the date of this letter, we have fully repaid this amount to Leadership For The 80's.

Therefore, as of the date of this letter, we are confident that we have resolved any questions concerning proper receipts and disbursements during the exploratory period. Furthermore, we are confident that subsequent to the exploratory period, with the assistance of competent accountants and attorneys, receipts and disbursements have been handled consistent with the requirements of the Federal Election Campaign Act and regulations promulgated by the Federal Elections Commission pursuant thereto.

We would appreciate your conforming the enclosed copy of our report and returning it to us in the preaddressed stamped envelope provided.

Thank you very much for your cooperation and assistance.

Sincerely,

Donald R. Fischbach

Donald R. Fischbach
Treasurer
Whitehurst for United
States Senate Committee

DRF/bjs
Enclosures

W 20205639840

Attachment #5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

23 March 1982

Mr. Donald R. Fischbach, Treasurer
Whitehurst for United States Senate
2302 Fresno Street
Fresno, CA 93721

Identification Number: C00144980

Reference: Year End Report (1/1/81-12/31/81)

Dear Mr. Fischbach:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. An individual or a political committee, other than a multicandidate committee may not make contributions to a candidate for Federal office in excess of $1,000 per election. (2 U.S.C. 441a(a) and (f))

The Commission notes your partial refund of the excessive contributions and statement of refund for the excessive in-kind contribution. Although the Commission may take further legal steps concerning the acceptance of an excessive contribution, your prompt action in refunding the excessive amount(s) will be taken into consideration.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Secretary of the Senate, 119 D Street, N.E., Room 623, Washington, DC 20510 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,

Roberto Garcia

Roberto Garcia
Reports Analyst
Reports Analysis Division

Attachment

80405639 84

SCHEDULE B

ITEMIZED DISBURSEMENTS

1982 April Quarterly Rpt.

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)

SHIZHURST FOR UNITED STATES SENATE COMMITTEE

| A. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| Leadership for the 80's<br>P.O. Box 3001<br>Fresno, Ca. 93731 | Travel, Office, Interest Expense Reimbursement | 2-16-82<br>2-16-82 | $5,000.00<br>5,257.45 |
| B. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| C. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| D. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| E. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| F. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☐ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| SUBTOTAL of Disbursements This Page (optional) ..... | | | $10,257.45 |
| TOTAL This Period (last page this line number only) ..... | | | |

18

Attachment #6

Page 2

SCHEDULE D
(Revised 2/80)

DEBTS AND OBLIGATIONS
Excluding Loans

1982 April Quarterly Report

| Name of Committee (in Full) WHITEHURST FOR UNITED STATES SENATE COMMITTEE | Outstanding Balance Beginning of This Period | Amount Incurred This Period | Payment This Period | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| A. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>Don Disler<br>1833 Broderick Street<br>San Francisco, Calif. 94115 | 0 | $12,000.00 | $8,000.00 | $4,000.00 |
| Nature of Debt (Purpose):<br>Professional Service | | | | |
| B. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>Klein Properties<br>83 E. Shaw Ave.<br>Fresno, CA 93710 | 750.00 | 375.00 | 0 | 1,125.00 |
| Nature of Debt (Purpose):<br>Office rent | | | | |
| C. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>Leadership for the 80's<br>P. O. Box 5001<br>Fresno, CA 93755 | 9,707.00 | 0 | 9,707.00 | 0 |
| Nature of Debt (Purpose):<br>Travel, Office expense reimburs | | | | |
| D. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>Leadership for the 80's<br>P. O. Box 5001<br>Fresno, CA 93755 | 550.00 | 0 | 550.00 | 0 |
| Nature of Debt (Purpose):<br>Interest expense | | | | |
| E. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>Pacific Telephone<br>Sacramento, CA 95887 | 611.00 | 1,241.65 | 1,852.65 | 0 |
| Nature of Debt (Purpose):<br>Telephone service | | | | |
| F. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>SP Communications<br>Dept. 1398<br>SCS Pasadena, CA 91050 | 2,351.00 | 2,305.39 | 4,656.39 | 0 |
| Nature of Debt (Purpose):<br>Telephone service | | | | |
| 1) SUBTOTALS This Period This Page (Continued) | | | | $5,125.00 |
| 2) TOTAL This Period (Last Page Only) | | | | |
| 3) TOTAL OUTSTANDING LOANS from Schedule C (Last Page Only) | | | | |
| 4) Total of Outstanding Debts (Last Page Only) | | | | |

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v8

FEC 1982 APR 15 PM 12:24

Attachment #7

TELECON FOR THE FILE

COMMITTEE Whitehurst for United States Senate

COMMITTEE CONTACT Mr. Watts TIME: 3:12 pm

RE: Request For Additional Information sent March 23, 1982

DATE: 4/16/82 ANALYST: Roberto Garcia

---

Mr Watts contacted the Commission representing the Whitehurst committee.

He noted that the committee really could not do much more, because they had explained the situation as best they could with the head letter that was attached to their first report, and had already refunded the excessive contributions which they disclosed in the letter. The only reason it could not be included in the accounting report was because the closing date of books (12/31/81) was prior to the final repayment.

He asked "what more can the committee do?" According to the final paragraph of the letter sent by the Commission, the committee had to file an amendment to the report within fifteen (15) days. "Yet, it would be rather ludicrous for them to simply file an absolute duplicate in order to comply with the letter, creating a waste of time and work for the committee and the Commission."

I agreed with him on this and suggested that so long as the April Quarterly Report disclosed the refund of the remaining amount, that the committee would comply.

9604056 3987

LOANS

1981 Annual Report

UNITED NOTE FOR UNITED STATES SMALL BUSINESS ADMINISTRATION

| Name and Address of Lender | Date of Loan Guaranty | Original Amount of Loan | Balance of Principal Prior Period | Date of Last Payment |
|---|---|---|---|---|
| DONNA E. WHITEHURST<br>204 E. HARVARD<br>FRESNO, CA 93705 | | $90,000.00 | 0 | 00,000.00 |

Terms: 3/31/82 Date Due: Interest Rate: 10 Year

| Name and Address of Guarantor | Name of Guarantor | Occupation | Amount Guaranteed Outstanding |
|---|---|---|---|
| | | | $ |
| | | | $ |
| | | | $ |

| Name and Address of Lender | Original Amount of Loan | Balance of Principal Prior Period | Date of This Payment |
|---|---|---|---|
| DANIEL R. WHITEHURST<br>204 E. HARVARD<br>FRESNO, CA. 93705 | $5,000.00 | 0 | $5,000.00 |

Terms: Date Incurred 1-26-82 Date Due Interest Rate 0 Year

List All Endorsers or Guarantors (If any) in Item 8

| Name and Address of Guarantor | Name of Guarantor | Occupation | Amount Guaranteed Outstanding |
|---|---|---|---|
| | | | $ |
| | | | $ |
| | | | $ |

SUBTOTALS This Period This Page (Interest) .....

TOTALS This Period (Interest on this loan only) .....

Attachment #9
RO-2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

30 November 1982

Donald R. Fischbach, Treasurer
Whitehurst for United States Senate
204 East Harvard
Fresno, CA 93704

Identification Number: C00144980

Reference: April Quarterly and April Quarterly Amendment (1/1/82-3/31/82) Reports Q1

Dear Mr. Fischbach:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or other source. If the candidate borrowed funds from a lending institution or any other source, the amount of the loan, the date incurred, the date due, the interest rate, whether or not the loan was secured, and all endorsers' or guarantors' names, addresses, occupations, employers and the amount guaranteed by each, if applicable, should be itemized. If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. Further, it is important to note that "personal funds" is strictly defined by Commission regulations and may be found in 11 CFR 110.10. (11 CFR 100.7(a)(1) and 104.3(d)) rg

An amendment to your original report(s) correcting the above problem(s) should be filed with the Secretary of the Senate, 119 D Street, N.E., Room 623, Washington, DC 20510 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,

Roberto Garcia

Roberto Garcia
Reports Analyst
Reports Analysis Division

RAD 12/2

11/3

Attachment #1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

December 23, 1982

Donald R. Fischbach, Treasurer
Whitehurst for United States
Senate
204 East Harvard
Fresno, CA 93704

Identification Number: C00144980 01

Reference: April Quarterly and April Quarterly Amendment (1/1/82-3/31/82) Reports

Dear Mr. Fischbach:

This letter is to inform you that as of this date, the Commission has not received your response to our request for additional information, dated November 30, 1982. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Roberto Garcia on our toll-free number (800) 424-9530 or our local number (202) 523-4048.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

JL 12/28 RM 12/29

Attachment #11

RE: RFAI sent November 30th by Roberto Garcia

DATE: 1/5/83

FROM: Agent of Committee

TO: Swanson (Analyst)

NAME OF COMMITTEE: Whitehurst for U.S. Senate / C00144980 - California

An agent of the committee phoned to indicate to the Commission that they had just received Mr. Garcia's November 30th RFAI requesting the source of a loan reported on the Committee's 1982 Q1 report. She said that the letter was sent to an individual who was no longer associated with the Committee. They had been notified yesterday that a second letter had arrived. She requested forms so she could amend the report as necessary and asked for the forms necessary to change the name of the Committee. I asked her about the nature of the loan and she said that the loan from the candidate was composed of funds loaned by a family member. I explained that she could amend the report by letter to expedite the matter but that I would send her more forms including a Form 1 to change the name of the Committee.

Address:

James E. Shekoyan
6700 North 1st Street, Suite 135
Fresno, CA 93710

r8

8604056399 1

1983 Mid-Year

SCHEDULE B

# ITEMIZED DISBURSEMENTS

Page 1 of 1 for
LINE NUMBER 19a
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (In Full)

Whitehurst for U.S. Senate Committee

| | | | |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>Daniel K. Whitehurst<br>204 E. Natural<br>Fresno, CA 93704 | Purpose of Disbursement<br>Repayment of loan<br>Disbursement for: ☒ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year)<br>1/31/83<br>2/15/83 | Amount of Each Disbursement This Period<br>3,500.00<br>10,000.00 |
| B. Full Name, Mailing Address and ZIP Code<br>Daniel K. Whitehurst<br>-same as above- | Purpose of Disbursement<br>Repayment of loan<br>Disbursement for: ☒ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year)<br>3/30/83<br>4/10/83 | Amount of Each Disbursement This Period<br>5,365.76<br>8,000.00 |
| C. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| D. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| E. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| F. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General<br>☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
| SUBTOTAL of Disbursements This Page (optional) ..... | | | |
| TOTAL This Period (last page this line number only) ..... | | | 24,865.76 |

a 3 0 2 4 0 5 6 3 9 9 2

SCHEDULE C
(Revised 3/80)

# LOANS

Page 1 of 2 for (Use Schedule C for other sources of loans for each reportable line)

Name of Committee (in Full)
Whitehurst for U. S. Senate Committee

| A. Full Name, Mailing Address and ZIP Code of Lender Source | Original Amount of Loan | Cumulative Payments To Date | Balance Outstanding as Close of This Period |
|---|---|---|---|
| Daniel K. Whitehurst<br>204 E. Harvard<br>Fresno, CA 93704<br>Election: Primary ☐ General ☐ Other (specify): | $18,000.00 | 18,000.00 | 0 |
| Terms: Date Incurred 1/29/82 Date Due 10/30/82 Interest Rate 0 % Yearly ☐ Secured | | | |
| List All Endorsers or Guarantors (if any) in Item A | | | |
| 1. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |
| 2. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |
| 3. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |

| B. Full Name, Mailing Address and ZIP Code of Lender Source | Original Amount of Loan | Cumulative Payments To Date | Balance Outstanding as Close of This Period |
|---|---|---|---|
| Daniel K. Whitehurst<br>204 E. Harvard<br>Fresno, CA 93704<br>Election: Primary ☐ General ☐ Other (specify): | $5,000.00 | 0 | $5,000.00 |
| Terms: Date Incurred 1/29/82 Date Due 7/30/82 Interest Rate 0 % Yearly ☐ Secured | | | |
| List All Endorsers or Guarantors (if any) in Item B | | | |
| 1. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |
| 2. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |
| 3. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding $ | | |

| | |
|---|---|
| SUBTOTALS This Period This Page (optional) | $5,000.00 |
| TOTALS This Period (sum page to date total only) | |

Carry subtotals, if shown, only to Line 12, Schedule B, for this line. If no Schedule B, carry forward to appropriate line of Summary.

8 6 0 4 0 5 6 3 9 9 3

SCHEDULE C
(Revised 2/88)

# LOANS

Page 2 of 2 for
Line Number 22c
Net amount outstanding
for each contributor total

Name of Committee (In Full)
Whitehurst for U.S. Senate Committee

| A. Full Name, Mailing Address and ZIP Code of Lender Source | Original Amount of Loan | Outstanding Payments To Date | Balance Outstanding as Close of This Period |
|---|---|---|---|
| Daniel K. Whitehurst<br>204 E. Harvard<br>Fresno, CA 93704<br>Election: ☒ Primary ☐ General ☐ Other (specify): | $90,000.00 | 14,865.76 | $75,134.24 |
| Terms: Date Incurred 3/31/88 Date Due demand Interest Rate 12 % (Fixed) ☐ Secured | | | |
| List All Endorsers or Guarantors (If any) in Item A | | | |
| 1. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |
| 2. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |
| 3. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |

| B. Full Name, Mailing Address and ZIP Code of Lender Source | Original Amount of Loan | Outstanding Payments To Date | Balance Outstanding as Close of This Period |
|---|---|---|---|
| Election: ☐ Primary ☐ General ☐ Other (specify): | | | |
| Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (Fixed) ☐ Secured | | | |
| List All Endorsers or Guarantors (If any) in Item B | | | |
| 1. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |
| 2. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |
| 3. Full Name, Mailing Address and ZIP Code | Name of Employer<br>Occupation<br>Amount Guaranteed Outstanding: $ | | |

| | |
|---|---|
| SUBTOTALS This Period This Page (optional) | $75,134.24 |
| TOTALS This Period (last page for this line only) | $75,134.24 |

(Enter outstanding balance only on Lines 8, Schedule D, for this line, if on Schedule D, enter amount as of Close of Period)

A30204050639994

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 1597

Date Filmed 1/9/86 Camera No. --- 2

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