FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1859

DATE FILMED 4/3/87 CAMERA NO. 4

CAMERAMAN GPC

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FEDERAL ELECTION COMMISSION

Routing slips, 10 day report & comments
free brief report and comments,
attend communications

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):

X	(1) Classified Information		(6) Personal privacy
X	(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)
X	(5) Internal Documents		

Signed Charles Eberhardt

date 3-23-87

3/27/87

FEC 9-21-77

87040472

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1987

Daniel H. Lowenstein, Esquire
c/o UCLA Law School
405 Hilgard
Los Angeles, CA 90024

RE: MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Mr. Lowenstein

On February 18, 1987, the Commission determined that there is probable cause to believe the Community Campaign Committee committed a violation of 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its failure to include an appropriate disclaimer on a direct mailing expressly advocating the election of certain candidates for federal office.

However, after considering the circumstances of this matter the Commission determined to take no further action and close its file. The Commission also found no probable cause to believe your clients violated 2 U.S.C. §§ 433, 434 and 434(c), and no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

The Commission reminds you that failing to include a statement of whether a federal candidate had authorized a direct mailing expressly advocating the election or defeat of a candidate for federal office nevertheless appears to be a violation of 2 U.S.C. § 441d. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

87044073

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1987

Stephen L. Jones, Esquire
725 South Figueroa Street
Suite 1200
Los Angeles, CA 90017-2513

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

On February 18, 1987, the Commission determined to take no further action concerning its previous finding that there is reason to believe your client committed a violation of 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use in connection with Federal elections, and to close its file.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1987

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels, Ltd.

Dear Mr. Holum:

On February 18, 1987, the Commission determined to take no further action concerning its previous finding that there is reason to believe your client committed a violation of 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use by the Yes on F Committee in connection with Federal elections, and to close its file.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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pl.m

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 27, 1987

Ronald Lederman, Treasurer
Yes on F Committee
433 South Beverly Drive
Beverly Hills, CA 90212

RE: MUR 1859
Yes on F Committee and
Ronald Lederman as
treasurer

Dear Mr. Lederman:

This is to advise you that after an investigation was conducted, the Commission concluded on February 18, 1987, that there is no probable cause to believe that the Yes on F Committee and you, as treasurer violated the Act. Accordingly the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Charles Snyder, the attorney assigned to handle this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

87044075

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1987

Peter A. Bagatelos, Esquire
Bagatelos & Fadem
One Maritime Plaza
Suite 2500
San Francisco, CA 94111

RE: MUR 1859

Dear Mr. Bagatelos:

This in reference to the complaint you filed with the Commission on behalf of Gloria Grossman on November 2 1984, concerning the Yes on F Committee and corporate contributions to the Yes on F Committee.

Based on your complaint, the Commission determined there was reason to believe that the Yes on F Committee violated 2 U.S.C. §§ 433, 434, and 434(c); that the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, 434(c) and 441d; that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e; and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation in this matter. After an investigation was conducted and briefs of the General Counsel and the respondents were considered, the Commission concluded on February 18, 1987, that there was no probable cause to believe that the Yes on F Committee violated the Act and that there was no probable cause to believe the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, and 434(c). The Commission found probable cause to believe the Community Campaign Committee violated 2 U.S.C. § 441d, and voted to take no further action. The Commission also voted to take no further action concerning its previous findings of reason to believe that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e, and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b. Accordingly, the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
725 South Figueroa Street
Suite 1200
Los Angeles, CA 90017-2513

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

On February 18, 1987, the Commission determined to take no further action concerning its previous finding that there is reason to believe your client committed a violation of 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use in connection with Federal elections, and to close its file.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Daniel H. Lowenstein, Esquire
c/o UCLA Law School
405 Hilgard
Los Angeles, CA 90024

RE: MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Mr. Lowenstein

On , 198 , the Commission determined that there is probable cause to believe the Community Campaign Committee committed a violation of 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its failure to include an appropriate disclaimer on a direct mailing expressly advocating the election of certain candidates for federal office.

However, after considering the circumstances of this matter the Commission determined to take no further action and close its file. The Commission also found no probable cause to believe your clients violated 2 U.S.C. §§ 433, 434 and 434(c), and no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

The Commission reminds you that failing to include a statement of whether a federal candidate had authorized a direct mailing expressly advocating the election or defeat of a candidate for federal office nevertheless appears to be a violation of 2 U.S.C. § 441d. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Peter A. Bagatelos, Esquire
Bagatelos & Fadem
One Maritime Plaza
Suite 2500
San Francisco, CA 94111

RE: MUR 1859

Dear Mr. Bagatelos:

This in reference to the complaint you filed with the Commission on behalf of Gloria Grossman on November 2 1984, concerning the Yes on F Committee and corporate contributions to the Yes on F Committee.

Based on your complaint, the Commission determined there was reason to believe that the Yes on F Committee violated 2 U.S.C. §§ 433, 434, and 434(c); that the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, 434(c) and 441d; that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e; and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation in this matter. After an investigation was conducted and briefs of the General Counsel and the respondents were considered, the Commission concluded on February 18, 1987, that there was no probable cause to believe that the Yes on F Committee violated the Act and that there was no probable cause to believe the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, and 434(c). The Commission found probable cause to believe the Community Campaign Committee violated 2 U.S.C. § 441d, and voted to take no further action. The Commission also voted to take no further action concerning its previous findings of reason to believe that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e, and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b. Accordingly, the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

FIN 2/26/87 2/25

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald Lederman, Treasurer
Yes on F Committee
433 South Beverly Drive
Beverly Hills, CA 90212

RE: MUR 1859
Yes on F Committee and
Ronald Lederman as
treasurer

Dear Mr. Lederman:

This is to advise you that after an investigation was conducted, the Commission concluded on , 198 , that there is no probable cause to believe that the Yes on F Committee and you, as treasurer violated the Act. Accordingly the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Charles Snyder, the attorney assigned to handle this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

CNS/2/25

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2/26/85

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels, Ltd.

Dear Mr. Holum:

On February 18, 1987, the Commission determined to take no further action concerning its previous finding that there is reason to believe your client committed a violation of 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use by the Yes on F Committee in connection with Federal elections, and to close its file.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

3704074034

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Season Hotels, Limited	)	
W.B. Johnson Properties, Inc.	)	MUR 1859
Community Campaign Committee	)	
and Irene Kleinberg, as treasurer	)	
Yes on F Committee	)	
and Ronald Lederman, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 18, 1987, do hereby certify that the Commission took the following actions in MUR 1859:

1. Decided by a vote of 6-0 to -

   a) Find no probable cause to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

   b) Find probable cause to believe that the Community Campaign Committee violated 2 U.S.C. § 441d and take no further action.

   c) Find no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

(continued)

d) Find no probable cause to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

2. Decided by a vote of 5-1 to

a) Leave the reason to believe findings with respect to the Four Seasons Hotels, Limited violations of 2 U.S.C. §§ 441b and 441e on the record, but take no further action.

b) Leave the reason to believe finding with respect to the W.B. Johnson Properties, Inc. violation of 2 U.S.C. § 441b on the record, but take no further action.

c) Close the file.

d) Direct the Office of General Counsel to send appropriate letters.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald dissented.

Attest:

2-20-87
Date

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

SENSITIVE
EXECUTIVE SESSION
FEB 18 1987

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Seasons Hotels, Limited	)	MUR 1859
W.B. Johnson Properties, Inc.	)	
Community Campaign Committee	)	
and Irene Kleinberg, as treasurer	)	
Yes on F Committee	)	
and Ronald Lederman, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 26, 1985, the Commission found reason to believe that the Community Campaign Committee ("CCC") and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, 434(c), and 441d; that the Yes on F Committee ("Yes on F") and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433, 434 and 434(c); that Four Seasons Hotels Limited ("Four Seasons") violated 2 U.S.C. §§ 441b and 441e; and that W.B. Johnson Properties, Inc. ("WBJ") violated 2 U.S.C. § 441b. These findings were based on the fact that Four Seasons, a Canadian corporation, and WBJ, a corporation, had made contributions to Yes on F, a committee formed to support a local referendum in Beverly Hills, California. It is alleged that Yes on F, acting under the direction, management, and control of its corporate sponsors, paid for a mailing that included a "voting guide" that listed candidates for various federal offices and indicated that recipients of the mailing should vote for those candidates. CCC, which produced the mailing, did not include thereon any statement whether the mailing was authorized by any candidate for federal office.

II. LEGAL ANALYSIS
(See OGC briefs of September 20, 1986)

As was pointed out in the General Counsel's brief, the amount expended through this mailing for the purpose of influencing federal elections was less than $250 and, therefore, insufficient either to qualify CCC or Yes on F as a political committee, or to require either CCC or Yes on F to report independent expenditures. Thus, this Office recommends that the Commission find no probable cause to believe CCC or Yes on F violated 2 U.S.C. §§ 433, 434, and 434(c).

Four Seasons and WBJ have both submitted briefs arguing that these disbursements of corporate funds to Yes on F were not in connection with federal elections, but were intended only to influence the referendum on Proposition F. As was pointed out in the General Counsel's briefs, the corporations established, directed, and controlled Yes on F; corporate officers knew that Yes on F would disseminate slate mailers, and at least one corporate officer knew that separate slate mailers would be sent to registered Republicans and registered Democratic voters. Yes on F, moreover, did not merely purchase space on someone else's slate; it paid for the entire mailing. The slate mailers, moreover, actually urged the recipients to vote in accordance with the "voting guide." Consequently, this Office recommends that the Commission find probable cause to believe Four Seasons and WBJ violated 2 U.S.C. § 441b.*/

*/ The Supreme Court's decision in F.E.C. v. Massachusetts
(continued)

Four Seasons, while acknowledging that it is a foreign corporation, denies that it violated 2 U.S.C. § 441e, on the grounds that it did not make a contribution to any candidate for federal office. As was stated in the General Counsel's brief, however, Four Seasons made a contribution to Yes on F, which used those funds in connection with federal elections. This Office therefore recommends that the Commission find probable cause to believe Four Seasons violated 2 U.S.C. § 441e.

Finally, CCC admits in its brief the violation of 2 U.S.C. § 441d, as alleged in the General Counsel's brief. CCC only argues that Irene Kleinberg should not be named as treasurer, as CCC is not a political committee and therefore does not have a treasurer in the sense that term is used in the Act. To be sure, Ms. Kleinberg was named as a respondent at a time when it appeared that CCC may have qualified as a political committee. Since CCC, as stated above, expended less than $1,000 in connection with federal elections and therefore did not qualify as a political committee, Ms. Kleinberg should not be named as treasurer in the finding that CCC violated 2 U.S.C. § 441d. Accordingly, this Office recommends that the Commission find probable cause to believe CCC violated 2 U.S.C. § 441d, and

*/ footnote continued
Citizens for Life, Inc., No. 85-701 (U.S., December 15, 1986) ("MCFL") does not change the results here because Four Seasons and WBJ are business corporations and because the mailings involved fall within the prohibition of 2 U.S.C. § 441b as discussed in MCFL.

no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

While it is the view of this Office that there is probable cause to believe that Four Seasons violated 2 U.S.C. §§ 441b and 441e, WBJ violated 2 U.S.C. § 441b, and that CCC violated 2 U.S.C. § 441d, it is also our view that significant mitigating circumstances exist in this case. First, in view of the relatively small portion of the mailings that was devoted to federal candidates, no more than $232.58 was expended in connection with federal elections in this case. Second, CCC, while acknowledging its responsibility for the contents of the mailings, including the advocacy of the election of candidates for federal office, has consistently maintained that it intended to produce the mailings in the format desired by Yes on F. Third, based on the facts developed in the investigation of this matter, it appears that the focus of the corporate respondents was upon securing the passage of Proposition F, in which they had a substantial business interest. To be sure, this Office takes the position that it must be made clear that a corporation is not permitted to establish and fund with corporate treasury money a committee that then uses the corporate contributions in connection with federal elections. However, the evidence indicates that the corporations here were not engaged in the activity at hand as a subterfuge designed to circumvent the federal election laws. Accordingly, this Office recommends that

the Commission, in addition to finding that there was probable cause to believe the sections of the Act specified above were violated, take no further action and close the file.

RECOMMENDATIONS

1. Find no probable cause to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

2. Find probable cause to believe that the Community Campaign Committee, violated 2 U.S.C. § 441d and take no further action.

3. Find no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

4. Find no probable cause to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

5. Find probable cause to believe that Four Seasons Hotels, Limited violated 2 U.S.C. §§ 441b and 441e and take no further action.

6. Find probable cause to believe that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b and take no further action.

7. Approve and send the attached letters.

8. Close the file.

4 Feb 1987
Date

Charles N. Steele
General Counsel

Attachments
1. Brief of WBJ

87040441001

2. Brief of Four Seasons
3. Brief of CCC
4. Proposed letter to Stephen L. Jones
5. Proposed letter to John D. Holum
6. Proposed letter to Daniel H. Lowenstein
7. Proposed letter to Ronald Lederman
8. Proposed letter to Peter A. Bagatelos

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attachment.

CCC#1822

OCT 20 A9:27

STEPHEN L. JONES
Attorney at Law
725 South Figueroa Street, Suite 1200
Los Angeles, California 90017-2513
(213)488-7180

October 17, 1986

Federal Election Commission
Washington, D.C. 20463
Attn: Secretary of the Commission

Re: MUR 1859
W. B. Johnson Properties, Inc.

Dear Commissioners:

Enclosed is a brief submitted on behalf of W. B. Johnson Properties, Inc. in response to the General Counsel's Brief dated September 20, 1986.

Very truly yours,

Stephen L. Jones
Attorney for W. B. Johnson
Properties, Inc.

SLJ;lfg
cc: Office of General Counsel
FEC1017

FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
W. B. Johnson Properties, Inc.	)	
	)	

BRIEF OF RESPONDENT W.B. JOHNSON PROPERTIES, INC.

1. Summary of Argument.

A necessary element in the analysis of the Brief of the General Counsel is : (1) that the persons who contracted to provide services to the "Yes on 'F' Committee" acted as agents of the contributors, Respondent W. B. Johnson Properties, Inc. and of the Four Seasons Hotels, Ltd., to the Committee and (2) that the scope of this agency included the purpose of influencing a federal election. Respondent respectfully submits that neither is true in fact or in law. The only agent of Respondent who was in any way involved in this matter was its employee, William R. Murrah, and his declaration shows that he was unaware of the nature, content, or design of the mailer until after its dissemination and that he had no intention whatsoever to influence any election other than the Beverly Hills ballot measure "F."

Second, the Commission's "primary purpose" test is not met -- the "benefit," if any, of the mailer to the federal candidates was, at the very best, de minimus. Attached hereto is a complete copy of the mailer, both front and back, which clearly discloses its purpose to influence only the "Yes on 'F'" campaign. Indeed, counsel is informed that the General Counsel

himself has already determined in connection with its investigation of another party -- the Community Campaign Services -- concerning this very same mailer that the benefit to federal candidates was de minimus.

Finally, as further evidence of the lack of any influence of a federal election and of the lack of any intent to influence any federal election, it should be noted that the mailer is not a "slate mailer" as that term is commonly used by campaign consultants. It is an invitation to the voters to apply for an absentee ballot and its sole purpose and design is to identify and target, for follow-up contact, those persons who anticipate voting by absentee ballot. Not only is this purpose disclosed on the face of the mailer, but the mailer was sent to the prospective voters too early in the campaign to be of use as an ordinary "slate mailer." As a mailer to identify and target prospective absentee voters, its benefit went only to the entity who actually received the mailer's returned post cards. The return cards were addressed and sent to a post office box in Beverly Hills and were picked up and used only by the "Yes on 'F' Committee."

2. Argument

A. There Was No Agency Relationship Between The "Yes on 'F' Committee" And Its Contributors.

Counsel does not wish to occupy this Commission's time with a treatise on the law of agency. Sufficient to say, the facts as set forth in the General Counsel's Brief do not

establish an agency relationship nor did one exist in fact. As a simple hypothetical, suppose that (say) a staffer on the "Yes on 'F' Committee" had hit a pedesrian with his or her car while on business for "Yes on 'F' Committee." I do not believe that the contributors to the "Yes on 'F' Committee" would be liable for the pedestrian's injuries. Yet that is exactly the agency relationship necessary to the analysis of the General Counsel.

B. Even if There Were An Agency Relationship Between The "Yes on 'F' Committee" And Its Contributors, Any Attempt To Influence A Federal Election Was Beyond The Scope of Such Agency.

If the above agency hypotheical is altered so that, instead of hitting the pedestrian while performing some function for the "Yes on 'F' Committee", the staffer instead chose to sneak off and go to the beach and hit a pedestrian while parking at the beach, neither the "Yes on 'F' Committee" nor especially any of its contributors would be liable for the pedestrian's injuries.

In the instant case, both of the contributors to the "Yes on 'F' Committee" are in the business of constructing and managing hotels and each desired to construct a hotel in the City of Beverly Hills, which construction would have been prohibited by the passage of Proposition "F." The sole purpose of each of the contributors was therefore not political in any way -- not even locally -- but was purely a matter of business economics, to prevent the loss of a potential hotel development. There is

neither evidence nor argument that there was any actual intent to influence a federal election by anyone -- including the "Yes on 'F' Committee" or any of its staff.

C. <u>There Was No Influence On A Federal Election And No Intent To Influence A Federal Election By Anyone, Whether Or Not An Agent of Respondent.</u>

Under the "primary purpose" or "major purpose" test, this Commission has found that otherwise protected speech which only incidentially may have an effect on a federal election is not in violation of 2 U.S.C. §441b. <u>See</u>, <u>e.g.,</u> <u>John Epstein v. Federal Election Commission</u>, Fed. Election Camp. Finance Guide (CCH) ¶9161, at 51,243 (D.D.C 1981).

Attached hereto and incorporated herewith is a copy of the mailer in question. One entire side of the mailer is devoted to advocating the "Yes on 'F'" position. The portion devoted to federal elections is so small that if the total cost of the mailer ($8,500) is apportioned by the space on the mailer, then the total expenditure relating to the federal elections is approximately $212.50 -- compared to a total $225,000 spent on the campaign by the "Yes on 'F' Committee."

Moreover, Respondent is informed that the General Counsel himself has declined to bring certain charges against the organization that actually designed and mailed the mailer, the "Community Campaign Committee," on the grounds that the alleged expenditure is de minimus. Respondent is further informed that the only charge brought against the Community Campaign Committee

the mailer conferred no benefit at all to such candidates.

For the reasons set forth above, Respondent W. B. Johnson Properties, Inc. respectfully requests this Commission not make a finding of probable cause and that this matter be dismissed.

Dated: October 17, 1986

Respectfully submitted,

Stephen L. Jones

Stephen L. Jones

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SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services

Community Campaign Committee
56 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif
Cr. Rt. Sort

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — **No**	#37 — No
#26 — **No**	#31 — Yes	#38 — Yes
#27 — **No**	#32 — **No**	#39 — Yes
#28 — Yes	#33 — Yes	#40 — No
#29 — Yes	#34 — Yes	#41 — No
	#36 — **No Recommendation**	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO 4054 BEVERLY HILLS CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

Attachment 2

Snyder

John D. Holum
O'Melveny & Myers
1800 M Street N.W.
Washington, D.C. 20036

Attorneys for Respondent
Four Seasons Hotels, Ltd.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Four Seasons Hotels, Ltd.	MUR 1859 Brief of Respondent Four Seasons Hotels Ltd. in Response to General Counsel's Recommendation for a finding of Probable Cause Date: October 29, 1986

2704464101

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I. STATEMENT OF FACTS

During the 1984 general election campaign, there appeared on the ballot in Beverly Hills, California, a referendum, known as "Proposition F", concerning a change in the City of Beverly Hills' zoning ordinances to permit construction of hotels in certain areas above the three-story height limit imposed by the City. Respondent Four Seasons, a Canadian corporation, desired to build a twelve-story hotel in the business district of Beverly Hills. Four Seasons' proposed hotel would have been feasible if the zoning changes contained in Proposition F had been approved by City voters. As a result, Four Seasons supported the passage of Proposition F.

During the campaign, a committee made up of supporters of the Proposition, the "Yes on F" Committee, was formed and duly registered with the California Secretary of State. The sole purpose of "Yes on F" was to achieve the passage of Proposition F. This Committee received funds from Respondent Four Seasons as well as from other sources. According to public reports, the Committee spent some $295,000 in support of Proposition F. Respondent Four Seasons contributed roughly $126,000, or 42.5%, of that amount.

During the campaign, "Yes on F" made a payment to an independent and distinct organization, the "Community Campaign Committee," of a total of $8,500, in return for which the latter Committee was to include a message of support of Proposition F on a flier, described as a slate card, to be mailed to Beverly Hills residents. One side of the flier was devoted primarily to a list of the arguments in support of a "yes" vote on Proposition F. The other side came in two versions, both of which contained instructions on how to vote by mail and listed recommended positions on various State and Los Angeles County propositions, including a recommendation for a "Yes" vote on Proposition F in bold type-face. It also listed candidates on the ballot for State and Federal office under the legend, "Your Beverly Hills Absentee Voting Guide." One version, which was mailed to registered Republican voters, listed the Republican candidates for President, Vice-President, U.S. Congress, and the California Assembly. The other version, mailed to registered Democrats, listed the Democratic candidates for those same offices. Both mailers also listed the same candidates for two nonpartisan judicial offices on the Los Angeles Superior Court. Slate mailers of this type are a common form of campaigning for and against ballot measures in California. Affidavits received by the Commission demonstrate that "Yes on F," with the knowledge of Respondent Four Seasons, intended to purchase "space" on such mailers, for the purpose of advocating an affirmative vote on proposition F.

Despite this and other efforts, Proposition F was defeated in the November 6 election by a margin of 31 percent in favor and 69 percent against.

II. SUMMARY

The evidence does not support a conclusion that Respondent Four Seasons was the source of any expenditure whatsoever on behalf of Federal candidates. Rather, Respondent and the committee in which it played a role, the "Yes on F Committee," intended only to purchase space on a slate mailer to convey their own message in support of Proposition F. If there was an expenditure on behalf of Federal candidates it did not come from the Respondent.

In any event, the existence of expenditures to convey the names of Federal candidates on the mailer -- constituting, based on proportional allocation of space, no more than $212.50 out of total "Yes on F" campaign spending of some $295,000 -- does not demonstrate that Respondent's expenditures were made "for the purpose" of influencing the election of Federal candidates. On the contrary, it is manifest that Respondent had an entirely distinct purpose, that of winning support for proposition F. In similar cases, the Commission has applied a "primary purpose" test to find

no violation of the Act when expenditures may have indirectly benefitted a Federal candidate. The "primary purpose" test has received judicial approval, and has been found particularly applicable, where, as here, the benefit did not favor one major party over the other.

Respondent's expenditures were not made "to" a "candidate, campaign committee, or political party;" restrictions on expenditures to a "political committee" do not apply to the proscriptions under 2 U.S.C. §§ 441(b) and 441(e), the provisions involved here. A Federal district court has held that the definition of "expenditure" in § 441(b)(b)(2) is exclusive, and that definition would not reach this spending.

As an expenditure, rather than a contribution, and since it does not "expressly advocate the election or defeat of a clearly identified candidate," the corporate communication in this case is corporate speech deserving of First Amendment protection.

Since there was no "contribution" as defined by the Act and because Respondent's expenditures were not in connection with any political office, there was no violation of § 441(e) relating to contributions by foreign nationals.

III. DISCUSSION

A. Respondent made expenditures only to purchase space for the advocacy of Proposition F.

There is no evidence, nor is it even asserted, that respondent Four Seasons Hotels intended to contribute to or make expenditures on behalf of any Federal candidate. Affidavits relied upon by the General Counsel support no more than a conclusion that Respondent intended to purchase "space" on a slate mailer for the purpose of encouraging an affirmative vote on Proposition F. See Affidavit of Arnold L. Cader, paragraph 8; Affidavit of Dorothy Chilkov, paragraphs 4, 5, 9; Affidavit of Roz Siegel, paragraph 6(c). At no time was it suggested to Four Seasons that they would also be purchasing space to advocate the election of Federal candidates. Rather, their intention was to participate in a project which would include a message, underwritten by the "Yes on F" Committee, that supported Proposition F.

Nor is there any evidence that the Community Campaign Committee, which wrote and distributed the slate cards in question, was an agent of or was supervised in any way by Respondent. On the contrary, it was a distinct committee organized by Messers Barad & Levine. Affidavit of

Roz Siegel, paragraph 6(h). As the Affidavit of Mr. Cader makes clear (paragraph 7), Respondent Four Seasons had no role in the direction, control, operation or management of the Community Campaign Committee.

On the basis of general information about the operation of the "Yes on F" Committee, the General Counsel has drawn a specific factual inference that is not supportable on the record. Specifically, on the grounds that Arnold Cader generally supervised the "Yes on F" Committee and approved its expenditures, and since he had knowledge that "Yes on F" was to use a portion of its funds to purchase "space" on a slate mailer, the General Counsel has concluded that respondent and/or "Yes on F" intended to and knowingly did pay for a message supporting Federal candidates. They intended no such thing, but only paid a fee, quoted by the Community Campaign Committee, to have their own message conveyed to people who would be receiving the mailer.

According to the General Counsel's description, Sam Cogar, an employee of Roz Siegel's group "Campaign Associates," contacted the organizers of the Community Campaign Committee about a "prospective purchase of space" on a slate mailing (emphasis supplied). When told of the proposal, Mr. Cader of Four Seasons "approved the idea of purchasing space for Proposition F on slate mailers."

According the Roz Siegel Affidavit (paragraph 6(c)), Mr. Cogar had heard that the organizers of the Community Campaign Committee were going to do an absentee ballot mailing and contacted them to inquire as to the cost if "Yes on F" participated. There is no evidence that Respondent or the "Yes on F" Committee intended to underwrite the purchase of space to identify or endorse Federal candidates on the mailer; on the contrary, the evidence supports the opposite inference, that Respondent intended only to underwrite the conveyance of its own message in support of Proposition F.

In these circumstances, Respondent's position was analogous to that of an advertiser who buys, from an independent contractor, space for its message on a billboard which also contains another message, or space for its message in a newspaper which also contains messages endorsing Federal candidates. It should not thereby be assumed that the advertiser is responsible for or endorses everything that appears on the display. Neither should it be assumed in this case that Respondent is responsible for information on the mailers that was not directly related to its own message.

In similar circumstances, the United States District Court for the Central District of California has recently concluded that an organization comparable to that of the

Community Campaign Committee which published a slate mailer and provided space free for some Federal candidates while charging sponsors of other messages thereby itself made expenditures on behalf of such candidates. Federal Election Commission v. Californians for Democratic Representation, CV 85-2086-JMI (January 9, 1986). Whether or not such an independent organization makes expenditures for Federal candidates by carrying their names free of charge is a separate factural inquiry. However, it is an unwarranted excursion from logic to conclude that a separate and unrelated corporation, intending only to purchase "space" for its own message, thereby has made a contribution to Federal candidates, even though it had no intention to do so and even though it had no knowledge that it would be doing so.

The Californians for Democratic Representation case suggests that the analogy to a newspaper advertisement should be carried one step further. Suppose that a newspaper provided, free of charge, advertisements for Federal candidates, while at the same time charging corporations for their messages in the same editions. It would be blatantly unreasonable on such facts to conclude that the corporate advertisers had made expenditures on behalf of the Federal candidates, for to do so would be to neglect the obvious source of the contributions, and to fix instead on an entirely innocent party. The same has been done here.

B. Expenditures made by the Respondent were not made "for the purpose" of electing Federal candidates.

Even if it is assumed that Respondent unintentionally paid for the cost of transmitting Federal candidates' names, the expenditures in this case are not reached by the Act because the Commission's "primary purpose" test is not met.

For a violation to occur, the definition of "expenditure" in § 431(9) of the Act explicitly requires that the expenditure have been made "for the purpose of influencing" an election for Federal office. The circumstances of the present case demonstrate that the sole purpose for which Respondent expended funds was not the election or defeat of any Federal candidate, but the passage of Proposition F.

Clearly it would be untenable to assert, even construing all evidence against the Respondent, that the "Yes on F" effort, so clearly important to Respondent, was in fact only a subterfuge to mask Respondent's real intent to influence campaigns for Federal office. On the contrary, Respondent's objective was wholly unrelated to the Federal campaign.

As noted above, slate cards are a common form of campaign advocacy in California, and the "Yes on F Committee"

only elected to make use of this standard vehicle as a means of transmitting its message to the voters. This purpose was entirely distinct from influencing a Federal election. There was no express advocacy of the election or defeat of any candidates, nor was there a solicitation of funds on behalf of any such candidate. Slate cards were provided for both parties, an action which is wholly inconsistent with an intent to support any one party or candidate over another. Moroever, approximately 2.5% of the total space on the mailer, consuming proportionately about $212.50 of the total $8,500 fee paid to the Community Campaign Committee for the mailer, was devoted to listing Federal candidates. This equals about 0.09% of the $295,000 spent by the "Yes on F Committee," a negligible sum, and wholly insufficient to establish any purpose at all in connection with federal candidates.*

A number of actions and Advisory Opinions of the Commission have made clear that contributions or expendi-

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* The amount is even less significant in comparison to the sums spent on their campaigns by the Federal candidates listed on the mailer, and therefore fails entirely to raise the "overriding concern" behind the Act and its predecessors, which is the "corruption of elected representations through the creation of political debts." See United States v. United Auto Workers, 352 U.S. 567 (1957).

tures do not fall within the intent of the Act if the major purpose of the activity in question is not to influence the nomination or election of a Federal candidate. For example, in MUR 1235 the Commission considered expenditures by a committee formed in California for the purpose of promoting a reduction in that State's income tax through the passage of a State initiative called "Proposition 9." The committee sponsored radio and television advertisements on behalf of Proposition 9, and such advertisements mentioned, as a supporter of such proposition, Mr. Paul Gann, who was a candidate for the Republican nomination for the United States Senate in the same election. The General Counsel's report on the matter of May 27, 1980, recognized that "the major purpose of these advertisements is not the election of Paul Gann to Federal office, but the passage of Proposition 9." The General Counsel noted that this conclusion is especially likely to be reached in cases where there is "an absence of any communication expressly advocating the election or defeat of a candidate or the solicitation of a campaign contribution." And the opinion concluded that, "though the advertisements have indirectly benefitted Mr. Gann's candidacy, it is clear that the major purpose of these advertisements is not to influence a Federal election . . . ."

The Commission's "primary purpose" test has been judicially reviewed and approved in another case with elements

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in common with the present matter. In John Epstein v. Federal Election Commission, Fed. Elc. Camp. Fin. Guide (CCH) ¶ 9161, at 51,243 (D.D.C. 1981), Reader's Digest Association, Inc. had purchased an advertisement which excerpted two articles it previously had published. One, written by a Republican Congressman, was headed, "Why You Should Vote Republican," and the other, written by a Democratic Congressman, was entitled "Why You Should Vote Democratic." The advertisement also contained language promoting Reader's Digest as "a forum for ideas that deeply concern the community at large." In that case, as here, to the extent that there might have been any political benefit, it was available equally to both major parties. And the Commission applied the test which is also appropriate here, relying, as the court said, upon, "a growing body of decisions by the Commission that remove advertisements and other forms of publicity from the Act's prohibition if they have a purpose distinct from political assistance of candidates whose campaigns are covered by the Act." The court concluded that,

> . . . the Commission may reasonably determine that expenditures on publicity that have a purpose other than assistance of political candidates covered by the Act were not intended by Congress to be punished under the Act. Particularly is this so when the 'major purpose'

of the publicity is self-evidently not to advocate the election of candidates, but to promote the organization paying for the publicity.

The court also found there was "nothing unreasonable" in the Commission's refusal to consider that the Digest offered commentary only from representatives of the two major parties, since,

> ". . . what matters is whether the challenged publicity, whatever its content, has no partisan purpose. Furthermore, at worst, this publicity was bi-partisan."

Applying the "primary purpose" test, the Commission has determined that a number of other benefits to candidates do not constitute corporate contributions, including:

-- Preparation by a charity organization of a brochure containing a picture of and letter by a candidate for Congress, and distribution of the brochure, including transmittal to people in the candidate's district. The Commission concluded that while the activity indirectly may have provided a benefit to the Federal candidacy, its "major purpose" was not the nomination or election of a candidate. AO 1978-15.

-- A "non-profit, non-partisan salute" to a congressman who presumably would be running for reelection from Arizona. The Commission concluded that the event was "not for the purpose of influencing" the congressman's nomination or election to Federal office. AO 1978-4.

-- Chairmanship by a candidate for Congress of a state-wide petition drive, initiated by his state party, against the Panama Canal Treaty. All mailings, newsletters, news stories and advertisements included the candidates name, and at least some were distributed in his district. The Commission concluded that this did not constitute contributions to or expenditures by his campaign. AO 1977-54.

-- Hosting of interview programs by an incumbent congressman who was a candidate for reelection, for which he was employed and paid in part by the radio station that broadcast the programs and in part by commercial sponsors. The Commission concluded that funding of these appearances did not constitute a contribution or expenditure on behalf of the candidate either by the sponsors of the programs or by the radio station. AO 1977-42.

-- An advertisement by a commercial magazine listing an incumbent representative's committee assignments, educational achievements, and positions on certain issues.

The advertisement spoke of the congressman in "glowing terms", and invited subscriptions to the magazine. It was determined not to constitute a contribution to the congressman's candidacy, since the "major purpose" of the advertisement was not the nomination or election of the congressman but promotion of the magazine. MUR 1051.

In light of these precedents, the "primary purpose" test clearly warrants dismissal of the present case.

C. Expenditures by Respondent were not made "to" a candidate, campaign committee, or political party or organization.

The only way the "primary purpose" test can be deemed inapplicable here is if the Commission concludes that the expenditures themselves are not covered by the Act.

The Act contains two separate definitions of "contribution" and "expenditure." That set forth in § 441b(b)(2), contiguous to the provision which prohibits such corporate activities in connection with Federal campaigns, provides that that they "shall include," in a variety of forms, direct or indirect payments . . . to any candidate, campaign committee, or political party or organization . . .

The expenditures here, however, were not under to any such group. The separate definitions of "contribution" and "expenditure" in § 431 also includes contributions to a "political committee" as defined in § 431(4)(A). However, a "political committee" is not the equivalent of a "campaign committee" or "political party or organization" under § 441b(b)(2). There is a considerable difference between a "political committee" as broadly defined in § 431(4)(A), which might reach groups, such as the "Yes on F" Committee or the Community Compaign Committee, with no organized political affiliation whatever, and the closer identification with a political party, candidate, or campaign which appears to be intended in § 441b(b)(2).

The § 441b(b)(2) definition must be read in light of the specific prohibitions to which it relates in § 441b(a), against corporate contributions or expenditures in connection with nominations or elections to certain specified Federal offices. When so read, it becomes clear that neither the "Yes on F Committee" nor the "Community Campaign Committee" met the definition of proscribed recipients of corporate contributions set forth in § 441b(b)(2).* Further

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* The mailer that is the subject of the complaint specifically states that the "Community Campaign Committee" is "not an official political group," which helps to demonstrate its intentions and the intentions of those who had dealings with it.

confirmation that § 441(b)(2) was not intended to sweep so broadly is found in the fact that "political committee" is a term of art under the Act, yet § 441b(b)(2), in listing the groups to which the restriction on corporate contributions or expenditures extends, specifically does not mention "political committee" among them.

A recent Massachusetts U.S. District Court case, Federal Election Commission v. Massachusetts Citizens For Life, Inc., 589 F. Supp. 646 (D. Mass. 1984), has reached conclusions about the Act which are quite relevant to this analysis. In that case, a corporation published a special election paper listing candidates' voting records on issues of concern to the organization and also urged its readers to vote. The court concluded that the definition of corporate "contributions" or "expenditures" in § 441b(b)(2) "outlaws indirect payment or gifts of anything of value to any candidate, campaign committee, or political party or organization," (emphasis in the original), and reasoned that the publication in question "was uninvited by any candidate and uncoordinated with any campaign," and so was not within the section.

That is also the case here. There is no evidence that either the "yes or F" Committee or the Community Campaign Committee had any relationship with any candidate or campaign.

The Massachusetts court also concluded, in a footnote, that the definition of expenditure in § 441b(b)(2) is "exclusive," despite the use of the verb "shall include" rather than "shall mean," because the definition section of the Act "in effect adopts the § 441b(b)(2) definition."* It is difficult to imagine circumstances in which this definition would permit an expenditure or contribution by a corporation which is not covered by § 441b(b) nevertheless to be included under the prohibitions of the Act.

In sum, § 441b(b)(2) contains the exclusive definition of "expenditure" and "contribution" as applied to corporate activities prohibited under § 441b(a) of the Act. Neither the "Yes on F Committee" nor the "Community Campaign Committee" was a "candidate, campaign committee, or political party or organization" as contemplated in § 441b(b)(2) of the Act. There was, therefore, no contribution "to" such an organization, as is required if a violation of § 441b is to be found.

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* This recognized the reality that in the definitions part of the Act, § 431(8)(B)(vi) excludes from the definition of "contribution," and similarly, § 431(9)(B)(v) excludes from the definition of "expenditure", "any payment made or obligation incurred by a corporation or a labor organization which, under § 441(b) of this Title, would not constitute an expenditure by such corporation or labor organization."

D. Since the expenditures by Respondent did not expressly advocate the election or defeat of any Federal candidate, the [illegible] reserves constitutional protection under the First Amendment.

It is well settled that corporate speech, as well as individual speech, enjoys First Amendment protection. In the leading case of First National Bank of Boston v. Bellotti, 435 U.S. 765 (1978), the U.S. Supreme Court struck down as unconstitutional a Massachusetts statute that forbade expenditures by banks and business corporations to influence the outcome of certain referenda, thereby protecting precisely the kind of speech that was Respondent's purpose in this case. It is also clear that independent "expenditures" generally enjoy a higher degree of constitutional protection than do "contributions." In Buckley v. Valeo, 424 U.S. 1 (1976), the Court distinguished between the two, holding unconstitutional a statutory provision which limited individual political expenditures, even on behalf of candidates, while recognizing the $1,000 per candidate limit on contributions to be a reasonable limitation on First Amendment rights. The Act's prohibitions on corporate contributions to and expenditures on behalf of Federal candidates also have been approved. However, as a general proposition, limits on expenditures, as opposed to contributions, must meet a rather precise test. In order to survive a challenge on First

E. Section 441e of the Act was not violated because there was no "contribution" as defined by the Act and also because Respondent's expenditures on behalf of Proposition F were not in connection with any "political office."

The discussion above establishing that there was no "contribution" within the framework of the Act as applied to § 441b also applies to § 441e regarding foreign nationals. Respondent made no "contributions" as defined by the Act, and therefore could not conceivably have run afoul of the section prohibiting certain of "contributions" by foreign nationals, since an indispensable element of the offense is absent.

In addition, it is clear that § 441e does not reach contributions by foreign nationals to municipal level referenda, since it renders unlawful only contributions "in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office." (Emphasis added.) The pertinent regulation, 11 C.F.R. § 110.4(a)(1), also contains the limitation that the proscribed contribution must be made "in connection with any local, state or federal public office." Proposition F manifestly did not involve a political office and, therefore, Respondent's contributions to that campaign were entirely permissible under the Act.

Amendment grounds, the Court in Buckley read § 434(e), imposing independent reporting requirements on individuals and groups that are not candidates or political committees, as being limited to circumstances in which such groups make expenditures for communications that "expressly advocate the election or defeat of a clearly identified candidate."

While the precise issue of applying that standard to corporate expenditures has not been addressed, conditions no less rigorous should be attached to limits on corporate expenditures which are not made to or coordinated with a campaign for Federal office. In this case, the slate cards in question clearly did not expressly advocate the election or defeat of any candidate, for example through the use of such phrases as "vote for," "elect," or "cast your ballot for" the candidates in question. As noted elsewhere, this confirms the lack of any purpose on Respondent's part to support such candidates. It also suggests that Respondent's expenditures were used for an expression that was sufficiently ambiguous in character to enjoy, along with the remainder of the mailer, the status of constitutionally protected "speech," as distinguished from proscribable "actions" in the form of contributions to or expenditures on behalf of a Federal candidate.

IV. CONCLUSION

On the basis of the foregoing discussion, we respectfully submit that the Commission should not make a finding of probable cause and instead should dismiss MUR 1859.

Respectfully submitted,

John D. Holum
for O'Melveny & Myers
Attorneys for Four Seasons
Hotels, Limited.

Dated: October 29, 1986

attachment 3

GCC #1916

BARAD & LEVINE

Political Consultants
Public Relations • Fundraising

NOV 3 P12:00

October 31, 1986

Federal Election Commission
Washington, DC 20463

RE: MUR 1859

To Whom It May Concern:

I hereby authorize Daniel H. Lowenstein to represent us as counsel in the above cited matter.

Jill Barad

Jill Barad

Larry Levine

13701 R... Drive, Suite 600 • Sherman Oaks, California 91423 • (818) 906-0960

October 31, 1986

Federal Election Commission
Washington, DC 20463

RE: MUR 1859

To Whom It May Concern:

I hereby authorize Daniel H. Lowenstein to represent me as counsel in the above cited matter.

Irene Kleinberg

87044411227

DANIEL H. LOWENSTEIN
c/o UCLA Law School
405 Hilgard
Los Angeles, California 90024

(213) 825-5148

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
The Community Campaign Committee, and Irene Kleinberg, as treasurer	)	Brief for Respondents

The General Counsel's Brief concludes that there is no probable cause to believe that either of the respondents is guilty of the alleged violations of Sections 433, 434, and 434(c). The respondents concur in that conclusion, and believe that the General Counsel's reasoning is sound.

The General Counsel also concludes that there is probable cause to believe each respondent is guilty of a violation of Section 441d. Section 441d requires campaign communications containing endorsements of federal candidates to disclose whether the communication is authorized by the federal candidates. Respondents agree that there is probable cause with respect to the Community Campaign Committee (CCC). However, as we shall demonstrate below, there is neither a factual nor a legal basis for a finding of probable cause with respect to Irene Kleinberg.

As the General Counsel's Brief makes clear, the mailing in question was small in scope, and overwhelmingly oriented toward local, rather than federal issues. The total amount spent for the mailer was $7,290.60, and only $206.32 of this amount was allocable to the federal candidates mentioned on the slate.

Of course, the small scope of the mailing and the local orientation do not excuse the failure to comply with Section 441d, but the attached declarations make it clear that the violation was inadvertent. The CCC and its principals believed, correctly, that they were not a committee under the Federal Election Campaign Act. They therefore believed they were not subject to the requirements of FECA. This belief was correct for the most part, but not with respect to Section 441d, which is applicable whether or not the communicator is a "committee" under the FECA.

Until recently, all or most of the major senders of slate mail in California, which are committees under the FECA, were unaware of Section 441d, and failed to comply with it. It is therefore not surprising that CCC, which is much smaller and not a federal "committee," should also have been unaware of this requirement. The campaign firm responsible for CCC has complied with Section 441d in its subsequent mailings, and intends to remain in compliance in future mailings. These considerations are offered in mitigation, but of course they do not provide a basis for not finding probable cause with respect to CCC.

With respect to Irene Fleinberg, however, there is no basis for a probable cause finding. The General Counsel's recommendation that probable cause be found with respect to Fleinberg is apparently based solely on her status as "treasurer" of CCC. (General Counsel's Brief at 7). The treasurer of a federal committee has certain responsibilities under FECA, especially with regard to recordkeeping and reporting.

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Presumably, when one of these responsibilities is not carried out, the treasurer can be found guilty of the resulting violation merely by virtue of his position as treasurer. We doubt that this principle is applicable to violations of Section 441d, since the "disclaimer" requirement of that section has no relation to the financial, recordkeeping, or reporting responsibilities that would ordinarily be assumed by a treasurer.

Even if it is assumed, for the sake of argument, that a committee treasurer is automatically liable when the committee fails to meet the disclaimer requirement, there would still be no basis for a finding of probable cause with respect to Kleinberg in this case. As the General Counsel concluded, CCC "did not qualify as a political committee" under the FECA. (General Counsel's Brief at 5). Since CCC was not a "committee," it could not and did not have a "treasurer" within the meaning of the FECA and the Commission's regulations. (2 U.S.C. Section 432(a); 11 C.F.R. Section 102.7(a)). The mere fact that CCC was a "committee" for purposes of state law and that Kleinberg had the title "treasurer" under state law of course has no bearing on either CCC's status or Kleinberg's under the FECA.

In short, Kleinberg cannot possibly be liable for a violation of the FECA by virtue of status as a committee treasurer, because under the FECA she was <u>not</u> a treasurer and CCC was <u>not</u> a committee. It follows that in order for probable cause to be found against Kleinberg, there must be evidence that she had some responsibility for the violation, <u>in fact</u>.

There is no such evidence. The General Counsel's <u>only</u> factual allegati[illegible] about Kleinberg is a reference to the fact

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that she signed the letters responding to the FEC staff's questions during the investigation of this matter. Obviously, an individual's providing assistance to the FEC in the course of an investigation cannot be a basis for liability for past violations by an organization.

There is affirmative evidence that Kleinberg had no factual responsibility for the violation of Section 441d. In the interrogatories submitted to CCC by the FEC Chairman, No. 6 said, "State what persons established and administered CCC." The answer was, "CCC was established and administered by Jill Barad and Larry Levine." Interrogatory No. 9 said, "State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F that were paid for by CCC." The answer was, "The only persons who contacted CCC regarding the composition, drafting, and writing of the letters in support of Proposition F were Sam Logar and Roz Seigel (sp?)." No evidence received by the FEC suggests Kleinberg had anything whatever to do with the content, production, or distribution of the mailing in question.

Finally, the attached declarations show that Kleinberg bears no responsibility, in fact, for the failure to include the Section 441d disclaimer in the mailing.

Given the mitigating factors stated above, we believe there is no compelling reason for the FEC to feel required to go beyond the organizational respondent, CCC, to hold an individual liable. Even if there is such a need, that individual cannot be Kleinberg. She cannot be held automatically liable by virtue of

being a committee treasurer, because as the General Counsel agrees, there was no committee and therefore she could not have been a "treasurer." If the FEC wants to hold an individual liable, it must find and initiate proceedings against an individual who was actually responsible for the violation. Kleinberg clearly was not.

CONCLUSION

We concur in the recommendation of the General Counsel that probable cause be found against CCC with respect to Section 441d and that no probable cause be found under any other section.

For the reasons stated, there is no basis for finding probable cause against Irene Kleinberg.

Respectfully submitted,

Daniel H. Lowenstein

DANIEL H. LOWENSTEIN
Attorney for Respondents

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DECLARATION OF JILL BARAD AND LARRY LEVINE

We, JILL BARAD and LARRY LEVINE, manage the campaign consulting firm of Barad & Levine. In 1984 we were retained by the Yes on F Committee to produce a mailer in support of a local proposition in Beverly Hills, California. We created an entity called "Community Campaign Committee" ("CCC") to be the publisher of the mailer. However, control of the content of the CCC mailer remained in the Yes on F Committee. Although Barad & Levine provides a range of campaign services including creative work, in this instance we were retained purely as technicians.

Since the sole purpose of the mailer was to support the local proposition, we were not aware that provisions of the Federal Election Campaign Act could be applicable. Specifically, we were unaware that because the mailer included a small "slate" portion that included three federal candidates, we were required to include the "disclaimer" that the mail was not authorized by those candidates. We were not advised by the Yes on F Committee that such a disclaimer was required or should be included. Had we been so instructed, or had we been aware that the disclaimer was required, we certainly would have included it.

In all mail sent out by Barad & Levine since 1984, we have been careful to include the disclaimer whenever federal candidates are endorsed. We shall continue to comply with the requirement in all campaign work we do in the future. The failure to include the disclaimer in the CCC mailing was caused solely by the failure of the Yes on F Committee to so advise us, and the fact that we did not realize the disclaimer was required. The omission was entirely inadvertent, and not motivated by any

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desire for political or any other form of benefit.

Irene Kleinberg served as treasurer of CCC. solely for purposes of the state reporting requirements. CCC's finances were fully disclosed under those requirements. Ms. Kleinberg had no responsibility whatsoever for the content of the mailer, or for assuring that the content complied with legal requirements.

We declare under penalty of perjury that the foregoing is true.

Executed on October 31, at Los Angeles, California.

Jill Barad

JILL BARAD

LARRY LEVINE

DECLARATION OF IRENE KLEINBERG

I, IRENE KLEINBERG, agreed to serve as treasurer of the Community Campaign Committee ("CCC") in 1984. I understood that CCC's sole purpose was to send out a mailer written and paid for by a committee supporting Proposition F in Beverly Hills. I was aware that this activity would make CCC a committee under the California Political Reform Act, and my understanding was that I was serving as "treasurer" within the meaning of that state law. As such, I was responsible for the preparation and signing of CCC's campaign statements under state law.

My duties as treasurer were limited to these state law reporting requirements. I had no responsibility for the content, production, or distribution of the mailing. It was no part of my function to influence the content of the mailing, or to assure that the content of the mailing complied with any applicable legal requirements.

Since CCC's reason for existence related solely to a local proposition, I believed it was a committee under state but not under federal law. Therefore, I did not think of myself as a "treasurer" under the federal law.

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

Executed on October 21, in Los Angeles, California.

Irene Kleinberg

IRENE KLEINBERG

attachment 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
725 South Figueroa Street
Suite 1200
Los Angeles, CA 90017-2513

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

On , 198 , the Commission determined that there is probable cause to believe your client committed a violation of 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use in connection with Federal elections.

However, after considering the circumstances of this matter, the Commission determined to take no further action and close its file.

The Commission reminds you that expending corporate funds for use in connection with federal elections nevertheless appears to be a violation of 2 U.S.C. § 441b. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

87040644135

attachments

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels, Ltd.

Dear Mr. Holum:

On , 198 , the Commission determined that there is probable cause to believe your client committed a violation of 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with its expending corporate funds for use by the Yes on F Committee in connection with Federal elections.

However, after considering the circumstances of this matter, the Commission determined to take no further action and close its file.

The Commission reminds you that expending corporate funds for use in connection with federal elections by a foreign corporation, nevertheless appears to be a violation of 2 U.S.C. §§ 441b and 441e. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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Attachment 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Daniel H. Lowenstein, Esquire
c/o UCLA Law School
405 Hilgard
Los Angeles, CA 90024

RE: MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Mr. Lowenstein

On , 198 , the Commission determined that there is probable cause to believe the Community Campaign Committee committed a violation of 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with its failure to include an appropriate disclaimer on a direct mailing expressly advocating the election of certain candidates for federal office.

However, after considering the circumstances of this matter the Commission determined to take no further action and close its file. The Commission also found no probable cause to believe your clients violated 2 U.S.C. §§ 433, 434 and 434(c), and no probable cause to believe Irene Kleinberg violated 2 U.S.C. § 441d.

The Commission reminds you that failing to include a statement of whether a federal candidate had authorized a direct mailing expressly advocating the election or defeat of a candidate for federal office nevertheless appears to be a violation of 2 U.S.C. § 441d. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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attachment 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald Lederman, Treasurer
Yes on F Committee
433 South Beverly Drive
Beverly Hills, CA 90212

RE: MUR 1859
Yes on F Committee and
Ronald Lederman as
treasurer

Dear Mr. Lederman:

This is to advise you that after an investigation was conducted, the Commission concluded on , 198 , that there is no probable cause to believe that the Yes on F Committee and you, as treasurer violated the Act. Accordingly the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days.

If you have any questions, contact Charles Snyder, the attorney assigned to handle this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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attachment 8

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

Peter A. Bagatelos, Esquire
Bagatelos & Fadem
One Maritime Plaza
Suite 2500
San Francisco, CA 94111

RE: MUR 1859

Dear Mr. Bagatelos:

This in reference to the complaint you filed with the Commission on behalf of Gloria Grossman on November 2 1984, concerning the Yes on F Committee and corporate contributions to the Yes on F Committee.

Based on your complaint, the Commission determined there was reason to believe that the Yes on F Committee violated 2 U.S.C. §§ 433, 434, and 434(c); that the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, 434(c) and 441d; that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e; and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation in this matter. After an investigation was conducted and briefs of the General Counsel and the respondents were considered, the Commission concluded on , 1986, that there was no probable cause to believe that the Yes on F Committee violated the Act and that there was no probable cause to believe the Community Campaign Committee violated 2 U.S.C. §§ 433, 434, and 434(c). The Commission found probable cause to believe the Community Campaign Committee violated 2 U.S.C. § 441d, that Four Seasons Hotels, Ltd. violated 2 U.S.C. §§ 441b and 441e, and that W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b. The Commission also voted to take no further action with respect to the foregoing alleged violations. Accordingly, the file in this matter, numbered MUR 1859, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within 10 days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel Rd

DATE: February 5, 1987

SUBJECT: MUR 1859 - General Counsel's Rpt.

The attached is submitted as an Agenda document for the Commission Meeting of February 18, 1987

Open Session _____

Closed Session XX

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[ ]	Compliance	[XX]
Sensitive	[ ]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[XX]	Other (see distribution below)	[ ]

SENSITIVE - CIRCULATE ON

BLUE PAPER on agenda 2-5-87

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BCC#986

BARAD & LEVINE

Political Consultants
Public Relations • Fundraising

86 NOV 3 P12:00

October 31, 1986

Federal Election Commission
Washington, DC 20463

RE: MUR 1859

To Whom It May Concern:

I hereby authorize Daniel H. Lowenstein to represent us as counsel in the above cited matter.

Jill Barad

Jill Barad

Larry Levine

13701 Riverside Drive, Suite 600 • Sherman Oaks, California 91423 • (818) 906-0960

RECEIVED BY THE FEC
86 NOV 3 AM 10:59

October 31, 1986

Federal Election Commission
Washington, DC 20463

RE: MUR 1859

To Whom It May Concern:

I hereby authorize Daniel H. Lowenstein to represent me as counsel in the above cited matter.

Irene Kleinberg

Irene Kleinberg

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DANIEL H. LOWENSTEIN
c/o UCLA Law School
405 Hilgard
Los Angeles, California 90024

(213) 825-5148

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
The Community Campaign Committee, and Irene Kleinberg, as treasurer	)	Brief for Respondents

The General Counsel's Brief concludes that there is no probable cause to believe that either of the respondents is guilty of the alleged violations of Sections 433, 434, and 434(c). The respondents concur in that conclusion, and believe that the General Counsel's reasoning is sound.

The General Counsel also concludes that there is probable cause to believe each respondent is guilty of a violation of Section 441d. Section 441d requires campaign communications containing endorsements of federal candidates to disclose whether the communication is authorized by the federal candidates. Respondents agree that there is probable cause with respect to the Community Campaign Committee (CCC). However, as we shall demonstrate below, there is neither a factual nor a legal basis for a finding of probable cause with respect to Irene Kleinberg.

As the General Counsel's Brief makes clear, the mailing in question was small in scope, and overwhelmingly oriented toward local, rather than federal issues. The total amount spent for the mailer was $7,290.60, and only $206.32 of this amount was allocable to the federal candidates mentioned on the slate.

Of course, the small scope of the mailing and the local orientation do not excuse the failure to comply with Section 441d, but the attached declarations make it clear that the violation was inadvertent. The CCC and its principals believed, correctly, that they were not a committee under the Federal Election Campaign Act. They therefore believed they were not subject to the requirements of FECA. This belief was correct for the most part, but not with respect to Section 441d, which is applicable whether or not the communicator is a "committee" under the FECA.

Until recently, all or most of the major senders of slate mail in California, which are committees under the FECA, were unaware of Section 441d, and failed to comply with it. It is therefore not surprising that CCC, which is much smaller and not a federal "committee," should also have been unaware of this requirement. The campaign firm responsible for CCC has complied with Section 441d in its subsequent mailings, and intends to remain in compliance in future mailings. These considerations are offered in mitigation, but of course they do not provide a basis for not finding probable cause with respect to CCC.

With respect to Irene Kleinberg, however, there is no basis for a probable cause finding. The General Counsel's recommendation that probable cause be found with respect to Kleinberg is apparently based solely on her status as "treasurer" of CCC. (General Counsel's Brief at 7). The treasurer of a federal committee has certain responsibilities under FECA, especially with regard to recordkeeping and reporting.

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Presumably, when one of these responsibilities is not carried out, the treasurer can be found guilty of the resulting violation merely by virtue of his position as treasurer. We doubt that this principle is applicable to violations of Section 441d, since the "disclaimer" requirement of that section has no relation to the financial, recordkeeping, or reporting responsibilities that would ordinarily be assumed by a treasurer.

Even if it is assumed, for the sake of argument, that a committee treasurer is automatically liable when the committee fails to meet the disclaimer requirement, there would still be no basis for a finding of probable cause with respect to Kleinberg in this case. As the General Counsel concluded, CCC "did not qualify as a political committee" under the FECA. (General Counsel's Brief at 5). Since CCC was not a "committee," it could not and did not have a "treasurer" within the meaning of the FECA and the Commission's regulations. (2 U.S.C. Section 432(a); 11 C.F.R. Section 102.7(a)). The mere fact that CCC was a "committee" for purposes of state law and that Kleinberg had the title "treasurer" under state law of course has no bearing on either CCC's status or Kleinberg's under the FECA.

In short, Kleinberg cannot possibly be liable for a violation of the FECA by virtue of status as a committee treasurer, because under the FECA she was <u>not</u> a treasurer and CCC was <u>not</u> a committee. It follows that in order for probable cause to be found against Kleinberg, there must be evidence that she had some responsibility for the violation, <u>in fact</u>.

There is no such evidence. The General Counsel's <u>only</u> factual allegation about Kleinberg is a reference to the fact

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that she signed the letters responding to the FEC staff's questions during the investigation of this matter. Obviously, an individual's providing assistance to the FEC in the course of an investigation cannot be a basis for liability for past violations by an organization.

There is affirmative evidence that Kleinberg had no factual responsibility for the violation of Section 441d. In the interrogatories submitted to CCC by the FEC Chairman, No. 6 said, "State what persons established and administered CCC." The answer was, "CCC was established and administered by Jill Barad and Larry Levine." Interrogatory No. 9 said, "State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F that were paid for by CCC." The answer was, "The only persons who contacted CCC regarding the composition, drafting, and writing of the letters in support of Proposition F were Sam Cogar and Roz Seigel (sp?)." No evidence received by the FEC suggests Kleinberg had anything whatever to do with the content, production, or distribution of the mailing in question.

Finally, the attached declarations show that Kleinberg bears no responsibility, in fact, for the failure to include the Section 441d disclaimer in the mailing.

Given the mitigating factors stated above, we believe there is no compelling reason for the FEC to feel required to go beyond the organizational respondent, CCC, to hold an individual liable. Even if there is such a need, that individual cannot be Kleinberg. She cannot be held automatically liable by virtue of

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being a committee treasurer, because as the General Counsel agrees, there was no committee and therefore she could not have been a "treasurer." If the FEC wants to hold an individual liable, it must find and initiate proceedings against an individual who was actually responsible for the violation. Kleinberg clearly was not.

CONCLUSION

We concur in the recommendation of the General Counsel that probable cause be found against CCC with respect to Section 441d and that no probable cause be found under any other section.

For the reasons stated, there is no basis for finding probable cause against Irene Kleinberg.

Respectfully submitted,

Daniel H. Lowenstein

DANIEL H. LOWENSTEIN
Attorney for Respondents

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DECLARATION OF JILL BARAD AND LARRY LEVINE

We, JILL BARAD and LARRY LEVINE, manage the campaign consulting firm of Barad & Levine. In 1984 we were retained by the Yes on F Committee to produce a mailer in support of a local proposition in Beverly Hills, California. We created an entity called "Community Campaign Committee" ("CCC") to be the publisher of the mailer. However, control of the content of the CCC mailer remained in the Yes on F Committee. Although Barad & Levine provides a range of campaign services including creative work, in this instance we were retained purely as technicians.

Since the sole purpose of the mailer was to support the local proposition, we were not aware that provisions of the Federal Election Campaign Act could be applicable. Specifically, we were unaware that because the mailer included a small "slate" portion that included three federal candidates, we were required to include the "disclaimer" that the mail was not authorized by those candidates. We were not advised by the Yes on F Committee that such a disclaimer was required or should be included. Had we been so instructed, or had we been aware that the disclaimer was required, we certainly would have included it.

In all mail sent out by Barad & Levine since 1984, we have been careful to include the disclaimer whenever federal candidates are endorsed. We shall continue to comply with the requirement in all campaign work we do in the future. The failure to include the disclaimer in the CCC mailing was caused solely by the failure of the Yes on F Committee to so advise us, and the fact that we did not realize the disclaimer was required. The omission was entirely inadvertent, and not motivated by any

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desire for political or any other form of benefit.

Irene Kleinberg served as treasurer of CCC, solely for purposes of the state reporting requirements. CCC's finances were fully disclosed under those requirements. Ms. Kleinberg had no responsibility whatsoever for the content of the mailer, or for assuring that the content complied with legal requirements.

We declare under penalty of perjury that the foregoing is true.

Executed on October 31, at Los Angeles, California.

Jill Barad

JILL BARAD

LARRY LEVINE

DECLARATION OF IRENE KLEINBERG

I, IRENE KLEINBERG, agreed to serve as treasurer of the Community Campaign Committee ("CCC") in 1984. I understood that CCC's sole purpose was to send out a mailer written and paid for by a committee supporting Proposition F in Beverly Hills. I was aware that this activity would make CCC a committee under the California Political Reform Act, and my understanding was that I was serving as "treasurer" within the meaning of that state law. As such, I was responsible for the preparation and signing of CCC's campaign statements under state law.

My duties as treasurer were limited to these state law reporting requirements. I had no responsibility for the content, production, or distribution of the mailing. It was no part of my function to influence the content of the mailing, or to assure that the content of the mailing complied with any applicable legal requirements.

Since CCC's reason for existence related solely to a local proposition, I believed it was a committee under state but not under federal law. Therefore, I did not think of myself as a "treasurer" under the federal law.

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

Executed on October 31, in Los Angeles, California.

Irene Kleinberg
IRENE KLEINBERG

GCC1875

John D. Holum
O'Melveny & Myers
1800 M Street N.W.
Washington, D.C. 20036

Attorneys for Respondent
Four Seasons Hotels, Ltd.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Four Seasons Hotels, Ltd.	MUR 1859 Brief of Respondent Four Seasons Hotels Ltd. in Response to General Counsel's Recommendation for a finding of Probable Cause Date: October 29, 1986

86 OCT 29 P12:00

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E. Section 441e of the Act Was Not Violated Because There Was No "Contribution" as Defined by the Act and Also Because Respondent's Expenditures on Behalf of Proposition F Were Not in Connection With Any "Political Office" 21

IV. CONCLUSION 24

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I. STATEMENT OF FACTS

During the 1984 general election campaign, there appeared on the ballot in Beverly Hills, California, a referendum, known as "Proposition F", concerning a change in the City of Beverly Hills' zoning ordinances to permit construction of hotels in certain areas above the three-story height limit imposed by the City. Respondent Four Seasons, a Canadian corporation, desired to build a twelve-story hotel in the business district of Beverly Hills. Four Seasons' proposed hotel would have been feasible if the zoning changes contained in Proposition F had been approved by City voters. As a result, Four Seasons supported the passage of Proposition F.

During the campaign, a committee made up of supporters of the Proposition, the "Yes on F" Committee, was formed and duly registered with the California Secretary of State. The sole purpose of "Yes on F" was to achieve the passage of Proposition F. This Committee received funds from Respondent Four Seasons as well as from other sources. According to public reports, the Committee spent some $295,000 in support of Proposition F. Respondent Four Seasons contributed roughly $126,000, or 42.5%, of that amount.

During the campaign, "Yes on F" made a payment to an independent and distinct organization, the "Community Campaign Committee," of a total of $8,500, in return for which the latter Committee was to include a message of support of Proposition F on a flier, described as a slate card, to be mailed to Beverly Hills residents. One side of the flier was devoted primarily to a list of the arguments in support of a "yes" vote on Proposition F. The other side came in two versions, both of which contained instructions on how to vote by mail and listed recommended positions on various State and Los Angeles County propositions, including a recommendation for a "Yes" vote on Proposition F in bold type-face. It also listed candidates on the ballot for State and Federal office under the legend, "Your Beverly Hills Absentee Voting Guide." One version, which was mailed to registered Republican voters, listed the Republican candidates for President, Vice-President, U.S. Congress, and the California Assembly. The other version, mailed to registered Democrats, listed the Democratic candidates for those same offices. Both mailers also listed the same candidates for two nonpartisan judicial offices on the Los Angeles Superior Court. Slate mailers of this type are a common form of campaigning for and against ballot measures in California. Affidavits received by the Commission demonstrate that "Yes on F," with the knowledge of Respondent Four Seasons, intended to purchase "space" on such mailers, for the purpose of advocating an affirmative vote on proposition F.

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Despite this and other efforts, Proposition F was defeated in the November 6 election by a margin of 31 percent in favor and 69 percent against.

II. SUMMARY

The evidence does not support a conclusion that Respondent Four Seasons was the source of any expenditure whatsoever on behalf of Federal candidates. Rather, Respondent and the committee in which it played a role, the "Yes on F Committee," intended only to purchase space on a slate mailer to convey their own message in support of Proposition F. If there was an expenditure on behalf of Federal candidates it did not come from the Respondent.

In any event, the existence of expenditures to convey the names of Federal candidates on the mailer -- constituting, based on proportional allocation of space, no more than $212.50 out of total "Yes on F" campaign spending of some $295,000 -- does not demonstrate that Respondent's expenditures were made "for the purpose" of influencing the election of Federal candidates. On the contrary, it is manifest that Respondent had an entirely distinct purpose, that of winning support for proposition F. In similar cases, the Commission has applied a "primary purpose" test to find

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no violation of the Act when expenditures may have indirectly benefitted a Federal candidate. The "primary purpose" test has received judicial approval, and has been found particularly applicable, where, as here, the benefit did not favor one major party over the other.

Respondent's expenditures were not made "to" a "candidate, campaign committee, or political party;" restrictions on expenditures to a "political committee" do not apply to the proscriptions under 2 U.S.C. §§ 441(b) and 441(e), the provisions involved here. A Federal district court has held that the definition of "expenditure" in § 441(b)(b)(2) is exclusive, and that definition would not reach this spending.

As an expenditure, rather than a contribution, and since it does not "expressly advocate the election or defeat of a clearly identified candidate," the corporate communication in this case is corporate speech deserving of First Amendment protection.

Since there was no "contribution" as defined by the Act and because Respondent's expenditures were not in connection with any political office, there was no violation of § 441(e) relating to contributions by foreign nationals.

III. DISCUSSION

A. Respondent made expenditures only to purchase space for the advocacy of Proposition F.

There is no evidence, nor is it even asserted, that respondent Four Seasons Hotels intended to contribute to or make expenditures on behalf of any Federal candidate. Affidavits relied upon by the General Counsel support no more than a conclusion that Respondent intended to purchase "space" on a slate mailer for the purpose of encouraging an affirmative vote on Proposition F. See Affidavit of Arnold L. Cader, paragraph 8; Affidavit of Dorothy Chilkov, paragraphs 4, 5, 9; Affidavit of Roz Siegel, paragraph 6(c). At no time was it suggested to Four Seasons that they would also be purchasing space to advocate the election of Federal candidates. Rather, their intention was to participate in a project which would include a message, underwritten by the "Yes on F" Committee, that supported Proposition F.

Nor is there any evidence that the Community Campaign Committee, which wrote and distributed the slate cards in question, was an agent of or was supervised in any way by Respondent. On the contrary, it was a distinct committee organized by Messers Barad & Levine. Affidavit of

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Roz Siegel, paragraph 6(h). As the Affidavit of Mr. Cader makes clear (paragraph 7), Respondent Four Seasons had no role in the direction, control, operation or management of the Community Campaign Committee.

On the basis of general information about the operation of the "Yes on F" Committee, the General Counsel has drawn a specific factual inference that is not supportable on the record. Specifically, on the grounds that Arnold Cader generally supervised the "Yes on F" Committee and approved its expenditures, and since he had knowledge that "Yes on F" was to use a portion of its funds to purchase "space" on a slate mailer, the General Counsel has concluded that respondent and/or "Yes on F" intended to and knowingly did pay for a message supporting Federal candidates. They intended no such thing, but only paid a fee, quoted by the Community Campaign Committee, to have their own message conveyed to people who would be receiving the mailer.

According to the General Counsel's description, Sam Cogar, an employee of Roz Siegel's group "Campaign Associates," contacted the organizers of the Community Campaign Committee about a "prospective purchase of space" on a slate mailing (emphasis supplied). When told of the proposal, Mr. Cader of Four Seasons "approved the idea of purchasing space for Proposition F on slate mailers."

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According the Roz Siegel Affidavit (paragraph 6(c)), Mr. Cogar had heard that the organizers of the Community Campaign Committee were going to do an absentee ballot mailing and contacted them to inquire as to the cost if "Yes on F" participated. There is no evidence that Respondent or the "Yes on F" Committee intended to underwrite the purchase of space to identify or endorse Federal candidates on the mailer; on the contrary, the evidence supports the opposite inference, that Respondent intended only to underwrite the conveyance of its own message in support of Proposition F.

In these circumstances, Respondent's position was analogous to that of an advertiser who buys, from an independent contractor, space for its message on a billboard which also contains another message, or space for its message in a newspaper which also contains messages endorsing Federal candidates. It should not thereby be assumed that the advertiser is responsible for or endorses everything that appears on the display. Neither should it be assumed in this case that Respondent is responsible for information on the mailers that was not directly related to its own message.

In similar circumstances, the United States District Court for the Central District of California has recently concluded that an organization comparable to that of the

Community Campaign Committee which published a slate mailer and provided space free for some Federal candidates while charging sponsors of other messages thereby itself made expenditures on behalf of such candidates. Federal Election Commission v. Californians for Democratic Representation, CV 85-2086-JMI (January 9, 1986). Whether or not such an independent organization makes expenditures for Federal candidates by carrying their names free of charge is a separate factural inquiry. However, it is an unwarranted excursion from logic to conclude that a separate and unrelated corporation, intending only to purchase "space" for its own message, thereby has made a contribution to Federal candidates, even though it had no intention to do so and even though it had no knowledge that it would be doing so.

The Californians for Democratic Representation case suggests that the analogy to a newspaper advertisement should be carried one step further. Suppose that a newspaper provided, free of charge, advertisements for Federal candidates, while at the same time charging corporations for their messages in the same editions. It would be blatantly unreasonable on such facts to conclude that the corporate advertisers had made expenditures on behalf of the Federal candidates, for to do so would be to neglect the obvious source of the contributions, and to fix instead on an entirely innocent party. The same has been done here.

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B. Expenditures made by the Respondent were not made "for the purpose" of electing Federal candidates.

Even if it is assumed that Respondent unintentionally paid for the cost of transmitting Federal candidates' names, the expenditures in this case are not reached by the Act because the Commission's "primary purpose" test is not met.

For a violation to occur, the definition of "expenditure" in § 431(9) of the Act explicitly requires that the expenditure have been made "for the purpose of influencing" an election for Federal office. The circumstances of the present case demonstrate that the sole purpose for which Respondent expended funds was not the election or defeat of any Federal candidate, but the passage of Proposition F.

Clearly it would be untenable to assert, even construing all evidence against the Respondent, that the "Yes on F" effort, so clearly important to Respondent, was in fact only a subterfuge to mask Respondent's real intent to influence campaigns for Federal office. On the contrary, Respondent's objective was wholly unrelated to the Federal campaign.

As noted above, slate cards are a common form of campaign advocacy in California, and the "Yes on F Committee"

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only elected to make use of this standard vehicle as a means of transmitting its message to the voters. This purpose was entirely distinct from influencing a Federal election. There was no express advocacy of the election or defeat of any candidates, nor was there a solicitation of funds on behalf of any such candidate. Slate cards were provided for both parties, an action which is wholly inconsistent with an intent to support any one party or candidate over another. Moroever, approximately 2.5% of the total space on the mailer, consuming proportionately about $212.50 of the total $8,500 fee paid to the Community Campaign Committee for the mailer, was devoted to listing Federal candidates. This equals about 0.09% of the $295,000 spent by the "Yes on F Committee," a negligible sum, and wholly insufficient to establish any purpose at all in connection with federal candidates.*

A number of actions and Advisory Opinions of the Commission have made clear that contributions or expendi-

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* The amount is even less significant in comparison to the sums spent on their campaigns by the Federal candidates listed on the mailer, and therefore fails entirely to raise the "overriding concern" behind the Act and its predecessors, which is the "corruption of elected representations through the creation of political debts." See United States v. United Auto Workers, 352 U.S. 567 (1957).

tures do not fall within the intent of the Act if the major purpose of the activity in question is not to influence the nomination or election of a Federal candidate. For example, in MUR 1235 the Commission considered expenditures by a committee formed in California for the purpose of promoting a reduction in that State's income tax through the passage of a State initiative called "Proposition 9." The committee sponsored radio and television advertisements on behalf of Proposition 9, and such advertisements mentioned, as a supporter of such proposition, Mr. Paul Gann, who was a candidate for the Republican nomination for the United States Senate in the same election. The General Counsel's report on the matter of May 27, 1980, recognized that "the major purpose of these advertisements is not the election of Paul Gann to Federal office, but the passage of Proposition 9." The General Counsel noted that this conclusion is especially likely to be reached in cases where there is "an absence of any communication expressly advocating the election or defeat of a candidate or the solicitation of a campaign contribution." And the opinion concluded that, "though the advertisements have indirectly benefitted Mr. Gann's candidacy, it is clear that the major purpose of these advertisements is not to influence a Federal election . . . ."

The Commission's "primary purpose" test has been judicially reviewed and approved in another case with elements

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in common with the present matter. In John Epstein v. Federal Election Commission, Fed. Elc. Camp. Fin. Guide (CCH) ¶ 9161, at 51,243 (D.D.C. 1981), Reader's Digest Association, Inc. had purchased an advertisement which excerpted two articles it previously had published. One, written by a Republican Congressman, was headed, "Why You Should Vote Republican," and the other, written by a Democratic Congressman, was entitled "Why You Should Vote Democratic." The advertisement also contained language promoting Reader's Digest as "a forum for ideas that deeply concern the community at large." In that case, as here, to the extent that there might have been any political benefit, it was available equally to both major parties. And the Commission applied the test which is also appropriate here, relying, as the court said, upon, "a growing body of decisions by the Commission that remove advertisements and other forms of publicity from the Act's prohibition if they have a purpose distinct from political assistance of candidates whose campaigns are covered by the Act." The court concluded that,

> . . . the Commission may reasonably determine that expenditures on publicity that have a purpose other than assistance of political candidates covered by the Act were not intended by Congress to be punished under the Act. Particularly is this so when the 'major purpose'

of the publicity is self-evidently not to advocate the election of candidates, but to promote the organization paying for the publicity.

The court also found there was "nothing unreasonable" in the Commission's refusal to consider that the Digest offered commentary only from representatives of the two major parties, since,

> ". . . what matters is whether the challenged publicity, whatever its content, has no partisan purpose. Furthermore, at worst, this publicity was bi-partisan."

Applying the "primary purpose" test, the Commission has determined that a number of other benefits to candidates do not constitute corporate contributions, including:

-- Preparation by a charity organization of a brochure containing a picture of and letter by a candidate for Congress, and distribution of the brochure, including transmittal to people in the candidate's district. The Commission concluded that while the activity indirectly may have provided a benefit to the Federal candidacy, its "major purpose" was not the nomination or election of a candidate. AO 1978-15.

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-- A "non-profit, non-partisan salute" to a congressman who presumably would be running for reelection from Arizona. The Commission concluded that the event was "not for the purpose of influencing" the congressman's nomination or election to Federal office. AO 1978-4.

-- Chairmanship by a candidate for Congress of a state-wide petition drive, initiated by his state party, against the Panama Canal Treaty. All mailings, newsletters, news stories and advertisements included the candidates name, and at least some were distributed in his district. The Commission concluded that this did not constitute contributions to or expenditures by his campaign. AO 1977-54.

-- Hosting of interview programs by an incumbent congressman who was a candidate for reelection, for which he was employed and paid in part by the radio station that broadcast the programs and in part by commercial sponsors. The Commission concluded that funding of these appearances did not constitute a contribution or expenditure on behalf of the candidate either by the sponsors of the programs or by the radio station. AO 1977-42.

-- An advertisement by a commercial magazine listing an incumbent representative's committee assignments, educational achievements, and positions on certain issues.

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The advertisement spoke of the congressman in "glowing terms", and invited subscriptions to the magazine. It was determined not to constitute a contribution to the congressman's candidacy, since the "major purpose" of the advertisement was not the nomination or election of the congressman but promotion of the magazine. MUR 1051.

In light of these precedents, the "primary purpose" test clearly warrants dismissal of the present case.

C. Expenditures by Respondent were not made "to" a candidate, campaign committee, or political party or organization.

The only way the "primary purpose" test can be deemed inapplicable here is if the Commission concludes that the expenditures themselves are not covered by the Act.

The Act contains two separate definitions of "contribution" and "expenditure." That set forth in § 441b(b)(2), contiguous to the provision which prohibits such corporate activities in connection with Federal campaigns, provides that that they "shall include," in a variety of forms, direct or indirect payments . . . to any candidate, campaign committee, or political party or organization . . .

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The expenditures here, however, were not under to any such group. The separate definitions of "contribution" and "expenditure" in § 431 also includes contributions to a "political committee" as defined in § 431(4)(A). However, a "political committee" is not the equivalent of a "campaign committee" or "political party or organization" under § 441b(b)(2). There is a considerable difference between a "political committee" as broadly defined in § 431(4)(A), which might reach groups, such as the "Yes on F" Committee or the Community Compaign Committee, with no organized political affiliation whatever, and the closer identification with a political party, candidate, or campaign which appears to be intended in § 441b(b)(2).

The § 441b(b)(2) definition must be read in light of the specific prohibitions to which it relates in § 441b(a), against corporate contributions or expenditures in connection with nominations or elections to certain specified Federal offices. When so read, it becomes clear that neither the "Yes on F Committee" nor the "Community Campaign Committee" met the definition of proscribed recipients of corporate contributions set forth in § 441b(b)(2).* Further

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* The mailer that is the subject of the complaint specifically states that the "Community Campaign Committee" is "not an official political group," which helps to demonstrate its intentions and the intentions of those who had dealings with it.

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confirmation that § 441(b)(2) was not intended to sweep so broadly is found in the fact that "political committee" is a term of art under the Act, yet § 441b(b)(2), in listing the groups to which the restriction on corporate contributions or expenditures extends, specifically does not mention "political committee" among them.

A recent Massachusetts U.S. District Court case, Federal Election Commission v. Massachusetts Citizens For Life, Inc., 589 F. Supp. 646 (D. Mass. 1984), has reached conclusions about the Act which are quite relevant to this analysis. In that case, a corporation published a special election paper listing candidates' voting records on issues of concern to the organization and also urged its readers to vote. The court concluded that the definition of corporate "contributions" or "expenditures" in § 441b(b)(2) "outlaws indirect payment or gifts of anything of value to any candidate, campaign committee, or political party or organization," (emphasis in the original), and reasoned that the publication in question "was uninvited by any candidate and uncoordinated with any campaign," and so was not within the section.

That is also the case here. There is no evidence that either the "yes or F" Committee or the Community Campaign Committee had any relationship with any candidate or campaign.

The Massachusetts court also concluded, in a footnote, that the definition of expenditure in § 441b(b)(2) is "exclusive," despite the use of the verb "shall include" rather than "shall mean," because the definition section of the Act "in effect adopts the § 441b(b)(2) definition."* It is difficult to imagine circumstances in which this definition would permit an expenditure or contribution by a corporation which is not covered by § 441b(b) nevertheless to be included under the prohibitions of the Act.

In sum, § 441b(b)(2) contains the exclusive definition of "expenditure" and "contribution" as applied to corporate activities prohibited under § 441b(a) of the Act. Neither the "Yes on F Committee" nor the "Community Campaign Committee" was a "candidate, campaign committee, or political party or organization" as contemplated in § 441b(b)(2) of the Act. There was, therefore, no contribution "to" such an organization, as is required if a violation of § 441b is to be found.

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* This recognized the reality that in the definitions part of the Act, § 431(8)(B)(vi) excludes from the definition of "contribution," and similarly, § 431(9)(B)(v) excludes from the definition of "expenditure", "any payment made or obligation incurred by a corporation or a labor organization which, under § 441(b) of this Title, would not constitute an expenditure by such corporation or labor organization."

D. Since the expenditures by Respondent did not expressly advocate the election or defeat of any Federal candidate, they deserves constitutional protection under the First Amendment.

It is well settled that corporate speech, as well as individual speech, enjoys First Amendment protection. In the leading case of First National Bank of Boston v. Bellotti, 435 U.S. 765 (1978), the U.S. Supreme Court struck down as unconstitutional a Massachusetts statute that forbade expenditures by banks and business corporations to influence the outcome of certain referenda, thereby protecting precisely the kind of speech that was Respondent's purpose in this case. It is also clear that independent "expenditures" generally enjoy a higher degree of constitutional protection than do "contributions." In Buckley v. Valeo, 424 U.S. 1 (1976), the Court distinguished between the two, holding unconstitutional a statutory provision which limited individual political expenditures, even on behalf of candidates, while recognizing the $1,000 per candidate limit on contributions to be a reasonable limitation on First Amendment rights. The Act's prohibitions on corporate contributions to and expenditures on behalf of Federal candidates also have been approved. However, as a general proposition, limits on expenditures, as opposed to contributions, must meet a rather precise test. In order to survive a challenge on First

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Amendment grounds, the Court in Buckley read § 434(e), imposing independent reporting requirements on individuals and groups that are not candidates or political committees, as being limited to circumstances in which such groups make expenditures for communications that "expressly advocate the election or defeat of a clearly identified candidate."

While the precise issue of applying that standard to corporate expenditures has not been addressed, conditions no less rigorous should be attached to limits on corporate expenditures which are not made to or coordinated with a campaign for Federal office. In this case, the slate cards in question clearly did not expressly advocate the election or defeat of any candidate, for example through the use of such phrases as "vote for," "elect," or "cast your ballot for" the candidates in question. As noted elsewhere, this confirms the lack of any purpose on Respondent's part to support such candidates. It also suggests that Respondent's expenditures were used for an expression that was sufficiently ambiguous in character to enjoy, along with the remainder of the mailer, the status of constitutionally protected "speech," as distinguished from proscribable "actions" in the form of contributions to or expenditures on behalf of a Federal candidate.

E. Section 441e of the Act was not violated because there was no "contribution" as defined by the Act and also because Respondent's expenditures on behalf of Proposition F were not in connection with any "political office."

The discussion above establishing that there was no "contribution" within the framework of the Act as applied to § 441b also applies to § 441e regarding foreign nationals. Respondent made no "contributions" as defined by the Act, and therefore could not conceivably have run afoul of the section prohibiting certain of "contributions" by foreign nationals, since an indispensable element of the offense is absent.

In addition, it is clear that § 441e does not reach contributions by foreign nationals to municipal level referenda, since it renders unlawful only contributions "in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office." (Emphasis added.) The pertinent regulation, 11 C.F.R. § 110.4(a)(1), also contains the limitation that the proscribed contribution must be made "in connection with any local, state or federal public office." Proposition F manifestly did not involve a political office and, therefore, Respondent's contributions to that campaign were entirely permissible under the Act.

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IV. CONCLUSION

On the basis of the foregoing discussion, we respectfully submit that the Commission should not make a finding of probable cause and instead should dismiss MUR 1859.

Respectfully submitted,

John D. Holum
for O'Melveny & Myers
Attorneys for Four Seasons
Hotels, Limited.

Dated: October 29, 1986

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RECEIVED AT THE FEC
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86 OCT 6 P1:12

BARAD & LEVINE

Political Consultants
Public Relations • Fundraising

October 3, 1986

Charles N. Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859

Dear Mr. Steele,

We hereby request an extension of 20 days to respond to your communication of September 19, 1986, for the following reasons:

1. Your communication was not received in our office until September 26, 1986 -- seven days after the date on the communication;

2. Because of the tardy delivery of your communication, we were left with just seven days to reply by the deadline and that was not sufficient time for a complete review of this matter by our legal counsel.

Thank you for your consideration.

Sincerely,

Larry Levine
for Community Campaign Committee

86 OCT 6 P4:46

13701 Riverside Drive, Suite 600 • Sherman Oaks, California 91423 • (818) 906-0960

ARAD & LEVINE

13701 Riverside Drive, Suite 600
Sherman Oaks, CA 91423

Charles N. Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

12

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 14, 1986

Larry Levine
Community Campaign Committee
13701 Riverside Drive, Suite 600
Sherman Oaks, California 91423

Re: MUR 1859
Community Campaign Committee

Dear Mr. Levine:

This is in reference to your letter dated October 3, 1986, in which you request a twenty day extension of time to respond to the General Counsel's brief in the above referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 31, 1986. If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704044180

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Larry Levine
Community Campaign Committee
13701 Riverside Drive, Suite 600
Sherman Oaks, California 91423

Re: MUR 1859
Community Campaign Committee

Dear Mr. Levine:

This is in reference to your letter dated October 3, 1986, in which you request a twenty day extension of time to respond to the General Counsel's brief in the above referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 31, 1986. If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

cbf 10/14

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STEPHEN L. JONES
Attorney at Law
725 South Figueroa Street, Suite 1200
Los Angeles, California 90017-2513
(213)488-7180

October 17, 1986

OCT 23 P 4:03

Federal Election Commission
Washington, D.C. 20463
Attn: Secretary of the Commission

Re: MUR 1859
W. B. Johnson Properties, Inc.

37040411182

Dear Commissioners:

Enclosed is a brief submitted on behalf of W. B. Johnson Properties, Inc. in response to the General Counsel's Brief dated September 20, 1986.

Very truly yours,

Stephen L. Jones
Attorney for W. B. Johnson
Properties, Inc.

SLJ;lfg
cc: Office of General Counsel
FEC1017

FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
W. B. Johnson Properties, Inc.	)	
	)	

BRIEF OF RESPONDENT W.B. JOHNSON PROPERTIES, INC.

1. Summary of Argument.

A necessary element in the analysis of the Brief of the General Counsel is : (1) that the persons who contracted to provide services to the "Yes on 'F' Committee" acted as agents of the contributors, Respondent W. B. Johnson Properties, Inc. and of the Four Seasons Hotels, Ltd., to the Committee and (2) that the scope of this agency included the purpose of influencing a federal election. Respondent respectfully submits that neither is true in fact or in law. The only agent of Respondent who was in any way involved in this matter was its employee, William R. Murrah, and his declaration shows that he was unaware of the nature, content, or design of the mailer until after its dissemination and that he had no intention whatsoever to influence any election other than the Beverly Hills ballot measure "F."

Second, the Commission's "primary purpose" test is not met -- the "benefit," if any, of the mailer to the federal candidates was, at the very best, de minimus. Attached hereto is a complete copy of the mailer, both front and back, which clearly discloses its purpose to influence only the "Yes on 'F'" campaign. Indeed, counsel is informed that the General Counsel

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himself has already determined in connection with its investigation of another party -- the Community Campaign Services -- concerning this very same mailer that the benefit to federal candidates was de minimus.

Finally, as further evidence of the lack of any influence of a federal election and of the lack of any intent to influence any federal election, it should be noted that the mailer is not a "slate mailer" as that term is commonly used by campaign consultants. It is an invitation to the voters to apply for an absentee ballot and its sole purpose and design is to identify and target, for follow-up contact, those persons who anticipate voting by absentee ballot. Not only is this purpose disclosed on the face of the mailer, but the mailer was sent to the prospective voters too early in the campaign to be of use as an ordinary "slate mailer." As a mailer to identify and target prospective absentee voters, its benefit went only to the entity who actually received the mailer's returned post cards. The return cards were addressed and sent to a post office box in Beverly Hills and were picked up and used only by the "Yes on 'F' Committee."

2. Argument

A. There Was No Agency Relationship Between The "Yes on 'F' Committee" And Its Contributors.

Counsel does not wish to occupy this Commission's time with a treatise on the law of agency. Sufficient to say, the facts as set forth in the General Counsel's Brief do not

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establish an agency relationship nor did one exist in fact. As a simple hypothetical, suppose that (say) a staffer on the "Yes on 'F' Committee" had hit a pedesrian with his or her car while on business for "Yes on 'F' Committee." I do not believe that the contributors to the "Yes on 'F' Committee" would be liable for the pedestrian's injuries. Yet that is exactly the agency relationship necessary to the analysis of the General Counsel.

B. Even if There Were An Agency Relationship Between The "Yes on 'F' Committee" And Its Contributors, Any Attempt To Influence A Federal Election Was Beyond The Scope of Such Agency.

If the above agency hypotheical is altered so that, instead of hitting the pedestrian while performing some function for the "Yes on 'F' Committee", the staffer instead chose to sneak off and go to the beach and hit a pedestrian while parking at the beach, neither the "Yes on 'F' Committee" nor especially any of its contributors would be liable for the pedestrian's injuries.

In the instant case, both of the contributors to the "Yes on 'F' Committee" are in the business of constructing and managing hotels and each desired to construct a hotel in the City of Beverly Hills, which construction would have been prohibited by the passage of Proposition "F." The sole purpose of each of the contributors was therefore not political in any way -- not even locally -- but was purely a matter of business economics, to prevent the loss of a potential hotel development. There is

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neither evidence nor argument that there was any actual intent to influence a federal election by anyone -- including the "Yes on 'F' Committee" or any of its staff.

C. There Was No Influence On A Federal Election And No Intent To Influence A Federal Election By Anyone, Whether Or Not An Agent of Respondent.

Under the "primary purpose" or "major purpose" test, this Commission has found that otherwise protected speech which only incidentially may have an effect on a federal election is not in violation of 2 U.S.C. §441b. See, e.g., John Epstein v. Federal Election Commission, Fed. Election Camp. Finance Guide (CCH) ¶9161, at 51,243 (D.D.C 1981).

Attached hereto and incorporated herewith is a copy of the mailer in question. One entire side of the mailer is devoted to advocating the "Yes on 'F'" position. The portion devoted to federal elections is so small that if the total cost of the mailer ($8,500) is apportioned by the space on the mailer, then the total expenditure relating to the federal elections is approximately $212.50 -- compared to a total $225,000 spent on the campaign by the "Yes on 'F' Committee."

Moreover, Respondent is informed that the General Counsel himself has declined to bring certain charges against the organization that actually designed and mailed the mailer, the "Community Campaign Committee," on the grounds that the alleged expenditure is de minimus. Respondent is further informed that the only charge brought against the Community Campaign Committee

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is based on its failure to include in the mailer the language, "Not authorized By Federal Candidates."

Finally, the mailer is not a "slate mailer" as that term is ordinarily used. [1/]

A review of the mailer shows that it is, on its face, not a slate mailer at all but an invitation for the voters to request absentee ballots. Its sole purpose was to enable the "Yes on 'F' Committee" to identify and target for further mailings, those persons who intended to utilize the absentee voting procedures. This, in practical terms, the list of the different candidates and local propositions did not even have an incidental benefit for any such candidate or proposition, since the mailer went out too early in the campaign for such tactics to be successful.[2/]

Therefore, the sole benefit of the mailer was derived by the entity who received the post cards that were returned by the prospective voters. Although the post cards were self-addressed to "Community Campaign Committee" at a Beverly Hills post office box, the returned post cards were actually picked up at the post office box by the "Yes on 'F' Committee." Therefore, not only was the "benefit" to the federal candidates not a primary or major purpose of the mailer, in point of fact

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1/ The following information was provided to counsel by Sam Cogar, an assistant to Roz Segal, the consultant to the "Yes on 'F' Committee". Mr. Cogar declined, however, to provide a declaration.

2/ See note 1 above. Although there is no date on the mailer, the Community Campaign Committee reported the mailer as an expenditure on its filing for the period, 9-18-84 through 10-20-84, a period at least two and a half weeks before the election.

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the mailer conferred no benefit at all to such candidates.

For the reasons set forth above, Respondent W. B. Johnson Properties, Inc. respectfully requests this Commission not make a finding of probable cause and that this matter be dismissed.

Dated: October 17, 1986

Respectfully submitted,

Stephen L. Jones

Stephen L. Jones

8704064183

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U S Postage
PAID
Permit No 1832
Beverly Hills, Calif
Cr Rt Sort

VOTING BY MAIL—
It's Legal
It's Easy
It's Convenient!

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.
2. Proposition "F" will restrict hotels to the business triangle.
3. Proposition "F" will mandate free off-street parking for all employees.
4. Proposition "F" will ensure plentiful parking for guests.
5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors
6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.
7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services

TEAR HERE

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

(Name)

(Street Address)

(City) (State) (Zip)

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Sign as Registered Above (Do Not Print)) (Date) (Phone Number)

8 7 0 4 0 5 4 4 1 8 9

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — No	#37 — No
#26 — No	#31 — Yes	#38 — Yes
#27 — No	#32 — No	#39 — Yes
#28 — Yes	#33 — Yes	#40 — No
#29 — Yes	#34 — Yes	#41 — No
	#36 — No Recommendation	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — YES

Paid for by **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

R

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO 4054 BEVERLY HILLS CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

perm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 1, 1986

John Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, DC 20036

Re: MUR 1859
Four Seasons Hotels, Ltd.

Dear Mr. Holum:

This is in response to your letter dated September 26, 1986, in which you request a twenty day extension of time to respond to the General Counsel's brief in the above-referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 29, 1986. If you have any questions, please contact Charles Snyder at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble (RWT)

By: Lawrence M. Noble
Deputy General Counsel

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pelm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 1, 1986

Stephen L. Jones, Esquire
Lillick, McHose & Charles
Citicorp Plaza
725 South Figueroa - Suite 1200
Los Angeles, CA 90017

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

This is in response to your letter dated September 26, 1986, in which you request a sixteen day extension of time to respond to the General Counsel's brief in the above-referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 20, 1986. If you have any questions, please contact Charles Snyder at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704064192

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, DC 20036

Re: MUR 1859
Four Seasons Hotels, Ltd.

Dear Mr. Holum:

This is in response to your letter dated September 26, 1986, in which you request a twenty day extension of time to respond to the General Counsel's brief in the above-referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 29, 1986. If you have any questions, please contact Charles Snyder at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

87044419

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
Lillick, McHose & Charles
Citicorp Plaza
725 South Figueroa - Suite 1200
Los Angeles, CA 90017

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

This is in response to your letter dated September 26, 1986, in which you request a sixteen day extension of time to respond to the General Counsel's brief in the above-referenced matter.

I have reviewed your request and agree to the requested extension. Accordingly, your response is due no later than October 20, 1986. If you have any questions, please contact Charles Snyder at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

87040541194

Snyder
CCCH1643

86 SEP 29 A9:40

Stephen L. JONES
Attorney at Law
725 South Figueroa Street, Suite 1200
Los Angeles, California 90017-2513
(213)488-7180

September 26, 1986

86 SEP 29 A10:39

BY FEDERAL EXPRESS

Federal Election Commission
Office of General Counsel
Washington, D.C. 20463

Attn: Charles Snyder
Re : MUR 1859
W.B. Johnson Properties, Inc.

Dear Commissioners:

Request is hereby made for an extension of time of 16 days until and including October 20, 1986 for W.B. Johnson Properties, Inc. to file a responsive brief to that of the General Counsel.

This request is made on the following grounds: (1) the brief of the General Counsel was not received by these offices until yesterday, September 25, 1986, leaving inadequate time to prepare a response -- especially since the last communication regarding this matter was April 18, 1985; (2) the principal individual in charge of the matter for W.B. Johnsoon Properties, Inc. (William Murrah) is no longer with the company; and (3) the brief of the General Counsel raises certain factual issues, such as those involving the degree of knowledge and extent of participation in the preparation and content of the slate mailers by an individual, Roz Segal, who has no association with W.B. Johnson Properties, Inc. As of the time and date of this letter, counsel for W.B. Johnson Properties has been unable to contact Ms. Segal.

8704044195

Thank you in advance for your consideration of this request.

Very truly yours,

Stephen L. Jones

SLJ;lfg
cc Rufus A. Chambers
Vice President and Corporate Attorney

3704641196

GCC#16 32

O'MELVENY & MYERS

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997796 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1599
TELEPHONE (213) 553-6700
TELEX 67-4097

1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 467-5300
TELEX 89-622 (202) 833-3672 (DDD)

610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722066 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 847-4040
TELEX 127006

September
26th
1 9 8 6

OUR FILE NUMBER
278,254-1

WRITER'S DIRECT TELEPHONE
(202) 457-5319

86 SEP 26 P4:36

Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attention: Charles Snyder, Esquire

Re: MUR 1859, Request for Extension of Time

Dear Mr. Snyder:

This letter constitutes the formal request of Respondent Four Seasons Hotels, Ltd. for a twenty (20) day extension of time for filing of a brief in response to the General Counsel's brief in regard to probable cause to believe that Respondent has violated 2 U.S.C. §§ 441(b) and 441(e).

The added time will be required primarily to familiarize currently responsible officials at Four Seasons Hotels as to the status of the case and the issues involved. As you know, the Commission determined on March 26, 1985 -- eighteen months ago -- that there was reason to believe a violation had occurred. Over the lengthy delay since then, the individuals most directly responsible for the matter in question have left the employ of Four Seasons Hotels. Therefore the records will have to be reviewed and decisions will have to be made by officials who are entirely unfamiliar with the case. The process of developing our position is further complicated by the fact that the partner in charge of our representation of this client has recently left O'Melveny & Myers and the partner who has succeeded to his responsibility is presently in Europe.

Under these circumstances, and in light of the fact that the General Counsel has had some eighteen months to develop his position, we think it is reasonable that Respondent should have at least thirty-five days to prepare its answers.

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#2 - Office of General Counsel - 09/26/86

Since we received the notification of the General Counsel's recommendation on September 24th, we understand that with a twenty day extension beyond the fifteen days allotted, the brief would be due on Wednesday, October 29th.

Thank you for your consideration of this request.

Sincerely,

John Holum

John Holum
Special Counsel to
O'Melveny & Myers

Attorneys for Four
Seasons Hotels, Ltd.

JH/sr

8704041198

RECEIVED AT THE FEC
GCO#1643
86 SEP 29 A9:40

Stephen L. JONES
Attorney at Law
725 South Figueroa Street, Suite 1200
Los Angeles, California 90017-2513
(213)488-7180

September 26, 1986

86 SEP 29 A10:39

BY FEDERAL EXPRESS

Federal Election Commission
Office of General Counsel
Washington, D.C. 20463

Attn: Charles Snyder
Re : MUR 1859
W.B. Johnson Properties, Inc.

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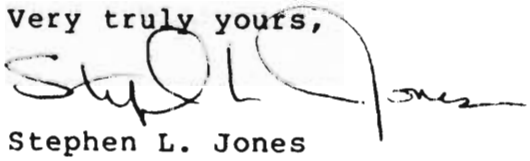
8704341199

Thank you in advance for your consideration of this request.

Very truly yours,



Stephen L. Jones

SLJ;lfg
cc Rufus A. Chambers
Vice President and Corporate Attorney

87044200

GCC#1632

O'MELVENY & MYERS

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

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TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

September
26th
1 9 8 6

OUR FILE NUMBER
278,254-1

WRITER'S DIRECT TELEPHONE
(202) 457-5319

86 SEP 26 P 4:36

Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attention: Charles Snyder, Esquire

Re: MUR 1859, Request for Extension of Time

Dear Mr. Snyder:

This letter constitutes the formal request of Respondent Four Seasons Hotels, Ltd. for a twenty (20) day extension of time for filing of a brief in response to the General Counsel's brief in regard to probable cause to believe that Respondent has violated 2 U.S.C. §§ 441(b) and 441(e).

The added time will be required primarily to familiarize currently responsible officials at Four Seasons Hotels as to the status of the case and the issues involved. As you know, the Commission determined on March 26, 1985 -- eighteen months ago -- that there was reason to believe a violation had occurred. Over the lengthy delay since then, the individuals most directly responsible for the matter in question have left the employ of Four Seasons Hotels. Therefore the records will have to be reviewed and decisions will have to be made by officials who are entirely unfamiliar with the case. The process of developing our position is further complicated by the fact that the partner in charge of our representation of this client has recently left O'Melveny & Myers and the partner who has succeeded to his responsibility is presently in Europe.

Under these circumstances, and in light of the fact that the General Counsel has had some eighteen months to develop his position, we think it is reasonable that Respondent should have at least thirty-five days to prepare its answers.

87040420

#2 - Office of General Counsel - 09/26/86

Since we received the notification of the General Counsel's recommendation on September 24th, we understand that with a twenty day extension beyond the fifteen days allotted, the brief would be due on Wednesday, October 29th.

Thank you for your consideration of this request.

Sincerely,

John Holum

John Holum
Special Counsel to
O'Melveny & Myers

Attorneys for Four
Seasons Hotels, Ltd.

JH/sr

8704044202

O'MELVENY & MYERS
1800 M STREET N.W.
WASHINGTON, D.C. 20036-5857

Office of General Counsel
Federal Election Commission
999 E Street, N.W., #657
Washington, D.C. 20463

Attention: Charles Snyder, Esquire

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: MUR 1859

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. Copies of these briefs and letters notifying the respondents of the General Counsel's intent to recommend to the Commission findings of probable cause and no probable cause to believe were mailed on September 19, 1986. Following receipt of the Respondents' replies to this notice, this Office will make a further report to the Commission.

Attachments
1. Briefs (4)
2. Letters to Respondents

87044054204

RECEIVED
OFFICE OF THE SEC
COMMISSION SECRETARY
86 SEP 19 P4:27

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

Stephen L. Jones, Esquire
Lillick, McHose & Charles
Citicorp Plaza
725 South Figueroa
Los Angeles, California 90017

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your clients, the Commission determined on March 26, 1985 that there was reason to believe that your clients had violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended "(the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Synder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
W.B. Johnson	)	MUR 1859
Properties, Inc.	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that W.B. Johnson Properties, Inc. ("WBJ" or "Respondent") violated 2 U.S.C. § 441b. This finding was based on allegations that respondent, a corporation, had contributed funds to the "Yes on F" committee, and that a portion of these funds was used to pay for a mailer that contained a slate or "voting guide" (hereinafter the "slate mailer") that included the names of candidates for Federal office.

Yes on F paid the Community Campaign Committee (CCC) $8,500 to produce and disseminate the slate mailers. Different slate mailers were distributed to registered Repubicans and to registered Democrats. Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of Federal and state candidates (as well to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an

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"Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives."

The investigation conducted by this office consequent to the Commission's finding of reason to believe reached factual conclusions that may be summarized as follows. WBJ is a corporation engaged in hotel management. The interest of this corporation in entering the Beverly Hills hotel market could not be fulfilled absent a revision of the height restrictions in that city's zoning ordinance. Respondent joined, therefore, with a similarly inclined enterprise, Four Seasons Hotels, Limited ("Four Seasons"), in supporting an amendment to the ordinance that would permit construction of high-rise hotels. (see letter of Stephen L. Jones, Attachment 1). The amendment was placed on the ballot in Beverly Hills in the November, 1984 elections as "Proposition F." Four Seasons and WBJ established the "Yes on F" Committee ("Yes on F") to support that referendum. (The referendum was ultimately defeated).

As of October 22, 1984, Yes on F reported total receipts of $99,833.33. Of that amount, Four Seasons gave $54,500, and WBJ the remainder. By the end of 1984, Yes on F had received $262,139.85, and spent $295,953.66. Respondent had given $83,000 as of December 31, 1984.

In addition to this substantial financial support, WBJ, along with Four Seasons, maintained considerable direct control

over Yes on F. Arnold Cader of Four Seasons and William Murrah of WBJ hired Dorothy Chilkov, a public relations consultant, as executive administrator and office manager of Yes on F. Ms. Chilkov had overall charge of the campaign locally, reporting to Cader and Murrah. (Responses of Dorothy Chilkov and Roz Segal, Attachments 2 and 3, respectively). Roz Segal was hired by Arnold Cader to serve as campaign manager (until October 4, 1984) of Yes on F, and worked in that capacity under the direction of Cader and Chilkov. (Attachment 3).

It appears that Roz Segal initiated the idea that Yes on F use a slate mailing. (Attachment 2). Sam Cogar, an assistant to Segal, contacted Jill Barad and Larry Levine (the individuals who established and administered CCC) about Yes on F's prospective purchase of space on such a mailing. According to Segal, this proposal was communicated to Cader and Chilkov, who approved it. (See Attachment 3). Ms. Chilkov states that Cader and Murrah "approved the idea of purchasing space for Proposition F on slate mailers." (Attachment 2).

William Murrah stated that he generally reviewed letters prepared by Yes on F. He adds, however, that while WBJ "was aware generally that there would be 'Democratic' mailers sent to voters registered with the Democratic party and 'Republican' mailers sent to voters registered with the Republican party -with each slate supporting Yes on F - W.B. Johnson Properties, Inc. did not review these slates and was not aware until after the

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dissemination of the slates that candidates for federal office were included in the slates." (Attachment 1).

It is clear that WBJ exercised considerable direct control over Yes on F. Mr. Murrah stated that:

> W.B. Johnson Properties, Inc., in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc., exercised general control over the Yes on F Committee. Day-to-day control was exercised by persons contracted for this purpose (Roz Segal of Campaign Associates, Marathon Communications and Larry Sanderson). The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

Thus Yes on F was the agent of WBJ, not only because of WBJ's role in funding Yes on F and in hiring Yes on F personnel, but because of the direct control that WBJ, in cooperation with other entities, exercised over Yes on F.

II. Legal Analysis

Under the Act,

> It is unlawful for . . . any corporation whatever . . . to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in . . . Congress are to be voted for . . .

2 U.S.C. § 441b. In the present case, respondent disbursed a substantial sum of money to Yes on F. Drawing on these corporate funds, Yes on F paid for a slate mailer that included candidates for President, Vice-President, and U.S. Congress. The slate mailers purported to be a "voting guide" and included language urging the recipient to refer to the slate when filling out his absentee ballot. This exhortation amounts to an attempt to influence the recipient's choice of the candidate for whom he

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should cast his ballot. It is therefore clear that Yes on F's slate mailer involved expenditures in connection with a Federal election.

WBJ, along with Four Seasons, established and maintained overall control of Yes on F. Respondent oversaw the operations of Yes on F and maintained the right to approve or disapprove all decisions by Yes on F's managers. Yes on F was clearly Respondent's agent throughout this campaign. Respondent knew about and permitted the use of a slate mailer. Thus, this Office recommends that the Commission find probable cause to believe that respondent's provision to Yes on F of the funds used to pay for the slate mailers were expenditures in connection with Federal elections by a corporation, in violation of 2 U.S.C. § 441b.

III. Recommendation

1. Find probable cause to believe W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b.

20 Sept 1986
Date

Charles N. Steele
General Counsel

Attachments
1. Affidavit of William L. Murrah
2. Response of Dorothy Chilkov
3. Response of Roz Segal

8 7 0 4 7 5 4 4 2 1 2

attachment 1

HAND DELIVERED

85 APR 29 P12:47

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

April 15, 1985

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Commissioners:

Enclosed is the response of W. B. Johnson Properties, Inc. to the questions contained in your letter of April 2, 1985.

We appreciate the suggestion contained in your letter that the Office of General Counsel would like to settle this matter through conciliation. We hereby respectfully request that such settlement discussions commence.

Thank you for your consideration of the matters contained in this response and of our request for settlement discussions.

Very truly yours,

Stephen L. Jones

Stephen L. Jones

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Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859

Dear Commissioners:

This letter is submitted, under oath, in response to your letter of April 2, 1985 in connection with the above-referenced matter.

QUESTION 1.

1. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 1.

a) The Yes on F Committee was established jointly by W.B. Johnson Properties, Inc. and the Four Seasons Hotel Ltd. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the establishment of the Community Campaign Committee.

QUESTION 2.

2. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers or shareholders were involved.

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RESPONSE TO QUESTION 2.

a) W.B. Johnson Properties, Inc., in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc., exercised general control over the Yes on F Committee. Day-to-day control was exercised by persons contracted for this purpose (Roz Segal of Campaign Associates, Marathon Communications, and Larry Sanderson). The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

It should be noted that W.B. Johnson Properties, Inc. contracted with Marathon Communications (principal, Richard Lichtenstein) for public affairs/relations services in connection with the development of a hotel on Bedford Drive. This contract, commencing in June, 1983, was totally separate from W.B. Johnson Properties, Inc.'s involvement in the Yes on F campaign. On October 10, 1984, the Yes on F Committee, under a contract with the Yes on F Committee and paid for by the Yes on F Committee, hired Marathon Communications to co-manage the balance of the Yes on F campaign efforts. Please note that Marathon Communications provided no services to the Yes on F Committee in connection with its contract with W.B. Johnson Properties, Inc. Also, to the best of our knowledge, Marathon Communications had no involvement whatsoever in the slate mailers that are the subject of this inquiry.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any direction, control, operation, nor management over the Community Campaign Committee.

QUESTION 3.

3. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 3.

W.B. Johnson Properties, Inc. did not participate in the initial composition of writing of letters disseminated in support of Proposition F. However, usually such letters were reviewed by W.B. Johnson Properties, Inc. in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc. prior to their dissemination. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah. As mentioned in Response 2A, Marathon Communications, on behalf of the Yes on F Committee was involved in such composition, writing, and printing after October 10, 1984.

However, neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the composition, writing, printing, or review of the slate mailers which are the subject of this inquiry. Although W.B. Johnson Properties, Inc. was aware generally that there would be "Democratic" mailers sent to voters registered with the Democratic party and "Republican" mailers sent to voters registered with the Republican party -- with each slate supporting Yes on F -- W.B. Johnson Properties, Inc. did not review these slates and was not aware until after the dissemination of the slates that candidates for federal office were included in the slates.

QUESTION 4.

4. State when W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

RESPONSE TO QUESTION 4.

As set forth in the Response to Question 3, W.B. Johnson Properties, Inc. generally reviewed the contents of letters disseminated in Support of Proposition F prior to their dissemination. This was not the case with the slates, however.

William L. Murrah

Sworn to and subscribed before me

this 26th day of April, 1985.

Notary Public

Notary Public, Georgia, State at Large
My Commission Expires June 15, 1987

attachment 2

DECLARATION
OF
DOROTHY CHILKOV

I, Dorothy Chilkov, declare under penalty of perjury as follows:

1. I have from time to time acted as a public relations consultant for Four Seasons Hotels, Ltd. in connection with its proposed hotel in Beverly Hills and I received a fee for my consulting services. I have never been employed by W.B. Johnson Properties, Inc. or Community Campaign Committee.

2. I acted as a public relations consultant to the Yes on F Committee and I was office manager of the Committee's campaign headquarters. I was hired by Arnold Cader and William Murrah and I ran the day-to-day operation of the office in consultation with Larry Sanderson. I was responsible to Mr. Cader and Mr. Murrah.

3. I did not draft letters advocating passage of Proposition F that contained slates that included listings of various candidates for public office ("slate mailers").

4. I do not know who participated in the composition, drafting and distribtuion of the slate mailers. My understanding is that the Yes on F Committee purchased space on slate mailers and did not prepare such mailers itself.

5. Insofar as the Yes on F Committee is concerned, to my knowledge Roz Segal, a campaign manager, initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know who supervised dissemination of slate mailers.

6. Listed on Exhibit A hereto are the persons and entities I was asked to identify in the Subpoena and Order to me dated June 3, 1985.

7. I do not know what role, if any, Larry Sanderson, Sam Cogar, Marathon Communications, Four Seasons Hotels, Ltd., W.B. Johnson Properties, William Murrah or Arnold Cader had in connection with drafting, composition and dissemination of slate mailers.

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8. As stated above, to my knowledge Roz Segal initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know what role, if any, Roz Segal had in connection with drafting, composition and dissemination of slate mailers.

9. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee. I do not know what role Community Campaign Committee had in connection with drafting, composition and dissemination of slate mailers.

10. To the best of my recollection, both Arnold Cader and William Murrah approved the idea of purchasing space for Proposition F on slate mailers.

11. I have no knowledge of whether slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for federal office, or any authorized committee or agent of such candidate.

12. I did not contact representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers. I have no knowledge of whether the Yes on F Committee contacted representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers.

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

DATED: June 20, 1985

Dorothy Chilkov

DOROTHY CHILKOV

8 7 0 4 0 5 4 4 2 1 3

EXHIBIT A
TO
DECLARATION OF DOROTHY CHILKOV

a) Roz Segal
1069 So. Hayworth
Los Angeles, California 90035

Self-employed

b) Larry Sanderson
c/o Soaring Society of America
3200 Airport Avenue
Suite 25
Santa Monica, California 90405
[Residence address unknown]

Executive Director of Soaring Society of America

c) Sam Cogar

Sam Cogar was an assistant to Roz Segal during the campaign. I do not know his address or his employment.

d) Marathon Communications
3420 Ocean Park Boulevard
Santa Monica, California 90405

Campaign consultants to Yes on F Committee from September, 1984 to election.

Principal employee: Richard Lichtenstein

e) Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8

Proponents of Proposition F throughout campaign

Principal Employees: Arnold Cader, Patricia Moore

f) W.B. Johnson Properties, Inc.
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326

Proponents of Proposition F throughout campaign

Principal Employee: William Murrah

g) William Murrah
c/o W.B. Johnson Properties
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326
[Residence address unknown]

Employed by W.B. Johnson Properties.

h) Community Campaign Committee

I had no contact with Community Campaign Committee and I do not know its address or its principal employees. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee.

i) Arnold L. Cader
c/o Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8
[Residence address unknown]

Employed by Four Seasons Hotels, Ltd.

8 7 0 4 7 6 4 4 2 2 0

attachment 3

FEDERAL ELECTION COMMISSION
SEC'85 278
85 AUG 12 AM 11:46

Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

August 2, 1985

Federal Election Commission
Washington
D.C. 20463

Attention: Mr. Kenneth A. Gross
Associate General Counsel

Dear Mr. Gross:

In response to your letter of July 22nd relative to Subpoena and Order - MUR 1859 to Roz Segal.

As of October 5, 1984 I was no longer in a position of any authority on the "Yes on F" Committee, to the extent that all telephone calls that came into that Committee, whether of a personal nature or relative to the Committee were all screened by Dorothy Chilkov and her staff.

1. a) Four Seasons Hotel Limited: "Yes on F" Committee, from June 1984 to October 4, 1984 I was under contract to Four Seasons Hotel Limited.

   b) W.B. Johnson Properties Inc. No, but it is my understanding that he contributed financially to the "Yes on F" Committee.

   c) Community Campaign Committee. No.

2. a) I was hired by Four Seasons Hotel Ltd., Arnold L. Cader, as Campaign Manager on Proposition F, which position terminated on October 4, 1984.

   b) Arnold L. Cader and Dorothy Chilkov the local representative for Four Seasons Hotel Ltd.

   c) Arnold L. Cader and Dorothy Chilkov.

3. Absolutely not.

4-5 6 a) Larry Sanderson - Campaign Co-Ordinator reporting to Dorothy Chilkov.

   b) Dorothy Chilkov - Executive administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks.

   c) Sam Cogar - Employee of Campaign Associates, and in his capacity had no authority to make final decisions on expenditures of money etc. Sam Cogar heard that Barad & Levine was going to do an absentee ballot mailing throughout Los Angeles County. He contacted them to inquire the cost if "Yes on F" participated in their mailing. Sam Cogar then reported this information to Arnold L. Cader and Dorothy Chilkov who had the final authority.

Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

Federal Election Commission
Washington, D.C.

4-5 6 d) Marathon Communications - As of October 5, 1984 became Campaign Manager of "Yes on F" and took over and produced the mail program. This firm was the original political consultant for W.B. Johnson Properties Inc.

e) Four Seasons Hotel Limited - Four Seasons Hotel Ltd. was the largest financial contributor to "Yes on F".

f) W.B. Johnston Properties Inc. - was a financial contributor to the "Yes on F" campaign.

g) William Murrah - was the representative for W.B. Johnson Properties Inc. with authority to act for W.B. Johnson Properties Inc. in mail content and financial expenditures.

h) Community Campaign Committee - Committee organized by Barad & Levine for the absentee mailer in Los Angeles County.

i) Arnold L. Cader - fepresented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F" No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

7 a) Four Seasons Hotel Limited - Arnold L. Cader. Yes, no monies could be expended - no mail could be finalized without his okay.

b) W.B. Johnson Properties Inc. - yes, William Murrah as their representative acted as their authority on all mail content and financial expenditures.

8. I do not know.

9. To the best of my knowledge no.

Sincerely,

Roz Segal

Roz Segal

Subscribed and sworn to before me this 6th day of August 1985

George E. Hunt Notary Public in and for the county of Los Angeles State of California

OFFICIAL SEAL
George E. Hunt
Notary Public California
Principal Office in
Los Angeles County
My Comm. Exp. Mar 25, 1986

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 30, 1986

Ronald Lederman, treasurer
Yes on F Committee
433 South Beverly Drive
Beverly Hills, California 90212

RE: MUR 1859
The Yes on F Committee
and Ronald Lederman, as
treasurer

Dear Mr. Lederman:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Yes on F Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, and 434(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

Ronald Lederman, treasurer
Yes on F Committee
113 North San Vicente Boulevard
Beverly Hills, California 90211

RE: MUR 1859
The Yes on F Committee
and Ronald Lederman, as
treasurer

Dear Mr. Lederman:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Yes on F Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, and 434(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

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Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

87044222 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Yes on F Committee and Ronald Lederman, as treasurer	)	MUR 1859

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Yes on F Committee and its treasurer ("Yes on F" or "respondent") violated 2 U.S.C. §§ 433, 434, and 434(c). These findings were based on the allegation that respondent expended more than $1,000 in connection with a Federal election, but failed to comply with the requirement of the Federal Election Campaign Act ("the Act") that it register and report as a political committee; and that respondent made independent expenditures aggregating in excess of $250 during a calendar year, but failed to file a statement disclosing those expenditures as required by the Act.

The investigation conducted in this case has established that Yes on F, a campaign committee organized in support of Proposition F on the ballot in Beverly Hills, Calif. in 1984, paid $8,500 for a mailer that contained a slate or "voting guide" (hereinafter "slate mailers") that included the names of candidates for Federal office. Yes on F disseminated two different sets of these slate mailers. Registered Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of

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California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of candidates for Federal and state offices (as well to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to "Keep this voting guide in a convenient place. It will be an important aid when your absentee ballot arrives."

II. Legal Analysis

Under the Act,

> (4) The term "political committee" means - (A) any committee, club, association, or other group of persons which receives contributions aggregating in excess of $1,000 during a calendar year or which makes expenditures aggregating in excess of $1,000 during a calendar year . . . .

2 U.S.C. § 431. Political committees are required to register with the Commission under 2 U.S.C. § 433, and to file regular reports with the Commission under 2 U.S.C. § 434.

The Act further provides that

> (1) Every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of $250 during a calendar year shall file a statement containing the informaton required under subsection (b)(3)(A) of this section for all contributions received by such person.

2 U.S.C. § 434(c). Thus it is necessary to determine (1) whether respondent qualified as a political committee by expending in

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excess of $1,000 in a calendar year, and thus bore the concomitant registration and reporting requirements of 2 U.S.C. §§ 433 and 434, and (2) whether, if respondent did not qualify as a political committee, it nonetheless made independent expenditures in excess of $250 during a calendar year and thereby became subject to the reporting requirements of 2 U.S.C. § 434(c).

As to whether Yes on F made expenditures in excess of $1,000, the Act defines the term "expenditure" to include:

> (i) any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person <u>for the purpose of influencing any election for Federal office</u> . . . .

2 U.S.C. § 431(9)(A) (emphasis added). In the present case, it is clear that the slate mailers paid for by Yes on F had the primary purpose of supporting Proposition F. At the same time, the slate mailers listed only one candidate in each contested Federal election on the ballot in California in 1984. The slate mailers urged the recipients to refer to the listing of candidates when filling out their absentee ballots. In effect, registered Republicans were urged to vote for the Republican candidates for President and Congress, and registered Democrats were likewise urged to vote for the Democratic candidates for the same positions.

This Office concludes, therefore, that the dissemination of the slate mailers involved payments of money for the purpose of

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influencing Federal elections, and thus resulted in expenditures, as defined by the Act.

While respondent spent $8,500 on the slate mailer, it is clear that not all of that amount can be allocated to Federal elections. The bulk of the mailer dealt with Proposition F and the subject of absentee voting itself; several state elections and referenda were also included in the voting guide. Considering that the principal purpose of the slate mailers was to support a local referendum, it seems appropriate in this case to allocate to Federal elections only that portion of the slate mailer that actually dealt with Federal candidates and offices.

The total area of both sides of the slate mailer is 187 square inches. (One side deals only with Proposition F and the procedure of absentee voting; the other side includes the slate of candidates and state, county, and city ballot questions, and more information about absentee voting). The space concerning Federal elections occupies 5.3 square inches, or about 2.83% of the total. 2.83% of $8500 is $232.55. Based on the calculation that Yes on F expended $232.55 in connection with Federal elections, this office concludes that respondent did not qualify as a political committee and furthermore that it did not have to report its independent expenditure in an amount under $250 to the Commission in accordance with 2 U.S.C. § 434(c).

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III. Recommendation

Find no probable cause to believe that the Yes on F Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

20 Sept 1986
Date

Charles N. Steele
General Counsel

Attachment
Slate Mailer

87044042372

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

VOTING BY MAIL—
It's Legal!
It's Easy!
It's Convenient!

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.
2. Proposition "F" will restrict hotels to the business triangle.
3. Proposition "F" will mandate free off-street parking for all employees.
4. Proposition "F" will ensure plentiful parking for guests.
5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.
6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.
7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

TEAR HERE

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

Who Can Vote By Mail

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide

President/Vice President

Walter Mondale
Geraldine Ferraro

U.S. Congress

Anthony C. Beilenson
Incumbent

California Assembly

Gray Davis
Incumbent

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — YES

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

Irene Kleinberg, treasurer
Community Campaign Committee
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

RE:MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Ms. Kleinberg:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Community Campaign Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, 434(c) and 441(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

87044237

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Community Campaign Committee and Irene Kleinberg, as treasurer	)	MUR 1859
	)	
	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Community Campaign Committee and its treasurer ("CCC" or "respondent") violated 2 U.S.C. §§ 433, 434, 434(c), and 441d. These findings were based on the allegation that respondent expended more than $1,000 in connection with a Federal election, but failed to comply with the requirement of the Federal Election Campaign Act ("the Act") that it register and report as a political committee; that respondent made independent expenditures aggregating in excess of $250 during a calendar year, but failed to file a statement disclosing these expenditures as required by the Act; and that respondent failed to include on a communication expressly advocating the election of clearly identified candidates a disclaimer stating whether the communication had been authorized by any candidate.

The investigation conducted in this case has established that CCC, a committee registered with the Secretary of State of California and not with the Federal Election Commission, produced, on behalf of the Yes on F Committee, a mailer that contained a slate or "voting guide" (hereinafter "slate mailer")

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that included the names of candidates for Federal office. CCC received a payment of $8,500, and spent $7,290.60, to produce the slate mailer. Two different versions of these slate mailers were produced and disseminated. Registered Republicans received a slate mailer that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of candidates for Federal and state offices (as well as to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important aid when your absentee ballot arrives." The slate mailer included the following disclaimer: "Paid for by: Community Campaign Committee/ 206 South Robertson, Suite 8371/ Beverly Hills, CA 90211/Not an Official Political Group."

II. Legal Analysis

Under the Act,

> (4) The term "political committee" means - (A) any committee, club, association, or other group of persons which receives contributions aggregating in excess of $1,000 during a calendar year or which makes expenditures aggregating in excess of $1,000 during a calendar year . . .

2 U.S.C. § 431. Political committees are required to register with the Commission under 2 U.S.C. § 433, and to file regular reports with the Commission under 2 U.S.C. § 434.

The Act further provides that:

> (1) Every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of $250 during a calendar year shall file a statement containing the information required under section (b)(3)(A) of this section for all contributions received by such person.

2 U.S.C. § 434(c). With respect to the alleged violations of 2 U.S.C. §§ 433, 434 and 434(c), it is necessary therefore to determine (1) whether respondent qualified as a political committee by expending in excess of $1,000 in a calendar year, and thus bore the concomitant registration and reporting requirements of 2 U.S.C. §§ 433 and 434, and (2) whether, if respondent did not qualify as a political committee, it nonetheless made independent expenditures in excess of $250 during a calendar year and was thus subject to the reporting requirements of 2 U.S.C. § 434(c).

As to whether CCC made expenditures in excess of $1,000, the Act defines the term "expenditures" to include:

> (i) any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person <u>for the purpose of influencing any election for Federal office</u> . . .

2 U.S.C. § 431(9)(A) (emphasis added). In the present case, it is clear that the slate mailers paid for by CCC had the primary

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purpose of supporting Proposition F. At the same time, the slate mailers listed only one candidate in each contested Federal election on the ballot in California in 1984. The slate mailers urged the recipients to refer to the listing of candidates when filling out their absentee ballots. In effect, registered Republicans were urged to vote for the Republican candidates for President and Congress, and registered Democrats were likewise urged to vote for the Democratic candidates for the same positions.

This Office concludes, therefore, that the production and dissemination of the slate mailers involved payments of money for the purpose of influencing Federal elections, and thus resulted in expenditures, as defined by the Act.

While respondent spent $7290.60 on the slate mailers, it is clear that not all of that amount can be allocated to Federal elections. The bulk of the mailer dealt with Proposition F and the subject of absentee voting itself; several state elections and referenda were also included in the voting guide. Considering that the principal purpose of the slate mailers was to support a local referendum, it seems appropriate in this case to allocate to Federal elections only that portion of the slate mailers that actually dealt with Federal candidates and offices.

The total area of both sides of the slate mailer is 187 square inches. (One side deals only with Proposition F and the procedure of absentee voting; the other side includes the slate

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of candidates and state, county, and city ballot questions, and more information about absentee voting). The space concerning Federal elections occupies 5.3 square inches, or about 2.83% of the total. 2.83% of 7,290.60 is $206.32. Based on the calculation that CCC expended $206.32 in connection with Federal elections, this office concludes that respondent did not qualify as a political committeee and, furthermore, that it did not have to report its independent expenditures in an amount under $250 to the Commission in accordance with 2 U.S.C. 434(c).

CCC received $8,500 from Yes on F. Treating that amount as a contribution, and applying the same allocation formula, the result is a contribution of $232.58, and the same legal conclusion applies.

We turn then to the one remaining alleged violation. Under the Act,

> Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate . . . such communication - ...
>
> (3) if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

2 U.S.C. § 441d(a). As we have seen, the slate mailer named specific candidates, and urged the recipients to refer to that listing when voting. Thus the slate mailer expressly advocated the election of clearly identified candidates, and the requirements of 2 U.S.C. § 441d therefore apply.

CCC included on the slate mailers a statement that it had paid for them, but did not say whether a candidate had authorized these communications. In her answer to the Commission's interrogatories, Irene Kleinberg, treasurer of CCC, stated that "No candidate for Federal office, or any authorized committee or agent of such candidate had any contact with CCC regarding the composition or dissemination of any of the mail produced by CCC for Yes of F." She added that she did not know of any contacts between Yes on F and any candidate. Thus, CCC should have included on the slate mailer the disclaimer set forth in 2 U.S.C. § 441d(a)(3). While CCC maintains that the message contained in the slate mailer was dictated by Yes on F, CCC, as the committee that actually produced the slate mailer, had the responsiblity of including the proper disclaimer on the communication. (Compare MUR 1711, under the Commission found probable cause to believe the Christian Voice Moral Government Fund violated 2 U.S.C. § 441d for failing to include a proper disclaimer on certain signs, despite evidence that the Friends of Joe Barton for Congress Committee had drafted the message on the signs).

Thus this Office recommends that the Commission find probable cause to believe respondent violated 2 U.S.C. § 441d.

III. Recommendations

1. Find no probable cause to believe the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

2. Find probable cause to believe the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 441d.

20 Sept 1986
Date

Charles N. Steele
General Counsel

Attachment
Slate Mailer

8 7 0 4 0 6 4 4 2 4 4

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

_____

Registered Address

_____

_____

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

_____
(Name)

_____
(Street Address)

_____
(City) (State) (Zip)

X _____
Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

Who Can Vote By Mail

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide!

President/Vice President

Walter Mondale
Geraldine Ferraro

U.S. Congress

Anthony C. Beilenson
Incumbent

California Assembly

Gray Davis
Incumbent

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels,
Limited

Dear Mr. Holum:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your client, the Commission determined on March 26, 1985 that there was reason to believe that your client had violated 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

87044124249

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Seasons Hotels, Limited	)	MUR 1859

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Four Seasons Hotels, Limited ("Four Seasons" or "respondent") violated 2 U.S.C. §§441b and 441e. These findings were based on allegations that respondent, a Canadian corporation, had contributed funds to the "Yes on F" Committee, and that a portion of these funds was used to pay for a mailer that contained a slate or "voting guide" (hereinafter the "slate mailer") that included the names of candidates for Federal office.

Yes on F paid the Community Campaign Committee ("CCC") $8,500 to produce and disseminate the slate mailers. Different slate mailers were distributed to registered Republicans and to registered Democrats. Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of Federal and state candidates (as well as

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to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives."

The investigation conducted by this office consequent to the Commission's finding of reason to believe reached factual conclusions that may be summarized as follows.

Four Seasons is a Canadian corporation engaged in hotel management (see "Amalgamation Agreement" attached to affidavit of Arnold Cader, Executive Vice-President of Four Seasons, appended hereto as Attachment 1). The interest of this corporation in building a twelve-story hotel in Beverly Hills could not be fulfilled, absent a revision of the height restrictions in that city's zoning ordinance. Respondent joined, therefore, with a similarly inclined enterprise, W.B. Johnson, Inc. ("WBJ"), in supporting an amendment to the ordinance that would permit construction of high-rise hotels. The amendment was placed on the ballot in Beverly Hills in the November, 1984 elections as "Proposition F." Four Seasons and WBJ established the "Yes on F" Committee ("Yes on F") to suport that referendum. (The referendum was ultimately defeated).

As of October 22, 1984, Yes on F reported total receipts of $99,833.33. Of that amount, Four Seasons gave $54,500, and WBJ the remainder. By the end of 1984, Yes on F had received

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$262,139.85, and spent $295,953.66. Respondent had given $90,500 as of December 31, 1984, and gave another $35,373 early in 1985.

In addition to this substantial financial support, Four Seasons, along with WBJ, maintained considerable direct control over Yes of F. Arnold Cader of Four Seasons and William Murrah of WBJ hired Dorothy Chilkov, a public relations consultant, as Executive Administrator and office manager of Yes on F. Ms. Chilkov had overall charge of the campaign locally and was in effect the local representative of Four Seasons, reporting to Cader and Murrah. (Responses of Dorothy Chilkov and Roz Segal, Attachments 2 and 3 respectively). Roz Segal was hired by Arnold Cader to serve as campaign manager (until October 4, 1984) of Yes on F, and worked in that capacity under the direction of Cader and Chilkov. (Attachment 3).

It appears that Roz Segal initiated the idea that Yes on F use a slate mailing. (Attachment 2). Sam Cogar, an assistant to Segal, contacted Jill Barad and Larry Levine (the individuals who established and adminstered CCC) about Yes on F's prospective purchase of space on such a mailing. According to Segal, this proposal was communicated to Cader and Chilkov, who approved it. (See Attachment 3). Ms. Chilkov states that Cader and Murrah "approved the idea of purchasing space for Proposition F on slate mailers." (Attachment 2). Arnold Cader stated that he "had been advised in the presence of our attorneys that the Yes on F Committee would purchase space on slate cards in support of

Proposition F," but denies that he saw the actual mailers before their dissemination, or that Four Seasons intended to influence any election other than the referendum on Proposition F. (Attachment 1).

The information obtained in the investigation makes clear that Four Seasons directly oversaw the activities of Yes on F. Mr. Cader stated that he and Patricia A. Moore, the assistant secretary of Four Seasons,

> participated in the general direction and control, but not the day-to-day operation and management, of the Yes on F Committee in that we together with W.B. Johnson Properties, Inc. received some of the recommendations made by the staff and consultants of the Yes on F Committee, and approved or disapproved such recommendations.

(Attachment 1). Ms. Segal, Yes on F's campaign manager during the pertinent period, has stated unequivocally that Four Seasons' oversight extended to all expenditures by Yes on F. She described the roles of respondent's principal agents as follows:

> Dorothy Chilkov - Executive Administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks . . .
>
> Arnold L. Cader - represented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F". No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

Attachment 3 (Emphasis in original).

Thus it appears that Yes on F was acting as an agent of respondent, not only in that Four Seasons hired key Yes on F

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personnel, but in light of the substantial direct control respondent maintained over that committee.

II. Legal Analysis

Under the Act,

> It is unlawful for . . . any corporation whatever . . . to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in . . . Congress are to be voted for . . .

2 U.S.C. § 441b. In the present case, respondent disbursed a substantial sum of money to Yes on F. Drawing on these corporate funds, Yes on F paid for a slate mailer that included candidates for President, Vice-President, and the U.S. Congress. The slate mailer purported to be a "voting guide" and included language urging the recipient to refer to this slate when filling out his absentee ballot. This exhortation amounts to an attempt to influence the recipient's choice of the candidate for whom he should cast his ballot. It is therefore clear that Yes on F's slate mailer involved expenditures in connection with a Federal election.

Respondent, along with WBJ, established and maintained overall control of Yes on F. Respondent oversaw the operations of Yes on F and maintained the right to approve or disapprove all decisions by Yes on F's managers. Yes on F could not spend money without respondent's approval. Yes on F was clearly respondent's agent throught this campaign. Respondent specifically approved, moreover, the use of a slate mailer. Thus, this Office

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recommends that the Commission find probable cause to believe that respondent's provision to Yes on F of the funds used to pay for the slate mailers resulted in expenditures in connection with Federal elections by a corporation, in violation of 2 U.S.C. § 441b.

The Act further provides that:

> It shall be unlawful for a foreign national directly or through any other person to make a contribution of money or other thing of value . . . in connection with an election to any political office . . . .

2 U.S.C. § 441e. In view of the undisputed fact that respondent is a Canadian corporation, and in view of its making a contribution to Yes on F that was used for slate mailers in connection with U.S. elections, this Office recommends that the Commission find probable cause to believe respondent violated 2 U.S.C. § 441e.

III. Recommendation

Find probable cause to believe Four Seasons Hotel, Limited violated 2 U.S.C. §§ 441b and 441e.

20 Sept 1986
Date

Charles N. Steele
General Counsel

Attachments
1. Affidavit of Arnold Cader
2. Response of Dorothy Chilkov
3. Response of Roz Segal

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attachment 1

AFFIDAVIT

BEFORE THE FEDERAL ELECTION COMMISSION

RE: MUR 1859	)	
	)	
Four Seasons Hotels Limited	)	BS
	)	
PROVINCE OF ONTARIO, CANADA	)	
JUDICIAL DISTRICT OF YORK	)	

The undersigned, being first sworn, deposes and says:

1. I am the Executive Vice President of Four Seasons Hotels Limited ("Four Seasons") and I have direct knowledge of each of the facts discussed in this Affidavit.

2. Four Seasons is a Canadian corporation incorporated in the Province of Ontario, Canada. A copy of Four Seasons' Articles of Incorporation is attached hereto.

3. I and Patricia A. Moore, the Assistant Secretary of Four Seasons, acting on behalf of Four Seasons, participated with W.B. Johnson Properties, Inc. in the establishment of the Yes on F Committee. The Committee was formed in connection with the Special Election of the City of Beverly Hills on City Proposition F, which Special Election was called in July 1984 and consolidated with the November 1984 general election.

4. Neither Four Seasons nor the undersigned nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons established or participated in the establishment of the Community Campaign Committee.

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5. I and Patricia A. Moore, acting on behalf of Four Seasons, participated in the general direction and control, but not the day-to-day operation and management, of the Yes on F Committee in that we together with W.B. Johnson Properties, Inc. reviewed some of the recommendations made by the staff and consultants of the Yes on F Committee, and approved or disapproved such recommendations.

6. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons, directly or indirectly, directed, controlled, operated or managed the Community Campaign Committee.

7. From time to time I participated in the composition of some letters disseminated by the Yes on F Committee in support of Proposition F by reviewing drafts which had been prepared by the staff and consultants employed by the Yes on F Committee. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons participated in the printing of letters disseminated in support of Proposition F or participated in the composition, writing or printing of the slate cards disseminated in support of Proposition F.

8. I on behalf of Four Seasons learned of the contents of some letters disseminated in support of Proposition F at the time of the review of those letters as described in paragraph 7 above. I cannot state with certainty that I or Four Seasons or Patricia A. Moore or any agent, employee, officer or shareholder of Four Seasons knew the contents of every letter disseminated by the Yes on F Committee in support of Proposition F before its dissemination. No letter disseminated by the Yes on F Committee of which I or Ms. Moore were aware addressed any topic other than the Special Election of the City of Beverly Hills on City Proposition F. I and Ms. Moore had been advised in the presence of our attorneys that the Yes on F Committee would purchase space on slate

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cards in support of Proposition F. We were informed by the Yes on F Committee staff that the use of slate cards in elections was a common practice in the Los Angeles area. I believed that the slate cards were to be used in support of the local proposition, and neither Four Seasons nor I nor any agent acting on behalf of Four Seasons or any employee, officer, or shareholder of Four Seasons intended to participate in or in any way influence any election other than the Special Election of the City of Beverly Hills on City Proposition F. Neither Four Seasons nor I nor Ms. Moore nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons actually saw the slate cards until after their dissemination. The specific contents of the slate cards were not known by Four Seasons or by Ms. Moore or me until after the filing of the Complaint now being addressed by the Federal Election Commission.

Arnold L. Cader

SUBSCRIBED and sworn to before me this 12th day of April, 1985.

Notary Public in and for the Province of Ontario, Canada

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465774

Ministry of Consumer and Commercial Relations

Ontario

CERTIFICATE

THIS IS TO CERTIFY THAT THESE ARTICLES ARE EFFECTIVE ON

DECEMBER 31, 1980

CONTROLLER OF RECORDS
COMPANIES SERVICES BRANCH

TRANS CODE	LINE NO.	Stat	Corpo Type	Method Incorp.
A	0	0	A	3

Notice Req'd	Jurisdiction
N	ONTARIO

Form 6
The Business Corporations Act

ARTICLES OF AMALGAMATION

1. *THE NAME OF THE AMALGAMATED CORPORATION IS*

FOUR SEASONS HOTELS LIMITED

2. *THE AMALGAMATION AGREEMENT HAS BEEN DULY APPROVED AS REQUIRED BY SECTION 196 OF THE BUSINESS CORPORATIONS ACT*

3. *THE NAMES OF THE AMALGAMATING CORPORATIONS AND THE DATES ON WHICH THE AMALGAMATION AGREEMENT WAS APPROVED BY THE SHAREHOLDERS OF EACH OF THE AMALGAMATING CORPORATIONS ARE*

NAMES OF CORPORATIONS	ONTARIO CORPORATION NUMBER	DATES OF SHAREHOLDERS' APPROVAL
FOUR SEASONS HOTELS LIMITED	377775	December 16, 1980
FOUR SEASONS REALTY LIMITED	272464	December 30, 1980
DUNELAND CONSTRUCTION INCORPORATED	287482	December 30, 1980
GESTRUM INVESTMENTS LIMITED	285696	December 30, 1980
KISHKA HOLDINGS LIMITED	285699	December 30, 1980
PEORIA INVESTMENTS INC.	285698	December 30, 1980
SUMMERTIME REALTY LIMITED	277254	December 30, 1980
279389 ONTARIO INC.	279389	December 30, 1980

AMALGAMATION AGREEMENT

THIS AGREEMENT made this 31st day of December 1980.

B E T W E E N:

FOUR SEASONS HOTELS LIMITED, a corporation continued under the laws of the Province of Ontario

(hereinafter called "Hotels")

OF THE FIRST PART,

- and -

FOUR SEASONS REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Realty")

OF THE SECOND PART

- and -

DUNELAND CONSTRUCTION INCORPORATED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Duneland")

OF THE THIRD PART,

- and -

GESTRUM INVESTMENTS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Gestrum")

OF THE FOURTH PART,

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- and -

KISHKA HOLDINGS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Kishka")

OF THE FIFTH PART,

- and -

PEORIA INVESTMENTS INC., a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Peoria")

OF THE SIXTH PART,

- and -

SUMMERTIME REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called Summertime")

OF THE SEVENTH PART,

- and -

279389 ONTARIO INC. a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "279389")

OF THE EIGHTH PART

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WHEREAS Hotels Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 (the "Amalgamating Corporations") are corporations to which The Business Corporations Act applies;

AND WHEREAS the Amalgamating Corporations have agreed to amalgamate in accordance with The Business Corporations Act on the terms and conditions hereinafter set out;

AND WHEREAS the authorized capital of Hotels consists of 2,000,000 First Preference Shares with a par value of $10 each, issuable in series, the first series of which consists of 400,000 First Preference Shares, Series A; 1,264,564 Second Preference Shares without par value; 1,732,919 Third Preference Shares without par value; and 2,000,000 Common Shares without par value; and the issued capital of Hotels consists of 400,000 First Preference Shares Series A, 64,250 Second Preference Shares, 4,700 Third Preference Shares and 1,931,493 Common Shares,

AND WHEREAS the authorized capital of Realty consists of 40,000 common shares without par value and the issued capital consists of 11 common shares,

AND WHEREAS the authorized capital of Duneland consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Gestrum consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Kishka consists of 36,000 non-voting, redeemable, non-cumulative 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

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AND WHEREAS the authorized capital of Peoria consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Summertime consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value;

AND WHEREAS the authorized capital of 279389 consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value.

AND WHEREAS all of the issued shares of Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 are owned by Realty and all of the issued shares of Realty are owned by Hotels;

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. <u>DEFINITIONS</u>

In this agreement the following terms shall have the following meaning:

1.01 "Act" means The Business Corporations Act of Ontario;

1.02 "Agreement" means this amalgamation agreement;

1.03 "Amalgamating Corporations" means Hotels, Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389;

1.04 "Certificate of Amalgamation" means the Certificate of Amalgamation issued pursuant to the Act in respect of the amalgamation herein provided for; and

1.05 "Corporation" means the corporation continued as a result of the amalgamation of the

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Amalgamating Corporations herein provided for.

2. **AMALGAMATION**

The Amalgamating Corporations hereby agree to amalgamate under the provisions of Section 196 of the Act and to continue as one corporation on the terms and conditions hereinafter set out.

3. **NAME**

The name of the Corporation shall be Four Seasons Hotels Limited provided, however, that the Corporation may use its name in the following form in the following language: Les Hotels Quatre Saisons Limitée.

4. **OBJECTS**

The objects of the Corporation shall be as follows:

4.01 To carry on the business of a hotel, motel, tavern, public house, inn and restaurant or any similar establishment or combination thereof;

4.02 To buy, sell and deal in food or beverages including without limitation, beer, liquor, wine and other alcoholic beverages;

4.03 To operate motion picture or other theatres and places of amusement, entertainment or instruction of every kind, character and description;

4.04 To carry on the business of management consultants and/or business advisors;

4.05 To purchase or otherwise acquire and to hold, sell or exchange, property, real or personal, rights and assets of and bonds, debentures, debenture stock, shares of all classes and securities of any form or type issued by any

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individual, corporation or company, public or private, incorporated or unincorporated;

4.06 To purchase, lease or otherwise acquire, directly or indirectly, lands and buildings or an interest therein and to erect, construct, develop or maintain on such lands commercial buildings of every nature and kind whatsoever and to use, operate, convert, adapt, maintain, sell, transfer, encumber or otherwise deal with all or any of such lands and buildings and premises to and for the purpose of carrying out the objects of the Corporation;

4.07 To do anything that in the opinion of the Board of Directors is incidental, ancillary, necessary or otherwise desirable in connection with the foregoing and to carry on any other business capable of being conveniently carried on in connection with the business of the Corporation or likely to enhance the value of or make profitable any of its property or rights.

5. **HEAD OFFICE**

The head office of the Corporation shall, until otherwise determined in accordance with the Act, be situated in the Municipality of Metropolitan Toronto, in the Province of Ontario and the address of the head office of the Corporation shall be 1100 Eglinton Avenue East, Don Mills, Ontario.

6. **AUTHORIZED CAPITAL**

The authorized capital of the Corporation shall consist of

6.01 2,000,000 First Preference Shares with a par value of $10 each, issuable in series;

6.02 1,264,564 6% cumulative, redeemable Second Preference Shares without par value, provided that such shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of $5,866,850 or such greater

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attachment 2

DECLARATION
OF
DOROTHY CHILKOV

I, Dorothy Chilkov, declare under penalty of perjury as follows:

1. I have from time to time acted as a public relations consultant for Four Seasons Hotels, Ltd. in connection with its proposed hotel in Beverly Hills and I received a fee for my consulting services. I have never been employed by W.B. Johnson Properties, Inc. or Community Campaign Committee.

2. I acted as a public relations consultant to the Yes on F Committee and I was office manager of the Committee's campaign headquarters. I was hired by Arnold Cader and William Murrah and I ran the day-to-day operation of the office in consultation with Larry Sanderson. I was responsible to Mr. Cader and Mr. Murrah.

3. I did not draft letters advocating passage of Proposition F that contained slates that included listings of various candidates for public office ("slate mailers").

4. I do not know who participated in the composition, drafting and distribtuion of the slate mailers. My understanding is that the Yes on F Committee purchased space on slate mailers and did not prepare such mailers itself.

5. Insofar as the Yes on F Committee is concerned, to my knowledge Roz Segal, a campaign manager, initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know who supervised dissemination of slate mailers.

6. Listed on Exhibit A hereto are the persons and entities I was asked to identify in the Subpoena and Order to me dated June 3, 1985.

7. I do not know what role, if any, Larry Sanderson, Sam Cogar, Marathon Communications, Four Seasons Hotels, Ltd., W.B. Johnson Properties, William Murrah or Arnold Cader had in connection with drafting, composition and dissemination of slate mailers.

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8. As stated above, to my knowledge Roz Segal initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know what role, if any, Roz Segal had in connection with drafting, composition and dissemination of slate mailers.

9. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee. I do not know what role Community Campaign Committee had in connection with drafting, composition and dissemination of slate mailers.

10. To the best of my recollection, both Arnold Cader and William Murrah approved the idea of purchasing space for Proposition F on slate mailers.

11. I have no knowledge of whether slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for federal office, or any authorized committee or agent of such candidate.

12. I did not contact representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers. I have no knowledge of whether the Yes on F Committee contacted representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers.

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

DATED: June 20, 1985

Dorothy Chilkov

DOROTHY CHILKOV

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EXHIBIT A
TO
DECLARATION OF DOROTHY CHILKOV

a) Roz Segal
1069 So. Hayworth
Los Angeles, California 90035

Self-employed

b) Larry Sanderson
c/o Soaring Society of America
3200 Airport Avenue
Suite 25
Santa Monica, California 90405
[Residence address unknown]

Executive Director of Soaring Society of America

c) Sam Cogar

Sam Cogar was an assistant to Roz Segal during the campaign. I do not know his address or his employment.

d) Marathon Communications
3420 Ocean Park Boulevard
Santa Monica, California 90405

Campaign consultants to Yes on F Committee from September, 1984 to election.

Principal employee: Richard Lichtenstein

e) Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8

Proponents of Proposition F throughout campaign

Principal Employees: Arnold Cader, Patricia Moore

f) W.B. Johnson Properties, Inc.
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326

Proponents of Proposition F throughout campaign

Principal Employee: William Murrah

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g) William Murrah
c/o W.B. Johnson Properties
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326
[Residence address unknown]

Employed by W.B. Johnson Properties.

h) Community Campaign Committee

I had no contact with Community Campaign Committee and I do not know its address or its principal employees. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee.

i) Arnold L. Cader
c/o Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8
[Residence address unknown]

Employed by Four Seasons Hotels, Ltd.

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attachment?

QCC#278

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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

August 2, 1985

Federal Election Commission
Washington
D.C. 20463

Attention: Mr. Kenneth A. Gross
Associate General Counsel

Dear Mr. Gross:

In response to your letter of July 22nd relative to Subpoena and Order - MUR 1859 to Roz Segal.

As of October 5, 1984 I was no longer in a position of any authority on the "Yes on F" Committee, to the extent that all telephone calls that came into that Committee, whether of a personal nature or relative to the Committee were all screened by Dorothy Chilkov and her staff.

1. a) Four Seasons Hotel Limited: "Yes on F" Committee, from June 1984 to October 4, 1984 I was under contract to Four Seasons Hotel Limited.

   b) W.B. Johnson Properties Inc. No, but it is my understanding that he contributed financially to the "Yes on F" Committee.

   c) Community Campaign Committee. No.

2. a) I was hired by Four Seasons Hotel Ltd., Arnold L. Cader, as Campaign Manager on Proposition F, which position terminated on October 4, 1984.

   b) Arnold L. Cader and Dorothy Chilkov the local representative for Four Seasons Hotel Ltd.

   c) Arnold L. Cader and Dorothy Chilkov.

3. Absolutely not.

4-5 a) Larry Sanderson - Campaign Co-Ordinator reporting to
6 Dorothy Chilkov.

   b) Dorothy Chilkov - Executive administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks.

   c) Sam Cogar - Employee of Campaign Associates, and in his capacity had no authority to make final decisions on expenditures of money etc. Sam Cogar heard that Barad & Levine was going to do an absentee ballot mailing throughout Los Angeles County. He contacted them to inquire the cost if "Yes on F" participated in their mailing. Sam Cogar then reported this information to Arnold L. Cader and Dorothy Chilkov who had the final authority.

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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

Federal Election Commission
Washington, D.C.

4-5 6 d) Marathon Communications - As of October 5, 1984 became Campaign Manager of "Yes on F" and took over and produced the mail program. This firm was the original political consultant for W.B. Johnson Properties Inc.

e) Four Seasons Hotel Limited - Four Seasons Hotel Ltd. was the largest financial contributor to "Yes on F".

f) W.B. Johnston Properties Inc. - was a financial contributor to the "Yes on F" campaign.

g) William Murrah - was the representative for W.B. Johnson Properties Inc. with authority to act for W.B. Johnson Properties Inc. in mail content and financial expenditures.

h) Community Campaign Committee - Committee organized by Barad & Levine for the absentee mailer in Los Angeles County.

i) Arnold L. Cader - fepresented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F" No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

7 a) Four Seasons Hotel Limited - Arnold L. Cader. Yes, no monies could be expended - no mail could be finalized without his okay.

b) W.B. Johnson Properties Inc. - yes, William Murrah as their representative acted as their authority on all mail content and financial expenditures.

8. I do not know.

9. To the best of my knowledge no.

Sincerely,

Roz Segal

Roz Segal

Subscribed and sworn to before me this 6th day of August 1985

George E. Hunt Notary Public in and for the county of Los Angeles State of California

OFFICIAL SEAL
George E. Hunt
Notary Public California
Principal Office in
Los Angeles County
My Commission Exp. Mar 25, 1986

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

9/19/86

Irene Kleinberg, treasurer
Community Campaign Committee
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

RE:MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Ms. Kleinberg:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Community Campaign Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, 434(c) and 441(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels,
Limited

Dear Mr. Holum:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your client, the Commission determined on March 26, 1985 that there was reason to believe that your client had violated 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
Lillick, McHose & Charles
Citicorp Plaza
725 South Figueroa
Los Angeles, California 90017

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your clients, the Commission determined on March 26, 1985 that there was reason to believe that your clients had violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended "(the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Synder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald Lederman, treasurer
Yes on F Committee
113 North San Vicente Boulevard
Beverly Hills, California 90211

RE: MUR 1859
The Yes on F Committee
and Ronald Lederman, as
treasurer

Dear Mr. Lederman:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Yes on F Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, and 434(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Seasons Hotels, Limited	)	MUR 1859

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Four Seasons Hotels, Limited ("Four Seasons" or "respondent") violated 2 U.S.C. §§441b and 441e. These findings were based on allegations that respondent, a Canadian corporation, had contributed funds to the "Yes on F" Committee, and that a portion of these funds was used to pay for a mailer that contained a slate or "voting guide" (hereinafter the "slate mailer") that included the names of candidates for Federal office.

Yes on F paid the Community Campaign Committee ("CCC") $8,500 to produce and disseminate the slate mailers. Different slate mailers were distributed to registered Republicans and to registered Democrats. Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of Federal and state candidates (as well as

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to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives."

The investigation conducted by this office consequent to the Commission's finding of reason to believe reached factual conclusions that may be summarized as follows.

Four Seasons is a Canadian corporation engaged in hotel management (see "Amalgamation Agreement" attached to affidavit of Arnold Cader, Executive Vice-President of Four Seasons, appended hereto as Attachment 1). The interest of this corporation in building a twelve-story hotel in Beverly Hills could not be fulfilled, absent a revision of the height restrictions in that city's zoning ordinance. Respondent joined, therefore, with a similarly inclined enterprise, W.B. Johnson, Inc. ("WBJ"), in supporting an amendment to the ordinance that would permit construction of high-rise hotels. The amendment was placed on the ballot in Beverly Hills in the November, 1984 elections as "Proposition F." Four Seasons and WBJ established the "Yes on F" Committee ("Yes on F") to suport that referendum. (The referendum was ultimately defeated).

As of October 22, 1984, Yes on F reported total receipts of $99,833.33. Of that amount, Four Seasons gave $54,500, and WBJ the remainder. By the end of 1984, Yes on F had received

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$262,139.85, and spent $295,953.66. Respondent had given $90,500 as of December 31, 1984, and gave another $35,373 early in 1985.

In addition to this substantial financial support, Four Seasons, along with WBJ, maintained considerable direct control over Yes of F. Arnold Cader of Four Seasons and William Murrah of WBJ hired Dorothy Chilkov, a public relations consultant, as Executive Administrator and office manager of Yes on F. Ms. Chilkov had overall charge of the campaign locally and was in effect the local representative of Four Seasons, reporting to Cader and Murrah. (Responses of Dorothy Chilkov and Roz Segal, Attachments 2 and 3 respectively). Roz Segal was hired by Arnold Cader to serve as campaign manager (until October 4, 1984) of Yes on F, and worked in that capacity under the direction of Cader and Chilkov. (Attachment 3).

It appears that Roz Segal initiated the idea that Yes on F use a slate mailing. (Attachment 2). Sam Cogar, an assistant to Segal, contacted Jill Barad and Larry Levine (the individuals who established and adminstered CCC) about Yes on F's prospective purchase of space on such a mailing. Accordingly to Segal, this proposal was communicated to Cader and Chilkov, who approved it. (See Attachment 3). Ms. Chilkov states that Cader and Murrah "approved the idea of purchasing space for Proposition F on slate mailers." (Attachment 2). Arnold Cader stated that he "had been advised in the presence of our attorneys that the Yes on F Committee would purchase space on slate cards in support of

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Proposition F," but denies that he saw the actual mailers before their dissemination, or that Four Seasons intended to influence any election other than the referendum on Proposition F. (Attachment 1).

The information obtained in the investigation makes clear that Four Seasons directly oversaw the activities of Yes on F. Mr. Cader stated that he and Patricia A. Moore, the assistant secretary of Four Seasons,

> participated in the general direction and control, but not the day-to-day operation and management, of the Yes on F Committee in that we together with W.B. Johnson Properties, Inc. received some of the recommendations made by the staff and consultants of the Yes on F Committee, and approved or disapproved such recommendations.

(Attachment 1). Ms. Segal, Yes on F's campaign manager during the pertinent period, has stated unequivocally that Four Seasons' oversight extended to all expenditures by Yes on F. She described the roles of respondent's principal agents as follows:

> Dorothy Chilkov - Executive Administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks . . .
>
> Arnold L. Cader - represented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F". No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

Attachment 3 (Emphasis in original).

Thus it appears that Yes on F was acting as an agent of respondent, not only in that Four Seasons hired key Yes on F

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personnel, but in light of the substantial direct control respondent maintained over that committee.

II. Legal Analysis

Under the Act,

> It is unlawful for . . . any corporation whatever . . . to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in . . . Congress are to be voted for . . .

2 U.S.C. § 441b. In the present case, respondent disbursed a substantial sum of money to Yes on F. Drawing on these corporate funds, Yes on F paid for a slate mailer that included candidates for President, Vice-President, and the U.S. Congress. The slate mailer purported to be a "voting guide" and included language urging the recipient to refer to this slate when filling out his absentee ballot. This exhortation amounts to an attempt to influence the recipient's choice of the candidate for whom he should cast his ballot. It is therefore clear that Yes on F's slate mailer involved expenditures in connection with a Federal election.

Respondent, along with WBJ, established and maintained overall control of Yes on F. Respondent oversaw the operations of Yes on F and maintained the right to approve or disapprove all decisions by Yes on F's managers. Yes on F could not spend money without respondent's approval. Yes on F was clearly respondent's agent throught this campaign. Respondent specifically approved, moreover, the use of a slate mailer. Thus, this Office

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recommends that the Commission find probable cause to believe that respondent's provision to Yes on F of the funds used to pay for the slate mailers resulted in expenditures in connection with Federal elections by a corporation, in violation of 2 U.S.C. § 441b.

The Act further provides that:

> It shall be unlawful for a foreign national directly or through any other person to make a contribution of money or other thing of value . . . in connection with an election to any political office . . . .

2 U.S.C. § 441e. In view of the undisputed fact that respondent is a Canadian corporation, and in view of its making a contribution to Yes on F that was used for slate mailers in connection with U.S. elections, this Office recommends that the Commission find probable cause to believe respondent violated 2 U.S.C. § 441e.

III. Recommendation

Find probable cause to believe Four Seasons Hotel, Limited violated 2 U.S.C. §§ 441b and 441e.

_____
Date

_____
Charles N. Steele
General Counsel

Attachments
1. Affidavit of Arnold Cader
2. Response of Dorothy Chilkov
3. Response of Roz Segal

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attachment 1

AFFIDAVIT

BEFORE THE FEDERAL ELECTION COMMISSION

RE: MUR 1859	)	
	)	
Four Seasons Hotels Limited	)	BS
	)	
PROVINCE OF ONTARIO, CANADA	)	
JUDICIAL DISTRICT OF YORK	)	

The undersigned, being first sworn, deposes and says:

1. I am the Executive Vice President of Four Seasons Hotels Limited ("Four Seasons") and I have direct knowledge of each of the facts discussed in this Affidavit.

2. Four Seasons is a Canadian corporation incorporated in the Province of Ontario, Canada. A copy of Four Seasons' Articles of Incorporation is attached hereto.

3. I and Patricia A. Moore, the Assistant Secretary of Four Seasons, acting on behalf of Four Seasons, participated with W.B. Johnson Properties, Inc. in the establishment of the Yes on F Committee. The Committee was formed in connection with the Special Election of the City of Beverly Hills on City Proposition F, which Special Election was called in July 1984 and consolidated with the November 1984 general election.

4. Neither Four Seasons nor the undersigned nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons established or participated in the establishment of the Community Campaign Committee.

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5. I and Patricia A. Moore, acting on behalf of Four Seasons, participated in the general direction and control, but not the day-to-day operation and management, of the Yes on F Committee in that we together with W.B. Johnson Properties, Inc. reviewed some of the recommendations made by the staff and consultants of the Yes on F Committee, and approved or disapproved such recommendations.

6. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons, directly or indirectly, directed, controlled, operated or managed the Community Campaign Committee.

7. From time to time I participated in the composition of some letters disseminated by the Yes on F Committee in support of Proposition F by reviewing drafts which had been prepared by the staff and consultants employed by the Yes on F Committee. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons participated in the printing of letters disseminated in support of Proposition F or participated in the composition, writing or printing of the slate cards disseminated in support of Proposition F.

8. I on behalf of Four Seasons learned of the contents of some letters disseminated in support of Proposition F at the time of the review of those letters as described in paragraph 7 above. I cannot state with certainty that I or Four Seasons or Patricia A. Moore or any agent, employee, officer or shareholder of Four Seasons knew the contents of every letter disseminated by the Yes on F Committee in support of Proposition F before its dissemination. No letter disseminated by the Yes on F Committee of which I or Ms. Moore were aware addressed any topic other than the Special Election of the City of Beverly Hills on City Proposition F. I and Ms. Moore had been advised in the presence of our attorneys that the Yes on F Committee would purchase space on slate

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cards in support of Proposition F. We were informed by the Yes on F Committee staff that the use of slate cards in elections was a common practice in the Los Angeles area. I believed that the slate cards were to be used in support of the local proposition, and neither Four Seasons nor I nor any agent acting on behalf of Four Seasons or any employee, officer, or shareholder of Four Seasons intended to participate in or in any way influence any election other than the Special Election of the City of Beverly Hills on City Proposition F. Neither Four Seasons nor I nor Ms. Moore nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons actually saw the slate cards until after their dissemination. The specific contents of the slate cards were not known by Four Seasons or by Ms. Moore or me until after the filing of the Complaint now being addressed by the Federal Election Commission.

Arnold L. Cader

SUBSCRIBED and sworn to before me this 12th day of April, 1985.

Notary Public in and for the Province of Ontario, Canada

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Ministry of Consumer and Commercial Relations

Ontario

CERTIFICATE

THIS IS TO CERTIFY THAT THESE ARTICLES ARE EFFECTIVE ON

DECEMBER 31, 1980

CONTROLLER OF RECORDS
COMPANIES SERVICES BRANCH

TRANS CODE	LINE NO.	Stat	Corp Type	Method Incorp.
A	0	0	A	3

Notice Req'd	Jurisdiction
N	ONTARIO

Form 6
The Business Corporations Act

ARTICLES OF AMALGAMATION

1. *THE NAME OF THE AMALGAMATED CORPORATION IS*

FOUR SEASONS HOTELS LIMITED

2. *THE AMALGAMATION AGREEMENT HAS BEEN DULY APPROVED AS REQUIRED BY SECTION 196 OF THE BUSINESS CORPORATIONS ACT*

3. *THE NAMES OF THE AMALGAMATING CORPORATIONS AND THE DATES ON WHICH THE AMALGAMATION AGREEMENT WAS APPROVED BY THE SHAREHOLDERS OF EACH OF THE AMALGAMATING CORPORATIONS ARE*

NAMES OF CORPORATIONS	ONTARIO CORPORATION NUMBER	DATES OF SHAREHOLDERS' APPROVAL
FOUR SEASONS HOTELS LIMITED	377775	December 16, 1980
FOUR SEASONS REALTY LIMITED	272464	December 30, 1980
DUNELAND CONSTRUCTION INCORPORATED	287482	December 30, 1980
GESTRUM INVESTMENTS LIMITED	285696	December 30, 1980
KISHKA HOLDINGS LIMITED	285699	December 30, 1980
PEORIA INVESTMENTS INC.	285698	December 30, 1980
SUMMERTIME REALTY LIMITED	277254	December 30, 1980
279389 ONTARIO INC.	279389	December 30, 1980

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AMALGAMATION AGREEMENT

THIS AGREEMENT made this 31st day of December 1980.

B E T W E E N:

FOUR SEASONS HOTELS LIMITED, a corporation continued under the laws of the Province of Ontario

(hereinafter called "Hotels")

OF THE FIRST PART,

- and -

FOUR SEASONS REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Realty")

OF THE SECOND PART

- and -

DUNELAND CONSTRUCTION INCORPORATED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Duneland")

OF THE THIRD PART,

- and -

GESTRUM INVESTMENTS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Gestrum")

OF THE FOURTH PART,

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- and -

KISHKA HOLDINGS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Kishka")

OF THE FIFTH PART,

- and -

PEORIA INVESTMENTS INC., a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Peoria")

OF THE SIXTH PART,

- and -

SUMMERTIME REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called Summertime")

OF THE SEVENTH PART,

- and -

279389 ONTARIO INC. a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "279389")

OF THE EIGHTH PART

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WHEREAS Hotels Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 (the "Amalgamating Corporations") are corporations to which The Business Corporations Act applies;

AND WHEREAS the Amalgamating Corporations have agreed to amalgamate in accordance with The Business Corporations Act on the terms and conditions hereinafter set out;

AND WHEREAS the authorized capital of Hotels consists of 2,000,000 First Preference Shares with a par value of $10 each, issuable in series, the first series of which consists of 400,000 First Preference Shares, Series A; 1,264,564 Second Preference Shares without par value; 1,732,919 Third Preference Shares without par value; and 2,000,000 Common Shares without par value; and the issued capital of Hotels consists of 400,000 First Preference Shares Series A, 64,250 Second Preference Shares, 4,700 Third Preference Shares and 1,931,493 Common Shares,

AND WHEREAS the authorized capital of Realty consists of 40,000 common shares without par value and the issued capital consists of 11 common shares,

AND WHEREAS the authorized capital of Duneland consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Gestrum consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Kishka consists of 36,000 non-voting, redeemable, non-cumulative 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

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AND WHEREAS the authorized capital of Peoria consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Summertime consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value;

AND WHEREAS the authorized capital of 279389 consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value.

AND WHEREAS all of the issued shares of Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 are owned by Realty and all of the issued shares of Realty are owned by Hotels;

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. <u>DEFINITIONS</u>

In this agreement the following terms shall have the following meaning:

1.01 "Act" means The Business Corporations Act of Ontario;

1.02 "Agreement" means this amalgamation agreement;

1.03 "Amalgamating Corporations" means Hotels, Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389;

1.04 "Certificate of Amalgamation" means the Certificate of Amalgamation issued pursuant to the Act in respect of the amalgamation herein provided for; and

1.05 "Corporation" means the corporation continued as a result of the amalgamation of the

Amalgamating Corporations herein provided for.

2. **AMALGAMATION**

The Amalgamating Corporations hereby agree to amalgamate under the provisions of Section 196 of the Act and to continue as one corporation on the terms and conditions hereinafter set out.

3. **NAME**

The name of the Corporation shall be Four Seasons Hotels Limited provided, however, that the Corporation may use its name in the following form in the following language: Les Hotels Quatre Saisons Limitée.

4. **OBJECTS**

The objects of the Corporation shall be as follows:

4.01 To carry on the business of a hotel, motel, tavern, public house, inn and restaurant or any similar establishment or combination thereof;

4.02 To buy, sell and deal in food or beverages including without limitation, beer, liquor, wine and other alcoholic beverages;

4.03 To operate motion picture or other theatres and places of amusement, entertainment or instruction of every kind, character and description;

4.04 To carry on the business of management consultants and/or business advisors;

4.05 To purchase or otherwise acquire and to hold, sell or exchange, property, real or personal, rights and assets of and bonds, debentures, debenture stock, shares of all classes and securities of any form or type issued by any

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individual, corporation or company, public or private, incorporated or unincorporated;

4.06 To purchase, lease or otherwise acquire, directly or indirectly, lands and buildings or an interest therein and to erect, construct, develop or maintain on such lands commercial buildings of every nature and kind whatsoever and to use, operate, convert, adapt, maintain, sell, transfer, encumber or otherwise deal with all or any of such lands and buildings and premises to and for the purpose of carrying out the objects of the Corporation;

4.07 To do anything that in the opinion of the Board of Directors is incidental, ancillary, necessary or otherwise desirable in connection with the foregoing and to carry on any other business capable of being conveniently carried on in connection with the business of the Corporation or likely to enhance the value of or make profitable any of its property or rights.

5. HEAD OFFICE

The head office of the Corporation shall, until otherwise determined in accordance with the Act, be situated in the Municipality of Metropolitan Toronto, in the Province of Ontario and the address of the head office of the Corporation shall be 1100 Eglinton Avenue East, Don Mills, Ontario.

6. AUTHORIZED CAPITAL

The authorized capital of the Corporation shall consist of

6.01 2,000,000 First Preference Shares with a par value of $10 each, issuable in series;

6.02 1,264,564 6% cumulative, redeemable Second Preference Shares without par value, provided that such shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of $5,866,850 or such greater

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attachment 2

DECLARATION
OF
DOROTHY CHILKOV

I, Dorothy Chilkov, declare under penalty of perjury as follows:

1. I have from time to time acted as a public relations consultant for Four Seasons Hotels, Ltd. in connection with its proposed hotel in Beverly Hills and I received a fee for my consulting services. I have never been employed by W.B. Johnson Properties, Inc. or Community Campaign Committee.

2. I acted as a public relations consultant to the Yes on F Committee and I was office manager of the Committee's campaign headquarters. I was hired by Arnold Cader and William Murrah and I ran the day-to-day operation of the office in consultation with Larry Sanderson. I was responsible to Mr. Cader and Mr. Murrah.

3. I did not draft letters advocating passage of Proposition F that contained slates that included listings of various candidates for public office ("slate mailers").

4. I do not know who participated in the composition, drafting and distribtuion of the slate mailers. My understanding is that the Yes on F Committee purchased space on slate mailers and did not prepare such mailers itself.

5. Insofar as the Yes on F Committee is concerned, to my knowledge Roz Segal, a campaign manager, initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know who supervised dissemination of slate mailers.

6. Listed on Exhibit A hereto are the persons and entities I was asked to identify in the Subpoena and Order to me dated June 3, 1985.

7. I do not know what role, if any, Larry Sanderson, Sam Cogar, Marathon Communications, Four Seasons Hotels, Ltd., W.B. Johnson Properties, William Murrah or Arnold Cader had in connection with drafting, composition and dissemination of slate mailers.

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8. As stated above, to my knowledge Roz Segal initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know what role, if any, Roz Segal had in connection with drafting, composition and dissemination of slate mailers.

9. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee. I do not know what role Community Campaign Committee had in connection with drafting, composition and dissemination of slate mailers.

10. To the best of my recollection, both Arnold Cader and William Murrah approved the idea of purchasing space for Proposition F on slate mailers.

11. I have no knowledge of whether slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for federal office, or any authorized committee or agent of such candidate.

12. I did not contact representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers. I have no knowledge of whether the Yes on F Committee contacted representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers.

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

DATED: June 20, 1985

Dorothy Chilkov

DOROTHY CHILKOV

8 7 0 4 0 6 4 4 2 9 7

EXHIBIT A
TO
DECLARATION OF DOROTHY CHILKOV

a) Roz Segal
1069 So. Hayworth
Los Angeles, California 90035

Self-employed

b) Larry Sanderson
c/o Soaring Society of America
3200 Airport Avenue
Suite 25
Santa Monica, California 90405
[Residence address unknown]

Executive Director of Soaring Society of America

c) Sam Cogar

Sam Cogar was an assistant to Roz Segal during the campaign. I do not know his address or his employment.

d) Marathon Communications
3420 Ocean Park Boulevard
Santa Monica, California 90405

Campaign consultants to Yes on F Committee from September, 1984 to election.

Principal employee: Richard Lichtenstein

e) Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8

Proponents of Proposition F throughout campaign

Principal Employees: Arnold Cader, Patricia Moore

f) W.B. Johnson Properties, Inc.
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326

Proponents of Proposition F throughout campaign

Principal Employee: William Murrah

g) William Murrah
c/o W.B. Johnson Properties
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326
[Residence address unknown]

Employed by W.B. Johnson Properties.

h) Community Campaign Committee

I had no contact with Community Campaign Committee and I do not know its address or its principal employees. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee.

i) Arnold L. Cader
c/o Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8
[Residence address unknown]

Employed by Four Seasons Hotels, Ltd.

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attachment 3

RECEIVED BY THE FEC
SCC#278
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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

August 2, 1985

Federal Election Commission
Washington
D.C. 20463

Attention: Mr. Kenneth A. Gross
Associate General Counsel

Dear Mr. Gross:

In response to your letter of July 22nd relative to Subpoena and Order - MUR 1859 to Roz Segal.

As of October 5, 1984 I was no longer in a position of any authority on the "Yes on F" Committee, to the extent that all telephone calls that came into that Committee, whether of a personal nature or relative to the Committee were all screened by Dorothy Chilkov and her staff.

1. a) Four Seasons Hotel Limited: "Yes on F" Committee, from June 1984 to October 4, 1984 I was under contract to Four Seasons Hotel Limited.

   b) W.B. Johnson Properties Inc. No, but it is my understanding that he contributed financially to the "Yes on F" Committee.

   c) Community Campaign Committee. No.

2. a) I was hired by Four Seasons Hotel Ltd., Arnold L. Cader, as Campaign Manager on Proposition F, which position terminated on October 4, 1984.

   b) Arnold L. Cader and Dorothy Chilkov the local representative for Four Seasons Hotel Ltd.

   c) Arnold L. Cader and Dorothy Chilkov.

3. Absolutely not.

4-5 6 a) Larry Sanderson - Campaign Co-Ordinator reporting to Dorothy Chilkov.

   b) Dorothy Chilkov - Executive administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks.

   c) Sam Cogar - Employee of Campaign Associates, and in his capacity had no authority to make final decisions on expenditures of money etc. Sam Cogar heard that Barad & Levine was going to do an absentee ballot mailing throughout Los Angeles County. He contacted them to inquire the cost if "Yes on F" participated in their mailing. Sam Cogar then reported this information to Arnold L. Cader and Dorothy Chilkov who had the final authority.

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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

Federal Election Commission
Washington, D.C.

4-5 6 d) Marathon Communications - As of October 5, 1984 became Campaign Manager of "Yes on F" and took over and produced the mail program. This firm was the original political consultant for W.B. Johnson Properties Inc.

e) Four Seasons Hotel Limited - Four Seasons Hotel Ltd. was the largest financial contributor to "Yes on F".

f) W.B. Johnston Properties Inc. - was a financial contributor to the "Yes on F" campaign.

g) William Murrah - was the representative for W.B. Johnson Properties Inc. with authority to act for W.B. Johnson Properties Inc. in mail content and financial expenditures.

h) Community Campaign Committee - Committee organized by Barad & Levine for the absentee mailer in Los Angeles County.

i) Arnold L. Cader - represented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F" No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

7 a) Four Seasons Hotel Limited - Arnold L. Cader. Yes, no monies could be expended - no mail could be finalized without his okay.

b) W.B. Johnson Properties Inc. - yes, William Murrah as their representative acted as their authority on all mail content and financial expenditures.

8. I do not know.

9. To the best of my knowledge no.

Subscribed and sworn to before me this 6th day of August 1985
George E. Hunt Notary Public in and for the County of Los Angeles State of California

OFFICIAL SEAL
George E. Hunt
Notary Public - California
Los Angeles County
My Commission Exp. Mar 28, 1988

Sincerely,

Roz Segal

Roz Segal

87040543301

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotels,
Limited

Dear Mr. Holum:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your client, the Commission determined on March 26, 1985 that there was reason to believe that your client had violated 2 U.S.C. §§ 441b and 441e, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

87044430

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Yes on F Committee and Ronald Lederman, as treasurer	)	MUR 1859

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Yes on F Committee and its treasurer ("Yes on F" or "respondent") violated 2 U.S.C. §§ 433, 434, and 434(c). These findings were based on the allegation that respondent expended more than $1,000 in connection with a Federal election, but failed to comply with the requirement of the Federal Election Campaign Act ("the Act") that it register and report as a political committee; and that respondent made independent expenditures aggregating in excess of $250 during a calendar year, but failed to file a statement disclosing those expenditures as required by the Act.

The investigation conducted in this case has established that Yes on F, a campaign committee organized in support of Proposition F on the ballot in Beverly Hills, Calif. in 1984, paid $8,500 for a mailer that contained a slate or "voting guide" (hereinafter "slate mailers") that included the names of candidates for Federal office. Yes on F disseminated two different sets of these slate mailers. Registered Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of

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California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of candidates for Federal and state offices (as well to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to "Keep this voting guide in a convenient place. It will be an important aid when your absentee ballot arrives."

II. Legal Analysis

Under the Act,

> (4) The term "political committee" means - (A) any committee, club, association, or other group of persons which receives contributions aggregating in excess of $1,000 during a calendar year or which makes expenditures aggregating in excess of $1,000 during a calendar year . . . .

2 U.S.C. § 431. Political committees are required to register with the Commission under 2 U.S.C. § 433, and to file regular reports with the Commission under 2 U.S.C. § 434.

The Act further provides that

> (1) Every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of $250 during a calendar year shall file a statement containing the informaton required under subsection (b)(3)(A) of this section for all contributions received by such person.

2 U.S.C. § 434(c). Thus it is necessary to determine (1) whether respondent qualified as a political committee by expending in

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excess of $1,000 in a calendar year, and thus bore the concomitant registration and reporting requirements of 2 U.S.C. §§ 433 and 434, and (2) whether, if respondent did not qualify as a political committee, it nonetheless made independent expenditures in excess of $250 during a calendar year and thereby became subject to the reporting requirements of 2 U.S.C. § 434(c).

As to whether Yes on F made expenditures in excess of $1,000, the Act defines the term "expenditure" to include:

> (i) any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person <u>for the purpose of influencing any election for Federal office</u> . . . .

2 U.S.C. § 431(9)(A) (emphasis added). In the present case, it is clear that the slate mailers paid for by Yes on F had the primary purpose of supporting Proposition F. At the same time, the slate mailers listed only one candidate in each contested Federal election on the ballot in California in 1984. The slate mailers urged the recipients to refer to the listing of candidates when filling out their absentee ballots. In effect, registered Republicans were urged to vote for the Republican candidates for President and Congress, and registered Democrats were likewise urged to vote for the Democratic candidates for the same positions.

This Office concludes, therefore, that the dissemination of the slate mailers involved payments of money for the purpose of

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influencing Federal elections, and thus resulted in expenditures, as defined by the Act.

While respondent spent $8,500 on the slate mailer, it is clear that not all of that amount can be allocated to Federal elections. The bulk of the mailer dealt with Proposition F and the subject of absentee voting itself; several state elections and referenda were also included in the voting guide. Considering that the principal purpose of the slate mailers was to support a local referendum, it seems appropriate in this case to allocate to Federal elections only that portion of the slate mailer that actually dealt with Federal candidates and offices.

The total area of both sides of the slate mailer is 187 square inches. (One side deals only with Proposition F and the procedure of absentee voting; the other side includes the slate of candidates and state, county, and city ballot questions, and more information about absentee voting). The space concerning Federal elections occupies 5.3 square inches, or about 2.83% of the total. 2.83% of $8500 is $232.55. Based on the calculation that Yes on F expended $232.55 in connection with Federal elections, this office concludes that respondent did not qualify as a political committee and furthermore that it did not have to report its independent expenditure in an amount under $250 to the Commission in accordance with 2 U.S.C. § 434(c).

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III. Recommendation

Find no probable cause to believe that the Yes on F Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

Date

Charles N. Steele
General Counsel

Attachment
Slate Mailer

87044443008

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Walter Mondale
Geraldine Ferraro

U.S. Congress
Anthony C. Beilenson
Incumbent

California Assembly
Gray Davis
Incumbent

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS
Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION
Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald Lederman, treasurer
Yes on F Committee
113 North San Vicente Boulevard
Beverly Hills, California 90211

RE: MUR 1859
The Yes on F Committee
and Ronald Lederman, as
treasurer

Dear Mr. Lederman:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Yes on F Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, and 434(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

87044312

FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
W.B. Johnson Properties, Inc.	)	MUR 1859
	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that W.B. Johnson Properties, Inc. ("WBJ" or "Respondent") violated 2 U.S.C. § 441b. This finding was based on allegations that respondent, a corporation, had contributed funds to the "Yes on F" committee, and that a portion of these funds was used to pay for a mailer that contained a slate or "voting guide" (hereinafter the "slate mailer") that included the names of candidates for Federal office.

Yes on F paid the Community Campaign Committee (CCC) $8,500 to produce and disseminate the slate mailers. Different slate mailers were distributed to registered Repubicans and to registered Democrats. Republicans received slate mailers that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of Federal and state candidates (as well to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an

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"Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives."

The investigation conducted by this office consequent to the Commission's finding of reason to believe reached factual conclusions that may be summarized as follows. WBJ is a corporation engaged in hotel management. The interest of this corporation in entering the Beverly Hills hotel market could not be fulfilled absent a revision of the height restrictions in that city's zoning ordinance. Respondent joined, therefore, with a similarly inclined enterprise, Four Seasons Hotels, Limited ("Four Seasons"), in supporting an amendment to the ordinance that would permit construction of high-rise hotels. (see letter of Stephen L. Jones, Attachment 1). The amendment was placed on the ballot in Beverly Hills in the November, 1984 elections as "Proposition F." Four Seasons and WBJ established the "Yes on F" Committee ("Yes on F") to support that referendum. (The referendum was ultimately defeated).

As of October 22, 1984, Yes on F reported total receipts of $99,833.33. Of that amount, Four Seasons gave $54,500, and WBJ the remainder. By the end of 1984, Yes on F had received $262,139.85, and spent $295,953.66. Respondent had given $83,000 as of December 31, 1984.

In addition to this substantial financial support, WBJ, along with Four Seasons, maintained considerable direct control

over Yes on F. Arnold Cader of Four Seasons and William Murrah of WBJ hired Dorothy Chilkov, a public relations consultant, as executive administrator and office manager of Yes on F. Ms. Chilkov had overall charge of the campaign locally, reporting to Cader and Murrah. (Responses of Dorothy Chilkov and Roz Segal, Attachments 2 and 3, respectively). Roz Segal was hired by Arnold Cader to serve as campaign manager (until October 4, 1984) of Yes on F, and worked in that capacity under the direction of Cader and Chilkov. (Attachment 3).

It appears that Roz Segal initiated the idea that Yes on F use a slate mailing. (Attachment 2). Sam Cogar, an assistant to Segal, contacted Jill Barad and Larry Levine (the individuals who established and administered CCC) about Yes on F's prospective purchase of space on such a mailing. According to Segal, this proposal was communicated to Cader and Chilkov, who approved it. (See Attachment 3). Ms. Chilkov states that Cader and Murrah "approved the idea of purchasing space for Proposition F on slate mailers." (Attachment 2).

William Murrah stated that he generally reviewed letters prepared by Yes on F. He adds, however, that while WBJ "was aware generally that there would be 'Democratic' mailers sent to voters registered with the Democratic party and 'Republican' mailers sent to voters registered with the Republican party -with each slate supporting Yes on F - W.B. Johnson Properties, Inc. did not review these slates and was not aware until after the

dissemination of the slates that candidates for federal office were included in the slates." (Attachment 1).

It is clear that WBJ exercised considerable direct control over Yes on F. Mr. Murrah stated that:

> W.B. Johnson Properties, Inc., in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc., exercised general control over the Yes on F Committee. Day-to-day control was exercised by persons contracted for this purpose (Roz Segal of Campaign Associates, Marathon Communications and Larry Sanderson). The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

Thus Yes on F was the agent of WBJ, not only because of WBJ's role in funding Yes on F and in hiring Yes on F personnel, but because of the direct control that WBJ, in cooperation with other entities, exercised over Yes on F.

II. Legal Analysis

Under the Act,

> It is unlawful for . . . any corporation whatever . . . to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in . . . Congress are to be voted for . . .

2 U.S.C. § 441b. In the present case, respondent disbursed a substantial sum of money to Yes on F. Drawing on these corporate funds, Yes on F paid for a slate mailer that included candidates for President, Vice-President, and U.S. Congress. The slate mailers purported to be a "voting guide" and included language urging the recipient to refer to the slate when filling out his absentee ballot. This exhortation amounts to an attempt to influence the recipient's choice of the candidate for whom he

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should cast his ballot. It is therefore clear that Yes on F's slate mailer involved expenditures in connection with a Federal election.

WBJ, along with Four Seasons, established and maintained overall control of Yes on F. Respondent oversaw the operations of Yes on F and maintained the right to approve or disapprove all decisions by Yes on F's managers. Yes on F was clearly Respondent's agent throughout this campaign. Respondent knew about and permitted the use of a slate mailer. Thus, this Office recommends that the Commission find probable cause to believe that respondent's provision to Yes on F of the funds used to pay for the slate mailers were expenditures in connection with Federal elections by a corporation, in violation of 2 U.S.C. § 441b.

III. Recommendation

1. Find probable cause to believe W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b.

_____
Date

_____
Charles N. Steele
General Counsel

Attachments
1. Affidavit of William L. Murrah
2. Response of Dorothy Chilkov
3. Response of Roz Segal

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attachment 1

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

HAND DELIVERED
85 APR 29 P12:47
FEC

April 15, 1985

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Commissioners:

Enclosed is the response of W. B. Johnson Properties, Inc. to the questions contained in your letter of April 2, 1985.

We appreciate the suggestion contained in your letter that the Office of General Counsel would like to settle this matter through conciliation. We hereby respectfully request that such settlement discussions commence.

Thank you for your consideration of the matters contained in this response and of our request for settlement discussions.

Very truly yours,

Stephen L. Jones

Stephen L. Jones

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Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859

Dear Commissioners:

This letter is submitted, under oath, in response to your letter of April 2, 1985 in connection with the above-referenced matter.

QUESTION 1.

1. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 1.

a) The Yes on F Committee was established jointly by W.B. Johnson Properties, Inc. and the Four Seasons Hotel Ltd. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the establishment of the Community Campaign Committee.

QUESTION 2.

2. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers or shareholders were involved.

RESPONSE TO QUESTION 2.

a) W.B. Johnson Properties, Inc., in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc., exercised general control over the Yes on F Committee. Day-to-day control was exercised by persons contracted for this purpose (Roz Segal of Campaign Associates, Marathon Communications, and Larry Sanderson). The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

It should be noted that W.B. Johnson Properties, Inc. contracted with Marathon Communications (principal, Richard Lichtenstein) for public affairs/relations services in connection with the development of a hotel on Bedford Drive. This contract, commencing in June, 1983, was totally separate from W.B. Johnson Properties, Inc.'s involvement in the Yes on F campaign. On October 10, 1984, the Yes on F Committee, under a contract with the Yes on F Committee and paid for by the Yes on F Committee, hired Marathon Communications to co-manage the balance of the Yes on F campaign efforts. Please note that Marathon Communications provided no services to the Yes on F Committee in connection with its contract with W.B. Johnson Properties, Inc. Also, to the best of our knowledge, Marathon Communications had no involvement whatsoever in the slate mailers that are the subject of this inquiry.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any direction, control, operation, nor management over the Community Campaign Committee.

QUESTION 3.

3. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 3.

W.B. Johnson Properties, Inc. did not participate in the initial composition of writing of letters disseminated in support of Proposition F. However, usually such letters were reviewed by W.B. Johnson Properties, Inc. in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc. prior to their dissemination. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah. As mentioned in Response 2A, Marathon Communications, on behalf of the Yes on F Committee was involved in such composition, writing, and printing after October 10, 1984.

However, neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the composition, writing, printing, or review of the slate mailers which are the subject of this inquiry. Although W.B. Johnson Properties, Inc. was aware generally that there would be "Democratic" mailers sent to voters registered with the Democratic party and "Republican" mailers sent to voters registered with the Republican party -- with each slate supporting Yes on F -- W.B. Johnson Properties, Inc. did not review these slates and was not aware until after the dissemination of the slates that candidates for federal office were included in the slates.

QUESTION 4.

4. State when W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

RESPONSE TO QUESTION 4.

As set forth in the Response to Question 3, W.B. Johnson Properties, Inc. generally reviewed the contents of letters disseminated in Support of Proposition F prior to their dissemination. This was not the case with the slates, however.

William L. Murrah

Sworn to and subscribed before me

this 26th day of April, 1985.

Notary Public

Notary Public, Georgia, State at Large
My Commission Expires June 15, 1987

attachment 2

DECLARATION
OF
DOROTHY CHILKOV

I, Dorothy Chilkov, declare under penalty of perjury as follows:

1. I have from time to time acted as a public relations consultant for Four Seasons Hotels, Ltd. in connection with its proposed hotel in Beverly Hills and I received a fee for my consulting services. I have never been employed by W.B. Johnson Properties, Inc. or Community Campaign Committee.

2. I acted as a public relations consultant to the Yes on F Committee and I was office manager of the Committee's campaign headquarters. I was hired by Arnold Cader and William Murrah and I ran the day-to-day operation of the office in consultation with Larry Sanderson. I was responsible to Mr. Cader and Mr. Murrah.

3. I did not draft letters advocating passage of Proposition F that contained slates that included listings of various candidates for public office ("slate mailers").

4. I do not know who participated in the composition, drafting and distribtuion of the slate mailers. My understanding is that the Yes on F Committee purchased space on slate mailers and did not prepare such mailers itself.

5. Insofar as the Yes on F Committee is concerned, to my knowledge Roz Segal, a campaign manager, initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know who supervised dissemination of slate mailers.

6. Listed on Exhibit A hereto are the persons and entities I was asked to identify in the Subpoena and Order to me dated June 3, 1985.

7. I do not know what role, if any, Larry Sanderson, Sam Cogar, Marathon Communications, Four Seasons Hotels, Ltd., W.B. Johnson Properties, William Murrah or Arnold Cader had in connection with drafting, composition and dissemination of slate mailers.

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8. As stated above, to my knowledge Roz Segal initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know what role, if any, Roz Segal had in connection with drafting, composition and dissemination of slate mailers.

9. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee. I do not know what role Community Campaign Committee had in connection with drafting, composition and dissemination of slate mailers.

10. To the best of my recollection, both Arnold Cader and William Murrah approved the idea of purchasing space for Proposition F on slate mailers.

11. I have no knowledge of whether slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for federal office, or any authorized committee or agent of such candidate.

12. I did not contact representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers. I have no knowledge of whether the Yes on F Committee contacted representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers.

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

DATED: June 20, 1985

DOROTHY CHILKOV

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EXHIBIT A
TO
DECLARATION OF DOROTHY CHILKOV

a) Roz Segal
1069 So. Hayworth
Los Angeles, California 90035

Self-employed

b) Larry Sanderson
c/o Soaring Society of America
3200 Airport Avenue
Suite 25
Santa Monica, California 90405
[Residence address unknown]

Executive Director of Soaring Society of America

c) Sam Cogar

Sam Cogar was an assistant to Roz Segal during the campaign. I do not know his address or his employment.

d) Marathon Communications
3420 Ocean Park Boulevard
Santa Monica, California 90405

Campaign consultants to Yes on F Committee from September, 1984 to election.

Principal employee: Richard Lichtenstein

e) Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8

Proponents of Proposition F throughout campaign

Principal Employees: Arnold Cader, Patricia Moore

f) W.B. Johnson Properties, Inc.
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326

Proponents of Proposition F throughout campaign

Principal Employee: William Murrah

3704064432 4

g) William Murrah
c/o W.B. Johnson Properties
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326
[Residence address unknown]

Employed by W.B. Johnson Properties.

h) Community Campaign Committee

I had no contact with Community Campaign Committee and I do not know its address or its principal employees. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee.

i) Arnold L. Cader
c/o Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8
[Residence address unknown]

Employed by Four Seasons Hotels, Ltd.

Attachment 3

RECEIVED BY THE FEC
QCC#278
85 AUG 12 AM : 46

Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

August 2, 1985

Federal Election Commission
Washington
D.C. 20463

Attention: Mr. Kenneth A. Gross
Associate General Counsel

Dear Mr. Gross:

In response to your letter of July 22nd relative to Subpoena and Order - MUR 1859 to Roz Segal.

As of October 5, 1984 I was no longer in a position of any authority on the "Yes on F" Committee, to the extent that all telephone calls that came into that Committee, whether of a personal nature or relative to the Committee were all screened by Dorothy Chilkov and her staff.

1. a) Four Seasons Hotel Limited: "Yes on F" Committee, from June 1984 to October 4, 1984 I was under contract to Four Seasons Hotel Limited.

   b) W.B. Johnson Properties Inc. No, but it is my understanding that he contributed financially to the "Yes on F" Committee.

   c) Community Campaign Committee. No.

2. a) I was hired by Four Seasons Hotel Ltd., Arnold L. Cader, as Campaign Manager on Proposition F, which position terminated on October 4, 1984.

   b) Arnold L. Cader and Dorothy Chilkov the local representative for Four Seasons Hotel Ltd.

   c) Arnold L. Cader and Dorothy Chilkov.

3. Absolutely not.

4-5 6 a) Larry Sanderson - Campaign Co-Ordinator reporting to Dorothy Chilkov.

   b) Dorothy Chilkov - Executive administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks.

   c) Sam Cogar - Employee of Campaign Associates, and in his capacity had no authority to make final decisions on expenditures of money etc. Sam Cogar heard that Barad & Levine was going to do an absentee ballot mailing throughout Los Angeles County. He contacted them to inquire the cost if "Yes on F" participated in their mailing. Sam Cogar then reported this information to Arnold L. Cader and Dorothy Chilkov who had the final authority.

Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

Federal Election Commission
Washington, D.C.

4-5 6 d) Marathon Communications - As of October 5, 1984 became Campaign Manager of "Yes on F" and took over and produced the mail program. This firm was the original political consultant for W.B. Johnson Properties Inc.

e) Four Seasons Hotel Limited - Four Seasons Hotel Ltd. was the largest financial contributor to "Yes on F".

f) W.B. Johnston Properties Inc. - was a financial contributor to the "Yes on F" campaign.

g) William Murrah - was the representative for W.B. Johnson Properties Inc. with authority to act for W.B. Johnson Properties Inc. in mail content and financial expenditures.

h) Community Campaign Committee - Committee organized by Barad & Levine for the absentee mailer in Los Angeles County.

i) Arnold L. Cader - fepresented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F" No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

7 a) Four Seasons Hotel Limited - Arnold L. Cader. Yes, no monies could be expended - no mail could be finalized without his okay.

b) W.B. Johnson Properties Inc. - yes, William Murrah as their representative acted as their authority on all mail content and financial expenditures.

8. I do not know.

9. To the best of my knowledge no.

Sincerely,

Roz Segal

Roz Segal

Subscribed and sworn to before me this 6th day of August, 1985

George E. Hunt Notary Public in and for the county of Los Angeles State of California

OFFICIAL SEAL
George E. Hunt
Notary Public California
Principal Office
Los Angeles County
My Commission Exp. Mar 26, 1986

87040544327

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
Lillick, McHose & Charles
Citicorp Plaza
725 South Figueroa
Los Angeles, California 90017

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by your clients, the Commission determined on March 26, 1985 that there was reason to believe that your clients had violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended "(the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Synder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

3704054432 9

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Community Campaign Committee and Irene Kleinberg, as treasurer	)	MUR 1859
	)	
	)	

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 26, 1985, the Federal Election Commission found reason to believe that the Community Campaign Committee and its treasurer ("CCC" or "respondent") violated 2 U.S.C. §§ 433, 434, 434(c), and 441d. These findings were based on the allegation that respondent expended more than $1,000 in connection with a Federal election, but failed to comply with the requirement of the Federal Election Campaign Act ("the Act") that it register and report as a political committee; that respondent made independent expenditures aggregating in excess of $250 during a calendar year, but failed to file a statement disclosing these expenditures as required by the Act; and that respondent failed to include on a communication expressly advocating the election of clearly identified candidates a disclaimer stating whether the communication had been authorized by any candidate.

The investigation conducted in this case has established that CCC, a committee registered with the Secretary of State of California and not with the Federal Election Commission, produced, on behalf of the Yes on F Committee, a mailer that contained a slate or "voting guide" (hereinafter "slate mailer")

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that included the names of candidates for Federal office. CCC received a payment of $8,500, and spent $7,290.60, to produce the slate mailer. Two different versions of these slate mailers were produced and disseminated. Registered Republicans received a slate mailer that included the names of Republican candidates for Federal office: Ronald Reagan, George Bush, and Claude Parrish (candidate for U.S. Congress, 23rd District of California). The slate mailer that went to registered Democrats listed Walter Mondale, Geraldine Ferraro, and Anthony C. Beilenson (candidate for re-election to U.S. Congress). Both versions of the slate mailer referred to the slate of candidates for Federal and state offices (as well as to positions of the appropriate political party on various state referenda, and indicated a "Yes" vote on Proposition F) as an "Absentee Voting Guide." The slate mailer urged the recipient to: "Keep this voting guide in a convenient place. It will be an important aid when your absentee ballot arrives." The slate mailer included the following disclaimer: "Paid for by: Community Campaign Committee/ 206 South Robertson, Suite 8371/ Beverly Hills, CA 90211/Not an Official Political Group."

II. Legal Analysis

Under the Act,

> (4) The term "political committee" means - (A) any committee, club, association, or other group of persons which receives contributions aggregating in excess of $1,000 during a calendar year or which makes expenditures aggregating in excess of $1,000 during a calendar year . . .

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2 U.S.C. § 431. Political committees are required to register with the Commission under 2 U.S.C. § 433, and to file regular reports with the Commission under 2 U.S.C. § 434.

The Act further provides that:

> (1) Every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of $250 during a calendar year shall file a statement containing the information required under section (b)(3)(A) of this section for all contributions received by such person.

2 U.S.C. § 434(c). With respect to the alleged violations of 2 U.S.C. §§ 433, 434 and 434(c), it is necessary therefore to determine (1) whether respondent qualified as a political committee by expending in excess of $1,000 in a calendar year, and thus bore the concomitant registration and reporting requirements of 2 U.S.C. §§ 433 and 434, and (2) whether, if respondent did not qualify as a political committee, it nonetheless made independent expenditures in excess of $250 during a calendar year and was thus subject to the reporting requirements of 2 U.S.C. § 434(c).

As to whether CCC made expenditures in excess of $1,000, the Act defines the term "expenditures" to include:

> (i) any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person <u>for the purpose of influencing any election for Federal office</u> . . .

2 U.S.C. § 431(9)(A) (emphasis added). In the present case, it is clear that the slate mailers paid for by CCC had the primary

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purpose of supporting Proposition F. At the same time, the slate mailers listed only one candidate in each contested Federal election on the ballot in California in 1984. The slate mailers urged the recipients to refer to the listing of candidates when filling out their absentee ballots. In effect, registered Republicans were urged to vote for the Republican candidates for President and Congress, and registered Democrats were likewise urged to vote for the Democratic candidates for the same positions.

This Office concludes, therefore, that the production and dissemination of the slate mailers involved payments of money for the purpose of influencing Federal elections, and thus resulted in expenditures, as defined by the Act.

While respondent spent $7290.60 on the slate mailers, it is clear that not all of that amount can be allocated to Federal elections. The bulk of the mailer dealt with Proposition F and the subject of absentee voting itself; several state elections and referenda were also included in the voting guide. Considering that the principal purpose of the slate mailers was to support a local referendum, it seems appropriate in this case to allocate to Federal elections only that portion of the slate mailers that actually dealt with Federal candidates and offices.

The total area of both sides of the slate mailer is 187 square inches. (One side deals only with Proposition F and the procedure of absentee voting; the other side includes the slate

3 7 1 4 0 4 4 3 3 5

of candidates and state, county, and city ballot questions, and more information about absentee voting). The space concerning Federal elections occupies 5.3 square inches, or about 2.83% of the total. 2.83% of 7,290.60 is $206.32. Based on the calculation that CCC expended $206.32 in connection with Federal elections, this office concludes that respondent did not qualify as a political committeee and, furthermore, that it did not have to report its independent expenditures in an amount under $250 to the Commission in accordance with 2 U.S.C. 434(c).

CCC received $8,500 from Yes on F. Treating that amount as a contribution, and applying the same allocation formula, the result is a contribution of $232.58, and the same legal conclusion applies.

We turn then to the one remaining alleged violation. Under the Act,

> Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate . . . such communication - ...
>
> (3) if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

2 U.S.C. § 441d(a). As we have seen, the slate mailer named specific candidates, and urged the recipients to refer to that listing when voting. Thus the slate mailer expressly advocated the election of clearly identified candidates, and the requirements of 2 U.S.C. § 441d therefore apply.

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CCC included on the slate mailers a statement that it had paid for them, but did not say whether a candidate had authorized these communications. In her answer to the Commission's interrogatories, Irene Kleinberg, treasurer of CCC, stated that "No candidate for Federal office, or any authorized committee or agent of such candidate had any contact with CCC regarding the composition or dissemination of any of the mail produced by CCC for Yes of F." She added that she did not know of any contacts between Yes on F and any candidate. Thus, CCC should have included on the slate mailer the disclaimer set forth in 2 U.S.C. § 441d(a)(3). While CCC maintains that the message contained in the slate mailer was dictated by Yes on F, CCC, as the committee that actually produced the slate mailer, had the responsiblity of including the proper disclaimer on the communication. (Compare MUR 1711, under the Commission found probable cause to believe the Christian Voice Moral Government Fund violated 2 U.S.C. § 441d for failing to include a proper disclaimer on certain signs, despite evidence that the Friends of Joe Barton for Congress Committee had drafted the message on the signs).

Thus this Office recommends that the Commission find probable cause to believe respondent violated 2 U.S.C. § 441d.

III. Recommendations

1. Find no probable cause to believe the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, and 434(c).

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2. Find probable cause to believe the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 441d.

Date

Charles N. Steele
General Counsel

Attachment
Slate Mailer

R 7 9 4 0 5 4 4 3 3 6

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.
2. Proposition "F" will restrict hotels to the business triangle.
3. Proposition "F" will mandate free off-street parking for all employees.
4. Proposition "F" will ensure plentiful parking for guests.
5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.
6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.
7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide!

President/Vice President
Walter Mondale
Geraldine Ferraro

U.S. Congress
Anthony C. Beilenson
Incumbent

California Assembly
Gray Davis
Incumbent

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS
Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION
Prop. F — YES

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Irene Kleinberg, treasurer
Community Campaign Committee
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

RE:MUR 1859
Community Campaign Committee
and Irene Kleinberg, as
treasurer

Dear Ms. Kleinberg:

Based on a complaint filed with the Commission on November 2, 1984, and information supplied by you, the Commission determined on March 26, 1985 that there was reason to believe that the Community Campaign Committee and you, as treasurer, had violated 2 U.S.C. §§ 433, 434, 434(c) and 441(d), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days. All requests for extension of time must be submitted 5 days prior to the due date and must be in writing. Further, good cause must be shown.

87074437

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Charles Snyder, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

9704064340

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Yes on F Committee, et al.	)	1859
	)	

86 JUN 30 A9:22

SENSITIVE

GENERAL COUNSEL'S REPORT

The Office of General Counsel is prepared to close the investigation in this matter as to the Yes on F Committee and Ronald Lederman, as treasurer, the Community Campaign Committee and Irene Kleinberg, as treasurer, Four Seasons Hotel, Limited, and W.B. Johnson Properties, Inc., based on the assessment of the information presently available.

26 June 1986
Date

Charles N. Steele
General Counsel

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OGC Docket

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Yes on F Committee, et al.	)	1859
	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

The Office of General Counsel is prepared to close the investigation in this matter as to the Yes on F Committee and Ronald Lederman, as treasurer, the Community Campaign Committee and Irene Kleinberg, as treasurer, Four Seasons Hotel, Limited, and W.B. Johnson Properties, Inc., based on the assessment of the information presently available.

26 June 1986
Date

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel RD

DATE: June 30, 1986

SUBJECT: MUR 1859 - General Counsel's Report

The attached is submitted as an Agenda document

for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[ ]	Compliance	[XX]
Sensitive	[ ]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[XX]	Status Sheets	[ ]
Sensitive	[XX]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

8704413413

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1859
Four Seasons Hotel, Ltd., et al.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 8, 1985, do hereby certify that the Commission took the following actions in MUR 1859:

1. Failed in a vote of 2-3 to pass a motion to reject the recommendation contained in the General Counsel's report dated September 26, 1985, and return the report to the General Counsel for reconsideration.

   Commissioners Aikens and Elliott voted affirmatively for the motion; Commissioners Josefiak, McDonald, and McGarry dissented. Commissioner Harris was not present.

2. Decided by a vote of 4-1 to authorize the Office of General Counsel to file a civil suit for enforcement in the United States District Court against Larry Sanderson.

   Commissioners Aikens, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Elliott dissented. Commisssioner Harris was not present.

Attest:

10-8-85
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: September 30, 1985

SUBJECT: MUR 1859 - General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of October 8, 1985

Open Session

Closed Session XX

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[ ]	Compliance	[XX]
Sensitive	[ ]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[XX]	Other (see distribution below)	[ ]

SENSITIVE

CIRCULATE ON BLUE PAPER

ON AGENDA 10-8-85

• SENSITIVE •

EXECUTIVE SESSION

OCT 8 1985

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Seasons Hotel, Ltd. et al.	)	MUR 1859
	)	
	)	

RECEIVED OFFICE OF THE FEC COMMISSION SECRETARY
85 SEP 30 P12:40

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 5, 1985, the Commission issued under order, a series of interrogatories to Mr. Larry Sanderson, a witness in the above-captioned matter. (See Attachment 1). Mr. Sanderson has not responded to those interrogatories, despite efforts by this office to secure his cooperation through telephone calls, and correspondence. (See Attachment 2). Accordingly, this office recommends that the Commission authorize an enforcement suit against Mr. Sanderson in the appropriate U.S. District Court.

II. RECOMMENDATION

Authorize the Office of General Counsel to file a civil suit for enforcement in the United States District Court against Larry Sanderson.

9/26/85
Date

Charles N. Steele
Charles N Steele
General Counsel

Attachment
1. Interrogatories and Order
2. Letter to Larry Sanderson

8704044346

attachment 1

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee,	)	
et al.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. this 3rd day of June, 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

8704041347

SUBPOENA AND ORDER TO LARRY SANDERSON

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

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1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murvah
h) Community Campaign Committee
i) Arnold L. Cader

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7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 5, 1985

Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

RE: MUR 1859

Dear Mr. Sanderson:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

27040541351

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

87010441352

attachment 2

Sayer

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1985

Mr. Larry Sanderson
3200 Airport Blvd.
Suite 25
Santa Monica, California 90405

RE: MUR 1859

Dear Mr. Sanderson:

On June 5, 1985, the Federal Election Commission issued to you a series of interrogatories and, pursuant to 2 U.S.C. § 437d(a)(1), ordered you to submit written answers under oath within 10 days. You have not complied with that order. Please be advised that, unless you do so immediately, this Office will recommend that the Commission authorize an enforcement suit against you in the appropriate U.S. District Court.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

CS #1

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 20, 1985

Mr. Larry Sanderson
3200 Airport Blvd.
Suite 25
Santa Monica, California 90405

RE: MUR 1859

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Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

CS #1

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mr. Larry Sanderson
3200 Airport Blvd.
Suite 25
Santa Monica, California 90405

RE: MUR 1859

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Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

CS #1

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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

August 2, 1985

Federal Election Commission
Washington
D.C. 20463

Attention: Mr. Kenneth A. Gross
Associate General Counsel

Dear Mr. Gross:

In response to your letter of July 22nd relative to Subpoena and Order - MUR 1859 to Roz Segal.

As of October 5, 1984 I was no longer in a position of any authority on the "Yes on F" Committee, to the extent that all telephone calls that came into that Committee, whether of a personal nature or relative to the Committee were all screened by Dorothy Chilkov and her staff.

1. a) Four Seasons Hotel Limited: "Yes on F" Committee, from June 1984 to October 4, 1984 I was under contract to Four Seasons Hotel Limited.

   b) W.B. Johnson Properties Inc. No, but it is my understanding that he contributed financially to the "Yes on F" Committee.

   c) Community Campaign Committee. No.

2. a) I was hired by Four Seasons Hotel Ltd., Arnold L. Cader, as Campaign Manager on Proposition F, which position terminated on October 4, 1984.

   b) Arnold L. Cader and Dorothy Chilkov the local representative for Four Seasons Hotel Ltd.

   c) Arnold L. Cader and Dorothy Chilkov.

3. Absolutely not.

4-5 6 a) Larry Sanderson - Campaign Co-Ordinator reporting to Dorothy Chilkov.

   b) Dorothy Chilkov - Executive administrator in complete charge of "Yes on F" locally, reporting to Arnold Cader. Dorothy Chilkov had the absolute local authority to approve all requisitions and sign checks.

   c) Sam Cogar - Employee of Campaign Associates, and in his capacity had no authority to make final decisions on expenditures of money etc. Sam Cogar heard that Barad & Levine was going to do an absentee ballot mailing throughout Los Angeles County. He contacted them to inquire the cost if "Yes on F" participated in their mailing. Sam Cogar then reported this information to Arnold L. Cader and Dorothy Chilkov who had the final authority.

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Campaign Associates

P. O. BOX 5092 BEVERLY HILLS, CALIFORNIA 90210

Federal Election Commission
Washington, D.C.

4-5 6 d) Marathon Communications - As of October 5, 1984 became Campaign Manager of "Yes on F" and took over and produced the mail program. This firm was the original political consultant for W.B. Johnson Properties Inc.

e) Four Seasons Hotel Limited - Four Seasons Hotel Ltd. was the largest financial contributor to "Yes on F".

f) W.B. Johnston Properties Inc. - was a financial contributor to the "Yes on F" campaign.

g) William Murrah - was the representative for W.B. Johnson Properties Inc. with authority to act for W.B. Johnson Properties Inc. in mail content and financial expenditures.

h) Community Campaign Committee - Committee organized by Barad & Levine for the absentee mailer in Los Angeles County.

i) Arnold L. Cader - represented Four Seasons Hotel Ltd. and was the final authority on every facet of "Yes on F" No monies could be expended - no mail could be finalized WITHOUT HIS OKAY.

7 a) Four Seasons Hotel Limited - Arnold L. Cader. Yes, no monies could be expended - no mail could be finalized without his okay.

b) W.B. Johnson Properties Inc. - yes, William Murrah as their representative acted as their authority on all mail content and financial expenditures.

8. I do not know.

9. To the best of my knowledge no.

Subscribed and sworn to before me this 6th day of August 1985
George E. Hunt Notary Public in and for the county of Los Angeles State of California

OFFICIAL SEAL
George E. Hunt
Notary Public-California
Principal office in
Los Angeles County
My Comm. Exp. Mar. 25, 1988

Sincerely,

Roz Segal

Roz Segal

R 7 0 4 0 4 4 3 5 7

Roz Segal
1069 So. Hayworth Ave.
Los Angeles, Ca. 90035

Federal Election Commission
Washington
D.C. 20463

Attention of: Mr. Kenneth A. Gross
Associate General Counsel

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611 7862

dorothy t. chilkov associates

85 JUN 27 P2:51

June 20, 1985

Federal Election Commission
1325 K Street N.W.
Washington, D.C.

Attention: Charles Snyder, Esq.

Re: MUR 1859

Dear Mr. Snyder:

Enclosed is my declaration in response to the Federal Election Commission's Subpoena and Order to me dated June 3, 1985. Also enclosed is a copy of an informal ledger I maintained of the expenditures by the Yes on F Committee.

Sincerely yours,

Dorothy T. Chilkov

87044359

280 S. BEVERLY DRIVE, SUITE 513
BEVERLY HILLS, CALIFORNIA 90212
(213) • 273-2905 • 472-0378

DECLARATION
OF
DOROTHY CHILKOV

I, Dorothy Chilkov, declare under penalty of perjury as follows:

1. I have from time to time acted as a public relations consultant for Four Seasons Hotels, Ltd. in connection with its proposed hotel in Beverly Hills and I received a fee for my consulting services. I have never been employed by W.B. Johnson Properties, Inc. or Community Campaign Committee.

2. I acted as a public relations consultant to the Yes on F Committee and I was office manager of the Committee's campaign headquarters. I was hired by Arnold Cader and William Murrah and I ran the day-to-day operation of the office in consultation with Larry Sanderson. I was responsible to Mr. Cader and Mr. Murrah.

3. I did not draft letters advocating passage of Proposition F that contained slates that included listings of various candidates for public office ("slate mailers").

4. I do not know who participated in the composition, drafting and distribtuion of the slate mailers. My understanding is that the Yes on F Committee purchased space on slate mailers and did not prepare such mailers itself.

5. Insofar as the Yes on F Committee is concerned, to my knowledge Roz Segal, a campaign manager, initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know who supervised dissemination of slate mailers.

6. Listed on Exhibit A hereto are the persons and entities I was asked to identify in the Subpoena and Order to me dated June 3, 1985.

7. I do not know what role, if any, Larry Sanderson, Sam Cogar, Marathon Communications, Four Seasons Hotels, Ltd., W.B. Johnson Properties, William Murrah or Arnold Cader had in connection with drafting, composition and dissemination of slate mailers.

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8. As stated above, to my knowledge Roz Segal initiated the idea that the Yes on F Committee purchase space on slate mailers. I do not know what role, if any, Roz Segal had in connection with drafting, composition and dissemination of slate mailers.

9. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee. I do not know what role Community Campaign Committee had in connection with drafting, composition and dissemination of slate mailers.

10. To the best of my recollection, both Arnold Cader and William Murrah approved the idea of purchasing space for Proposition F on slate mailers.

11. I have no knowledge of whether slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for federal office, or any authorized committee or agent of such candidate.

12. I did not contact representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers. I have no knowledge of whether the Yes on F Committee contacted representatives of any candidate for any elective office, or any committee of such candidates, or committees advocating positions with respect to any proposition or referendum, to solicit contributions to or participation in dissemination of slate mailers.

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

DATED: June 20, 1985

DOROTHY CHILKOV

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EXHIBIT A
TO
DECLARATION OF DOROTHY CHILKOV

a) Roz Segal
1069 So. Hayworth
Los Angeles, California 90035

Self-employed

b) Larry Sanderson
c/o Soaring Society of America
3200 Airport Avenue
Suite 25
Santa Monica, California 90405
[Residence address unknown]

Executive Director of Soaring Society of America

c) Sam Cogar

Sam Cogar was an assistant to Roz Segal during the campaign. I do not know his address or his employment.

d) Marathon Communications
3420 Ocean Park Boulevard
Santa Monica, California 90405

Campaign consultants to Yes on F Committee from September, 1984 to election.

Principal employee: Richard Lichtenstein

e) Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8

Proponents of Proposition F throughout campaign

Principal Employees: Arnold Cader, Patricia Moore

f) W.B. Johnson Properties, Inc.
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326

Proponents of Proposition F throughout campaign

Principal Employee: William Murrah

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g) William Murrah
c/o W.B. Johnson Properties
3414 Peachtree Rd., N.E.
Atlanta, Georgia 30326
[Residence address unknown]

Employed by W.B. Johnson Properties.

h) Community Campaign Committee

I had no contact with Community Campaign Committee and I do not know its address or its principal employees. My understanding is that Community Campaign Committee sold space on slate mailers to the Yes on F Committee.

i) Arnold L. Cader
c/o Four Seasons Hotels, Ltd.
1100 Eglinton Avenue East
Toronto, Ontario, Canada M3C 1H8
[Residence address unknown]

Employed by Four Seasons Hotels, Ltd.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

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

DATE: MAY 17, 1985

SUBJECT: MUR 1859 - Comprehensive Investigative Report #1 signed May 14, 1985

The above-captioned matter was circulated to the Commission on a 24 hour no-objection basis at 11:00, May 15, 1985.

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: May 15, 1985

SUBJECT: MUR 1859 - Comprehensive Investigative Report #1

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[ ]	Compliance	[X]
Sensitive	[ ]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[X]	Litigation	[ ]
Sensitive	[X]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

87047413653

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Community Campaign Committee	)	MUR 1859
and Irene Kleinberg, as treasurer	)	
Yes on F Committee	)	
and Ronald Lederman, as treasurer	)	
Four Seasons Hotel, Limited	)	**SENSITIVE**
W.B. Johnson Properties, Inc.	)	

COMPREHENSIVE INVESTIGATIVE REPORT #1

The Commission found reason to believe on March 26, 1985 that Community Campaign Committee ("CCC") and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433, 434, and 441d; that the Yes on F Committee ("Yes on F") and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433 and 434; that Four Seasons Hotel, Limited ("Four Seasons") violated 2 U.S.C. §§ 441b and 441e; and that W.B. Johnson Properties, Inc. ("WBJ") violated 2 U.S.C. § 441b. At that time, the Commission authorized the issuance of interrogatories, which the Respondents have now answered. This report will present a Summary of those responses.

Four Seasons Hotel, Limited

Four Seasons has stated in essence that:

1. Acting in cooperation with WBJ, it established Yes on F in connections with the special election on Proposition F held in Beverly Hills in November, 1984;

2. It did not establish or manage CCC;

3. Four Seasons participated in the general direction and control of Yes on F, but not in the day-to-day operation of that committee. Agents of Four Seasons did participate in the composition of certain letters disseminated by Yes on F, but not

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the slate cards listing Federal candidates. Four Seasons' employees did not see those slate cards until after their dissemination. Although Four Seasons' employees knew in advance that slate cards would be used, they state that they had no advance knowledge of any action by Yes on F that could influence any election other than the Referendum on Proposition F.

4. Four Seasons confirms that it is a Canadian corporation.

W.B. Johnson Properties, Inc.

WBJ's response basically accords with the information provided by Four Seasons, with the addition, however, of certain pertinent details.

1. WBJ, acting in conjunction with Four Seasons and a third entity, the Taubman Company, Inc., ("Taubman") exercised general control over Yes on F. Roz Segal, of Campaign Associates, Larry Sanderson, and Marathon Communications exercised day-to-day control.

2. Four Seasons, WBJ, and Taubman generally reviewed letters drafted on behalf of Yes on F prior to their dissemination. WBJ knew that "Democratic" slate mailers would be sent to registered Democrats, and "Republican" mailers to Republicans. But WBJ did not review these slate mailers prior to their dissemination, and did not know in advance that candidates for Federal office would be listed on the slates.

Community Campaign Committee

1. CCC confirms the statements by Four Seasons and WBJ that it was neither formed nor managed by those corporations. Also, CCC states that it is an organization entirely distinct from Yes on F.

2. The total amount received by CCC from Yes on F in 1984 was $8500. CCC expended $7290.60 for the slate mailing in question. Significantly, the representative of Yes on F who first approched CCC to propose that the latter produce a slate mailer featuring Yes on F, is purported to have "suggested that costs be shared among a number of candidates and issues, but also said that if no other sources of funding could be found, Yes on F would provide all the necessary funds."

3. CCC's role was to coordinate graphic arts, printing, computer and mailing house services at prices determined through competitive bidding. After taking bids for on the proposed slate mailer, CCC gave Yes on F an estimate of $8500 as the total cost of the project. Yes on F agreed, and paid that amount.

4. Yes on F had control of the content of the mailing. "CCC's role was limited strictly to graphic design and coordination of production."

Yes on F

This response emanates from Ronald Lederman, the treasurer of Yes on F. Mr. Lederman explains that his services to Yes on F were limited to those he gave in his professional capacity as an accountant. Thus he could provide little information

pertinent to the present inquiry. But he did produce valuable background materials, including a complete set of the reports Yes on F filed with the California election commission.

Mr. Lederman's response, along with other responses, identified individuals actively involved with the day-to-day management of Yes on F. Interrogatories to be sent these individuals are now being prepared, in connection with this continuing investigation.

May 14, 1985
Date

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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85 APR 26 AM : 09

Stephen L. Jones
Attorney at Law
1299 Ocean Avenue
Suite 330
Santa Monica, California 90401

April 24, 1984

Federal Election Commission
Washington, D.C. 20463

Attention: Mr. Charles Snyder

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Snyder:

I recently requested --- and presumably received -- an extension of time for W.B. Johnson Properties, Inc. to respond to the Commission's April 2, 1985 letter until and including Friday, April 26, 1985. For the following reason, I hereby request a second extension until and including Monday, April 29, 1985.

The employee (William L. Murrah) of W.B. Johnson Properties, Inc. who has personal knowledge of the matters inquired about in the Commission's letter is currently in Florida and will not be back to the Johnson offices in Atlanta until Friday, April 26, 1985. Since you have requested that the responses be under oath, it is necessary to wait for Mr. Murrah's signature. After Mr. Murrah verifies the response, it will be forwarded directly to your offices from Atlanta.

Thank you for your consideration of this request.

Very truly yours,

Stephen L. Jones

Stephen L. Jones

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 5, 1985

Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

RE: MUR 1859

Dear Mr. Sanderson:

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

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If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

87040544372

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee,	)	
et al.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

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Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. this 3rd day of June, 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

8704064373

SUBPOENA AND ORDER TO LARRY SANDERSON

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

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b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

8 7 0 4 0 5 4 4 3 7 4

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murvah
h) Community Campaign Committee
i) Arnold L. Cader

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 5, 1985

John D. Holum, Esq.
O'Melveny and Myers
1800 M Street N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotel, Ltd.

Dear Mr. Holum:

In response to your letter of April 9, 1985, proposing pre-probable cause conciliation, please be advised that the Commission must decline to enter into such conciliation at this time, on the grounds that the investigation of the above-captioned matter is not yet complete.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704043377

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 5, 1985

Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA

RE: MUR 1859

Dear Ms. Chilkov:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

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If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

87040441379

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 1859
)
Yes on F Committee, et al.)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA 90212

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand this 3rd day of June, 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

8704043390

SUBPOENA AND ORDER TO DOROTHY CHILKOV

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Larry Sanderson
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1985

Roz Segal
1069 S. Hayworth
Los Angeles, CA 90035

RE: MUR 1859

Dear Ms. Segal:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

9704143984

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 1859
)
Yes on F Committee, et al.)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Roz Segal
1069 S. Hayworth
Los Angeles, CA 90035

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Subpoena/Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washingotn, D.C. this 3rd day of June, 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

9704413 9

SUBPOENA AND ORDER TO ROZ SEGAL

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

8 7 0 4 0 5 4 1 3 9 7

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Larry Sanderson
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

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

DATE: JUNE 4, 1985

SUBJECT: SUBPOENAS/ORDERS IN MUR 1859

The attached subpoenas/orders, which were Commission approved on May 24, 1985 by a vote of 4-2, were signed and sealed on June 3, 1985.

Attachments

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Roz Segal
1069 S. Hayworth
Los Angeles 90035

RE: MUR 1859

Dear Ms. Segal:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

9704413291

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

9704041392

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 1859
)
Yes on F Committee, et al.)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Roz Segal
1069 S. Hayworth
Los Angeles, CA 90035

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Subpoena/Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washingotn, D.C. this ___ day of _____, 1985.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

8704044323

SUBPOENA AND ORDER TO ROZ SEGAL

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

3 7 0 4 0 5 4 4 1 3 2 4

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Larry Sanderson
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

3 7 0 4 0 5 4 4 3 9 5

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

8704041395

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

RE: MUR 1859

Dear Mr. Sanderson:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

8 7 0 4 0 4 1 3 9 7

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

87044138

cal

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee,	)	
et al.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. this ___ day of _____, 1985.

_____
John Warren McGarry
Chairman

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

87040413 9

SUBPOENA AND ORDER TO LARRY SANDERSON

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

8 7 0 4 0 5 4 4 4 0

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murvah
h) Community Campaign Committee
i) Arnold L. Cader

9704044001

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

3 7 7 4 1 6 4 1 4 0 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esq.
O'Melveny and Myers
1800 M Street N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotel, Ltd.

Dear Mr. Holum:

In response to your letter of April 9, 1985, proposing pre-probable cause conciliation, please be advised that the Commission must decline to enter into such conciliation at this time, on the grounds that the investigation of the above-captioned matter is not yet complete.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

27044403

Snyder

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN M. ROSEY
RICHARD C. WARNER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR D. COLVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HOPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. CASEY
RANDOLPH HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STRICHCHLER
REBECCA K. TROTH

O'MELVENY & MYERS

1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DOD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 - 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1582
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 - (213) 669-6500
TELEX (714) 720-1397 (DOD) - 4722088 (ITT)

610 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

April
9th
1 9 8 5

WRITER'S DIRECT TELEPHONE
(202) 457-5319

OUR FILE NUMBER
278,254-1

APR 9 4 54 PM '85
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
ATTENTION: Mr. Charles Snyder

Re: MUR 1859 Four Seasons Hotels, Ltd.

Gentlemen:

Pursuant to the Chairman's letter of April 2, 1985, this is to advise that Four Seasons Hotels, Ltd. is in the process of preparing, for submission under oath, answers to the questions enclosed with the Chairman's letter. Since that letter was received by me on Thursday, April 4, we understand that the deadline for responding, at ten (10) days after receipt, would fall on April 14, but since that is a Sunday, under 11 C.F.R. § 111.2(a) the responses are due no later than Monday, April 15.

In further response to the Chairman's letter, this is to advise, as required under 15 C.F.R. § 111.18(d), that Respondent Four Seasons Hotels, Ltd., is prepared to enter into negotiations directed toward reaching a conciliation agreement. Please advise as to the steps to be taken by Respondent so that such negotiations might proceed at an early date.

Sincerely,

John Holum

John D. Holum
for O'MELVENY & MYERS
Attorneys for Four Seasons
Hotels, Ltd.

JDH:fhm

2 7 0 4 0 6 4 4 1 0 4

Snyder

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN C. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR E. CULVAHOUSE, JR.

JOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HERRLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLPH HURST HARDOCK
JOHN D. HOLUM
KAREN E. A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

WRITER'S DIRECT TELEPHONE
(202) 457-5319

O'MELVENY & MYERS
1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9800 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

610 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

April
9th
1 9 8 5

OUR FILE NUMBER
278,254-1

RECEIVED
APR 9 4 54
GENERAL COUNSEL

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
ATTENTION: Mr. Charles Snyder

Re: MUR 1859 Four Seasons Hotels, Ltd.

Gentlemen:

Pursuant to the Chairman's letter of April 2, 1985, this is to advise that Four Seasons Hotels, Ltd. is in the process of preparing, for submission under oath, answers to the questions enclosed with the Chairman's letter. Since that letter was received by me on Thursday, April 4, we understand that the deadline for responding, at ten (10) days after receipt, would fall on April 14, but since that is a Sunday, under 11 C.F.R. § 111.2(a) the responses are due no later than Monday, April 15.

In further response to the Chairman's letter, this is to advise, as required under 15 C.F.R. § 111.18(d), that Respondent Four Seasons Hotels, Ltd., is prepared to enter into negotiations directed toward reaching a conciliation agreement. Please advise as to the steps to be taken by Respondent so that such negotiations might proceed at an early date.

Sincerely,

John D. Holum
for O'MELVENY & MYERS
Attorneys for Four Seasons
Hotels, Ltd.

JDH:fhm

3704064405

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA

RE: MUR 1859

Dear Ms. Chilkov:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

27044444 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee, et al.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA 90212

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand this ___ day of _____, 1985.

_____
John Warren McGarry
Chairman

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

9704044478

SUBPOENA AND ORDER TO DOROTHY CHILKOV

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Larry Sanderson
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

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7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 1859
Community Campaign Committee	)	
and Irene Kleinberg, as	)	
treasurer	)	
Yes on F Committee and	)	
Ronald Lederman, as	)	
treasurer	)	
Four Seasons Hotel, Limited	)	
W.B. Johnson Properties, Inc.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 24, 1985, the Commission decided by a vote of 4-2 to take the following actions in MUR 1859:

1. Approve and send the letters, questions, and orders submitted with the General Counsel's Report signed May 21, 1985.

2. Decline to enter into pre-probable cause conciliation with Four Seasons at this time.

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

Attest:

5/28/85
Date

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

Received in Office of Commission Secretary: 5-22-85, 12:19
Circulated on 48 hour tally basis: 5-22-85, 4:00

2 7 0 4 0 5 4 4 4 1 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: May 22, 1985

SUBJECT: MUR 1859 - General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Community Campaign Committee and Irene Kleinberg, as treasurer	)	MUR 1859
Yes on F Committee and Ronald Lederman, as treasurer	)	
Four Seasons Hotel, Limited	)	
W.B. Johnson Properties, Inc.	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 26, 1985, the Commission found reason to believe that the Yes on F Committee, and Ronald Lederman, as treasurer, violated 2 U.S.C. § 433 and 434, as well as that the other Respondents, listed above, violated provisions of the Federal Election Campaign Act. In connection with the consequent investigation of the matter, the Commission authorized the issuance of interrogatories to Yes on F and Ronald Lederman.

II. LEGAL ANALYSIS

In the course of the ongoing investigation, it became apparent that other persons were more initimately involved with the daily operation of the Yes on F Committee than Mr. Lederman, and might therefore provide more complete answers to the interrogatories. Specifically, these persons are Roz Segal, the original director of Yes on F, Larry Sanderson, who replaced Ms. Segal as director, and Dorothy Chilkov. It is recommended that interrogatories and subpoenas be addressed to these persons as witnesses in this matter.

In addition, one notes that Four Seasons has formally requested pre-probable cause conciliation. It is recommended that this request be denied at this time as a more definitive evaluation of the case may be made following analysis of the responses from all the Respondents, as well as from witnesses.

IV. RECOMMENDATION

1. Approve and send the attached letters, questions, and Orders.

2. Decline to enter into pre-probable cause conciliation with Four Seasons at this time.

Charles N. Steele
General Counsel

May 21, 1985
Date

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

Attachments
1. Proposed letter, questions, and Order to Roz Segal
2. Proposed letter, questions, and Order to Larry Sanderson
3. Proposed letter, questions, and Order to Dorothy Chilkov
4. Proposed letter to John D. Holum
5. Request for conciliation

2704415

attachment 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Roz Segal
1069 S. Hayworth
Los Angeles 90035

RE: MUR 1859

Dear Ms. Segal:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

3 7 0 4 3 5 4 4 4 1 6

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

27044417

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 1859
)
Yes on F Committee, et al.)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Roz Segal
1069 S. Hayworth
Los Angeles, CA 90035

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Subpoena/Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washingotn, D.C. this ___ day of _____, 1985.

_____
John Warren McGarry
Chairman

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

2704441 8

SUBPOENA AND ORDER TO ROZ SEGAL

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

2704044419

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Larry Sanderson
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

9 7 0 4 0 5 4 4 4 2 0

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

3 7 0 4 0 6 4 4 4 2 1

attachment 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

RE: MUR 1859

Dear Mr. Sanderson:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

8 7 0 4 0 4 4 4 2 2

If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

27044423

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee,	)	
et al.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Larry Sanderson
2300 Airport Drive #25
Santa Monica, CA 90405

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. this ___ day of _____, 1985.

_____
John Warren McGarry
Chairman

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

8704044424

SUBPOENA AND ORDER TO LARRY SANDERSON

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

9 7 0 4 0 5 4 4 4 2 5

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Dorothy Chilkov
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murvah
h) Community Campaign Committee
i) Arnold L. Cader

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7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

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Attachment 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA

RE: MUR 1859

Dear Ms. Chilkov:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached order which requires you provide certain information has been issued. The Commission does not consider you a respondent in this matter; but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

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If you have any questions, please direct them to Charles Snyder, the attorney handling this matter, at 202-523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Subpoena & Order
Questions

87040444429

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 1859
	)	
Yes on F Committee, *et al*.	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Dorothy Chilkov
280 South Beverly Drive
Beverly Hills, CA 90212

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled 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 10 days of your receipt of this Order/Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand this ___ day of _____, 1985.

_____
John Warren McGarry
Chairman

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

Attachment
Questions (3 pages)

9 7 0 4 0 6 4 4 4 1 3 0

SUBPOENA AND ORDER TO DOROTHY CHILKOV

Please respond to the following. If you claim that you are entitled to withhold from production any of the documents requested, please identify each such document, describe the subject matter of the document and state the grounds for withholding it from production.

As used in the Subpoena and Order, the terms listed below are defined as follows:

a. The term "documents" or "records" shall mean, unless otherwise indicated, writings of any kind, including, but not limited to, correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda, and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, printouts, account statements, ledgers, billing forms, receipts, checks and other negotiable paper and compilations in your possession or control.

b. The term "identify" or "list" with respect to individuals shall mean to give the full name, last known residence address of such individual, and the last known place of business where such individual is or was employed. "Identify" or "list" with respect to other entities shall mean to give the full legal name, last known address of such entity, the entity's principal employees, if any, and the nature of the relationship between that entity and the Yes on F Committee, and the dates of such relationship.

c. The terms "and" and "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of this request any documents which may be otherwise construed to be out of its scope.

1. State whether you are now, or have been in the past, employed by:

a) Four Seasons Hotel, Limited;
b) W.B. Johnson Properties, Inc.; or
c) Community Campaign Committee.

If so, state the nature of your employment with the entity or entities concerned.

2. State the nature of your work on behalf of the Yes on F Committee in 1984, and identify

a) the person(s) who hired you to work on behalf of Proposition F;

b) the person(s) under whose direction you worked;

c) the person(s) to whom you were responsible in connection with your work on behalf of Proposition F.

3. State whether you drafted letters, advocating passage of Proposition F, that contained slates that included listings of candidates for Federal office (the "slate mailers").

4. Identify all persons who participated in the composition, drafting, and distribution of the above-described slate mailers, and specify the role of each person in connection with the above-described slate mailers.

Provide copies of all records relating to the origin of the slate mailers.

5. Identify the persons, organizations or other entities that initiated or directed the dissemination of the above-described slate mailers.

6. Identify the following and describe the role of each in connection with the drafting, composition, and dissemination of the slate mailers:

a) Roz Segal
b) Larry Sanderson
c) Sam Cogar
d) Marathon Communications
e) Four Seasons Hotel, Limited
f) W.B. Johnson Properties, Inc.
g) William Murrah
h) Community Campaign Committee
i) Arnold L. Cader

9 7 0 1 0 4 4 4 3 2

7. State whether the following organizations, or their agents, gave advance approval to the use of the slate mailers:

a) Four Seasons Hotel, Limited
b) W.B. Johnson Properties, Inc.

8. State whether the slate mailers were composed or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State whether you or the Yes on F Committee contacted representatives of any candidate(s) for any elective office(s), or the committee(s) of such candidate(s), or committees advocating positions with respect to any Proposition or referendum, to solicit contributions to or participation in the dissemination of the slate mailers.

a) If so, identify the candidate(s) or committtee(s) contacted;

b) State what contributions, payments, or assistance such candidate(s) or committee(s) made;

c) Provide copies of all documents or records pertaining to any communications, negotiations, or agreements between yourself or the Yes on F Committee and the above-described candidate(s) or committee(s).

attachment 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esq.
O'Melveny and Myers
1800 M Street N.W.
Washington, D.C. 20036

RE: MUR 1859
Four Seasons Hotel, Ltd.

Dear Mr. Holum:

In response to your letter of April 9, 1985, proposing pre-probable cause conciliation, please be advised that the Commission must decline to enter into such conciliation at this time, on the grounds that the investigation of the above-captioned matter is not yet complete.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

27044434

attachment 5

Snyder

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

JOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLPH HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS
1800 M STREET, N.W.
WASHINGTON, D.C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-8700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

April
9th
1 9 8 5

WRITER'S DIRECT TELEPHONE
(202) 457-5319

OUR FILE NUMBER
278,254-1

RECEIVED
APR 9 P4:54
OFFICE OF GENERAL COUNSEL

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
ATTENTION: Mr. Charles Snyder

Re: MUR 1859 Four Seasons Hotels, Ltd.

Gentlemen:

Pursuant to the Chairman's letter of April 2, 1985, this is to advise that Four Seasons Hotels, Ltd. is in the process of preparing, for submission under oath, answers to the questions enclosed with the Chairman's letter. Since that letter was received by me on Thursday, April 4, we understand that the deadline for responding, at ten (10) days after receipt, would fall on April 14, but since that is a Sunday, under 11 C.F.R. § 111.2(a) the responses are due no later than Monday, April 15.

In further response to the Chairman's letter, this is to advise, as required under 15 C.F.R. § 111.18(d), that Respondent Four Seasons Hotels, Ltd., is prepared to enter into negotiations directed toward reaching a conciliation agreement. Please advise as to the steps to be taken by Respondent so that such negotiations might proceed at an early date.

Sincerely,

John Holum

John D. Holum
for O'MELVENY & MYERS
Attorneys for Four Seasons
Hotels, Ltd.

JDH:fhm

2 7 0 4 2 5 4 4 4 3 5

6107313

HAND DELIVERED

85 APR 29 P12:47

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

APR 29 P3:15

April 15, 1985

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Commissioners:

Enclosed is the response of W. B. Johnson Properties, Inc. to the questions contained in your letter of April 2, 1985.

We appreciate the suggestion contained in your letter that the Office of General Counsel would like to settle this matter through conciliation. We hereby respectfully request that such settlement discussions commence.

Thank you for your consideration of the matters contained in this response and of our request for settlement discussions.

Very truly yours,

Stephen L. Jones

Stephen L. Jones

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1859

Dear Commissioners:

This letter is submitted, under oath, in response to your letter of April 2, 1985 in connection with the above-referenced matter.

QUESTION 1.

1. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 1.

a) The Yes on F Committee was established jointly by W.B. Johnson Properties, Inc. and the Four Seasons Hotel Ltd. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the establishment of the Community Campaign Committee.

QUESTION 2.

2. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers or shareholders were involved.

8 7 0 4 0 4 4 4 3 7

RESPONSE TO QUESTION 2.

a) W.B. Johnson Properties, Inc., in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc., exercised general control over the Yes on F Committee. Day-to-day control was exercised by persons contracted for this purpose (Roz Segal of Campaign Associates, Marathon Communications, and Larry Sanderson). The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah.

It should be noted that W.B. Johnson Properties, Inc. contracted with Marathon Communications (principal, Richard Lichtenstein) for public affairs/relations services in connection with the development of a hotel on Bedford Drive. This contract, commencing in June, 1983, was totally separate from W.B. Johnson Properties, Inc.'s involvement in the Yes on F campaign. On October 10, 1984, the Yes on F Committee, under a contract with the Yes on F Committee and paid for by the Yes on F Committee, hired Marathon Communications to co-manage the balance of the Yes on F campaign efforts. Please note that Marathon Communications provided no services to the Yes on F Committee in connection with its contract with W.B. Johnson Properties, Inc. Also, to the best of our knowledge, Marathon Communications had no involvement whatsoever in the slate mailers that are the subject of this inquiry.

b) Neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any direction, control, operation, nor management over the Community Campaign Committee.

QUESTION 3.

3. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, or shareholders were involved.

RESPONSE TO QUESTION 3.

W.B. Johnson Properties, Inc. did not participate in the initial composition of writing of letters disseminated in support of Proposition F. However, usually such letters were reviewed by W.B. Johnson Properties, Inc. in conjunction with the Four Seasons Hotel, Ltd., and Taubman Company, Inc. prior to their dissemination. The employee of W.B. Johnson Properties, Inc. who was involved was William L. Murrah. As mentioned in Response 2A, Marathon Communications, on behalf of the Yes on F Committee was involved in such composition, writing, and printing after October 10, 1984.

However, neither W.B. Johnson Properties, Inc., nor any of its employees, agents, officers, or shareholders had any involvement in the composition, writing, printing, or review of the slate mailers which are the subject of this inquiry. Although W.B. Johnson Properties, Inc. was aware generally that there would be "Democratic" mailers sent to voters registered with the Democratic party and "Republican" mailers sent to voters registered with the Republican party -- with each slate supporting Yes on F -- W.B. Johnson Properties, Inc. did not review these slates and was not aware until after the dissemination of the slates that candidates for federal office were included in the slates.

QUESTION 4.

4. State when W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

RESPONSE TO QUESTION 4.

As set forth in the Response to Question 3, W.B. Johnson Properties, Inc. generally reviewed the contents of letters disseminated in Support of Proposition F prior to their dissemination. This was not the case with the slates, however.

William L. Murrah

Sworn to and subscribed before me

this 26th day of April, 1985.

Notary Public

Notary Public, Georgia, State at Large
My Commission Expires June 15, 1987

ED
THE
GENERAL COUNSEL
85 APR 26 P12:00
85 APR 26 AM 11:09
MUR 1859

Stephen L. Jones
Attorney at Law
1299 Ocean Avenue
Suite 330
Santa Monica, California 90401

April 24, 1984

Federal Election Commission
Washington, D.C. 20463

Attention: Mr. Charles Snyder

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Snyder:

I recently requested --- and presumably received -- an extension of time for W.B. Johnson Properties, Inc. to respond to the Commission's April 2, 1985 letter until and including Friday, April 26, 1985. For the following reason, I hereby request a second extension until and including Monday, April 29, 1985.

The employee (William L. Murrah) of W.B. Johnson Properties, Inc. who has personal knowledge of the matters inquired about in the Commission's letter is currently in Florida and will not be back to the Johnson offices in Atlanta until Friday, April 26, 1985. Since you have requested that the responses be under oath, it is necessary to wait for Mr. Murrah's signature. After Mr. Murrah verifies the response, it will be forwarded directly to your offices from Atlanta.

Thank you for your consideration of this request.

Very truly yours,

Stephen L. Jones

ec

OR VOUCHERS 8 7 0 4 7 MONTH OF 19

Adv.

DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LEDGER – DR. ACCT	AMOUNT
			AMOUNTS FORWARDED				
	1		Void				
	2	9/18	Fairbanks Canopy + Mailing				
	3		Sachs Associates				
	4		Postmaster				
	5	10/1	Emma Smith				
	6		Void				
	7	10/1	Roz Segal				
	8	9/28	Petty Cash				
	9		Void				
	10		Copyrite Litho				
	11	10/18	Beverly Company				
	12	10/18	Beverly Hills Polkagraph				
	10 01	10/1	L.A. Courier Service				
	2	10/1	Roz Segal				
	3	9/27	Post Newspaper				
	4						
	5	10/1	Beverly Stationers				
	6	10/1	Community Campaign Committee				
	7	10/1	Advertising Mailers				
	8	10/3	Roz Segal				Segal 20,000
	9		—				
	10	10/3	Campaign Assoc				
	1	10/3	Dorothy Chuller				Chuller 7000
	2	10/3	Ron Goldman + Assoc				Goldman 1250
	3	10/8	Petty Cash				
	4						
	5		Postmaster				
	6		Postmaster				
	7		Standard Litho				
	8		B. Sachs + Assoc				
	9		Campaign Assoc				
	20		Campaign Assoc				
	1		Edward Crider				
	2		Shirley Shapiro				
	3		Lauren Beck				
	4		Shawna McKinley				
	5		LACDCC PAC				
	6		Volt Temporary Service				
	7		Jack Nedeff Inc				
	8		Dorothy Chuller				

28750

DISTRIBUTION OF INVOICES OR VOUCHERS 7 0 1 0 5 4 MONTH OF 19 NO.

Salary 105	Misc 600	Head Quarters 105	Misc 106	Postage 201	Newspapers 202	Phone Mail 203	Office Supplies 204	Survey Research 300	Phones 401	Staff Director 402	Collec 403	Equip 404
				173514				7500 —				
				1000 —								
		500 —										
	1367											
		150 —										
		7775										
				935								
	20 —	1350 —		1160 —	56925				321 —			
					49980							
		735										
							8500 —					
				22454								
	1883			220 —								
		41947										
			200 —									
			1249									
				17786								
		160 —										
				200 —	240600							
	141750											
		102 —										
		12480										
							500 —					
							1000 —					
											2145 —	
		404610										
159095		389513	1449 —	474689	347565		10000 —	7500 —	321 —		2145 —	

RECORD OF INVOICES OR VOUCHERS — MONTH OF

DATE OF INVOICE	INV OR VOU NO	DAY	DESCRIPTION	DATE	CHECK NO	GENERAL LEDGER OR	AMOUNT
			AMOUNTS FORWARDED				
	1029		Standard Litho				
	30		B. Sachs Assn				
	1		Beverly Stationers				
	2		Campaign Assn				
	3		Ros Segal				
	4		Advertising Mailers				
	5		Fairbank Canapary Naullin				
	6		Postmaster				
	7	12/18	Larry Sanderson			Sanderson	3500.00
	8		Below + Tabé				
	9		U.S. Postmaster				
	40		Precision Mktg				
	1		Juan Samuel				
	2		Michael O'Neal				
	3		DMG Pd				
	4		Shirley Shearin				
	5		Lauren Beck				
	6		Marathon Communications				
	7		Postmaster				
	8						
	9		Dorothy Chilker				
	50						
	1		Ron Lederman + Assn			Lederman	1250
	2	12/20	Dorothy Chilker				
	3		Campaign Assn				
	4		Berman D'Augustino				
	5		Postmaster				
	6		Dorothy Chilker				
	7		Scott Enyart Studios				
	8		Dorothy Chilker				
	9		Postal Instant Press				
	60		Federal Express				
	1		Beverly Stationers				
	2		Edward Crider				
	3		Pol-Dat Services				
	4		Prompt Custom Couriers				
	5		Tom Kelm				
	6		B. Sachs Assn				
	7		Precision Marketing				
	8		Ben Quails				

A1M
P&S
28750—

33500—

DISTRIBUTION OF INVOICES OR VOUCHERS 2 7 0 1 0 4 MONTH OF 4 19 NO.

Month	Misc 600	Head Quarters 105	Misc 106	Mail 201	Newspapers 202	Phone Mail 203	Stamps Stationery 204	Survey Research 300	Phones 401	Staff Subsistence 402	Collers 403	Equip 404
	159095	389543	1449 —	474689	347565		10000 —	7500 —	321 —		2145 —	
				201285								
				109802								
		13646										
					358130							
				100 —								
				55176								
								5250 —				
				465 —								
				2000 —								
				2500 —								
												3515
												45 —
									27760			
			5000 —									
		119 —										
		197 —										
				500 —								
												55 —
			3.142									
					506380							
							7500 —					
				3000 —								
		400 —										
	300 —											
		159559										
				1995								
				24 —								
		1517										
				660 —								
								1010 —				
				1830								
									KELLM 40000			
				133019								
												200 —
										125000		
TOTAL	159095	635860	6823	419921	6121275		17500 —	13760 —	59860	1650 —	2145 —	6598

RECORD OF INVOICES OR VOUCHERS

MONTH 4 1 2 4 5

DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LEDGER DR.	Adm Fees
			AMOUNTS FORWARDED				35500 —
	1069		Ben Pugsley				
	70		Non Partisan Candidate Evaluation				
	1		Kelly Temporary Service				
	2		Postmaster				
	3		Campaign Associate				
	4		Balan & Sobe				
	5		Sam Chilker - Friars Club				
	6		Lauren Beck				
	7		Dorothy Chilker				
	8		Shirley Shainin				
	9		Postmaster				
	80		Postmaster				
	1		Michael Beck				
	2		Post Newspaper				
	3		Post Newspaper				
	4		Heath & Ass				
	5		Slabins Design				
	6		Speedmail				
	7		Marathon Communications				
	8 11/1		Roz Segal				
	9		Steve Bjorkman				
	90		Dorothy Chilker				
	1		Jiz Graphics				
	2		Postal Instant Press				
	3		Crown Gibraltar				
	4		Tony Sanderson	103 Sanderson			2 00.05
	5		Kelly Service				
	6		Postmaster				
	7		Postmaster				
	8		Ruth Backus				
	9		Deborah Hagler				
	1100		Dorothy Chilker				
	1		Marathon Communication				
	2		Walkingman				
	3		Heath & Ass				
	4		Ben Quales				
	5		Ben Quales				
	6		Crown Gibraltar				
	7		Pat Bell				
	8		Tom Kellen				35500 —

9 7 0 4 0 6 4 4 4 4 0

NO. RECORD OF INVOICES OR VOUCHERS MONTH OF 19

REG. U.S. PAT. OFF. STANDARD INVOICE OR VOUCHER

INVOICE RECEIVED DATE	DISCOUNT	ACCOUNTS PAYABLE CREDIT	DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LEDGER ACCT.	GENERAL LEDGER AMOUNT
		3[illegible]1[illegible]				AMOUNTS FORWARDED				
		100 90		1069		Ben Quells				
		3000 00		70		Non Partisan Candidate Evaluation				
		4618 99		1		Vulf Temporary Services				
		200 00		2		Postmaster				
		2[illegible]09 17		3		Campaign Associates				
		3[illegible]5 70		4		Balas & Lobe				
		75 23		5		Sam Chilker - Friars Club				
		178 00		6		Lauren Beck				
		13 38		7		Dorothy Chilker				
		127 50		8		Shirley Shainin				
		100 00		9		Postmaster				
		100 00		80		Postmaster				
		30 00		1		Michael Beck				
		400 00		2		Post Newspaper				
		12 00		3		Post Newspaper				
		389 70		4		Heath & Ass				
		250 70		5		Stabins Design				
		289 41		6		Execumail				
		27 56		7		Marathon Communications				
		5 [illegible]		8	11/1	Roz Segal				
		22 75		9		Steve Bjorkman				
		45 27		90		Dorothy Chilker				
		2068 23		1		Iris Graphics				
		31 68		2		Postal Instant Press				
		492 73		3		Crown Gibraltar				
		10 88		4		Tony Sanderson		103	Sanderson	
		171 71		5		Kelly Services				
		100 00		6		Postmaster				
		100 00		7		Postmaster				
		15 00		8		Ruth Backus				

0 7 0 1 3 6 4 1 1 7

DISTRIBUTION OF INVOICES OR VOUCHERS

MONTH OF

STANDARD FORM C287 PRINTED IN U.S.A.

CHARLES R. HADLEY CO. PATHFINDERS

	Marathon 107	Misc 600	Head Quarters 105	Admin Misc 106	Mail 201	Newspaper 202	Phone Mail 203	Selling Expense Sales 204	Survey Research 300
	10000 —	189095	635860	682342	1919216	1242025		17500 —	5760 —
								3000 —	
					200 —				
						1307744			
					315970				
			178 —						
			61328						
			12750						
					500 —				
					500 —				
			30 —						
						1400 —			
						4492 —			
					389701				
					250470				
					280941				
				87756					
					54212				
					222725				
					206823				
					3168				
					1492437				
					5647				
			15171						
					150000				

R 7 2 4 0 · 4 4 1 8

RECORD OF INVOICES OR VOUCHERS

MONTH OF 19

REG. U.S. PAT. OFF. STANDARD INVOICE OR VOU

GENERAL LEDGER		ACCOUNT AND STATE	DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LED ACCT.	
		1356 50				AMOUNTS FORWARDED				
		200 00		1109		Suzanne Carne				
		1 00		10		Ben Quelles				
		3 50		11		Tema Smith				
		5		12		Cash				
		30 00		13		Void				
		5		14		Mark Hayward				
		5		15		VOID				
				16		VOID				
				17		Bonnie Byrne				
				18		Barbara Dorenstein				
				19		VOID				
		5		20		Kim Kane / Hamilton				
		5		21		Tom Kelem				
		14 50		22		Milo Lanz				
		6 50		23		Bill Holiday				
		8		24		Peggy Sturm				
		31 50		25		Joy Jacot				
		15		26		Cynthia Stefanovic				
		24		27		VIVIAN Jackson				
		12		28		ALAN Klem				
		1 50		29		Bonnie Burns				
		30		30		Patrick Ryan				
		1		1		VOID				
		50		2		Glenn Griffith				
		5		3		Bill Poole				
		5		4		Adrian Brennan				
		5		5		Annika Hanna				
				6		David Frankenthal				
				7		Lisa Metcalf				
				8		VOID				

9 7 0 4 0 5 4 1 4 4 9

DISTRIBUTION OF INVOICES OR VOUCHERS

STANDARD FORM C287 PRINTED IN U.S.A.

CHARLES R. HADLEY CO. PATHFINDERS

MONTH OF

Voucher	Marketing 102	Misc 600	Head-quarters 105	Misc 106	Mail 201	Navigation 202	Phone Mail 203	Alaska Sales 204	Survey & Research 300
Total	35000 —	19353 6	7459 9	79469 0	6149 81	3109 19		20500 —	13760 —
				20000					
				11500					
		50 —							
				225 —					
				5700					
			5256						

RECORD OF INVOICES OR VOUCHERS — MONTH OF — 19

REG. U.S. PAT. OFF. — STANDARD INVOICE OR VOUCHER

ACCOUNT	DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LEDGER ACCT.	GENERAL LEDGER AMOUNT
765.50		1149		Janway Agency				
329.97		1150		Suzi'ou Caem				
135.50		1		Darella Adams				
161.—	24	2		Genesta Elster				
12.50	23	8671		Shirley Shawen				
1,324.07								
1,324.07								

DISTRIBUTION OF INVOICES OR VOUCHERS

MONTH OF

STANDARD FORM C287 PRINTED IN U.S.A.

CHARLES R. HADLEY CO. PATHFINDERS LOS ANGELES, SAN FRANCISCO, NEW YORK, CHICAGO

	Misc 600	Headquarters 105	Air Mail 106	Mail 201	Newspapers 202	Phone Mail 203	Postage Mailing Slots 204	Service 300	Phones 401
		23051							
		12750							
648.16 3500	198536	818467	854390	614944	813090	19	20500	13760	94593

DISTRIBUTION OF INVOICES OR VOUCHERS

MONTH OF

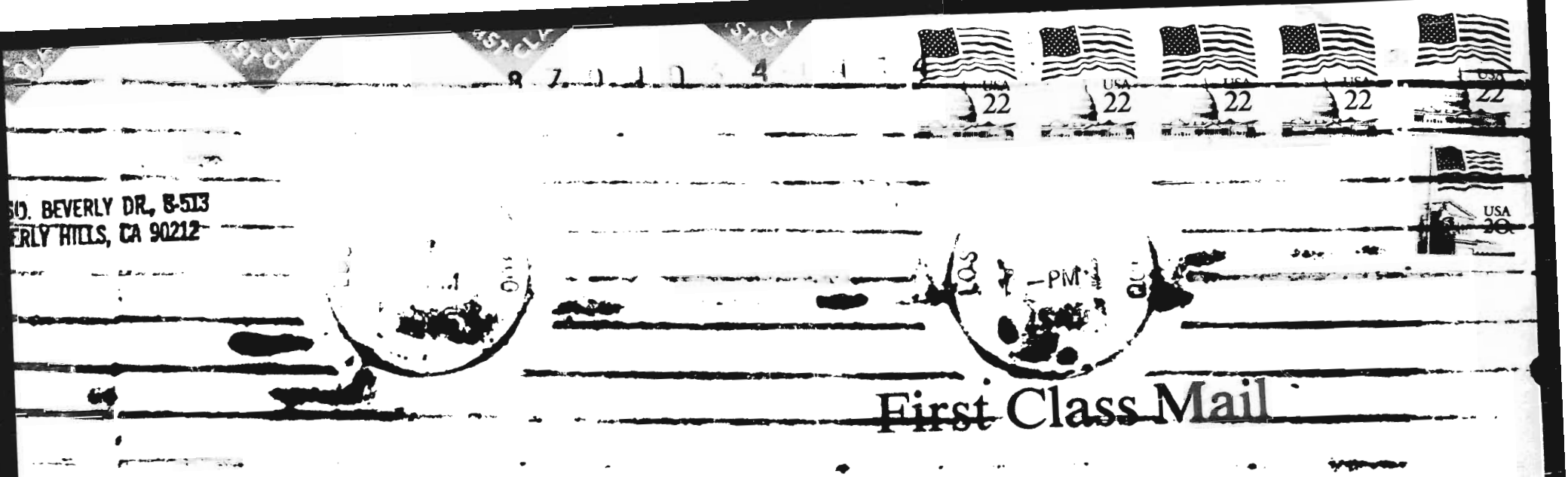
STANDARD FORM C287 PRINTED IN U.S.A.

CHARLES R. HADLEY CO. PATHFINDERS LOS ANGELES SAN FRANCISCO NEW YORK CHICAGO

Misc 600	Hogtie 105	MAIL 201	Phone MAIL	Edu State Trailer	Survey Phones
124818					800 —
		40 —			
		31478			9950 —
			84294		
715 —					
		21932			
97767					
508965					
	12863				
		373 —			
					30364
~~803050~~	12863	~~94410~~	84294		10550 — 30364
196318		7008 42			

RECORD OF INVOICES OR VOUCHERS Accounts Payable MONTH OF 19

GENERAL LEDGER		ACCOUNTS PAYABLE CREDIT	DATE OF INVOICE	INV. OR VOU. NO.	DAY	DESCRIPTION	DATE PAID	CHECK NO.	GENERAL LEDGER ACCT.	GENERAL LEDGER AMOUNT
						AMOUNTS FORWARDED				
		1499 97				Beverly Cross Agency				
		350				Peoples Peoples				
		250				Ben Quale				
		4518				Campaign Assoc (B 3 Acts)				
		600				Robert Pleasant				
		1500				Dorothy Chilton				
		110				Campaign Assoc.				
		1978				Hoch + Assoc				
		140				Fairbank, Campbell + Mullin				
		4227				Pol Dat				
		135				Ed Cuber				
		2333				PIP				
		7767				Standard Litho				
		1089 6								
		100				Larry Sandman				
		1218				Beverly Statewide				
		1250				Prompt Courier				
		600				Volt Temps				
		115				Meade				
		3457				Barlow				
		1000				Pac Tel				
		25497 22								



0. BEVERLY DR., B-513
ERLY HILLS, CA 90212

Attention:

Charles Snyder, Esq.

Federal Election Commission
1325 K Street N.W.
Washington D.C, ~~90463~~
20463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 23, 1985

Mr. Stephen L. Jones, Esquire
Lillick, McHose & Charles
707 Wilshire Boulevard
Los Angeles, California 90017

RE: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Jones:

In response to your letter of April 15, 1985, your request for an 8 day extension is hereby granted.

Your response is now due on April 26, 1985.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704444553

GCC#7211

85 APR 17 P2:58

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

April 15, 1985

85 APR 17 P3:53

Federal Election Commission
Washington, D.C. 20463

Attn: Charles Snyder

Re: MUR 1859
W.B. Johnson Properties, Inc.

Dear Mr. Snyder:

I received your letter dated April 2, 1985 on April 8, 1985, thereby making my client's response due in your offices on Thursday, April 18, 1985. For the following reasons, I respectfully request an 8 day extension of time to respond, until and including Friday, April 26, 1985. This request is based on the following:

First, my client who has knowledge of the answers to your questions is located in Atlanta, Georgia. Even were it not for the additional reasons set forth herein, the time loss due to cross-country correspondence would necessitate this request. Second, my personal schedule has rendered it impossible to give this the immediate attention it requires. I am in the process of dissolution of the present partnership and, effective immediately, my new address is: Stephen L. Jones, Esq., Lillick McHose & Charles, 707 Wilshire Boulevard, Los Angeles, California 90017, telephone (213) 620-9000.

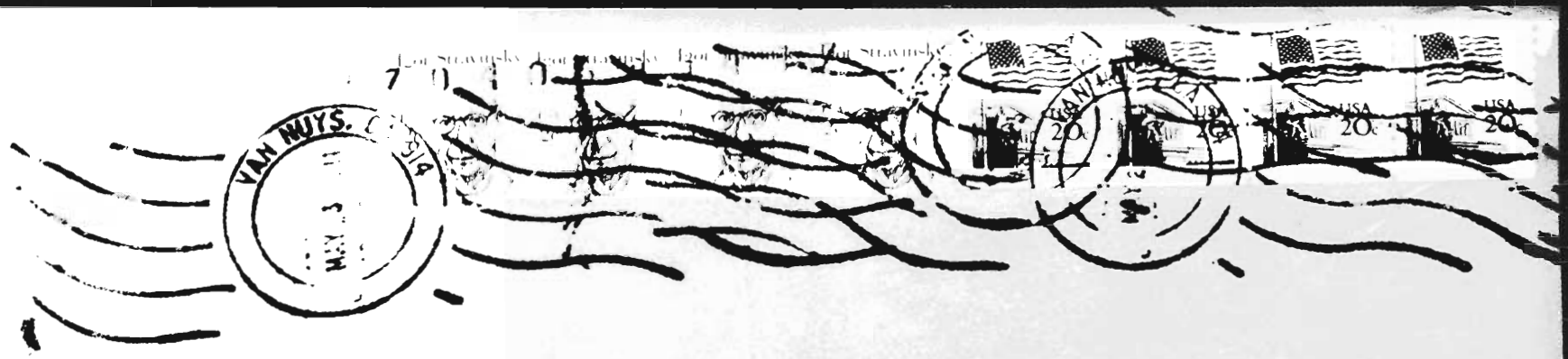
Finally, when I informed my secretary that the partnership of Stacey & Jones was dissolving, she quit without notice. I have been without a secretary since April 8, 1985. I am personally typing this letter.

Thank you for your consideration of this request.

Very truly yours,

Stephen L. Jones

Stephen L. Jones



1st class

Irene Kleinberg
13701 Riverside Dr., Suite 600
Sherman Oaks, CA 91423

To

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

RECEIVED BY THE FEC
LCC 7304
85 APR 26 A10:27
Snyder
RECEIVED OFFICE OF THE GENERAL COUNSEL
85 APR 26 P2:08

April 19, 1985

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

RE: MUR 1859

Dear Mr. Snyder,

I recently received a letter from John Warren McGarry, chairman of the Federal Election Commission, in which he requested the answers to nine questions concerning this matter.

Below are the answers to those questions to the best of my knowledge and recollection:

1. The Community Campaign Committee was asked by representatives of the Yes on F Committee to produce a slate mailing featuring Yes on F in the City of Beverly Hills. The Community Campaign Committee functioned as a vendor in coordinating graphic arts, printing, computer, and mailing house services at the best competitive prices.

   a. No members, employees, or agents of CCC were also members, employees, or agents of the Yes on F Committee

   b. n /a

   c. No members, employees, or agents of CCC were also employees or shareholders of Four Seasons Hotel, Limited, or W.B.J. Properties, Inc.

   d. n/a/

2. The total amount of money received by CCC from the Yes on F Committee in 1984 was $8,500.

3. The total amount expended by CCC in 1984 for mailings authorized by the Yes on F Committee that included slates listing candidates for federal office was $7,290.60.

4. See enclosed.

5. All agreements between CCC and Yes on F were verbal. The agreement resulted from communications initiated by representatives of Yes on F, who called CCC and asked that CCC produce a slate mailing featuring Yes on F. The Yes on F representative suggested that costs be shared among a number of candidates and issues, but also said that if no other sources of funding could be found, Yes on F would provide all the necessary funds. CCC then secured bids from printers, computer vendors and mailing houses and told Yes on F that the total cost of the project, including all postage and management fees would be $8,500.

3704041458

The Yes on F spokesperson accepted that bid and asked that CCC proceed with the project.

The agreement called for Yes on F to provide all copy for the mailing. Yes on F also had singular control over what candidates and issues would be included in the mailer. CCC's role was limited strictly to graphic design and coordination of production. The arrangement gave CCC NO DISCRETION OR CONTROL over the matters to be dealt with in the mailer or the candidates and positions to be included.

6. CCC was established and administered by Jill Barad and Larry Levine.

7. No employees, officers, or shareholders of Four Seasons Hotel Limited and/or W.B.J. Properties, Inc. participated in the establishment and/or management of CCC.

8. No candidate for Federal office, or any authorized committee or agent of such candidate had any contact with CCC regarding the composition or dissemination of any of the mail produced by CCC for Yes on F.

   I do not know if any candidate for Federal office or any authorized committee or agent of such candidate had any contact with Yes on F regarding the composition or dissemination of the mailings in question.

9. The only persons who contacted CCC regarding the composition, drafting, and writing of the letters in support of Proposition F were Sam Cogar and Roz Seigel (sp?).

I believe that answers the questions put my Mr. McGarry completely and to the best of my ability. Should it become necessary, I would be willing to attest to all of the information in this letter under oath.

I would like to point out that all funds received by CCC in this regard were in the form of checksfrom Yes on F located in Beverly Hills, California. Until we received your letter of Dec. 3, 1984, we had no knowledge that Yes on F had received corporate funds, or any other funds that could not properly be spent on the project we were engaged to conduct. Nor had we any reason to believe that officials of the Yes on F Committee would not be aware of and in compliance with all state and federal campaign laws.

Furthermore, since our agreement with Yes on F gave them total control over the copy and content of the mailers, we have no way of knowing what conversations they might or might not have had with candidates for federal office regarding participation in the funding or authorization of the mailing.

8 7 0 4 0 5 4 4 4 5 9

Perhaps, it could be argued that we should have taken greater care to make ourselves aware of the activities of Yes on F. However, at the time we were conducting this project for them, we had no knowledge of their activities and no reason to expect that those activities would not comply with all applicable statutes.

Finally, I would like to state that an inspection of the mailers in question will show that the names of candidates for federal office were incidental to the mailings. The clear purpose of the mailings was to seek Yes votes on measure F. The amount of space on the mailings that is devoted to candidates for federal office is but a fraction of the total space of the surface of the mailings. Also, no candidate for federal office received preferential treatment over his or her opponent. The Yes on F Committee constructed the copy in such a way as to carry the names of both candidates for each federal office included in the mailing.

Once again, I hope this information is helpful to your efforts to resolve this matter. If you have any further questions, or require any further information, please let us know.

Sincerely,

Irene Kleinberg
Treasurer
Community Campaign Committee

9704044450

RECEIVED AT THE FEC

85 APR 26 A10:27

Form 420
1984

RECIPIENT COMMITTEE CAMPAIGN STATEMENT

(Government Code Sections 84200–84217)

For use by recipient committees which receive a cumulative contribution of $100 or more from a single source.

(Type or Print in Ink)

Statement covers period from 9/18/84 through 10/20/84

A OFFICIAL USE ONLY

NAME OF COMMITTEE: Community Campaign Committee

I.D. NUMBER: applied for

ADDRESS OF COMMITTEE: NO. AND STREET / CITY / STATE / ZIP CODE: 13701 Riverside Dr., Suite 600, Sherman Oaks, CA 91423 — AREA CODE: 818 — PHONE NUMBER: 906-0960

NAME OF TREASURER: Irene Kleinberg

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE: 13701 Riverside Dr., Suite 600, Sherman Oaks, CA 91423 — AREA CODE: 818 — PHONE NUMBER: 906-0960

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): 11/6/84

TOTAL PAGES:

SPONSORING ORGANIZATION (IF APPLICABLE):

II IS THIS A CONTROLLED COMMITTEE?

(A controlled committee is one which is controlled directly or indirectly by a candidate or a proponent of a state ballot measure or which acts jointly with a candidate, controlled committee or proponent of a state ballot measure in connection with the making of expenditures. A candidate or proponent of a state ballot measure controls a committee if he or she, his or her agent, or any other committee he or she controls, has a significant influence on the actions or decisions of the committee.)

[ ] YES (Complete Section III below) [X] NO (Section III is not applicable)

III CANDIDATES OR STATE MEASURE PROPONENTS CONTROLLING THIS COMMITTEE; CANDIDATES, STATE MEASURE PROPONENTS OR COMMITTEES WITH WHICH THIS COMMITTEE ACTS JOINTLY.

NOTE: If this committee is controlled by more than one candidate, the name of each controlling candidate must be listed below.

NAME OF CANDIDATE, STATE MEASURE PROPONENT OR COMMITTEE	IDENTIFICATION NUMBER OF COMMITTEE OR TREASURER'S NAME AND PERMANENT STREET ADDRESS

Attach additional information on appropriately labeled continuation sheets.

VERIFICATION

C

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and that I have used all reasonable diligence in their preparation.

D

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF TREASURER)

E

A candidate or officeholder who controls a committee must also verify the campaign statement.

F

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and the treasurer of this committee has used all reasonable diligence in the preparation of this statement and its schedules.

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF CANDIDATE OR OFFICEHOLDER)

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES:

List all contributions (including loans) and independent expenditures itemized on Schedules E and F to support or oppose officeholders, candidates and ballot measures (other than those controlling this committee or for which this committee is primarily formed). Indicate the date of the expenditure, the office sought or held (or the measure's number or letter and if local measure, city or county), the amount of the expenditure and the cumulative amount to date. The "Cumulative to Date" column should include the sum total of expenditures for or against each candidate or measure since January 1 of the current calendar year. (See "Information Manual on Campaign Disclosure" for discussion and examples of "cumulation.")

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES (Allocate expenditures from Schedules E & F made to or on behalf of another candidate, officeholder or measure. Amounts may be rounded off to whole dollars.)

OFFICIAL USE ONLY	DATE	NAME OF CANDIDATE OR OFFICEHOLDER AND OFFICE OR MEASURE AND BALLOT NUMBER OR LETTER	CHECK ONE Support	CHECK ONE Oppose	AMOUNT	CUMULATIVE TO DATE
		NONE				

Attach additional information on appropriately labeled continuation sheets.

CAMPAIGN DISCLOSURE STATEMENT SUMMARY PAGE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

	COLUMN A Cumulative total from previous period*	COLUMN B Total this period from attached schedules	COLUMN C Cumulative to date (Columns A + B)
CONTRIBUTIONS RECEIVED			
1. Monetary contributions	$ -0-	$ 8,500.00 (SCHEDULE A, LINE 3)	$ 8,500.00
2. Loans	-0-	-0- (SCHEDULE B, LINE 4)	-0-
3. Subtotal	$ -0- (LINES 1 + 2)	$ 8,500.00 (LINES 1 + 2)	$ 8,500.00 (LINES 1 + 2)
4. Non-monetary contributions	-0-	-0- (SCHEDULE C, LINE 3)	-0-
5. Pledges	-0-	-0- (SCHEDULE D, LINE 7)	-0-
6. TOTAL CONTRIBUTIONS	$ -0- (LINES 3 + 4 + 5)	$ 8,500.00 (LINES 3 + 4 + 5)	$ -0- (LINES 3 + 4 + 5 (SHOULD EQUAL LINE 6, COLUMNS A + B))
EXPENDITURES MADE			
7. Payments	$ -0-	$ 1,408.00 (SCHEDULE E, LINE 4)	$ 1,408.00
8. Accrued expenses (unpaid bills)	-0-	-0- (SCHEDULE F, LINE 3)	-0-
9. TOTAL EXPENDITURES	$ -0- (LINES 7 + 8)	$ 1,408.00 (LINES 7 + 8)	$ -0- (LINES 7 + 8 (SHOULD EQUAL LINE 9, COLUMNS A + B))

If this is the first report filed for the calendar year, Column A should be blank except for unpaid loans, bills and pledges.

STATEMENT OF CHANGES IN FINANCIAL CONDITION

10.	Cash on hand at the beginning of this period. (Line 14 of previous statement)	$ -0-
11.	Cash receipts this period (Line 3, Column B above)	8,500.00
12.	Miscellaneous adjustments to cash (Schedule G, Line 7)	-0-
13.	Cash payments this period (Line 7, Column B above)	1,408.00
14.	Cash on hand at closing date (Lines 10+11+12-13 above)*	7,092.00
15.	Outstanding debts (Line 2 + Line 8 of Column C above)	-0-
16.	Ending surplus (if Line 14 is greater than Line 15, subtract Line 15 from Line 14)	$ 7,092.00
17.	Ending deficit (if Line 15 is greater than Line 14, subtract Line 14 from Line 15)	$ ( )

Ending cash on hand should not be a negative amount.

SUMMARY FOR CANDIDATES IN BOTH A JUNE AND NOVEMBER ELECTION *(See Instructions on Reverse)*

	1/1 thru 6/30	7/1 to date
18. CONTRIBUTIONS RECEIVED:		
19. EXPENDITURES MADE:		

SCHEDULE A

MONETARY CONTRIBUTIONS RECEIVED
FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	AMOUNT CUMULATIVE TO DATE
10/3	Yes for F 400 S. Beverly Dr. Beverly Hills, CA		ID #841947	$4,250	
10/9	Yes for F 400 S. Beverly Dr. Beverly Hills, CA		ID #841947	$4,250	$8,500.00
☐	If more space is needed, check box at left and attach additional Schedules A.		SUBTOTAL	$8,500.00	

SUMMARY

1. AMOUNT RECEIVED – CONTRIBUTIONS OF $100 OR MORE (Include all Schedule A subtotals) . . . . . $ _____

2. AMOUNT RECEIVED – CONTRIBUTIONS OF LESS THAN $100 (Not itemized) . . . . . _____

3. TOTAL MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + Line 2) Enter here and on Line 1 Column B of Summary Page . . . . . $ _____

SCHEDULE B
LOANS
FORM 420, 430 OR 490
(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9/18/84	10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

PART 1 – LOANS RECEIVED

DATE REC'D	FULL NAME AND ADDRESS OF LENDER AND ANY GUARANTORS OR COSIGNERS (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	INT. RATE	AMOUNT OF LOAN	CUMULATIVE TO DATE
					NONE	NONE
☐ If more space is needed, check box at left and attach additional Schedules B, Part 1.			SUBTOTAL		NONE	

PART 2 – LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY:

DATE	FULL NAME AND ADDRESS OF THE LENDER	(a) AMOUNT REPAID	ENTER THIS DATA ON SCHEDULE A ALSO (b) AMOUNT FORGIVEN OR PAID BY THIRD PARTY	THIRD PARTY NAME AND ADDRESS	UNPAID BALANCE
☐ If more space is needed, check box at left and attach additional Schedules B, Part 2.	SUBTOTAL	(a) NONE	(b) NONE		

SUMMARY

1. LOANS OF $100 OR MORE THIS PERIOD (Part 1)	$	
2. LOANS UNDER $100 THIS PERIOD (Not itemized)		
3. TOTAL LOANS RECEIVED THIS PERIOD (Line 1 + 2)		
4. LOANS OF $100 OR MORE REPAID THIS PERIOD (Part 2, Column (a))		
5. LOANS OF $100 OR MORE THIS PERIOD FORGIVEN OR PAID BY A THIRD PARTY (Part 2, Column (b))		
6. LOANS UNDER $100 REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Not itemized) (Also enter this amount on Line 2 of Summary section of Schedule A)		
7. TOTAL LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Line 4 + 5 + 6)		
8. NET CHANGE THIS PERIOD (Subtract Line 7 from Line 3) Enter the difference here and on Line 2, Column B of Summary Page		NONE $ (May be negative figure)

SCHEDULE C

NON-MONETARY CONTRIBUTIONS RECEIVED

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9/18/84	10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	FAIR MARKET VALUE RECEIVED	CUMULATIVE AMOUNT
☐	If more space is needed, check box at left and attach additional Schedules C.			SUBTOTALS	NONE	

SUMMARY

1. NON-MONETARY CONTRIBUTIONS OF $100 OR MORE THIS PERIOD . . . . . $ _____
2. NON-MONETARY CONTRIBUTIONS UNDER $100 THIS PERIOD (Not itemized) . . . . . _____
3. TOTAL NON-MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + 2) Enter here and on Line 4, Column B of Summary Page . . . . . $ NONE

SCHEDULE D

PLEDGES

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Comapiang Committee

I.D. NUMBER (IF COMMITTEE) applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT PLEDGED THIS PERIOD	AMOUNT PAID (ALSO ENTER ON SCHEDULE A)	CUMULATIVE PLEDGE UNPAID
	If more space is needed, check box at left and attach additional Schedules D.		SUBTOTALS	(a) NONE	(b) NONE	

SUMMARY

1.	PLEDGES OF $100 OR MORE THIS PERIOD (Column (a))	$
2.	PLEDGES UNDER $100 THIS PERIOD (Not itemized)	
3.	TOTAL PLEDGES RECEIVED (Line 1 + 2)	
4.	PLEDGES OF $100 OR MORE PAID THIS PERIOD (Column (b))	
5.	PLEDGES UNDER $100 PAID THIS PERIOD (Not itemized) (Also enter on Line 2 of the summary section of Schedule A)	
6.	TOTAL PLEDGES PAID (Line 4 + 5)	
7.	NET CHANGE THIS PERIOD (Subtract Line 6 from Line 3) Enter the difference here and on Line 5, Column B of Summary Page.	$ NONE

(May be negative figure)

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9/18/84	10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the expenditure, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

IMPORTANT: Do not itemize the payment of accrued expenses on Schedule E. Report only the lump sum of these payments on Line 3 of the Summary section, below.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
U.S. Postmaster Beverly Hills, CA	L		$1,275.00
Barad & Levine 13701 Riverside Dr., Suite 600 Sherman Oaks, CA 91423	L		$131.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	$1,406.00

IMPORTANT: Contributions and expenditures on behalf of other candidates or committees must also be entered in the allocation section at the front of the campaign statement.

SUMMARY

1.	Payments of $100 or more made this period (Include all Schedule E Subtotals)	$ $1406.00
2.	Payments under $100 this period (not itemized)	$ 2.00
3.	Total Accrued Expenses paid this period (Schedule F, Line 4)	$ -0-
4.	Total Payments this period (Line 1 + 2 + 3) Enter here and on Line 7, Column B of Summary Page	$ $1408.00

SCHEDULE F

ACCRUED EXPENSES
(UNPAID BILLS)

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

CODES FOR CLASSIFYING ACCRUED EXPENSES

If one of the following codes is used to describe the accrued expense, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the accrued expense, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

	NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT ACCRUED
1				
2				
3				
4				
	☐ If more space is needed, check box, and attach additional Schedules F		SUBTOTAL	NONE

IMPORTANT: Do not itemize the *payment* of accrued expenses on Schedules E or F. Report the lump sum of these payments on Schedule E, Line 3, and on Schedule F, Line 4. Do not re-itemize accrued expenses which have been reported in a previous period.

SUMMARY

1	Accrued Expenses of $100 or More This Period	$	
2.	Accrued Expenses of Under $100 This Period (Not Itemized)		
3.	Total Accrued Expenses Incurred This Period (Line 1 + 2)		
4.	Accrued Expenses Paid This Period (Not Itemized) Enter here and on Schedule E, Line 3		
5.	Net Change This Period (Subtract Line 4 from Line 3). Enter difference here and on Line 8, Column B of Summary Page		NONE (May be negative figure)

SCHEDULE G
MISCELLANEOUS ADJUSTMENTS TO CASH POSITION
FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) applied for

DATE	DESCRIPTION OF ADJUSTMENT (IF THE ADJUSTMENT INVOLVES A COMMITTEE, OTHER THAN THE FILER, ENTER THE COMMITTEE'S NAME AND ADDRESS. ALSO ENTER THE COMMITTEE'S I.D. NUMBER OR THE TREASURER'S NAME AND ADDRESS)	AMOUNT OF INCREASE TO CASH	AMOUNT OF DECREASE TO CASH
☐	If more space is needed, check box at left and attach additional Schedules G — SUBTOTAL	(a) NONE	(b) NONE

SUMMARY

1.	INCREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (a))	$
2.	INCREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
3.	TOTAL INCREASES TO CASH THIS PERIOD (Line 1 + Line 2)	
4.	DECREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (b))	
5.	DECREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
6.	TOTAL DECREASES TO CASH THIS PERIOD (Line 4 + Line 5)	
7.	TOTAL MISCELLANEOUS ADJUSTMENTS TO CASH THIS PERIOD (Line 3 minus Line 6) Enter here and on Line 12 of Summary Page	$NONE (May be negative figure)

RECEIVED AT THE FEC

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RECIPIENT COMMITTEE CAMPAIGN STATEMENT

(Government Code Sections 84200–84217)

Form 420
1984

For use by recipient committees which receive a cumulative contribution of $100 or more from a single source.

(Type or Print in Ink)

Statement covers period from 10/21/84 through 12/31/84

A OFFICIAL USE ONLY

NAME OF COMMITTEE: Community Campaign Committee

I.D. NUMBER: 841891

ADDRESS OF COMMITTEE (NO. AND STREET, CITY, STATE, ZIP CODE): 13701 Riverside Dr., Ste. 600, Sherman Oaks, CA91423

AREA CODE: 818 PHONE NUMBER: 906-0960

NAME OF TREASURER: Irene Kleinberg

PERMANENT ADDRESS OF TREASURER (NO. AND STREET, CITY, STATE, ZIP CODE): 13701 Riverside Dr., Ste. 600, Sherman Oaks, CA 91423

AREA CODE: 818 PHONE NUMBER: 906-0960

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE):

TOTAL PAGES:

SPONSORING ORGANIZATION (IF APPLICABLE):

II IS THIS A CONTROLLED COMMITTEE?

(A controlled committee is one which is controlled directly or indirectly by a candidate or a proponent of a state ballot measure or which acts jointly with a candidate, controlled committee or proponent of a state ballot measure in connection with the making of expenditures. A candidate or proponent of a state ballot measure controls a committee if he or she, his or her agent, or any other committee he or she controls, has a significant influence on the actions or decisions of the committee.)

[ ] YES (Complete Section III below) [ ] NO (Section III is not applicable)

III CANDIDATES OR STATE MEASURE PROPONENTS CONTROLLING THIS COMMITTEE; CANDIDATES, STATE MEASURE PROPONENTS OR COMMITTEES WITH WHICH THIS COMMITTEE ACTS JOINTLY.

NOTE: If this committee is controlled by more than one candidate, the name of each controlling candidate must be listed below.

NAME OF CANDIDATE, STATE MEASURE PROPONENT OR COMMITTEE	IDENTIFICATION NUMBER OF COMMITTEE OR TREASURER'S NAME AND PERMANENT STREET ADDRESS

Attach additional information on appropriately labeled continuation sheets.

VERIFICATION

C I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and that I have used all reasonable diligence in their preparation.

D Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF TREASURER)

A candidate or officeholder who controls a committee must also verify the campaign statement.

E I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and the treasurer of this committee has used all reasonable diligence in the preparation of this statement and its schedules.

F Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF CANDIDATE OR OFFICEHOLDER)

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES:

List all contributions (including loans) and independent expenditures itemized on Schedules E and F to support or oppose officeholders, candidates and ballot measures (other than those controlling this committee or for which this committee is primarily formed). Indicate the date of the expenditure, the office sought or held (or the measure's number or letter and if local measure, city or county), the amount of the expenditure and the cumulative amount to date. The "Cumulative to Date" column should include the sum total of expenditures for or against each candidate or measure since January 1 of the current calendar year. (See "Information Manual on Campaign Disclosure" for discussion and examples of "cumulation.")

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES (Allocate expenditures from Schedules E & F made to or on behalf of another candidate, officeholder or measure. Amounts may be rounded off to whole dollars.)

OFFICIAL USE ONLY	DATE	NAME OF CANDIDATE OR OFFICEHOLDER AND OFFICE OR MEASURE AND BALLOT NUMBER OR LETTER	CHECK ONE Support	Oppose	AMOUNT	CUMULATIVE TO DATE
		NONE				

Attach additional information on appropriately labeled continuation sheets.

CAMPAIGN DISCLOSURE STATEMENT SUMMARY PAGE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): 841891

	COLUMN A Cumulative total from previous period*	COLUMN B Total this period from attached schedules	COLUMN C Cumulative to date (Columns A + B)
CONTRIBUTIONS RECEIVED			
1. Monetary contributions	$ 8,500.00	$ -0- (SCHEDULE A, LINE 3)	$ 8,500.00
2. Loans	-0-	-0- (SCHEDULE B, LINE 8)	-0-
3. Subtotal	$ 8,500.0 (LINES 1 + 2)	$ -0- (LINES 1 + 2)	$ 8,500.00 (LINES 1 + 2)
4. Non-monetary contributions	-0-	-0- (SCHEDULE C, LINE 3)	-0-
5. Pledges	-0-	-0- (SCHEDULE D, LINE 7)	-0-
6. TOTAL CONTRIBUTIONS	$ 8,500.00 (LINES 3 + 4 + 5)	$ -0- (LINES 3 + 4 + 5)	$ 8,500.00 (LINES 3 + 4 + 5 (SHOULD EQUAL LINE [illegible] COLUMNS A + B))
EXPENDITURES MADE			
7. Payments	$ 1,408.00	$ 7,290.60 (SCHEDULE E, LINE 4)	$ 8,698.60
8. Accrued expenses (unpaid bills)	-0-	-0- (SCHEDULE F, LINE 5)	-0-
9. TOTAL EXPENDITURES	$ 1,408.00 (LINES 7 + 8)	$ 7,290.60 (LINES 7 + 8)	$ 8,698.60 (LINES 7 + 8 (SHOULD EQUAL LINE [illegible] COLUMNS A + B))

*If this is the first report filed for the calendar year, Column A should be blank except for unpaid loans, bills and pledges.

STATEMENT OF CHANGES IN FINANCIAL CONDITION

10. Cash on hand at the beginning of this period (Line 14 of previous statement)	$ 7,092.00	
11. Cash receipts this period (Line 3, Column B above)	-0-	
12. Miscellaneous adjustments to cash (Schedule G, Line 7)	246.22	
13. Cash payments this period (Line 7, Column B above)	7,290.60	
14. Cash on hand at closing date (Lines 10+11-12-13 above)*	47.62	
15. Outstanding debts (Line 2 + Line 8 of Column C above)	-0-	
16. Ending surplus (if Line 14 is greater than Line 15, subtract Line 15 from Line 14)		$ 47.62
17. Ending deficit (if Line 15 is greater than Line 14, subtract Line 14 from Line 15)		$

*Ending cash on hand should not be a negative amount.

SUMMARY FOR CANDIDATES IN BOTH A JUNE AND NOVEMBER ELECTION *(See Instructions on Reverse)*

	1/1 thru 6/30	7/1 to date
18. CONTRIBUTIONS RECEIVED		
19. EXPENDITURES MADE		

SCHEDULE A

MONETARY CONTRIBUTIONS RECEIVED
FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
10/21/84	12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): 841891

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	AMOUNT CUMULATIVE TO DATE
	If more space is needed, check box at left and attach additional Schedules A		SUBTOTAL	-0-	

SUMMARY

1. AMOUNT RECEIVED – CONTRIBUTIONS OF $100 OR MORE (Include all Schedule A subtotals)	$ -0-	
2. AMOUNT RECEIVED – CONTRIBUTIONS OF LESS THAN $100 (Not itemized)	-0-	
3. TOTAL MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + Line 2) Enter here and on Line 1 Column B of Summary Page		$ -0-

SCHEDULE B
LOANS
FORM 420, 430 OR 490
(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) 841891

PART 1 – LOANS RECEIVED

DATE REC'D	FULL NAME AND ADDRESS OF LENDER AND ANY GUARANTORS OR COSIGNERS (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	INT RATE	AMOUNT OF LOAN	CUMULATIVE TO DATE
					NONE	NONE
☐ If more space is needed, check box at left and attach additional Schedules B, Part 1.			SUBTOTAL		NONE	

PART 2 – LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY:

DATE	FULL NAME AND ADDRESS OF THE LENDER	(a) AMOUNT REPAID	ENTER THIS DATA ON SCHEDULE A ALSO (b) AMOUNT FORGIVEN OR PAID BY THIRD PARTY	THIRD PARTY NAME AND ADDRESS	UNPAID BALANCE
☐ If more space is needed, check box at left and attach additional Schedules B, Part 2.	SUBTOTAL	(a) NONE	(b) NONE		

SUMMARY

1	LOANS OF $100 OR MORE THIS PERIOD (Part 1)	$
2	LOANS UNDER $100 THIS PERIOD (Not itemized)	
3	TOTAL LOANS RECEIVED THIS PERIOD (Line 1 + 2)	
4	LOANS OF $100 OR MORE REPAID THIS PERIOD (Part 2, Column (a))	
5	LOANS OF $100 OR MORE THIS PERIOD FORGIVEN OR PAID BY A THIRD PARTY (Part 2, Column (b))	
6	LOANS UNDER $100 REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Not itemized) (Also enter this amount on Line 2 of Summary section of Schedule A)	
7	TOTAL LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Line 4 + 5 + 6)	
8	NET CHANGE THIS PERIOD (Subtract Line 7 from Line 3) Enter the difference here and on Line 2, Column B of Summary Page	$ NONE (May be negative figure)

SCHEDULE C

NON-MONETARY CONTRIBUTIONS RECEIVED

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD
FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) 841891

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	FAIR MARKET VALUE RECEIVED	CUMULATIVE AMOUNT

☐ If more space is needed, check box at left and attach additional Schedules C.

SUBTOTALS NONE

SUMMARY

1. NON-MONETARY CONTRIBUTIONS OF $100 OR MORE THIS PERIOD $
2. NON-MONETARY CONTRIBUTIONS UNDER $100 THIS PERIOD (Not itemized)
3. TOTAL NON-MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + 2) Enter here and on Line 4, Column B of Summary Page $ NONE

SCHEDULE D

PLEDGES

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): 841891

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT PLEDGED THIS PERIOD	AMOUNT PAID (ALSO ENTER ON SCHEDULE A)	CUMULATIVE PLEDGE UNPAID
☐	If more space is needed, check box at left and attach additional Schedules D		SUBTOTALS	(a) NONE	(b) NONE	

SUMMARY

1.	PLEDGES OF $100 OR MORE THIS PERIOD (Column (a))	$
2.	PLEDGES UNDER $100 THIS PERIOD (Not itemized)	
3.	TOTAL PLEDGES RECEIVED (Line 1 + 2)	
4.	PLEDGES OF $100 OR MORE PAID THIS PERIOD (Column (b))	
5.	PLEDGES UNDER $100 PAID THIS PERIOD (Not itemized) (Also enter on Line 2 of the summary section of Schedule A)	
6.	TOTAL PLEDGES PAID (Line 4 + 5)	
7.	NET CHANGE THIS PERIOD (Subtract Line 6 from Line 3) Enter the difference here and on Line 5, Column B of Summary Page	$NONE

(May be negative figure)

SCHEDULE E

PAYMENTS AND CONTRIBUTIONS MADE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) 841891

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the expenditure, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

IMPORTANT: Do not itemize the payment of accrued expenses on Schedule E. Report only the lump sum of these payments on Line 3 of the Summary section, below.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
Barad & Levine 13701 Riverside Dr. Sherman Oaks, CA 91423	P		$ 300 3400
Barad & Levine 13701 Riverside Dr. Sherman Oaks, CA 91423	L		$353.50
TJL & Assoc. 1735 Rambling Rd. Simi Valley, CA 93065	L		$1,288.15
Harman Press 1227 N. Highland Ave. Los Angeles, CA 90038	L		$1,948.95

☐ If more space is needed, check box and attach additional Schedules E

SUBTOTAL $7,290.60

IMPORTANT: Contributions and expenditures on behalf of other candidates or committees must also be entered in the allocation section at the front of the campaign statement.

SUMMARY

1. Payments of $100 or more made this period (Include all Schedule E Subtotals)	$ 7,290.60
2. Payments under $100 this period (not itemized)	$ -0-
3. Total Accrued Expenses paid this period (Schedule F, Line 4)	$ -0-
4. Total Payments this period (Line 1 + 2 + 3) Enter here and on Line 7, Column B of Summary Page	$ 7,290.60

SCHEDULE F

ACCRUED EXPENSES
(UNPAID BILLS)

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): 841891

CODES FOR CLASSIFYING ACCRUED EXPENSES

If one of the following codes is used to describe the accrued expense, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the accrued expense, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT ACCRUED
If more space is needed check box, and attach additional Schedules F		SUBTOTAL	NONE

IMPORTANT: Do not itemize the *payment* of accrued expenses on Schedules E or F. Report the lump sum of these payments on Schedule E, Line 3, and on Schedule F, Line 4. Do not re-itemize accrued expenses which have been reported in a previous period.

SUMMARY

1. Accrued Expenses of $100 or More This Period	$	
2. Accrued Expenses of Under $100 This Period (Not Itemized)		
3. Total Accrued Expenses Incurred This Period (Line 1 + 2)		
4. Accrued Expenses Paid This Period (Not Itemized) Enter here and on Schedule E, Line 3		
5. Net Change This Period (Subtract Line 4 from Line 3), Enter difference here and on Line 8, Column B of Summary Page		NONE (May be negative figure)

SCHEDULE G

MISCELLANEOUS ADJUSTMENTS TO CASH POSITION

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 10/21/84 THROUGH 12/31/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): 841891

DATE	DESCRIPTION OF ADJUSTMENT (IF THE ADJUSTMENT INVOLVES A COMMITTEE, OTHER THAN THE FILER, ENTER THE COMMITTEE'S NAME AND ADDRESS. ALSO ENTER THE COMMITTEE'S I.D. NUMBER OR THE TREASURER'S NAME AND ADDRESS)	AMOUNT OF INCREASE TO CASH	AMOUNT OF DECREASE TO CASH
10/31	Interest on Bank account American Pacific State Bank 13739 Riverside Dr., Sherman Oaks	$60.56	
11/30	Interest on Bank Account American Pacific State Bank 13739 Riverside Dr., Sherman Oaks	$23.31	
12/11	Refund from Bulk mailing Account U.S. Postmaster	$162.35	
	If more space is needed, check box at left and attach additional Schedules G — SUBTOTAL	(a) NONE	(b) NONE

SUMMARY

1	INCREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (a))	$
2	INCREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
3	TOTAL INCREASES TO CASH THIS PERIOD (Line 1 + Line 2)	
4	DECREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (b))	
5	DECREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
6	TOTAL DECREASES TO CASH THIS PERIOD (Line 4 + Line 5)	
7	TOTAL MISCELLANEOUS ADJUSTMENTS TO CASH THIS PERIOD (Line 3 minus Line 6) Enter here and on Line 12 of Summary Page	$ NONE (May be negative figure)

FROM:

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WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLF HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
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CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS
1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

April
15th
1 9 8 5

WRITER'S DIRECT TELEPHONE

(202) 457-5319

OUR FILE NUMBER

278,254-1

RECEIVED
GENERAL COUNSEL
APR 15
A10:24

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
Attention: Charles Snyder, Esquire

Re: MUR 1859, Four Seasons Hotels, Ltd.

Dear Mr. Snyder:

In further response to the Chairman's letter of April 2, 1985, and the questions enclosed therewith, enclosed is an affidavit by Arnold L. Cader, the Executive Vice President of Four Seasons Hotels, Ltd., together with a copy of the Articles of Incorporation of Four Seasons Hotels, Ltd., showing its place of incorporation as the Province of Ontario, Canada.

Please advise me if you require further information regarding this matter.

Sincerely,

John Holum

John D. Holum
for O'MELVENY & MYERS
Attorneys for Four Seasons
Hotels, Ltd.

JDH:fhm
Enclosures

37114172

8 7 0 4 0 5 4 4 4 8 3

O'MELVENY & MYERS

1800 M Street, N. W.

WASHINGTON, D. C. 20036

FIRST CLASS

GENERAL COUNSEL
FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C.

AFFIDAVIT

BEFORE THE FEDERAL ELECTION COMMISSION

RE: MUR 1859	)	
	)	
Four Seasons Hotels Limited	)	BS
	)	
PROVINCE OF ONTARIO, CANADA	)	
JUDICIAL DISTRICT OF YORK	)	

The undersigned, being first sworn, deposes and says:

1. I am the Executive Vice President of Four Seasons Hotels Limited ("Four Seasons") and I have direct knowledge of each of the facts discussed in this Affidavit.

2. Four Seasons is a Canadian corporation incorporated in the Province of Ontario, Canada. A copy of Four Seasons' Articles of Incorporation is attached hereto.

3. I and Patricia A. Moore, the Assistant Secretary of Four Seasons, acting on behalf of Four Seasons, participated with W.B. Johnson Properties, Inc. in the establishment of the Yes on F Committee. The Committee was formed in connection with the Special Election of the City of Beverly Hills on City Proposition F, which Special Election was called in July 1984 and consolidated with the November 1984 general election.

4. Neither Four Seasons nor the undersigned nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons established or participated in the establishment of the Community Campaign Committee.

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5. I and Patricia A. Moore, acting on behalf of Four Seasons, participated in the general direction and control, but not the day-to-day operation and management, of the Yes on F Committee in that we together with W.B. Johnson Properties, Inc. reviewed some of the recommendations made by the staff and consultants of the Yes on F Committee, and approved or disapproved such recommendations.

6. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons, directly or indirectly, directed, controlled, operated or managed the Community Campaign Committee.

7. From time to time I participated in the composition of some letters disseminated by the Yes on F Committee in support of Proposition F by reviewing drafts which had been prepared by the staff and consultants employed by the Yes on F Committee. Neither Four Seasons nor I nor any agent acting on behalf of Four Seasons nor any employee, officer or shareholder of Four Seasons participated in the printing of letters disseminated in support of Proposition F or participated in the composition, writing or printing of the slate cards disseminated in support of Proposition F.

8. I on behalf of Four Seasons learned of the contents of some letters disseminated in support of Proposition F at the time of the review of those letters as described in paragraph 7 above. I cannot state with certainty that I or Four Seasons or Patricia A. Moore or any agent, employee, officer or shareholder of Four Seasons knew the contents of every letter disseminated by the Yes on F Committee in support of Proposition F before its dissemination. No letter disseminated by the Yes on F Committee of which I or Ms. Moore were aware addressed any topic other than the Special Election of the City of Beverly Hills on City Proposition F. I and Ms. Moore had been advised in the presence of our attorneys that the Yes on F Committee would purchase space on slate

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cards in support of Proposition F. We were informed by the Yes on F Committee staff that the use of slate cards in elections was a common practice in the Los Angeles area. I believed that the slate cards were to be used in support of the local proposition, and neither Four Seasons nor I nor any agent acting on behalf of Four Seasons or any employee, officer, or shareholder of Four Seasons intended to participate in or in any way influence any election other than the Special Election of the City of Beverly Hills on City Proposition F. Neither Four Seasons nor I nor Ms. Moore nor any agent acting on behalf of Four Seasons, nor any employee, officer or shareholder of Four Seasons actually saw the slate cards until after their dissemination. The specific contents of the slate cards were not known by Four Seasons or by Ms. Moore or me until after the filing of the Complaint now being addressed by the Federal Election Commission.

Arnold L. Cader

SUBSCRIBED and sworn to before me this 12th day of April, 1985.

Notary Public in and for the Province of Ontario, Canada

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Ontario Corporation Number
Numéro de la compagnie en Ontario

465774

Consumer and Commercial Relations

Ministère de la Consommation et du Commerce

CERTIFICATE
This is to certify that these articles are effective on

CERTIFICAT
Ceci certifie que les présents statuts entrent en vigueur le

FEBRUARY 13 FEVRIER, 1984

Controller of Corporations

Contrôleur des Dossiers concernant les Compagnies

TRANS CODE
C

Form 3
Business Corporations Act 1982

Formule numéro 3
Loi de 1982 sur les compagnies

ARTICLES OF AMENDMENT
STATUTS DE MODIFICATION

1 The present name of the corporation is — *Dénomination sociale actuelle de la compagnie*

FOUR SEASONS HOTELS LIMITED

2 The name of the corporation is changed to (if applicable): — *Nouvelle dénomination sociale de la compagnie (s'il y a lieu):*

3 Date of ~~incorporation~~ amalgamation — *Date de la constitution ou de la fusion*

31 December, 1980

(Day, Month, Year)
(jour, mois, année)

4 The articles of the corporation are amended as follows — *Les statuts de la compagnie sont modifiés de la façon suivante*

SEE ATTACHED

CHECK $52.50
$52.50

Form 3 B.C.A.

"BE IT RESOLVED as a special resolution that:

A. The articles of the Corporation be amended to:

1. Change the number of directors to provide as follows:

Minimum: 1 Maximum: 20

2. Delete the existing objects such that there will be no restrictions on the business the Corporation may carry on or on the powers the Corporation may exercise.

3. Change the authorized capital by:

(i) removing the par value attaching to the First Preference shares;

(ii) setting out the rights, privileges, restrictions and conditions attaching to the Common shares as follows:

COMMON SHARES

Dividends

If in any year, after providing for the full dividend on the preference shares of the Corporation which from time to time may be outstanding, there shall remain any moneys of the Corporation properly applicable to the payment of dividends, such moneys or any part thereof may, in the discretion of the directors, be applied to dividends on the Common shares.

Liquidation

Subject to the prior rights attaching to the preference shares of the Corporation which from time to time may be outstanding, the holders of the Common shares shall be entitled to receive rateably the remaining property of the Corporation upon the dissolution of the Corporation.

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Voting

The holders of the Common shares shall be entitled to receive notice of and attend all meetings of shareholders, and each Common share shall confer the right to one vote in person or by proxy at all such meetings of shareholders of the Corporation.

(iii) creating an unlimited number of Fourth Preference shares which shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions:

FOURTH PREFERENCE SHARES

Dividend and Distribution Preference

The Fourth Preference shares shall be entitled to a preference over the Common Shares of the Corporation and any other shares of the Corporation which from time to time may be outstanding ranking junior to the Fourth Preference shares with respect to the payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Dividends

The holders of the Fourth Preference shares shall be entitled to receive and the Corporation shall pay thereon if, as and when declared by the board of directors of the Corporation, out of the moneys of the Corporation properly applicable to the payment of dividends in any financial year, non-cumulative preferential dividends in such amounts as the board of directors may determine provided that such amounts shall not exceed the sum of $0.12 on each Fourth Preference share in any financial year. If within six (6) months after the expiration of any financial year of

the Corporation, the board of directors in its discretion shall not declare a dividend on the Fourth Preference shares for such financial year, then the rights of the holders of the Fourth Preference shares to dividends for such financial year shall be forever extinguished.

Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Fourth Preference shares shall be entitled to receive before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of shares of any class ranking junior to the Fourth Preference shares, payment of the initial issue price of one dollar ($1.00) per share for each Fourth Preference share then outstanding together with all dividends declared thereon and unpaid. After payment of the holders of the Fourth Preference shares as aforesaid, such holders shall not have the right to any further participation in any distribution of the assets of the Corporation.

Redemption by the Corporation

The Corporation shall have the right at its option, at any time or times, to redeem all or any portion of the Fourth Preference shares on payment of the initial issue price of one dollar ($1.00) per share for each share to be redeemed, together with all dividends declared thereon and unpaid ("Fourth Preference Redemption Price"),

In all cases of redemption, forty (40) days' notice ("Notice of Redemption") shall be given by letter directed to the respective shareholders whose shares are to be redeemed at their respective addresses appearing on the books of the Corporation. The Notice of Redemption shall set out:

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(i) the number of shares to be redeemed, if only part of the shares held by the shareholder to whom such notice is addressed are to be redeemed;

(ii) the Fourth Preference Redemption Price;

(iii) the date on which the redemption is to take place ("Redemption Date");

(iv) the place where such shares will be redeemed; and

(v) the name and address of the chartered bank, if any, in which unclaimed redemption moneys will be deposited.

On or after the Redemption Date, the Corporation shall pay the Fourth Preference Redemption Price to holders of the Fourth Preference shares to be redeemed, on presentation and surrender of the certificate or certificates for such shares, duly endorsed, at the place specified in the Notice of Redemption. The Corporation shall have the right on or after the Redemption Date to deposit any unclaimed redemption moneys to a special account in the chartered bank named in the Notice of Redemption, to be paid, without interest, upon presentation and surrender of the share certificate or certificates as have not at the date of such deposit been surrendered by the holders thereof, to or to the order of such holders. Any interest allowed on any such deposit shall belong to the Corporation. From and after the date specified for the redemption in any such notice, the Fourth Preference shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the Fourth Preference Redemption Price therefor unless payment of the Fourth Preference Redemption Price shall not be duly made by the Corporation upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected.

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When the Corporation sends out a Notice of Redemption, the Corporation shall, contemporaneously therewith, send a notice ("Option Notice") in writing to each person who at the time of giving such notice is the registered holder of First Preference Shares. Such notice shall be given by posting the same in a postage paid envelope addressed to each such holder of First Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the First Preference Shares or Fourth Preference Shares to be redeemed. Such notice shall:

(i) include a copy of the Notice of Redemption; and

(ii) specify that each of such holders shall be entitled, at his option (the "Option"), to require the Corporation to redeem all or any portion of such holder's First Preference Shares.

Subject to the requirements of the Business Corporations Act, 1982 (the "Act"), as same may be amended from time to time, and of this paragraph, each of the holders of First Preference Shares shall be entitled to exercise the Option by tendering, within thirty (30) days from the date of delivery of the Option Notice, to the Corporation at its registered office, the share certificate or certificates representing such issued and outstanding First Preference Shares as such holder wishes to have the Corporation redeem. Upon compliance with the foregoing, the Corporation shall, on the Redemption Date, pay to each of such holders of First Preference Shares as have exercised their Option, the redemption price which is required to be paid to such holder of such First

Preference Shares on the terms and conditions as may at such time be attached to the First Preference Shares in connection with redemption except that no further notice shall be required to be given by the Corporation.

Redemption by the Holder

A holder of Fourth Preference shares shall be entitled, subject to the requirements of the Business Corporations Act, 1982 ("Act"), as same may be amended from time to time, and of this paragraph, at any time or times, to require the Corporation to redeem, all or any portion of the holder's Fourth Preference shares at the Fourth Preference Redemption Price. Such right shall be exercised by the holder by forwarding by registered mail or delivery to the Corporation at its registered office:

(i) a notice in writing ("First Notice") executed by such holder specifying:

(a) the number of Fourth Preference shares which such holder wishes to have redeemed by the Corporation; and

(b) the business day falling at least fifty (50) days after the date such notice is delivered to the Corporation ("Fourth Preference Retraction Date") on which such holder wishes to have the Corporation redeem such shares; and

(ii) a share certificate or certificates representing such shares which such holder wishes to have the Corporation redeem.

When the Corporation receives a First Notice, the Corporation shall, within seven (7) days from the date of receipt of the First Notice, send a notice ("Second Notice") in writing to each person who at the date of giving such

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notice is the registered holder of First Preference Shares. Such notice shall be given by posting the same in a postage paid envelope addressed to each such holder of First Preference Shares at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the First Preference Shares or Fourth Preference Shares to be redeemed. Such notice shall:

(i) include a copy of the First Notice; and

(ii) specify that each of such holders shall be entitled, at his option (the "Option"), to require the Corporation to redeem all or any portion of such holder's First Preference Shares.

Subject to the requirements of the Act and of this paragraph, each of the holders of such First Preference Shares shall be entitled to exercise the Option by tendering, within thirty (30) days from the date of delivery of the Second Notice, to the Corporation at its registered office, the share certificate or certificates representing such issued and outstanding First Preference Shares as such holder wishes to have the Corporation redeem. Upon compliance with the foregoing, the Corporation shall, on the Fourth Preference Retraction Date, pay:

(i) to each of such holders of First Preference Shares as have exercised their Option, the redemption price which is required to be paid to such holder of First Preference Shares on the terms and conditions as may at such time be attached to the First Preference Shares in connection with redemption except that no further notice shall be required to be given by the Corporation; and

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(ii) to each of the holders of the Fourth Preference shares who delivered a First Notice the Fourth Preference Redemption Price which payment shall be made by cheque payable at par at any branch of the Corporation's bankers for the time being in Canada. From and after the Fourth Preference Retraction Date, the holders of such Fourth Preference shares being redeemed in accordance with this provision shall cease to be entitled to dividends, and shall not be entitled to exercise any rights in respect thereof, unless payment of the Fourth Preference Redemption Price is not made on the Fourth Preference Retraction Date in which event the rights of such holders shall remain unaffected until the Fourth Preference Redemption Price has been paid in full.

Voting

Except as provided in the Act, as amended or re-enacted from time to time, the holder of a Fourth Preference share shall not be entitled to vote at any meeting of the shareholders of the Corporation, but shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale of its undertaking or a substantial part thereof and shall be entitled to receive all reports and other communications which are sent by the Corporation to the holders of Common shares.

Purchase for Cancellation

The Corporation may, in addition to its right to redeem Fourth Preference shares as provided above, at any time or times, purchase (if obtainable) for cancellation all or any part of the Fourth Preference shares outstanding from time to time, in the open market, (including purchase through or from an investment dealer or any firm holding membership on a recognized stock exchange), or by invitation for tenders addressed to (1) all

the holders of record of the Fourth Preference shares outstanding, at the lowest price or prices at which in the opinion of the board of directors such shares are obtainable but not exceeding a price of $1.00 per share together with all dividends declared thereon and unpaid and costs of purchase, and; (2) all the holders of record of First Preference Shares in accordance with the provisions hereof.

In the event that, upon any invitation for tenders made by the Corporation as herein provided, the Corporation shall receive two or more tenders of Fourth Preference shares at the same price and which shares, when added to any shares already tendered at a lower price or prices, aggregate more than the number for which the Corporation is prepared to accept tenders, then if any Fourth Preference shares so tendered at the same price are purchased by the Corporation they shall be purchased from such holders tendering at the same price as nearly as may be pro rata to the total number of shares offered in each tender, disregarding fractions.

4. Declare that:

(a) The references to subsection (4) of Section 189 of The Business Corporations Act shall be deemed to be references to Section 169 of the Act, as same may be amended from time to time; and

(b) The reference to subsection (2) of Section 31 of The Business Corporations Act shall be deemed to be a reference to subsection (3) of Section 25 of the Act as same may be amended from time to time.

5. Declare that the classes and number of shares that the Corporation is authorized to issue is, after giving effect to the foregoing:

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(i) a maximum of 2,000,000 preference shares designated as First Preference shares;

(ii) a maximum of 1,240,356 preference shares designated as Second Preference shares;

(iii) a maximum of 1,731,179 preference shares designated as Third Preference shares;

(iv) an unlimited number of another class of shares being designated as Fourth Preference shares; and

(v) a maximum of 2,000,000 shares of another class of shares being designated as Common shares.

6. Any director or officer of the Corporation be and he is hereby authorized and directed to sign and execute all documents and to do all things necessary or desirable to effect such amendment including the execution on behalf of the Corporation and the delivery to the Director at the Ministry of Consumer and Commercial Relations of articles of amendment in duplicate for such purpose."

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5 The amendment has been duly authorized as required by Sections 167 and 169 (as applicable) of the Business Corporations Act

La modification a été dûment autorisée conformément à l'article 167 et s'il y a lieu à l'article 169 de la Loi sur les compagnies

6 The resolution authorizing the amendment was approved by the shareholders directors (as applicable) of the corporation on

Les actionnaires ou les administrateurs (le cas échéant) de la compagnie ont approuvé la résolution autorisant la modification

the 13th day of January, 1984
(Day Month Year)
(Jour mois année)

These articles are signed in duplicate

Les présents statuts sont signés en double exemplaire

FOUR SEASONS HOTELS LIMITED
(Name of Corporation)
(Dénomination sociale de la compagnie)

By/Par
(Signature)
(Signature)

(Description of Officer)
(Fonction)

ISADORE SHARP - PRESIDENT

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FOR MINISTRY USE ONLY

ONTARIO CORPORATION NUMBER

465774

Ministry of Consumer and Commercial Relations

Ontario

CERTIFICATE

THIS IS TO CERTIFY THAT THESE ARTICLES ARE EFFECTIVE ON

DECEMBER 31, 1980

CONTROLLER OF RECORDS
COMPANIES SERVICES BRANCH

TRANS CODE	LINE NO.	Stat	Comp Type	Method Incorp.	Shar
A	0	0	A	3	S
18	20	28	29	30	31

Notice Req'd	Jurisdiction	
N	ONTARIO	A
32	33 — 47	57

Form 6
The Business Corporations Act

ARTICLES OF AMALGAMATION

1. *THE NAME OF THE AMALGAMATED CORPORATION IS*

FOUR SEASONS HOTELS LIMITED

2. *THE AMALGAMATION AGREEMENT HAS BEEN DULY APPROVED AS REQUIRED BY SECTION 196 OF THE BUSINESS CORPORATIONS ACT*

3. *THE NAMES OF THE AMALGAMATING CORPORATIONS AND THE DATES ON WHICH THE AMALGAMATION AGREEMENT WAS APPROVED BY THE SHAREHOLDERS OF EACH OF THE AMALGAMATING CORPORATIONS ARE*

NAMES OF CORPORATIONS	ONTARIO CORPORATION NUMBER	DATES OF SHAREHOLDERS' APPROVAL
FOUR SEASONS HOTELS LIMITED	377775	December 16, 1980
FOUR SEASONS REALTY LIMITED	272464	December 30, 1980
DUNELAND CONSTRUCTION INCORPORATED	287482	December 30, 1980
GESTRUM INVESTMENTS LIMITED	285696	December 30, 1980
KISHKA HOLDINGS LIMITED	285699	December 30, 1980
PEORIA INVESTMENTS INC.	285698	December 30, 1980
SUMMERTIME REALTY LIMITED	277254	December 30, 1980
279389 ONTARIO INC.	279389	December 30, 1980

AMALGAMATION AGREEMENT

THIS AGREEMENT made this 31st day of December 1980.

B E T W E E N:

FOUR SEASONS HOTELS LIMITED, a corporation continued under the laws of the Province of Ontario

(hereinafter called "Hotels")

OF THE FIRST PART,

- and -

FOUR SEASONS REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Realty")

OF THE SECOND PART

- and -

DUNELAND CONSTRUCTION INCORPORATED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Duneland")

OF THE THIRD PART,

- and -

GESTRUM INVESTMENTS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Gestrum")

OF THE FOURTH PART,

- and -

KISHKA HOLDINGS LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Kishka")

OF THE FIFTH PART,

- and -

PEORIA INVESTMENTS INC., a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "Peoria")

OF THE SIXTH PART,

- and -

SUMMERTIME REALTY LIMITED, a corporation incorporated under the laws of the Province of Ontario

(hereinafter called Summertime")

OF THE SEVENTH PART,

- and -

279389 ONTARIO INC. a corporation incorporated under the laws of the Province of Ontario

(hereinafter called "279389")

OF THE EIGHTH PART

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WHEREAS Hotels Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 (the "Amalgamating Corporations") are corporations to which The Business Corporations Act applies;

AND WHEREAS the Amalgamating Corporations have agreed to amalgamate in accordance with The Business Corporations Act on the terms and conditions hereinafter set out;

AND WHEREAS the authorized capital of Hotels consists of 2,000,000 First Preference Shares with a par value of $10 each, issuable in series, the first series of which consists of 400,000 First Preference Shares, Series A; 1,264,564 Second Preference Shares without par value; 1,732,919 Third Preference Shares without par value; and 2,000,000 Common Shares without par value; and the issued capital of Hotels consists of 400,000 First Preference Shares Series A, 64,250 Second Preference Shares, 4,700 Third Preference Shares and 1,931,493 Common Shares,

AND WHEREAS the authorized capital of Realty consists of 40,000 common shares without par value and the issued capital consists of 11 common shares,

AND WHEREAS the authorized capital of Duneland consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Gestrum consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Kishka consists of 36,000 non-voting, redeemable, non-cumulative 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Peoria consists of 36,000 non-voting, redeemable, non-cumulative, 6% special shares with a par value of $1 each and 4,000 common shares without par value and the issued capital consists of 2 common shares without par value;

AND WHEREAS the authorized capital of Summertime consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value;

AND WHEREAS the authorized capital of 279389 consists of 40,000 common shares without par value and the issued capital consists of 11 common shares without par value.

AND WHEREAS all of the issued shares of Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 are owned by Realty and all of the issued shares of Realty are owned by Hotels;

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. <u>DEFINITIONS</u>

In this agreement the following terms shall have the following meaning:

1.01 "Act" means The Business Corporations Act of Ontario;

1.02 "Agreement" means this amalgamation agreement;

1.03 "Amalgamating Corporations" means Hotels, Realty, Duneland, Gestrum, Kishka, Peoria, Summertime and 279389;

1.04 "Certificate of Amalgamation" means the Certificate of Amalgamation issued pursuant to the Act in respect of the amalgamation herein provided for; and

1.05 "Corporation" means the corporation continued as a result of the amalgamation of the

Amalgamating Corporations herein provided for.

2. **AMALGAMATION**

The Amalgamating Corporations hereby agree to amalgamate under the provisions of Section 196 of the Act and to continue as one corporation on the terms and conditions hereinafter set out.

3. **NAME**

The name of the Corporation shall be Four Seasons Hotels Limited provided, however, that the Corporation may use its name in the following form in the following language: Les Hotels Quatre Saisons Limitée.

4. **OBJECTS**

The objects of the Corporation shall be as follows:

4.01 To carry on the business of a hotel, motel, tavern, public house, inn and restaurant or any similar establishment or combination thereof;

4.02 To buy, sell and deal in food or beverages including without limitation, beer, liquor, wine and other alcoholic beverages;

4.03 To operate motion picture or other theatres and places of amusement, entertainment or instruction of every kind, character and description;

4.04 To carry on the business of management consultants and/or business advisors;

4.05 To purchase or otherwise acquire and to hold, sell or exchange, property, real or personal, rights and assets of and bonds, debentures, debenture stock, shares of all classes and securities of any form or type issued by any

individual, corporation or company, public or private, incorporated or unincorporated;

4.06 To purchase, lease or otherwise acquire, directly or indirectly, lands and buildings or an interest therein and to erect, construct, develop or maintain on such lands commercial buildings of every nature and kind whatsoever and to use, operate, convert, adapt, maintain, sell, transfer, encumber or otherwise deal with all or any of such lands and buildings and premises to and for the purpose of carrying out the objects of the Corporation;

4.07 To do anything that in the opinion of the Board of Directors is incidental, ancillary, necessary or otherwise desirable in connection with the foregoing and to carry on any other business capable of being conveniently carried on in connection with the business of the Corporation or likely to enhance the value of or make profitable any of its property or rights.

5. HEAD OFFICE

The head office of the Corporation shall, until otherwise determined in accordance with the Act, be situated in the Municipality of Metropolitan Toronto, in the Province of Ontario and the address of the head office of the Corporation shall be 1100 Eglinton Avenue East, Don Mills, Ontario.

6. AUTHORIZED CAPITAL

The authorized capital of the Corporation shall consist of

6.01 2,000,000 First Preference Shares with a par value of $10 each, issuable in series;

6.02 1,264,564 6% cumulative, redeemable Second Preference Shares without par value, provided that such shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of $5,866,850 or such greater

amount as the board of directors of the Corporation may by resolution determine;

6.03 1,732,919 6% cumulative redeemable Third Preference Shares without par value, provided that such shares shall not be issued for an aggregate consideration exceeding in amount or value the sum of $9,997,330 or such greater amount as the board of directors of the Corporation may by resolution determine, and

6.04 2,000,000 Common Shares without par value. (The holders of Common Shares shall be entitled to one vote for each Common Share held by them at all annual and general meetings of shareholders of the Corporation).

7. PROVISIONS ATTACHING TO SHARES

7.1 FIRST PREFERENCE SHARES, AS A CLASS

The 2,000,000 First Preference Shares ("First Preference Shares") of the Corporation with a par value of $10 each, will carry and be subject to as a class, the following provisions, rights, conditions, restrictions, limitations and prohibitions:

Directors' Right to Issue in One or More Series

The directors of the Corporation may at any time or from time to time issue the First Preference Shares in one or more series, each series to consist of such numbers, having such rate or rates of preferential dividends with such dates of payment, being payable in such one or more currencies at such rate or rates of exchange, being redeemable at such time or times with or without payment of a premium or not being redeemable, having such sinking or other retirement fund or funds or having no sinking or other retirement fund, being subject to such purchase provisions by the Corporation or having no purchase provisions, being redeemable at such price or prices and on such terms and conditions, having such designations, having such conversion rights or without conversion rights, and having such other preferred, deferred or other special rights,

restrictions, conditions, limitations or prohibitions attaching thereto as shall be determined by resolution or resolutions of the board of directors passed at or prior to the issue thereof, the whole subject to the following provisions and the issue, pursuant to subsection (2) of section 31 of The Business Corporations Act of a certificate of filing of a statement setting forth such designations, preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the shares of each series.

Dividend and Distribution Preference

The First Preference Shares shall be entitled to a preference over the Common Shares without par value and any other shares of the Corporation which from time to time may be outstanding ranking junior to the First Preference Shares with respect to the payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Parity of Each Series as to Dividends and Distribution

The First Preference Shares of each series shall rank on a parity with the First Preference Shares of every other series with respect to priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Voting Rights

The holders of First Preference Shares shall not be entitled (except as hereinafter specifically provided) to receive notice of or to attend any meetings of the shareholders of the Corporation or to vote at any such meetings (but shall be entitled to have mailed to them copies of the financial statements and the auditors' report thereon submitted to the annual meeting

of shareholders) unless and until eight quarterly dividends on the First Preference Shares of any one series shall remain unpaid whether or not consecutive and whether or not such dividends have been declared and whether or not there are any moneys of the Corporation properly applicable to the payment of dividends; thereafter so long as any dividends on any First Preference Shares remain in arrears the holders of the First Preference Shares of all series shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall be entitled to one vote in respect of each First Preference Share held and in addition shall be entitled, voting separately and exclusively as a class, to elect at the next forthcoming meeting of shareholders called for the purpose of electing directors one member of the board of directors of the Corporation if the board consists of eight or fewer directors or two members of the board of directors of the Corporation if the board consists of more than eight directors, and all such rights shall continue until all arrears of dividends on all First Preference Shares shall have been paid, whereupon such rights shall cease unless and until eight quarterly dividends on the First Preference Shares of any one series shall again remain unpaid whether or not consecutive and whether or not such dividends have been declared and whether or not there are any moneys of the Corporation properly applicable to the payment of dividends, whereupon the holders of First Preference Shares shall again be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and to vote as aforesaid and in addition shall be entitled, voting separately and exclusively as a class, to elect at the next forthcoming meeting of shareholders called for the purpose of electing directors one member of the board of directors of the Corporation if the board consists of eight or fewer directors or two members of the board of directors of the Corporation if the board consists of more than eight directors and all such rights shall continue until all arrears of dividends on all First Preference Shares shall have been paid and so on from time to time. Notwithstanding the foregoing provisions of this clause, the holders of First Preference Shares shall be entitled to notice of and to attend all meetings of shareholders called for the purpose of authorizing the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose

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of winding up its affairs or the sale or other disposition by conveyance, transfer, lease or otherwise of the assets and undertaking of the Corporation as an entirety or substantially as an entirety. Nothing herein contained shall be deemed to limit the right of the Corporation from time to time to increase or decrease the number of its directors.

At any time after the right to elect directors shall accrue to the holders of First Preference Shares as herein provided, upon the written request of the holders of record of at least 33 1/3% of the outstanding First Preference Shares, the Secretary of the Corporation shall, upon not less than 21 days written notice, call a general meeting of shareholders for the purpose of electing directors. In default of the calling of such general meeting by the Secretary of the Corporation within 21 days after the mkaing of such request, such meeting may be called by any holder of record of First Preference Shares upon not less than 21 days written notice. Notwithstanding anything contained in the by-laws of the Corporation, the term of office of all persons who may be directors of the Corporation at any time when the right to elect directors shall accrue to the holders of First Preference Shares as herein provided or who may be appointed as directors thereafter and before a meeting of shareholders shall have been held, shall terminate upon the election of directors at the next annual meeting of shareholders or at a general meeting of shareholders which may be held for the purpose of electing directors at any time after the accrual of such right to elect directors.

Where part of the board of directors has been elected to represent the holders of First Preference Shares, and a vacancy occurs in that part of the board, the remaining director, if any, in that part of the board may appoint a qualified person to fill the vacancy for the remainder of the term. If there is no such remaining director any holder of First Preference Shares may in writing request the Secretary of the Corporation to call a general meeting of the holders of the First Preference Shares for the purpose of electing directors to fill the vacancy or vacancies. In default of the calling of such general meeting by the Secretary of the Corporation within 21 days after the making of such

request such meeting may be called by any holder of record of First Preference Shares.

Notwithstanding anything contained in the by-laws of the Corporation upon any termination of the voting rights of the holders of the First Preference Shares, the term of office of the directors elected or appointed to represent the holders of First Preference Shares shall forthwith terminate.

Restriction While First Preference Shares Outstanding

So long as any of the First Preference Shares are outstanding the Corporation shall not create any shares ranking in any respect in priority to or on a parity with the First Preference Shares without, but may create any such shares with the approval of the holders of First Preference Shares given as hereinafter specified.

Amendment with Approval of Holders of First Preference Shares

The preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the First Preference Shares as a class shall not be deleted or varied without, but may be deleted or varied with, the approval of the holders of First Preference Shares given as hereinafter specified.

Approval of Holders of First Preference Shares

Any authorization, consent or approval given by holders of First Preference Shares (including any confirmation required by sub-section (4) of section 189 of The Business Corporations Act) shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of First Preference Shares duly called for that purpose and held upon not less than 21 days notice at which the holders of at least a majority of the outstanding First Preference Shares are present or represented by proxy and carried by the affirmative vote of at least 66 2/3% of the votes cast at such meeting. If at such meeting

the holders of a majority of the outstanding First Preference Shares are not present or represented by proxy within one half hour after the time appointed for such meeting then the meeting shall be adjourned to such date being not less than 10 days thereafter and to such time and place as may be designated by the chairman, and not less than 7 days notice shall be given of the reconvening of such adjourned meeting, but it shall not be necessary in such notice to specify the purpose for which the meeting was originally called. At such adjourned meeting the holders of First Preference Shares present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of at least 66 2/3% of the votes cast at such meeting shall constitute the authorization, consent or approval of the holders of the First Preference Shares. On every poll taken at every such meeting every holder of First Preference Shares shall be entitled to one vote in respect of each First Preference Share held. Subject to the foregoing the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders.

7.2 FIRST PREFERENCE SHARES, SERIES A

The 400,000 First Preference Shares Series A ("First Preference Shares, Series A") of the Corporation with a par value of $10.00 each shall have the following provisions, rights, conditions, restrictions, limitations and prohibitions attaching thereto:

Dividends

The holders of the First Preference Shares, Series A shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at the rate of 80¢ per share per annum and no more, payable quarterly on the 1st day of March, June, September and December in each and every year adjusted to avoid payment of any fraction of a cent. Payment shall be made by cheque

payable at par in lawful money of Canada at any branch in Canada of the Corporation's bankers.

Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the First Preference Shares, Series A shall be entitled to receive, before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of shares of any class ranking junior to the First Preference Shares, Series A the par value thereof together with an amount equal to all unpaid cumulative dividends accrued thereon, whether or not earned or declared, which for such purpose shall be treated as accruing up to the date of such distribution, and if such liquidation, dissolution or winding up of the Corporation or other distribution of its assets be voluntary the holders of the First Preference Shares, Series A shall in addition be entitled to receive a premium of $0.50 per share if the date of distribution is prior to June 1, 1987, $0.25 per share if the date of such distribution is on or after June 1, 1987 and prior to June 1, 1992 and no premium whatsoever if the date of such distribution is on or after June 1, 1992.

After payment to the holders of the First Preference Shares, Series A as aforesaid, such holders shall not have the right to any further participation in any distribution of the assets of the Corporation.

Redemption

Subject to the restrictions applicable while any First Preference Shares, Series A are outstanding as hereinafter provided, the Corporation may, upon giving notice as hereinafter provided, redeem at any time all the outstanding First Preference Shares Series A or from time to time any part thereof, either pro rata disregarding fractions or by lot in such manner as the board of directors deems equitable, on payment for each share to be redeemed at the time of such redemption of

the par value thereof together with a premium, if any, per share equal to the premium per share that would have been payable on a voluntary liquidation, dissolution or winding up of the Corporation or other voluntary distribution of its assets on the redemption date together with all accrued and unpaid dividends thereon (which for such purpose shall be calculated as if dividends were accruing for the period from expiration of the last quarterly period for which dividends thereon have been paid in full up to the date of redemption), the whole constituting the redemption price.

In the case of any redemption of First Preference Shares, Series A under the provisions of the foregoing paragraph, the Corporation shall give at least 30 days prior notice in writing to each person who at the date of giving such notice is the registered holder of First Preference Shares, Series A to be redeemed of the intention of the Corporation to redeem such shares. Such notice shall be given by posting the same in a postage paid envelope addressed to each such holder of First Preference Shares, Series A to be redeemed at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the First Preference Shares, Series A to be redeemed. Such notice shall set out the redemption price and the date on which the redemption is to take place and, unless all the First Preference Shares Series A held by the holder to whom it is addressed are to be redeemed, shall also set out the number of shares so held which are to be redeemed.

On and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such First Preference Shares Series A to be redeemed the redemption price on presentation and surrender at the head office of the Corporation, or at any other place or places within Canada designated in such notice, of the certificate or certificates for such First Preference Shares, Series A so called for redemption. Such payment shall be made by cheque

payable at par at any branch in Canada of the Corporation's bankers for the time being in Canada. Such First Preference Shares Series A in respect of which the redemption price has been paid as aforesaid shall thereupon be redeemed. If a part only of such First Preference Shares, Series A represented by any certificate shall be redeemed a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice, the First Preference Shares, Series A called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the redemption price therefor unless payment of the redemption price shall not be duly made by the Corporation upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected.

At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all First Preference Shares, Series A called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named for such purpose in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively without interest upon surrender to such bank or banks or trust company or trust companies of the certificate or certificates representing the same. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the First Preference Shares, Series A in respect whereof such deposit shall have been made shall be and be deemed to be redeemed and the rights of the holders thereof shall be limited to receiving without interest their proportionate part of the total redemption price so deposited against surrender of the said certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation.

Purchase for Cancellation

Subject to the restrictions applicable while

any First Preference Shares Series A are outstanding as hereinafter provided, the Corporation may, in addition to its right to redeem First Preference Shares Series A as provided above, at any time or times, purchase (if obtainable) for cancellation all or any part of the First Preference Shares, Series A outstanding from time to time, in the open market (including purchase through or from an investment dealer or any firm holding membership on a recognized stock exchange) or by invitation for tenders addressed to all the holders of record of the First Preference Shares Series A outstanding, at the lowest price or prices at which in the opinion of the board of directors such shares are obtainable but at a price not exceeding the par value thereof together with a premium per share equal to the premium per share, if any, that would be payable thereon at the time of such purchase on a voluntary liquidation, dissolution or winding up of the Corporation or other voluntary distribution of its assets at the time of such purchase and all accrued and unpaid dividends (which for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period for which dividends have been paid up to the date of purchase) plus costs of purchase. In the event that, upon any invitation for tenders made by the Corporation as herein provided, the Corporation shall receive two or more tenders of First Preference Shares, Series A at the same price and which shares, when added to any shares already tendered at a lower price or prices, aggregate more than the number for which the Corporation is prepared to accept tenders, then if any First Preference Shares, Series A so tendered at the same price are purchased by the Corporation they shall be purchased from such holders tendering at the same price as nearly as may be pro rata to the total number of shares offered in each such tender, disregarding fractions.

Purchase Fund

Subject to the provisions hereof and of any indebtedness of the Corporation from time to time outstanding and subject to all applicable laws, so long as any of the First Preference Shares, Series A are outstanding, the Corporation shall, at such time or times in each calendar year commencing in 1983 as the board of directors of the Corporation in the reasonable

exercise of its discretion shall determine, use its best efforts to apply an amount equal to the lesser of:

(i) 2% of the par value of all First Preference Shares Series A remaining outstanding immediately after the close of business on December 31, 1982; or

(ii) 10% of the Consolidated Net Earnings (as hereinafter defined) for the last completed fiscal year after deduction of the aggregate amount of cumulative dividends on the outstanding First Preference Shares, Series A paid during such fiscal year;

to the retirement of First Preference Shares Series A by purchase for cancellation of as many First Preference Shares, Series A as the said amount will purchase, provided that the Corporation shall not be in default in the performance of its obligations to purchase First Preference Shares, Series A for cancellation in the event that the board of directors of the Corporation in the reasonable exercise of its discretion does not, in any of the said calendar years apply all or any part of such amount to the retirement of First Preference Shares, Series A. No such purchase shall be required to be made in any year except to the extent that First Preference Shares Series A are available for purchase in the open market by the Corporation in such year at a price not exceeding an amount equal to the par value thereof plus costs of purchase and the Corporation shall not purchase any First Preference Shares Series A for cancellation in accordance with the foregoing if such purchase would render the Corporation insolvent.

The amounts to be applied to the purchase for cancellation of such shares need not be kept separate from the other moneys of the Corporation and pending application thereof as above provided may be employed in the business of the Corporation. Any amount not so applied in any calendar year by reason of the foregoing proviso shall not be required to be so applied in any succeeding calendar year.

<u>Restrictions While First Preference Shares, Series A Outstanding</u>

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So long as any of the First Preference Shares, Series A are outstanding:

(a) the Corporation shall not create or issue any shares ranking in priority to the First Preference Shares, Series A without (but may create any such shares with), the approval of the holders of First Preference Shares, Series A given as hereinafter specified;

(b) the Corporation shall not issue any additional shares ranking on a parity with the First Preference Shares, Series A unless:

(i) Consolidated Net Earnings (as hereinafter defined) for any 12 consecutive calendar months of the 18 calendar months immediately preceding the date of issue of such additional shares shall have been at least equal to two and one-half times the annual dividend requirements of all First Preference Shares, Series A and other shares of the Corporation, if any, ranking in priority to or on a parity with the First Preference Shares Series A to be outstanding immediately after such issue, and

(ii) Shareholders' Equity shall be at least equal to the aggregate par value of all First Preference Shares, Series A and other shares of the Corporation, if any, ranking in priority to or on a parity with the First Preference Shares Series A to be outstanding immediately after such issue;

provided that any of such shares which have been duly called for redemption and for the redemption whereof adequate provision has been made assuring that such shares will be redeemed within 35 days after such issue shall not be considered to be outstanding for the purposes of this paragraph (b); and

(c) the Corporation shall not:

(i) pay or distribute by way of dividend or

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otherwise, dividends (other than stock dividends of shares ranking junior to the First Preference Shares Series A) on any shares ranking junior to the First Preference Shares Series A; or

(ii) redeem, purchase for cancellation or otherwise retire less than all First Preference Shares, Series A then outstanding, or any shares ranking on a parity with or junior to the First Preference Shares Series A; or

(iii) elect to pay or tax on 1971 undistributed income on hand under the provisions of subsection (1) of section 196 of the Income Tax Act of Canada as enacted on May 11, 1972 or as the same may from time to time be amended or re-enacted or elect to pay any tax under any similar provisions,

if:

(A) dividends on the First Preference Shares, Series A are in arrears, or

(B) such payment, distribution, redemption, purchase for cancellation or retirement would reduce Shareholders' Equity (as hereinafter defined) to an amount less than the aggregate par value of all First Preference Shares, Series A and other shares of the Corporation, if any, ranking in priority to or on a parity with the First Preference Shares Series A to be outstanding immediately after such payment, distribution, redemption, purchase for cancellation or retirement.

<u>Definitions</u>

In these provisions relating to the First Preference Shares, Series A the following terms shall have the following respective meanings:

(1) "Consolidated Net Earnings" as used herein for any period, means the net profit (not

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including capital gains or losses) of the Corporation and its subsidiaries for such period including in the case of a subsidiary which become a subsidiary subsequent to the commencement of such period, the net profit of such subsidiary for the entire period arrived at on a consolidated basis in accordance with generally accepted accounting practice, and

(2) "Shareholders' Equity" means the aggregate of the following amounts appearing on a consolidated balance sheet of the Corporation and its subsidiaries prepared as of the date of the determination thereof in accordance with generally accepted accounting practices, namely:

(i) paid in value of all shares ranking junior to the First Preference Shares, Series A;

(ii) retained earnings or deficit

(iii) contributed surplus and capital surplus (other than a capital surplus arising from a revaluation of assets subsequent to December 31, 1971).

<u>Amendment with Approval of Holders of First Preference Shares, Series A</u>

The preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the First Preference Shares Series A shall not be deleted or varied without, but may be deleted or varied with, the consent or approval of the holders of the First Preference Shares, Series A given in the manner hereinafter specified.

<u>Approval of Holders of First Preference Shares, Series A</u>

Any authorization, consent or approval given by the holders of First Preference Shares, Series A (including any confirmation required by subsection (4) of section 189 of The Business Corporations Act), shall be deemed to have been sufficiently given if it shall

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have been given by a resolution passed at a meeting of holders of First Preference Shares, Series A duly called for that purpose and held upon not less than 21 days notice at which the holders of at least a majority of the oustanding First Preference Shares Series A are present or represented by proxy and carried by the affirmative vote of at least 66 2/3% of the votes cast at such meeting. If at such meeting the holders of a majority of the outstanding First Preference Shares, Series A are not present or represented by proxy within one half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 10 days thereafter and to such time and place as may be designated by the chairman and not less than 7 days notice shall be given of such adjourned meeting but it shall not be necessary in such notice to specify the purpose for which the meeting was originally called. At such adjourned meeting the holders of First Preference Shares, Series A present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of at least 66 2/3% of the votes cast at such meeting shall constitute the authorization, consent or approval of the holders of First Preference Shares, Series A. On every poll taken at every such meeting every holder of First Preference Shares, Series A shall be entitled to one vote in respect of each First Preference Share, Series A held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders.

7.3 SECOND PREFERENCE SHARES

The 1,264,564 6% cumulative, redeemable Second Preference Shares without par value ("Second Preference Shares") of the Corporation shall have the following provisions, rights, conditions, limitations and prohibitions attaching thereto:

Dividend and Distribution Preference

The Second Preference Shares shall rank pari passu and participate ratably share for share with the

Third Preference Shares but be entitled to a preference over the Common Shares of the Corporation and any other shares of the Corporation which from time to time may be outstanding ranking junior to the Second Preference Shares or the Third Preference Shares, with respect to the payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

Dividends

The holders of the Second Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, fixed, cumulative, preferential, cash dividends at the rate of 33.72¢ per share per annum accruing from January 1, 1981 or the date of issue, whichever is later, payable quarterly on the 1st day of January, April, July and October in each and every year commencing April 1, 1981 (adjusted to avoid payment of any fraction of a cent). Cheques of the Corporation payable at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of such dividends and the mailing of such a cheque to any holder shall satisfy the dividend represented thereby unless the cheque be not paid on presentation. If on any dividend payment date the dividend payable on such date is not paid in full on all the Second Preference Shares then outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation shall have sufficient moneys properly applicable to the payment of the same. The holders of the Second Preference Shares shall not be entitled to any dividends other than or in excess of the cash dividends hereinbefore provided for.

Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or

involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Second Preference Shares shall be entitled to receive, ratably share for share with the holders of Third Preference Shares but before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of shares of any class ranking junior to the Second Preference Shares and Third Preference Shares, the sum of $5.62 per Second Preference Share together with an amount equal to all unpaid cumulative dividends accrued thereon whether or not earned or declared, which for such purpose shall be treated as accruing up to the date of such distribution. After payment to the holders of the Second Preference Shares as aforesaid, such holders shall not have the right to any further participation in any distribution of the assets of the Corporation.

<u>Redemption by the Holder</u>

A holder of Second Preference Shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Second Preference Shares registered in the name of such holder on the books of the Corporation by forwarding by registered mail or delivering to the Corporation at its head office (or at the principal office of the registrar and transfer agent of the Corporation) a share certificate representing the Second Preference Shares which the registered holder desires to have the Corporation redeem together with a request in writing ("redemption notice") specifying that the registered holder desires to have the Second Preference Shares represented by such certificate redeemed by the Corporation. Upon receipt of a share certificate representing the Second Preference Shares which the registered holder desires to have the Corporation redeem together with the redemption notice the Corporation shall on the redemption date (being the date which is 30 days after receipt of the redemption notice) redeem such Second Preference Shares by paying to such registered holder $5.62 for each Second Preference Share redeemed plus any and all accrued and unpaid dividends thereon (which for such purpose shall be calculated as if any dividends accruing were accruing for the period from the expiration of the last quarterly period, if any, for which dividends payable have been

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paid in full up to the redemption date). Such payment shall be made by cheque mailed to the holder and payable at par at any branch of the Corporation's bankers for the time being in Canada. Such Second Preference Shares shall be redeemed on the redemption date and from and after the redemption date such shares shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of holders of Second Preference Shares in respect thereof unless payment of the redemption price is not made on the redemption date, in which event the rights of such holders shall remain unaffected.

Redemption by the Corporation

The Corporation may, at any time (but only if the combined number of Second Preference Shares and Third Preference Shares outstanding on the date of the giving of notice of redemption is fewer than 200,000), upon giving notice as hereinafter provided, redeem at any time all the outstanding Second Preference Shares or from time to time any part thereof, either pro rata disregarding fractions or by lot in such manner as the board of directors deems equitable, on payment of $5.62 for each share to be redeemed together with a premium of 25¢ per share and together with all accrued and unpaid dividends thereon (which for such purpose shall be calculated as if any dividends accruing were accruing for the period from expiration of the last quarterly period, if any, for which dividends payable thereon have been paid in full up to the date of redemption), the whole constituting the redemption price.

In the case of any redemption of Second Preference Shares under the provisions of the foregoing paragraph, the Corporation shall give at least 10 days prior notice in writing to each person who at the date of giving such notice is the registered holder of Second Preference Shares to be redeemed of the intention of the Corporation to redeem such shares. Such notice shall be given by posting the same in a postage paid envelope addressed to each such holder of Second Preference Shares to be redeemed at the last address of such holder as it appears on the books of the Corporation or in the event of the address of any holder not so appearing, then to the address of such holder last known to the

Corporation, provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the Second Preference Shares to be redeemed. Such notice shall set out the redemption price and the date on which the redemption is to take place and, unless all the Second Preference Shares held by the holder to whom it is addressed are to be redeemed, shall also set out the number of such shares so held which are to be redeemed.

On and after the date so specified for redemption the Corporation shall pay or cause to be paid to the holders of such Second Preference Shares to be redeemed the redemption price on presentation and surrender at the head office of the Corporation, or at any other place or places with Canada designated in such notice of the certificate or certificates representing the Second Preference Shares so called for redemption. Such payments shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers for the time being in Canada. Any Second Preference Shares in respect of which the redemption price has been paid as aforesaid shall thereupon be redeemed. If a part only of the Second Preference Shares represented by any certificate shall be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice, the Second Preference Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the redemption price therefor unless payment of the redemption price shall not be duly made by the Corporation upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holders shall remain unaffected.

At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Second Preference Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named for such purpose in the notice of redemption to the credit of a special account

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or accounts in trust for the respective holders of such shares, to be paid to them respectively without interest upon surrender to such bank or banks or trust company or trust companies, of the certificate or certificates representing the same. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Second Preference Shares in respect whereof such deposit shall have been made shall be and be deemed to be redeemed and the rights of the holders thereof shall be limited to receiving without interest their proportionate part of the total redemption price so deposited against surrender of the said certificates held by them respectively. Any interest allowed on such deposit shall belong to the Corporation.

Purchase for Cancellation

The Corporation may, in addition to its right to redeem Second Preference Shares as provided above, at any time or times, purchase (if obtainable) for cancellation all or any part of the Second Preference Shares outstanding from time to time, in the open market (including purchase through or from an investment dealer or any firm holding membership on a recognized stock exchange) or by invitation for tenders addressed to all the holders of record of the Second Preference Shares outstanding, at the lowest price or prices at which in the opinion of the board of directors such shares are obtainable but not exceeding a price of $5.87 per share plus all accrued and unpaid dividends and costs of purchase.

In the event that, upon any invitation for tenders made by the Corporation as herein provided, the Corporation shall receive two or more tenders of Second Preference Shares at the same price and which shares, when added to any shares already tendered at a lower price or prices, aggregate more than the number for which the Corporation is prepared to accept tenders, then if any Second Preference Shares so tendered at the same price are purchased by the Corporation they shall be purchased from such holders tendering at the same price as nearly as may be pro rata to the total number of shares offered in each such tender, disregarding fractions.

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Notice of Shareholder Meetings and Voting Rights

Except as hereinafter provided,

(a) The holders of Second Preference Shares shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale of its undertaking or a substantial part thereof but except as aforesaid the holders of Second Preference Shares shall not be entitled to receive notice of or to attend any meetings of the shareholders of the Corporation, and

(b) The holders of Second Preference Shares shall not be entitled to vote at any meetings of shareholders of the Corporation.

Amendment with approval of Holders of Second Preference Shares

The preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the Second Preference Shares shall not be deleted or varied without, but may be deleted or varied with, the consent or approval of the holders of the Second Preference Shares given in the manner hereinafter specified.

Approval of Holders of Second Preference Shares

The confirmation required to be given by the holders of Second Preference Shares pursuant to subsection (4) of section 189 of The Business Corporations Act shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of Second Preference Shares duly called for that purpose and held upon not less than 21 days notice at which the holders of at least a majority of the outstanding Second Preference Shares are present or represented by proxy and carried by the affirmative vote of at least 66-2/3% of the votes cast at such meeting. If at such meeting the holders of a majority of the outstanding Second Preference Shares are not present or represented by

proxy within one half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 10 days thereafter and to such time and place as may be designated by the chairman and not less than 7 days notice shall be given of such adjourned meeting but it shall not be necessary in such notice to specify the purpose for which the meeting was originally was originally called. At such adjourned meeting the holders of Second Preference Shares present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of at least 66-2/3% of the votes cast at such meeting shall constitute the authorization, consent or approval of the holders of Second Preference Shares. On every poll taken at every such meeting every holder of Second Preference Shares shall be entitled to one vote in respect of each Second Preference Share held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders.

7.4 THIRD PREFERENCE SHARES

The 1,732,919 6% cumulative, redeemable Third Preference Shares, without par value ("Third Preference Shares") of the Corporation shall have the following provisions, rights, conditions, restrictions, limitations and prohibitions attaching thereto:

Dividend and Distribution Preference

The Third Preference Shares shall rank pari passu and participate ratably share for share with the Second Preference Shares but be entitled to a preference over the Common Shares of the Corporation and any other shares of the Corporation which from time to time may be outstanding ranking junior to the Third Preference Shares, with respect to the payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

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Dividends

The holders of the Third Preference Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the board of directors, out of moneys of the Corporation properly applicable to the payment of dividends, fixed cumulative, preferential, cash dividends at the rate fixed, cumulative, preferential, cash dividends at the rate of 33.72¢ per share per annum accruing from January 1, 1981 or the date of issue, whichever is later, payable quarterly on the 1st day of January, April, July and October in each and every year commencing April 1, 1981 (adjusted to avoid payment of any fraction of a cent). Cheques of the Corporation payable at par at any branch of the Corporation's bankers for the time being in Canada shall be issued in respect of such dividends and the mailing of such a cheque to any holder shall satisfy the dividend represented thereby unless the cheque be not paid on presentation. If on any dividend payment date the dividend payable on such date is not paid in full on all the Third Preference Shares then outstanding, such dividend or the unpaid part thereof shall be paid on a subsequent date or dates determined by the board of directors on which the Corporation shall have sufficient money properly applicable to the payment of the same. The holders of the Third Preference Shares shall not be entitled to any dividends other than or in excess of the cash dividends hereinbefore provided for.

Liquidation

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Third Preference Shares shall be entitled to receive, ratably share for share with the holders of Second Preference Shares, but before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of shares of any class ranking junior to the Third Preference Shares the sum of $5.62 per share together with an amount equal to all unpaid cumulative dividends accrued thereon whether or not earned or declared, which for such purpose shall be

treated as accruing up to the date of such distribution. After payment to the holders of the Third Preference Shares as aforesaid, such holders shall not have the right to any further participation in any distribution of the assets of the Corporation.

Redemption by the Holder

A holder of Third Preference Shares shall be entitled to require the Corporation to redeem at any time or times all or any of the Third Preference Shares registered in the name of such holder on the books of the Corporation by forwarding by registered mail or delivering to the Corporation at its head office (or at the principal office of the registrar and transfer agent of the Corporation) a share certificate representing the Third Preference Shares which the registered holder desires to have the Corporation redeem together with a request in writing ("redemption notice") specifying that the registered holder desires to have the Third Preference Shares represented by such certificate redeemed by the Corporation. Upon receipt of a share certificate representing the Third Preference Shares which the registered holder desires to have the Corporation redeem together with the redemption notice the Corporation shall on the redemption date (being the date which is 30 days after receipt of the redemption notice) redeem such Third Preference Shares by paying to such registered holder $5.62 for each Third Preference Share redeemed plus all accrued and unpaid dividends thereon (which for such purpose shall be calculated as if such dividends were accruing for the period from the expiration of the last quarterly period, if any, for which dividends have been paid in full up to the redemption date). Such payments shall be made by cheque mailed to the holder payable at par at any branch of the Corporation's bankers for the time being in Canada. The Third Preference Shares shall be redeemed on the redemption date and from and after the redemption date such shares shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights of holders of Third Preference Shares in respect thereof unless payment of the redemption price is not made on the redemption date, in which event the rights of such holders shall remain unaffected.

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Redemption by the Corporation

The Corporation may, at any time (but only if the combined number of Second Preference Shares and Third Preference Shares outstanding on the date of the giving of notice of redemption is fewer than 200,000), upon giving notice as hereinafter provided redeem at any time all the outstanding Third Preference Shares or from time to time any part thereof either pro rata disregarding fractions or by lot in such manner as the board of directors deems equitable, on payment of $5.62 for each share to be redeemed together with a premium of 25¢ per share and together with all accrued and unpaid dividends thereon (which for such purpose shall be calculated as if any dividends accruing were accruing for the period from expiration of the last quarterly period if any, for which dividends payable thereon have been paid in full up to the date of redemption), the whole constituting the redemption price.

In the case of any redemption of Third Preference Shares under the provisions of the foregoing paragraph, the Corporation shall give at least 10 days prior notice in writing to each person who at the date of giving such notice is the registered holder of Third Preference Shares to be redeemed of the intention of the Corporation to redeem such shares. Such notice shall be given by posting the same in a postage paid envelope addressed to each such holder of Third Preference Shares to be redeemed at the last address of such holder as it appears on the books of the Corporation or, in the event of the address of any holder not so appearing, then to the address of such holder last known to the Corporation provided that the accidental failure or omission to give any such notice as aforesaid to one or more of such holders shall not affect the validity of the redemption of the Third Preference Shares to be redeemed. Such notice shall set out the redemption price and the date on which the redemption is to take place and, unless all the Third Preference Shares held by the holder to whom it is addressed are to be redeemed, shall also set out the number of such shares so held which are to be redeemed.

On and after the date so specified for redemption the Corporation shall pay or cause to be paid

to the holders of such Third Preference Shares to be redeemed the redemption price on presentation and surrender at the head office of the Corporation, or at any other place or places within Canada designated in such notice, of the certificate or certificates representing the Third Preference Shares so called for redemption. Such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers for the time being in Canada. Any Third Preference Shares in respect of which the redemption price has been paid as aforesaid shall thereupon be redeemed. If a part only of the Third Preference Shares represented by any certificate shall be redeemed, a new certificate for the balance shall be issued at the expense of the Corporation. From and after the date specified for redemption in any such notice, the Third Preference Shares called for redemption shall cease to be entitled to dividends and the holder thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the redemption price therefor unless payment of the redemption price shall not be duly made by the Corporation upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of such holder shall remain unaffected.

At any time after notice of redemption is given as aforesaid, the Corporation shall have the right to deposit the redemption price of any or all Third Preference Shares called for redemption with any chartered bank or banks or with any trust company or trust companies in Canada named for such purpose in the notice of redemption to the credit of a special account or accounts in trust for the respective holders of such shares, to be paid to them respectively without interest upon surrender to such bank or banks or trust company or trust companies, of the certificate or certificates representing the same. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Third Preference Shares in respect whereof such deposit shall have been made shall be and be deemed to be redeemed and the rights of the holders thereof shall be limited to receiving without interest their proportionate part of the total redemption price so deposited against surrender of the said certificates held by them respectively. Any

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interest allowed on any such deposit shall belong to the Corporation.

Purchase for Cancellation

The Corporation may, in addition to its right to redeem Third Preference Shares as provided above, at any time or times, purchase (if obtainable) for cancellation all or any part of the Third Preference Shares outstanding from time to time, in the open market (including purchase through or from an investment dealer or any firm holding membership on a recognized stock exchange) or by invitation for tenders addressed to all the holders of record of the Third Preference Shares outstanding, at the lowest price or prices at which in the opinion of the board of directors such shares are obtainable but not exceeding a price of $5.87 per share plus all accrued and unpaid dividends and costs of purchase.

In the event that, upon any invitation for tenders made by the Corporation as herein provided, the Corporation shall receive two or more tenders of Third Preference Shares at the same price and which shares, when added to any shares already tendered at a lower price or prices, aggregate more then the number for which the Corporation is prepared to accept tenders, then if any Third Preference Shares so tendered at the same price are purchased by the Corporation they shall be purchased from such holders tendering at the same price as nearly as may be pro rata to the total number of shares offered in each tender, disregarding fractions.

Notice of Shareholder Meetings and Voting Rights

Except as hereinafter provided,

(a) The holders of Third Preference Shares are entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale of its undertaking or a substantial part thereof but except as aforesaid the holders of Third Preference Shares shall not be entitled to

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receive notice of or to attend any meetings of the shareholders of the Corporation, and

(b) The holders of Third Preference Shares are not entitled to vote at any meetings of shareholders of the Corporation.

Amendment with Approval of Holders of Third Preference Shares

The preferences, rights, conditions, restrictions, limitations and prohibitions attaching to the Third Preference Shares shall not be deleted or varied without, but may be deleted or varied with, the consent or approval of the holders of the Third Preference Shares given in the manner hereinafter specified.

Approval of Holders of Third Preference Shares

The confirmation required to be given by the holders of Third Preference Shares pursuant to subsection (4) of section 189 of The Business Corporations Act shall be deemed to have been sufficiently given if it shall have been given by a resolution passed at a meeting of holders of Third Preference Shares duly called for that purpose and held upon not less than 21 days notice at which the holders of at least a majority of the outstanding Third Preference Shares are present or represented by proxy and carried by the affirmative vote of at least 66-2/3% of the votes cast at such meeting. If at such meeting the holders of a majority of the outstanding Third Preference Shares are not present or represented by proxy within one half hour after the time appointed for such meeting then the meeting shall be adjourned to such date not less than 10 days thereafter and to such time and place as may be designated by the chairman and not less than 7 days notice shall be given of such adjourned meeting but it shall not be necessary in such notice to specify the purpose for which the meeting was originally called. At such adjourned meeting the holders of Third Preference Shares present or represented by proxy may transact the business for which the meeting was originally convened and a resolution passed thereat by the affirmative vote of at least 66-2/3% of the votes

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cast at such meeting shall constitute the authorization, consent or approval of the holders of Third Preference Shares. On every poll taken at every such meeting every holder of Third Preference Shares shall be entitled to one vote in respect of each Third Preference Share held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders.

8. PURCHASE of COMMON SHARES

The Corporation may from time to time purchase, in accordance with the provisions of the Act, any of its common shares.

9. TRANSFER of SHARES

There shall be no restrictions on the right to transfer shares of the Corporation.

10. BORROWING

The Directors of the Corporation may from time to time:

10.1 Borrow money on the credit of the Corporation;

10.2 Issue, sell or pledge debt obligations of the Corporation, including without limitation, bonds, debentures, notes or other similar obligations of the Corporation whether secured or unsecured;

10.3 Charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation, including book debts, rights, powers, franchises and undertaking to secure any such debt obligations or any money borrowed or other debt or liability of the Corporation;

10.4 Delegate to such one or more of the officers and directors of the Corporation as may be designated by the directors all or any of the powers conferred by the foregoing clauses of this Article 10 to such extent and in such manner as the directors shall determine at the time of each such delegation.

11. BOARD OF DIRECTORS

The board of directors of the Corporation shall consist of nine (9) directors and the first directors of the Corporation with their names and places of residence shall be the following:

Full Name	Residence Address
Max Sharp	2515 Bathurst Street Penthouse Toronto, Ontario
Isadore Sharp	26 Forest Glen Crescent Toronto, Ontario
Murray Bernard Koffler	23 Beechwood Avenue Willowdale, Ontario
Edmond Martin Creed	Doneddy Farm R.R. #1 Schomberg, Ontario
Frederick Eisen	20 Dewbourne Avenue Toronto, Ontario M5P 1Z4
Sir Gerald Glover	Pytchley House Pytchley n/Kettering Northamptonshire NN14 1EH England

Michael Malet Lambert	137 Mildenhall Road Toronto, Ontario
Arnold Lewis Cader	26 Breen Crescent Willowdale, Ontario M2P 1Z7
James William McDowell	64 Kelvinway Drive Agincourt, Ontario M1W 1N6

The said first directors shall hold office until the first annual meeting of shareholders of the Corporation or until their successors are elected or appointed. The election of subsequent directors shall take place thereafter in accordance with the provisions of the by-laws of the Corporation and the Act.

12. **BY-LAWS**

The by-laws of Hotels shall, so far as applicable, be the by-laws of the Corporation until repealed, amended altered or added to.

13. **ISSUED CAPITAL**

Upon the amalgamation becoming effective:

13.1 the issued shares of Duneland, Gestrum, Kishka, Peoria, Summertime and 279389 owned by Realty shall be cancelled without any payment of capital in respect thereof;

13.2 the issued shares of Realty owned by Hotels shall be cancelled without any repayment of capital in respect thereof;

13.3 the issued First Preference Shares, Series A of Hotels shall be converted into issued First Preference Shares Series A, of the Corporation on a one for one basis;

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13.4 the issued Second Preference Shares of Hotels shall be converted into issued Second Preference Shares of the Corporation on a one for one basis;

13.5 the issued Third Preference Shares of Hotels shall be converted into issued Third Preference Shares of the Corporation on a one for one basis;

13.6 the issued Common Shares of Hotels shall be converted into issued Common Shares of the Corporation on a one for one basis;

13.7 the issued capital of the Corporation shall be equal to the aggregate issued capital of the Amalgamating Corporations immediately before the amalgamation becomes effective, subject to the decrease provided for in paragraphs 13.1 and 13.2.

14. SHARE CERTIFICATES

Shareholders of Hotels entitled to shares of the Corporation shall not be required to surrender their share certificates for cancellation but shall be entitled in all respects to treat share certificates of Hotels as representing share certificates of the Corporation on the basis set out in Article 13.

15. ASSETS

Each of the Amalgamating Corporations shall contribute to the Corporation all of its assets, subject to all its liabilities, as such exist immediately before the date of the Certificate of Amalgamation.

16. RIGHTS AND LIABILITIES

The Corporation shall possess all the property rights, privileges, licences, leases, franchises and other assets and shall be subject to all liabilities, contracts, disabilities and debts of the Amalgamating Corporations as such exist immediately before the date of the Certificate of Amalgamation.

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17. **RIGHTS OF CREDITORS**

All rights of creditors against the property, rights and assets of each of the Amalgamating Corporations and all liens upon their property rights and assets shall be unimpaired by the amalgamation and all debts, contracts, liabilities and duties of each of the Amalgamating Corporations thenceforth attach to the Corporation and may be enforced against it.

18. **ACTIONS AND PROCEEDINGS**

No action or proceeding by or against any of the Amalgamating Corporations shall abate or be affected by the amalgamation.

IN WITNESS WHEREOF this agreement has been executed by the parties hereto under their respective corporate seals attested by the signatures of their proper officers authorized in that behalf.

FOUR SEASONS HOTELS LIMITED

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Treasurer

FOUR SEASONS REALTY LIMITED

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Secretary

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DUNELAND CONSTRUCTION
INCORPORATED

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Secretary

GESTRUM INVESTMENTS LIMITED

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Secretary

KISHKA HOLDINGS LIMITED

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Secretary

PEORIA INVESTMENTS INC.

Per: "I. Sharp"
President

c/s

Per: "J.W. McDowell"
Secretary

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SUMMERTIME REALTY LIMITED

Per: "I. Sharp"
President

Per: "J.W. McDowell" c/s
Secretary

279389 ONTARIO INC.

Per. "I. Sharp"
President

Per: "J.W. McDowell" c/s
Secretary

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THESE ARTICLES ARE EXECUTED IN DUPLICATE FOR DELIVERY TO THE MINISTER.

CERTIFIED

NAMES AND SEALS OF THE AMALGAMATING CORPORATIONS AND SIGNATURES AND DESCRIPTIONS OF OFFICE OF THEIR PROPER OFFICERS.

FOUR SEASONS HOTELS LIMITED

Per: _____
President

Per: _____
Treasurer

FOUR SEASONS REALTY LIMITED

Per: _____
President

Per: _____
Secretary

DUNELAND CONSTRUCTION INCORPORATED

Per: _____
President

Per: _____
Secretary

GESTRUM INVESTMENTS LIMITED

Per: _____
President

Per: _____
Secretary

KISHKA HOLDINGS LIMITED

Per: _____
President

Per: _____
Secretary

PEORIA INVESTMENTS INC.

Per: _____
President

Per: _____
Secretary

SUMMERTIME REALTY LIMITED

Per: _____
President

Per: _____
Secretary

279389 ONTARIO INC.

Per: _____
President

Per: _____
Secretary

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

April 2, 1985

Yes on F Committee
Ronald Lederman, Treasurer
113 No. San Vicente Boulevard
Beverly Hills, California 90211

Re: MUR 1859

Dear Mr. Lederman:

The Federal Election Commission notified Yes on F Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on March 26 , 1985, determined that there is reason to believe that Yes on F Committee and you, as treasurer, have violated 2 U.S.C. §§ 433 and 434, provisions of the Act. Specifically, it appears that your committee expended over $1,000 for the purpose of influencing Federal elections but did not register or report as required of a political committee under the Act. Also, it appears that your committee made independent expenditures that were not reported, as required by the Act.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

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This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Procedures

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QUESTIONS TO: "Yes on F" Committee and
Ronald Lederman, as treasurer

1. What was the relationship between the Community Campaign Committee ("CCC") and the Yes on F Committee?

a. Were any members, employees, or agents of the Yes on F Committee also members, employees or agents of CCC?

b. If so, state the names and addresses of such individuals.

2. Were any members, employees, or agents of Yes on F also employees, officers, or shareholders of Four Seasons Hotel, Limited or W.B.J. Properties, Inc.? If so, state the names and addresses of such individuals.

3. What was the total amount of money paid by Yes on F to CCC in 1984?

4. What was the total amount expended by Yes on F in 1984 for mailings that included slates listing candidates for Federal office?

5. Provide copies of all reports filed by Yes on F with California election officials listing contributions and expenditures in 1984.

6. State whether any employees, officers, or shareholders of Four Seasons Hotel, Limited and/or W.B.J. Properties, Inc. consulted with the Yes on F Committee Concerning the content of letters that were disseminated in support of proposition F.

If so, identify the individuals involved.

7. State whether any employees, officers, or shareholders of Four Seasons Hotel Limited and/or W.B.J. Properties, Inc.

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established and/or administered the Yes on F Committee.

Identify the individuals who established and administered the Yes on F Committee.

8. State what agreement(s) or contract(s) existed between the Yes on F Committee and CCC concerning the composition, printing, and/or dissemination of letters supporting Proposition F.

Provide copies of any documents evidencing such agreement(s) or contract(s).

9. State whether any agents, employees, officers, or shareholders of the Four Seasons Hotel, Limited and/or W.B.J. Properties, Inc. participated in or had knowledge of the composition, drafting and writing of the letters disseminated in support or Proposition F.

10. State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F paid for and/or authorized by the Yes on F Committee.

11. State whether the letters in support of Proposition F, that were paid for and/or authorized by the Yes on F Committee, were composed and/or disseminated in cooperation and/or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committees or agent of such candidate.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 2, 1985

Community Campaign Committee
Irene Kleinberg, as treasurer
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

Re: MUR 1859

Dear Ms. Kleinberg:

The Federal Election Commission notified Community Campaign Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on March 27 , 1985, determined that there is reason to believe that Community Campaign Committee and you, as treasurer, have violated 2 U.S.C. §§ 433, 434 and 441d, provisions of the Act. Specifically, it appears that your committee expended in excess of $1,000 for the purpose of influencing Federal elections, but did not register or report as required of political committees under the Act. It further appears your committee made independent expenditures that were not reported as required by the Act. Also, the letters paid for by your committee did not disclose whether these letters were authorized by the candidates for Federal office listed thereon, as required by the Act.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matters in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

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This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

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Questions To: Community Campaign Committee
and Irene Kleinberg, as treasurer

1. State what the relationship was between the Community Campaign Committee ("CCC") and the "Yes on F" Committee.

a. State whether any members, employees, or agents of CCC also were members, employees, or agents of the "Yes on F" Committee.

b. If so, state the names and addresses of such individuals.

c. State whether any members, employees, or agents of CCC also were employees or shareholders of Four Seasons Hotel, Limited or W.B.J. Properties, Inc.

d. If so, state the names and addresses of such individuals.

2. State the total amount of money received by CCC from the Yes on F Committee in 1984.

3. State the total amount expended by CCC in 1984 for mailings, authorized by the Yes on F Committee, that included slates listing candidates for Federal office.

4. Provide copies of all reports filed by CCC with California election officials listing contributions and expenditures in 1984.

5. State what agreement(s) or contract(s) existed between CCC and the Yes on F Committee concerning the composition, printing, and/or dissemination of letters supporting Proposition F.

Provide copies of any documents evidencing such agreement(s) or contract(s).

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6. State what persons established and administered CCC.

7. State whether any employees, officers, or shareholders of Four Seasons Hotel Limited and/or W.B.J. Properties, Inc. participated in the establishment and/or management of CCC.

If so, identify the individuals involved.

8. State whether the letters in support of Proposition F that were paid for by CCC were composed and/or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F that were paid for by CCC.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

April 2, 1985

Stephen L. Jones, Esquire
Stacey & Jones
1299 Ocean Avenue
Suite 330
Santa Monica, California 90401

RE: MUR 1859
W. B. Johnson Properties, Inc.

Dear Mr. Jones:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on March 26, 1985, determined that there is reason to believe that your client has violated 2 U.S.C. § 441b, a provision of the Act. Specifically, it appears that W.B. Johnson Properties, Inc. made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

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This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

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QUESTIONS TO: W.B. Johnson Properties, Inc.

1. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

2. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

3. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, of shareholders were involved.

4. State when W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
Stacey & Jones
1299 Ocean Avenue
Suite 330
Santa Monica, California 90401

RE: MUR 1859
W. B. Johnson Properties, Inc.

Dear Mr. Jones:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that your client has violated 2 U.S.C. § 441b, a provision of the Act. Specifically, it appears that W.B. Johnson Properties, Inc. made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

2704064455

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

3704044554

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 2, 1985

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

Re: MUR 1859
Four Seasons Hotels, Limited

Dear Mr. Holum:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on March 26, 1985, determined that there is reason to believe that your client has violated 2 U.S.C. §§ 441b and 441e, provisions of the Act. Specifically, it appears that Four Seasons Hotel, Ltd., a foreign corporation, made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

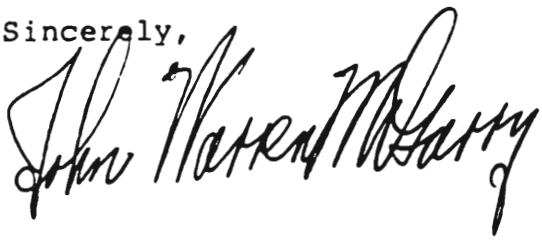
The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

8704064155

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,



John Warren McGarry
Chairman

Enclosures
Procedures

8704044555

QUESTIONS TO: Four Seasons Hotel, Limited

1. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

2. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

3. State whether the Four Season Hotel, Limited, or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, of shareholders were involved.

4. State when the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

5. State the place of incorporation of Four Seasons Hotel, Limited.

Provide copies of documents evidencing place of incorporation.

3704457

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

Re: MUR 1859
Four Seasons Hotels, Limited

Dear Mr. Holum:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that your client has violated 2 U.S.C. §§ 441b and 441e, provisions of the Act. Specifically, it appears that Four Seasons Hotel, Ltd., a foreign corporation, made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

3704064559

QUESTIONS TO: Four Seasons Hotel, Limited

1. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

2. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

3. State whether the Four Season Hotel, Limited, or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, of shareholders were involved.

4. State when the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

5. State the place of incorporation of Four Seasons Hotel, Limited.

Provide copies of documents evidencing place of incorporation.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Community Campaign Committee
Irene Kleinberg, as treasurer
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

Re: MUR 1859

Dear Ms. Kleinberg:

The Federal Election Commission notified Community Campaign Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that Community Campaign Committee and you, as treasurer, have violated 2 U.S.C. §§ 433, 434 and 441d, provisions of the Act. Specifically, it appears that your committee expended in excess of $1,000 for the purpose of influencing Federal elections, but did not register or report as required of political committees under the Act. It further appears your committee made independent expenditures that were not reported as required by the Act. Also, the letters paid for by your committee did not disclose whether these letters were authorized by the candidates for Federal office listed thereon, as required by the Act.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matters in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

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This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

3704064456 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Yes on F Committee
Ronald Lederman, Treasurer
113 No. San Vicente Boulevard
Beverly Hills, California 90211

Re: MUR 1859

Dear Mr. Lederman:

The Federal Election Commission notified Yes on F Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on , 1985, determined that there is reason to believe that Yes on F Committee and you, as treasurer, have violated 2 U.S.C. §§ 433 and 434, provisions of the Act. Specifically, it appears that your committee expended over $1,000 for the purpose of influencing Federal elections but did not register or report as required of a political committee under the Act. Also, it appears that your committee made independent expenditures that were not reported, as required by the Act.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

CGS

27740644564

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Daniel Gottlieb
D.M.G. Limited
439 North Bedford Drive
Suite 1000
Beverly Hills, California 90210

Re: MUR 1859
D.M.G. Limited

Dear Mr. Gottlieb:

On December 3, 1984, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1985, determined that on the basis of the information in the complaint, and information provided by you there is no reason to believe that a violation of any statute within its jurisdiction has been committed by D.M.G. Limited. Accordingly, the Commission closed its file in this matter as it pertains to you. This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM

DATE: MARCH 21, 1985

SUBJECT: ADDITIONAL OBJECTION - MUR 1859
General Counsel's Report
signed March 12, 1985

The above-named document was circulated to the Commission on March 18, 1985 at 11:00.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	X
Commissioner Elliott	X
Commissioner Harris	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Reiche	

This matter will be placed on the Executive Session agenda for Tuesday, March 26, 1985.

87044756

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ DEBORAH L. SPEIGHT

DATE: March 19, 1985

SUBJECT: OBJECTION - MUR 1859

The above-named document was circulated to the Commission on Monday, March 18, 1985.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	
Commissioner Elliott	X
Commissioner Harris	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Reiche	

This matter will be placed on the Executive Session agenda for March 26, 1985.

87044457

BCC #7117
Snyder

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLF HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS
1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

April
9th
1 9 8 5

WRITER'S DIRECT TELEPHONE
(202) 457-5319

OUR FILE NUMBER
278,254-1

RECEIVED
CLERK'S OFFICE
GENERAL COUNSEL
APR 9 P4:54

8704045168

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
ATTENTION: Mr. Charles Snyder

Re: MUR 1859 Four Seasons Hotels, Ltd.

Gentlemen:

Pursuant to the Chairman's letter of April 2, 1985, this is to advise that Four Seasons Hotels, Ltd. is in the process of preparing, for submission under oath, answers to the questions enclosed with the Chairman's letter. Since that letter was received by me on Thursday, April 4, we understand that the deadline for responding, at ten (10) days after receipt, would fall on April 14, but since that is a Sunday, under 11 C.F.R. § 111.2(a) the responses are due no later than Monday, April 15.

In further response to the Chairman's letter, this is to advise, as required under 15 C.F.R. § 111.18(d), that Respondent Four Seasons Hotels, Ltd., is prepared to enter into negotiations directed toward reaching a conciliation agreement. Please advise as to the steps to be taken by Respondent so that such negotiations might proceed at an early date.

Sincerely,

John Holum

John D. Holum
for O'MELVENY & MYERS
Attorneys for Four Seasons
Hotels, Ltd.

JDH:fhm

O'MELVENY & MYERS

WASHINGTON D.C. 20036

General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463
ATTENTION: Charles Snyder,

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Community Campaign Committee	)	
and Irene Kleinberg, as treasurer	)	
Yes on F Committee	)	MUR 1859
and Ronald Lederman, as treasurer	)	
Four Seasons Hotel, Limited	)	
W. B. Johnson Properties, Inc.	)	
D.M.G. Limited	)	

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session of March 26, 1985, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 1859:

1. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433 and 434;

2. Find reason to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433 and 434;

3. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 434(c);

4. Find reason to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. § 434(c);

5. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 441d;

6. Find reason to believe that Four Seasons Hotel, Limited violated 2 U.S.C. § 441b;

7. Find reason to believe W. B. Johnson Properties, Inc. violated 2 U.S.C. § 441b;

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8. Find reason to believe that Four Seasons Hotel, Limited violated 2 U.S.C. § 441e;

9. Find no reason to believe that D.M.G. Limited violated 2 U.S.C. § 441b;

10. Approve and send the letters attached to the General Counsel's Report dated March 12, 1985.

Commissioners Harris, McDonald, McGarry, and Reiche voted affirmatively for this decision. Commissioners Aikens and Elliott dissented.

Attest:

3-27-85
Date

Mary W. Dove
Mary W. Dove
Recording Secretary

8704064571

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 2, 1985

Daniel Gottlieb
D.M.G. Limited
439 North Bedford Drive
Suite 1000
Beverly Hills, California 90210

Re: MUR 1859
D.M.G. Limited

Dear Mr. Gottlieb:

On December 3, 1984, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 26, 1985, determined that on the basis of the information in the complaint, and information provided by you there is no reason to believe that a violation of any statute within its jurisdiction has been committed by D.M.G. Limited. Accordingly, the Commission closed its file in this matter as it pertains to you. This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

87040644572

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: March 15, 1985

SUBJECT: MUR 1859 - General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[ ]	Litigation	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
SECRETARY OF THE FEC
COMMISSION SECRETARY

In the Matter of	)	85 MAR 15 P12:28
	)	
Community Campaign Committee	)	
and Irene Kleinberg, as treasurer	)	
Yes on F Committee	)	MUR 1859
and Ronald Lederman, as treasurer	)	
Four Seasons Hotel, Limited	)	
W. B. Johnson Properties, Inc.	)	
D.M.G. Limited	)	SENSITIVE

GENERAL COUNSEL'S REPORT

BACKGROUND

This matter was generated by a complaint filed with the Commission on November 2, 1984, by Peter A. Bagatelos, Esquire, on behalf of Gloria Grossman. The complaint named five Respondents. Among these, the Community Campaign Committee ("CCC") and the "Yes on F" Committee ("Yes on F") are both committees registered with the Secretary of State of California and not with the Federal Election Commission. The remaining Respondents, all of whom contributed money to Yes on F, include the following: Four Seasons Hotel, Limited ("Four Seasons"), a Canadian corporation; W. B. Johnson Properties, Inc. ("WBJ"), a Georgia corporation; and D.M.G. Limited ("DMG"), a California partnership.

Yes on F was formed to support Proposition F, a referendum question on the ballot in Beverly Hills, California, in November, 1984. The purpose of Proposition F was to amend the Beverly Hills zoning ordinance that restricted construction of hotels taller than three stories. Owners of existing hotels, some of which had been built before the imposition of the three-story limit, opposed the Proposition. Enterprises interested in

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building new high-rise hotels in Beverly Hills supported it. Four Seasons, WBJ, and DMG were among the proponents of the measure.*/

Yes on F, according to the disclosure statement filed in compliance with California law for the period September 18 through October 22, 1984, received a total of $120,583.33 in contributions. Of this amount, $20,750 consisted of non-monetary contributions. All of the $99,833.33 in monetary contributions came from two sources: $54,500 from Four Seasons and $45,333.33 from WBJ. Yes on F had also received a $5,000 contribution in the form of a loan (subsequently repaid) from DMG.

As part of its campaign effort, Yes on F contributed $8,500 to CCC. Apparently Yes on F intended that this money be used to pay for mailings in support of the referendum. CCC, based on its report to the California election commission covering the period September 18 to October 20, 1984, spent $1,406 for the mailing that gave rise to the present complaint. It is not clear how CCC disposed of a residue of $7,094 of Yes on F funds.

That mailing may be briefly described. CCC mailed either of two versions of a leaflet to registered voters in Beverly Hills. Both versions included, on one side, an endorsement of Proposition F that gave seven reasons for supporting the referendum. This side of the leaflet also contained a form for

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*/ Proposition F was ultimately defeated in the November election by a margin of 69% to 31%.

the voter to fill out and mail back if he or she wanted an absentee ballot. The other side of the leaflet contained an explanation of California's absentee voting law; it stated in part that anyone, for any reason, could choose to vote at home rather than going to the polls. In addition to the instructions about absentee voting, this side exhibited a "Beverly Hills Absentee Voting Guide." A registered Republican voter would receive a Republican version of the guide, and a registered Democratic voter the Democratic version. Each guide set forth the "official" position of the particular party as to the election for President and Congress, as well as on three local elections and nineteen state referenda. Both versions also recommended a "Yes" vote on Proposition F, highlighted in bold letters. (See Attachment 2)

There is a dispute concerning the roles of Yes on F and CCC in composing these leaflets. According to Irene Kleinberg, treasurer of CCC, Yes on F "supplied all materials to us for inclusion in the mailer;. . . Our arrangement with the Yes on F Committee gave us no discretion or control over the matters to be dealt with in the mailer or the candidates and positions to be included in the 'slate' portion of the mailer." On the other hand, Four Seasons stated in its response that "The text of the mailer was written, the format was designed, and the mailing was conducted by the 'Community Campaign Committee.' The 'Yes on F Committee' in this transaction intended only to purchase space for and delivery of its own message to Beverly Hills voters." Yes on F itself has not filed any response to the complaint.

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The dissemination of the leaflets gave rise to the present complaint on the grounds that the mailing, aside from its advocacy of Proposition F, suggested how one major party or the other would wish the recipient to vote in the elections for President and Congress. For this reason, Complainant contends, the mailings involved spending for the purpose of influencing Federal elections. Complainant concludes, therefore, that Respondents violated the Federal Election Campaign Act ("the Act") on various grounds.

First, Complainant alleges, the funds CCC spent on the mailing derived originally from corporations. Corporate contributions to a political committee in connection with a Federal election violate 2 U.S.C. § 441b. Second, as Four Seasons is a Canadian corporation, its contribution violates the prohibition against contributions by foreign nationals. 2 U.S.C. § 441e. Third, CCC and Yes on F violated 2 U.S.C. § 441b by accepting contributions prohibited by the Act.

In addition, if the expenditures in question are deemed to have been made for the purpose of influencing a Federal election, both CCC and Yes on F may have become political committees for purposes of the Act. 2 U.S.C. § 431(4)(A). It would appear, then, that these committees would have violated the Act by failing to register and report in accordance with 2 U.S.C. §§ 433 and 434.

Finally, the leaflet did not contain the disclaimer required by 2 U.S.C. § 441d. The leaflet contained a statement that it was "Paid for by: Community Campaign Committee . . . Not An

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Official Political Group." Nowhere was it stated whether the listing of Presidential, Vice-Presidential, and Congressional candidates was made with the authorization of those candidates.

FACTUAL AND LEGAL ANALYSIS

The threshold question raised by the complaint is whether the funds that paid for the mailings constituted expenditures in connection with a Federal election pursuant to 2 U.S.C. § 441b. An expenditure is defined as

> (1)any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office. . . .

2 U.S.C. § 431(9)(A) (emphasis added). Determination of whether the mailings involved expenditures in connection with a Federal election is complicated by the fact that the voter guides listing Federal candidates were concomitant to advocacy concerning a local referendum.

Previous rulings by the Commission offer guidance toward a resolution of this issue. The Commission has stated, for example, that corporate expenditures are not deemed to have been made in connection with a Federal election if undertaken with respect to "activity the major purpose of which was something other than the nomination or election of a candidate." This ruling is conditioned on: "(i) the absence of any communication expressly advocating the nomination or election of the person appearing or the defeat of any other Federal candidate, and (ii) the avoidance of any solicitation, making, or acceptance of

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campaign contributions for the candidate in connection with the activity." Advisory Opinion 1980-22.

The present matter is readily distinguishable from those in which the Commission found that the corporate spending involved was not in connection with a Federal election despite the possibility of an incidental effect on such an election. In A.O. 1980-22, the Commission approved corporate sponsorship of town meetings at which Congressmen would appear, on the condition that no advocacy of the Congressmen's nomination or election or the soliciting of contributions take place. Similarly, the Commission has ruled that a candidate for Federal office could act as chairman of a fundraising operation of a charitable corporation provided no materials issued by the charity mentioned his candidacy. Advisory Opinion 1978-15.

In the present matter, in contrast to the Advisory Opinions cited above, the voter guides clearly had the purpose of influencing the election of the candidates listed thereon. The letters named the candidates in a context unquestionably connected with their candidacies for Federal office. The term "guide" itself suggests an effort "to direct, supervise, or influence usu. to a particular end." WEBSTER'S NINTH NEW COLLEGIATE DICTIONARY 541 (1984). (emphasis added). In addition, each mailing contained the exhortation: "IMPORTANT REMINDER! Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!" Any recipient of such a message would necessarily infer that he should consult the guide in connection with, not only Proposition F, but the elections for Federal office as well.

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In this context, it is emphasized that each voter received only one guide, and that each guide listed only the candidates for office nominated by one of the major parties, as well as the positions of only one of the parties on the various state referenda. Such a mailing thus differs from a neutral get-out-the-vote campaign wherein voters would receive a sample ballot listing all candidates representing all parties.

Respondents argue that the voter guides were nonetheless neutral, in that both Republican and Democratic lists were mailed, even if only one or the other went to each recipient. This argument suggests either that assistance to opposing sides in an election "cancels out," or that the "bi-partisan" nature of the mailing rendered it ineffective to influence the elections. As to the first of these points, it is well-settled that expenditures, or contributions, on behalf of both candidates do not "cancel out;" otherwise, for example, contributors could be certain of gaining the favor of the eventual winner of an election simply by giving substantial amounts to all candidates. The effect would be to frustrate the fundamental purposes of the Act. Expenditures on behalf of both sides must, therefore, stand on the same footing as expenditures on behalf of either side. See MUR 1695. As to the second point, while assistance to all candidates may have relatively little value to either party, the references in these mailings to specific candidates and to the pendency of the election require the conclusion that these

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communications were made for the purpose of influencing Federal elections.

Based on the conclusion that these mailings involved expenditures intended to influence Federal elections, it appears that Act was violated on various grounds. Each of these grounds is discussed in turn below.

Registration and Reporting

Under the Act, a "political committee" is defined as "any committee, club, association, or other group of persons which receives contributions aggregating in excess of $1,000 during a calendar year or which makes expenditures aggregating in excess of $1,000 during a calendar year. . . ." 2 U.S.C. § 431(4)(A). Such an organization must "file a statement of organization within 10 days after becoming a political committee. . . ." 2 U.S.C. § 433(a). Neither CCC nor Yes on F has filed such a statement of organization with the Federal Election Commission.

In addition to the filing requirement, the Act mandates that "Each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of this subsection." 2 U.S.C. § 434. Neither the treasurer of CCC nor the treasurer of Yes on F has filed these reports with the Commission.

The determination of whether Yes on F or CCC and their treasurers have violated the foregoing statutes depends upon a computation of the amount of the expenditures made in connection with a Federal election. Unless such expenditures exceeded

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$1,000, neither Respondent committee qualifies as a political committee subject to the Act's registration and reporting requirements. As noted above, the cost of the mailing in question was $1,406. But it would be necessary to apportion that expenditure between Federal and non-Federal elections or referenda. The Commission has stated that where communications, contained in a political party newsletter, expressly advocated the election or defeat of clearly identified candidates for Federal office, "the expenses of the newsletter attributed to those communications (to be determined by an allocation formula based on columns or amount of space utilized for the communication in relation to the entire newsletter) must be treated as a general election expenditure . . . ." Advisory Opinion 1978-46. See also Advisory Opinion 1981-3; 11 C.F.R. § 106.1(e). Applying this allocation formula by analogy to the present case, we note that, because the greater part of the letter involved in the present case does not deal with Federal elections, it appears that the portion of the $1,406 expenditure reported as the cost of the mailing that could be applied to Federal candidates would not make either CCC or Yes on F a political committee under the Act.

This issue remains unresolved, however, because the reports submitted to this Office by Complainant concerning Yes on F and CCC expenditures do not cover the last two weeks of the campaign. It is likely that CCC would have eventually made expenditures far greater than $1,406, because it had received $8,500 from Yes on F for the express purpose of paying for mailings. It is also

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possible that Yes on F made additional payments to CCC during the last two weeks of the campaign in order to reach still more voters. In short, further investigation is necessary to determine whether CCC or Yes on F violated 2 U.S.C. §§ 433 and 434.

If it should appear that an amount in excess of $1,000 was expended for the purpose of influencing a Federal election, it would be necessary to determine which committee, CCC or Yes on F, was responsible for so doing and, thus, had the responsibility of registering and reporting in compliance with the Act. CCC has stated in its response that Yes on F drafted these letters, while Four Seasons has laid the blame on CCC. It may also be possible that both organizations shared the responsibility. Furthermore, if CCC drafted the letters and spent sufficient amounts on them to qualify as a political committee, Yes on F may also have so qualified if it subsequently contributed more than $1,000 to CCC. ALso, Yes on F would have qualified if it knew for what purpose CCC would make the expenditures.

The process of sorting out these various possibilities becomes more complicated in view of the uncertainty over the relationship between Yes on F and CCC. CCC is registered in California as a political committee, yet all of the contributions it has reported came from Yes on F. CCC asserted, moreover, that it merely produced a mailing drafted by Yes on F. If CCC is in effect little more than a printer, why did it register with the Secretary of State of California and include on the letters the

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disclaimer "Paid for by Community Campaign Committee," rather than by Yes on F? The possibility that CCC and Yes on F were interrelated cannot be excluded.

Consequently, it is necessary to find reason to believe that both committees violated the statutes in question, pending ultimate determination of responsibility in this respect.

Independent Expenditures

The Act requires that "Every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of $250 during a calendar year shall file a statement containing the information required" in various specified sections of the statute. 2 U.S.C. § 434(c)(1). It appears that the evidence may ultimately establish, in the alternative to a finding that Yes on F and/or CCC became political committees, that either or both of these organizations were persons who made independent expenditures in excess of $250. In that event, either or both of these Respondents would have violated 2 U.S.C. § 434(c), provided certain other criteria were satisfied.

It is clear, first, that a committee is included in the Act's definition of a "person." 2 U.S.C. § 431(11). The critical inquiry is whether the expenditures in question constituted "independent expenditures". The Act provides the following definitions:

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> (12) The term "independent expenditure" means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee..., and which is not made in concert with... any candidate, or any authorized committee....
>
> (18) The term "clearly identified" means that-
>
> (A) the name of the candidate involved appears...

Federal Regulations provide a definition of the term "expressly advocating":

> (2) "Expressly advocating" means any communication containing a message advocating election or defeat, including but not limited to the name of the candidate...

11 C.F.R. § 109.1(b)(2).

Applying the foregoing definitions to the facts of the present case, the mailings in question, because they listed the names of candidates in the "voting guide," appear to have involved express advocacy of clearly identified candidates. In addition, the responses of CCC and Four Seasons to the Complaint suggest an absence of any cooperation, consultation, or concerted action with any candidate for Federal office, or with any agent or authorized committee of such a candidate. It appears, therefore, that should the evidence ultimately establish that the portion of the money expended for the mailings in question allocable to elections for federal office exceed $250, then Yes on F and/or CCC would have made independent expenditures as defined by the Act. Since neither of these Respondents filed the

statement required of persons who make independent expenditures, it is recommended that the Commission find reason to believe that CCC and Yes on F violated 2 U.S.C. § 434(c).

Disclaimer

Under the Act,

> Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate . . ., such communication . . .
> (2) if paid for by other persons, but authorized by a candidate, an authorized committee of a candidate, or its agents, shall clearly state that the communication is paid for by such other persons and authorized by such authorized political committee;
> (3) if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

2 U.S.C. § 441d(a). The mailing in the present case states that it was "Paid for by: Community Campaign Committee," but does not state whether it was authorized by any candidate or candidate committee as required by the statute. There is reason to believe, therefore, that CCC violated 2 U.S.C. § 441d.

Corporate Expenditures

Under the Act, "It is unlawful . . . for any corporation whatever . . . to make a contribution or expenditure in connection with any [Federal] election. . . ." 2 U.S.C. § 441b. Both Four Seasons and WBJ, the principal contributors to Yes on F, are corporations. Should it be determined that Yes on F was responsible for the content of the mailings, the question

would arise whether the corporate contributors knew in advance that Yes on F intended to make expenditures in connection with a Federal election. If so, the corporate Respondents would then have violated 2 U.S.C. § 441b by making contributions in connection with Federal elections. But if the corporations made these contributions solely to support Proposition F, then no violation of the statute would have occurred.

The evidence now on the record, however, strongly suggests that Yes on F was the creature of the corporate Respondents. All of the committee's funds were contributed by the two corporations. Four Seasons and W.B.J., indeed, were those who wished to build hotels in Beverly Hills and thus spearheaded the Proposition F campaign. The inference is inescapable that whatever efforts Yes on F undertook were at the behest of the committee's corporate backers. Consequently it is recommended that the Commission find reason to believe that Four Seasons and W.B.J. violated 2 U.S.C. § 441b by making expenditures in connection with a Federal election.

Complainant also alleged that DMG violated 2 U.S.C. § 441b. But it is undisputed that DMG is a partnership, not a corporation. It is recommended, therefore, that the Commission find no reason to believe that DMG violated the Act.

Foreign Corporate Expenditures

Respondent Four Seasons is a Canadian corporation. Under the Act,

> It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value . . . in connection with an election to any political office. . . .

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2 U.S.C. § 441e(a). If Four Seasons knew that Yes on F would include the voting guide in its mailing, the corporation would have violated 2 U.S.C. § 441e. It is recommended, therefore, that the Commission find reason to believe that Four Seasons violated 2 U.S.C. § 441e.

In summary, the inclusion, in a mailing in support of Proposition F, of a voting guide naming candidates for Federal offices, containing references to the offices sought, and suggesting that voters refer to this guide when casting their ballots, necessitates the conclusion that those responsible for that mailing expended funds in connection with and for the purpose of influencing a Federal election. There is a dispute of fact as to whether CCC, Yes on F, or both were responsible for this advocacy. Because the responsible organization(s) may have expended sufficient funds to qualify as a political committee under the Act, and because neither organization registered nor reported in the manner required of political committees under the Act, one or the other or both may have violated 2 U.S.C. §§ 433 and 434. To facilitate investigation of the matter, it is recommended that the Commission find reason to believe that both CCC and Yes on F violated 2 U.S.C. §§ 433 and 434.

CCC's failure to include on the voting guide a disclaimer indicating that no candidate or candidate committee authorized

this communication leads to the recommendation that the Commission find reason to believe that CCC violated 2 U.S.C. § 441d.

Because Four Seasons and W.B.J. contributed all the money that Yes on F and, eventually, CCC expended on the mailings that listed candidates for Federal office on the "voting guide," it is recommended that the Commission find that Four Seasons and W.B.J. violated 2 U.S.C. § 441b. Because Four Seasons is a Canadian Corporation, it is further recommended that the Commission find that that Respondent violated 2 U.S.C. § 441e. But, because DMG is a partnership, it is recommended that the Commission find no reason to believe that that Respondent violated 2 U.S.C. § 441b.

RECOMMENDATIONS

1. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. §§ 433 and 434;

2. Find reason to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. §§ 433 and 434;

3. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 434(c);

4. Find reason to believe that the "Yes on F" Committee and Ronald Lederman, as treasurer, violated 2 U.S.C. § 434(c);

5. Find reason to believe that the Community Campaign Committee and Irene Kleinberg, as treasurer, violated 2 U.S.C. § 441d;

6. Find reason to believe that Four Seasons Hotel, Limited violated 2 U.S.C. § 441b;

7. Find reason to believe W.B. Johnson Properties, Inc. violated 2 U.S.C. § 441b;

8. Find reason to believe that Four Seasons Hotel, Limited violated 2 U.S.C. § 441e;

9. Find no reason to believe that D.M.G. Limited violated 2 U.S.C. § 441b;

10. Approve and send the attached letters.

Charles N. Steele
General Counsel

3-12-85
Date

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

Attachments
1. Complaint
2. Copy of CCC/Yes on F leaflet
3. CCC response
4. Four Seasons response
5. D.M.G. response
6. W.B.J. response
7. Proposed letter and questions to CCC and Irene Kleinberg
8. Proposed letter and questions to Yes on F and Ronald Lederman
9. Proposed letter and questions to Four Seasons Hotel, Limited
10. Proposed letter and questions to W.B.J. Properties, Inc.
11. Proposed letter to D.M.G.

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Attachment I

OGC 3464

SENSITIVE

HAND DELIVERED
84 NOV 2 P12:01

LAW OFFICES OF
BAGATELOS & FADEM
ATTORNEYS AT LAW
ONE MARITIME PLAZA
SUITE 2500
SAN FRANCISCO, CALIFORNIA 94111

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 362-1940

November 1, 1984

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: Danny McDonald, Chairman

Dear Mr. McDonald:

Pursuant to Title 2 of the United States Code Section 437g(a)(1), we are filing a complaint on behalf of our client, Gloria Grossman, with the Commission regarding an apparent violation of the Federal Election Campaign Act of 1971, as amended (hereafter "the Act"), by a committee known as the "Community Campaign Committee," a committee known as the "Yes on F" Committee, and corporate contributors to the "Yes on F" Committee.

We believe that the above described entities violated the Act through the sending of slate mailers in the City of Beverly Hills, California, which advocate support of presidential, vice presidential and congressional candidates, inter alia, whereby the costs of the slate mailers have been financed with funds from domestic and foreign corporations.

The Community Campaign Committee is registered with the California Secretary of State as a political committee. The address of the Committee is 13701 Riverside Drive, Suite 600, Sherman Oaks, California 91423. Its I.D. Number is 841891. The Yes on F Committee is registered with the California Secretary of State's office. Its I.D. Number is 841947 and its purpose is to support Measure F on the Beverly Hills, California election ballot on November 6, 1984.

The Yes on F Committee has filed campaign statements, as required by the California Political Reform Act of 1974, as amended. Enclosed are copies of the committee reports for your review. The reports reveal that $99,833.33 in monetary contributions were received by the Yes on F Committee from two corporate entities. One of which is headquartered in Toronto, Canada. A $5,000.00 loan, (which was repaid), was received from a Beverly Hills limited partnership named D.M.G. Ltd. The contributors have identified themselves as follows:

1) Four Seasons Hotel Limited
   1100 Eglinton Avenue East
   Toronto, Ont.
   Canada
   $54,500.00

9704044591

2) W.B.J. Properties, Inc.
3414 Peach Tree Road
Atlanta, GA 30326
$45,333,33

3) D.M.G. Ltd.
439 North Bedford Drive
Beverly Hills, CA
$5,000.00 (loan)

We are informed and believe that the Four Seasons Hotel and W.B.J. Properties are corporations, and that Four Seasons Hotel is a foreign corporation.

The Yes on F report shows an $8,500.00 expenditure to the Community Campaign Committee mailing services. The campaign reports (attached) of the Community Campaign Committee reveal as its only receipts the $8,500.00 referenced above.

During October, 1984, the Community Campaign Committee mailed campaign literature to Beverly Hills residents containing a voting guide, which included endorsements of presidential, vice presidential, and congressional candidates for office. Copies of two such mailings, one to a Democratic voter and the other to a Republican voter are included herewith.

Since the Yes on F Committee's and the Community Campaign Committee funds are derived almost exclusively from domestic and foreign corporations, it seems very clear that the mailings referenced above have been financed with corporate and foreign monies, in violation of the Act. Applicable Sections are discussed below.

It is unlawful for any corporation whatever to make a contribution or expenditure in connection with any election of any candidate to any federal office. (2 U.S.C. Section 441b; 11 Code of Federal Regulations Section 114.1(b))

In addition, it is unlawful for a foreign national, including foreign based corporations, directly or through any other person to make any contribution in connection with the election of candidates to any political office (2 U.S.C. Section 441e; 11 Code of Federal Regulations Section 110.4(a)(1)).

It is our position that the sections above prohibiting corporate contributions have been violated by the Four Seasons Hotel and W.B.J. Properties, Inc. The sections prohibiting contributions by foreign nationals has been violated by the Four Seasons Hotel.

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Furthermore, the above referenced sections make it unlawful for any person to knowingly accept or receive any contribution prohibited by the above sections. (2 U.S.C. Section 441b; 11 Code of Federal Regulations Section 114.2(c); 2 U.S.C. Section 441e; and 11 Code of Federal Regulations Section 110.4(a)(2)). Accordingly, it is our position that the Yes on F Committee and Community Campaign Committee have violated each of the foregoing sections.

We respectfully request that the Commission invoke its authority pursuant to 2 U.S.C. Section 437d, 437g, and 11 Code of Federal Regulations Part 111, to investigate and take appropriate enforcement actions against the persons responsible for violations under the Act, as alleged above.

I declare under penality of perjury that the foregoing is true and correct to the best of my knowledge.

Sincerely,

Peter A. Bagatelos

Peter A. Bagatelos

PAB:ask

Original and 3 copies enclosed

STATE OF CALIFORNIA
COUNTY OF _____ } SS.

On _____ before me, the undersigned, a Notary Public in and for said State, personally appeared

_____

_____

_____

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) _____ whose name _____ subscribed to the within instrument and acknowledged that _____ executed the same.

WITNESS my hand and official seal.

Signature _____

_____
Name (Typed or Printed)

OFFICIAL SEAL
KAREN WILLIAMS
NOTARY PUBLIC

(This area for official notarial seal)

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

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C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide

President/Vice President

Walter Mondale
Geraldine Ferraro

U.S. Congress

Anthony C. Beilenson
Incumbent

California Assembly

Gray Davis
Incumbent

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — YES

Paid for by Community Campaign Committee
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

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Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — No	#37 — [illegible]
#26 — No	#31 — Yes	#38 — [illegible]
#27 — No	#32 — No	#39 — [illegible]
#28 — Yes	#33 — Yes	#40 — [illegible]
#29 — Yes	#34 — Yes	#41 — [illegible]
	#36 — No Recommenda[illegible]	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITI[illegible]

Prop. F — YES

Paid for by: Community Campaign Committee
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
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ATTACHMENT 2

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L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — YES

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

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BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

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Community Campaign Committee
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Beverly Hills, CA 90211

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L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

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Rosemary Shumsky
Judge, Municipal Court

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(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — No	#37 — No
#26 — No	#31 — Yes	#38 — Ye
#27 — No	#32 — No	#39 — Ye
#28 — Yes	#33 — Yes	#40 — No
#29 — Yes	#34 — Yes	#41 — No
	#36 — No Recommendatio	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITIO

Prop. F — YES

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

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Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

ATTACHMENT 3

FEC

'84 DEC 26 A9:27

Charles Snyder
Federal Election Commission
1325 K. St., NW
Washington, DC 20463

December 20, 1984

RE: MUR 1859

Dear Mr. Snyder,

We have received your letter of December 3, 1984 regarding this matter and we wish to offer the following facts concerning our involvement in the mailing in question:

1. We were contacted by representatives of the Yes on F Committee and asked to produce a mailer to voters for their campaign;

2. We quoted them a price that included all costs of production and mailing, including printing, postage, creative fees, etc.;

3. They accepted our offer and supplied all material to us for inclusion in the mailer;

4. Our arrangement with the Yes on F Committee gave us no discretion or control over the matters to be dealt with in the mailer or the candidates and positions to be included in the "slate" portion of the mailer;

5. In payment for our services and the costs of production, we received checks from the Yes on F Committee, drawn on local banks;

6. To the best of our knowledge, the Yes on F Committee was a registered political election campaign committee, located in Beverly Hills, California and registered with the Secretary of State of California;

7. Until we received your letter and the copy of the complaint, we had no knowledge of the source of funds received by the Yes on F Committee, nor had we any reason to believe that officials of the Yes on F Committee would not be aware of and in compliance with all state and federal campaign laws.

I believe that the above facts make it clear that we did not "knowingly accept or receive any contribution prohibited" by the sections cited in the complaint. Furthermore, I believe that an inspection of the mailing in question will show that the inclusion of federal candidates was incidental to the mailing, which was, in fact, designed only to elicit absentee votes for the Yes on F position in the local Beverly Hills election. (I am enclosing full copies of the subject mailings for your inspection and information.)

--cont'd.

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SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

ATTACHMENT 3

FEC

84 DEC 26 A 9:27

Charles Snyder
Federal Election Commission
1325 K. St., NW
Washington, DC 20463

December 20, 1984

RE: MUR 1859

Dear Mr. Snyder,

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--cont'd.

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Should it become necessary, I would be willing to attest to all of the information in this letter under oath.

I hope that this information is helpful to your efforts to resolve this matter. If you have any further questions, or require any further information, please let us know.

Sincerely,

Irene Kleinberg
Treasurer
Community Campaign Committee

87040446001

GC#6121

December 26, 1983

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

RE: MUR 1859

Dear Mr. Snyder,

Last week, I sent you a letter regarding this matter. In the letter, I made reference to the fact that I was enclosing copies of the subject mailings for your inspection and information. However, I neglected to place the copies in the envelope before I mailed it.

Enclosed are the copies of the mailing for inclusion in your file on this matter.

Sincerely,

Irene Kleinberg

Encls.

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Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER!

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide!

President/Vice President

Walter Mondale
Geraldine Ferraro

U.S. Congress

Anthony C. Beilenson
Incumbent

California Assembly

Gray Davis
Incumbent

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — YES

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

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2. Proposition "F" will restrict hotels to the business triangle.
3. Proposition "F" will mandate free off-street parking for all employees.
4. Proposition "F" will ensure plentiful parking for guests.
5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.
6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.
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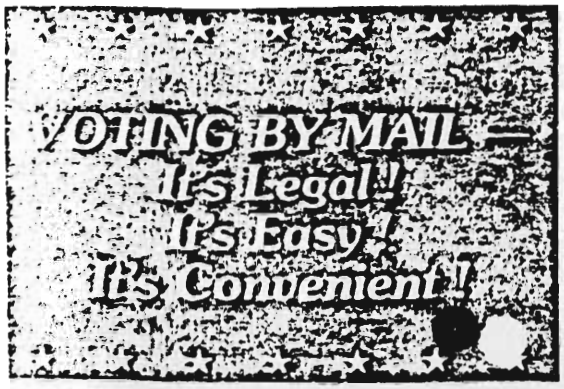
Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort



ATTACHMENT 4

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. ROKEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLF HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS

1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DCD)

400 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 674122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 674097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DCD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

28, COURS ALBERT 1er
75008 PARIS, FRANCE

January
10th
1 9 8 4

OUR FILE NUMBER

278,254-001

WRITER'S DIRECT TELEPHONE

457-5319

Charles Snyder, Esq.
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C.

Re MUR 1859

Dear Mr. Snyder:

This letter constitutes the response of Four Seasons Hotels, Ltd., pursuant to 2 U.S.C. § 437(g)(a)(1) and 11 C.F.R. § 111.6, to the complaint made on behalf of one Gloria Grossman that Four Seasons Hotels, Ltd. allegedly violated the Federal Election Campaign Act of 1971, as amended (hereinafter "the Act"), by making contributions to the "Yes or F Committee," which purchased space on a mailer from an independent group, the "Community Campaign Committee." The Commission has received separately Four Seasons Hotels, Ltd.'s designation of O'Melveny & Myers as counsel in connection with this matter by instrument dated December 17, 1984 and signed by Patricia A. Moore, assistant secretary.

There is no suggestion in the complaint that corporations are precluded under Federal law from supporting a municipal electoral proposition. California law permits contributions by corporations to state-level candidates and ballot issues. However, 2 U.S.C. § 441b(a) makes it unlawful for any corporation "to make a contribution or expenditure in connection with" an election for Federal office.

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Complainant has also alleged that Respondent Four Seasons Hotels, Ltd., as a Canadian Corporation, has violated § 441e of the Act, which imposes certain limits on contributions by foreign nationals to U.S. campaigns, including State level campaigns.

Respondent contends that no action should be taken on the basis of the above-referenced complaint.

STATEMENT OF MATERIAL FACTS

During the 1984 general election campaign, there appeared on the ballot in Beverly Hills, California, a referendum, known as "Proposition F", concerning a change in the City of Beverly Hills' zoning ordinances to permit construction of hotels in certain areas above the three-story height limit presently imposed by the City. Proposition F was placed on the Beverly Hills ballot by the City Council and was generally supported by individuals and companies interested in the construction of new hotel facilities in the community. Proposition F was endorsed by many business and community leaders in Beverly Hills. The Proposition was opposed principally by the owners of the Beverly Wilshire Hotel, which is located in the area proposed for new hotel development under Proposition F. The Beverly Wilshire Hotel was constructed before the height restriction was imposed and therefore is shielded from competition from new major hotels so long as the height restriction remains in effect.

Four Seasons, a Canadian corporation, desired to build a twelve-story hotel in the business district of Beverly Hills. The restrictions contained in Beverly Hills' existing zoning ordinances, however, made construction of the proposed hotel impossible. Four Seasons' proposed hotel would have been feasible if the zoning changes contained in Proposition F had been approved by City voters. As a result, Four Seasons supported the passage of Proposition F.

During the campaign, a committee made up of supporters of the Proposition, the "Yes on F Committee" was formed and duly registered with the California Secretary of State. The sole purpose of the "Yes on F Committee" was to achieve the passage of Proposition F. This Committee received funds from respondent Four Seasons as well as from other sources. We have been informed by the Treasurer of the "Yes on F Committee" that the Committee spent in excess of $225,000 in support of Proposition F.

During the campaign, the "Yes on F Committee" made a payment to an independent and distinct organization, the "Community Campaign Committee," of a total of $8,500, in

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return for which the latter Committee prepared literature in support of Proposition F and mailed it to Beverly Hills residents. A photocopy of one side of this literature was supplied to the Commission by the complainant. A complete sample is attached as Exhibit I. The side the complainant did not provide to the Commission is devoted primarily to a list of the arguments in support of a "yes" vote on Proposition F. The other side came in two versions, both of which contained instructions on how to vote by mail and listed recommended positions on various State and Los Angeles County propositions, including a recommendation for a "Yes" vote on Proposition F in bold type-face. It also listed candidates on the ballot for State and Federal office under the legend, "Your Beverly Hills Absentee Voting Guide," but in this respect the two versions differed. One, which was mailed to registered Republican voters, listed the Republican candidates for President, Vice-President, U.S. Congress, and the California Assembly. The other version, mailed to registered Democrats, listed the Democratic candidates for those same offices. Both mailers also listed the same candidates for two nonpartisan judicial offices on the Los Angeles Superior Court. Slate cards of this type are a common form of campaigning for and against ballot measures in California.

Despite this and other efforts, Proposition F was defeated in the November 6 election by a margin of 31 percent in favor and 69 percent against.

DISCUSSION

The circumstances described above do not support a claim of violation of the Act for the following reasons:

1. Expenditures made by the Respondent were not made "for the purpose" of electing Federal candidates.

a. It is well established under FEC precedents that the Act does not reach contributions or expenditures made with a primary purpose other than to influence the nomination or election of a Federal candidate.

The expenditures in this case are not reached by the Act because the Commission's "primary purpose" test is not met. As we show below under point 2, we do not believe the "Yes on F Committee" was among the class of recipients identified under § 441b(b)(2) in the definition of proscribed corporate contributions and expenditures. However, even if it was such a group, we believe its activities were permissible under the Act based on the purpose for which they were undertaken.

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If the Act is read as prohibiting corporate contributions to any "political committee" as defined in § 431(4)(A) -- essentially any group which receives contributions or makes expenditures in excess of $1,000 during a calendar year -- then the definition of "contribution" in § 431(8) of the Act comes into play. For a violation, that definition explicitly requires that the contributions have been made "for the purpose of influencing" an election for Federal office.

A number of actions and Advisory Opinions of the Commission have made clear that contributions or expenditures do not fall within the intent of the Act if the major purpose of the activity in question is not to influence the nomination or election of a Federal candidate. In circumstances quite similar to those present here, the Commission considered in MUR 1235 expenditures by a committee formed in California for the purpose of promoting a reduction in that State's income tax through the passage of a State initiative called "Proposition 9." The committee sponsored radio and television advertisements on behalf of Proposition 9, and such advertisements mentioned, as a supporter of such proposition, Mr. Paul Gann, who was a candidate for the Republican nomination for the United States Senate in the same election. The General Counsel's report on the matter of May 27, 1980, recognized that "the major purpose of these advertisements is not the election of Paul Gann to Federal office, but the passage of Proposition 9." The General Counsel noted that this conclusion is especially likely to be reached in cases where there is "an absence of any communication expressly advocating the election or defeat of a candidate or the solicitation of a campaign contribution." And the opinion concluded that, "though the advertisements have indirectly benefitted Mr. Gann's candidacy, it is clear that the major purpose of these advertisements is not to influence a Federal election . . . ."

Applying the "primary purpose" test, the Commission has determined that a number of other benefits to candidates do not constitute corporate contributions, including:

-- Preparation by a charity organization of a brochure containing a picture of and letter by a candidate for Congress, and distribution of the brochure, including transmittal to people in the candidate's district. The Commission concluded that while the activity indirectly may have provided a benefit to the Federal candidacy, its "major purpose" was not the nomination or election of a candidate. AO 1978-15.

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-- A "non-profit, non-partisan salute" to a congressman who presumably would be running for reelection from Arizona. The Commission concluded that the event was "not for the purpose of influencing" the congressman's nomination or election to Federal office. AO 1978-4.

-- Chairmanship by a candidate for Congress of a state-wide petition drive, initiated by his state party, against the Panama Canal Treaty. All mailings, newsletters, news stories and advertisements included the candidates name, and at least some were distributed in his district. The Commission concluded that this did not constitute contributions to or expenditures by his campaign. AO 1977-54.

-- Hosting of interview programs by an incumbent congressman who was a candidate for reelection, for which he was employed and paid in part by the radio station that broadcast the programs and in part by commercial sponsors. The Commission concluded that funding of these appearances did not constitute a contribution or expenditure on behalf of the candidate either by the sponsors of the programs or by the radio station. AO 1977-42.

-- An advertisement by a commercial magazine listing an incumbent representative's committee assignments, educational achievements, and positions on certain issues. The advertisement spoke of the congressman in "glowing terms", and invited subscriptions to the magazine. It was determined not to constitute a contribution to the congressman's candidacy, since the "major purpose" of the advertisement was not the nomination or election of the congressman but promotion of the magazine. MUR 1051.

-- An advertisement in a nationally circulated magazine in 1976, showing a picture of Jimmy Carter looking into a mirror with Richard Nixon as his reflection and captioned, "If you liked Richard Nixon, you'll love Jimmy Carter," was determined by the Commission not to be an in kind political contribution by the corporation to Mr. Carter's opponent since the advertisement was "most logically construed as an effort, albeit suggestive, to promote a commercial venture." MUR 296.

b. <u>The "primary purpose" test has received judicial approval</u>.

The Commission's "primary purpose" test has been judicially reviewed and approved in <u>John Epstein v. Federal Election Commission</u>, Fed. Elc. Camp. Fin. Guide (CCH) ¶ 9161, at 51,243 (D.D.C. 1981), in which the court considered circumstances with major elements in common with the present

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case. Reader's Digest Association, Inc. purchased an advertisement which excerpted two articles it previously had published. One, written by a Republican Congressman, was headed, "Why You Should Vote Republican," and the other, written by a Democratic Congressman, was entitled "Why You Should Vote Democratic." The advertisement also contained language promoting Reader's Digest as "a forum for ideas that deeply concern the community at large." In that case, as here, to the extent that there might have been any political benefit, it was available equally to both major parties. And the Commission applied the test which is also appropriate here, relying, as the court said, upon, "a growing body of decisions by the Commission that remove advertisements and other forms of publicity from the Act's prohibition if they have a purpose distinct from political assistance of candidates whose campaigns are covered by the Act." The court concluded that,

> ". . . the Commission may reasonably determine that expenditures on publicity that have a purpose other than assistance of political candidates covered by the Act were not intended by Congress to be punished under the Act. Particularly is this so when the 'major purpose' of the publicity is self-evidently not to advocate the election of candidates, but to promote the organization paying for the publicity."

In the Reader's Digest case, the court also found there was "nothing unreasonable" in the Commission's refusal to consider that the Digest offered commentary only from representatives of the two major parties, since,

> ". . . what matters is whether the challenged publicity, whatever its content, has no partisan purpose. Furthermore, at worst, this publicity was bi-partisan."

c. Applying the test in this case, Respondents' purpose manifestly was to secure support for Proposition F, and not to influence a Federal election.

The circumstances of the present case demonstrate that the purpose for which Respondent expended funds was not the election or defeat of any Federal candidate, but the passage of Proposition F. Clearly it would be untenable to assert, even construing all information presently available against the Respondent, that the "Yes on F" effort, so clearly important to Respondent, was in fact only a subterfuge to mask Respondent's real intent to influence campaigns for Federal office in California. On the contrary, the only reasonable interpretation of these circumstances is

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that Respondent's objective was wholly unrelated to the Federal campaign.

As noted above, slate cards are a common form of campaign advocacy in California, and the "Yes on F Committee" only elected to make use of this standard vehicle as a means of transmitting its message to the voters. Circumstances confirming that there was no purpose to influence an election for Federal office include:

-- As in other cases applying the "primary purpose" test, Respondent clearly had a separate purpose that was entirely distinct from influencing a Federal election.

-- As in MUR 1235, there was no express advocacy of the election or defeat of any candidates, nor was there a solicitation of funds on behalf of any such candidate.

-- Slate cards were provided for both parties, an action which is wholly inconsistent with an intent to support one party or candidate over another.

-- Approximately 2.5% of the total space on the mailer, consuming proportionately about $212.50 of the total $8,500 fee paid to the "Community Campaign Committee" for the mailer, was devoted to listing Federal candidates. This equals about 0.09% of the $225,000 spent by the "Yes on F Committee," a negligible sum, and wholly insufficient to establish any purpose at all in connection with Federal candidates.*

d. <u>In any event, neither Respondent nor the "Yes on F Committee" was directly responsible for references to Federal candidates in the mailer</u>.

As noted above, the "Community Campaign Committee" was a distinct, independent organization, unrelated to Respondent or the "Yes on F Committee," which sent Democratic and Republican voters in Beverly Hills appropriately targeted flyers encouraging votes in favor of Proposition F.

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* The amount is even less significant in comparison to the sums spent on their campaigns by the Federal candidates listed on the mailer, and therefore fails entirely to raise the "overriding concern" behind the Act and its predecessors, which is the "corruption of elected representations through the creation of political debts." <u>See United States v. United Auto Workers</u>, 352 U.S. 567 (1957).

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The text of the mailer was written, the format was designed, and the mailing was conducted by the "Community Campaign Committee." The "Yes on F Committee" in this transaction intended only to purchase space for and delivery of its own message to Beverly Hills voters. In these circumstances, Respondent's position was analogous to that of an advertiser who buys, from an independent contractor, space for its message on a billboard which also contains another message. It should not thereby be assumed that the advertiser is responsible for or endorses everything that appears on the display. Neither should it be assumed in this case that Respondent is responsible for information on the mailers that was not directly related to its own message.

2. The expenditures by Respondent were not made "to" a candidate, campaign committee, or political party or organization.

The separate definition of "contribution" and "expenditure" in § 441b(b)(2), the one contiguous to the provision which prohibits such corporate activities in connection with Federal campaigns, treats the terms interchangeably, and provides that that they "shall include," in a variety of forms, direct or indirect payments,

> ". . .to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section . . . ."

As indicated in part 1, the Commission has reached the Act's separate definitions of "contribution" and "expenditure" in § 431 by regarding any committee which meets the § 431(4)(A) definition of "political committee" as the equivalent of a "campaign committee" or "political party or organization" under § 441b(b)(2). However, there is a considerable difference between a "political committee" as broadly defined in § 431(4)(A), which might reach groups with no organized political affiliation whatever, and the closer identification with a political party, candidate, or campaign which appears to be intended in § 441b(b)(2). The § 441b(b)(2) definition must be read in light of the specific prohibitions to which it relates in § 441b(a), against corporate contributions or expenditures in connection with nominations or elections to certain specified Federal offices. In context, therefore, § 441b(b)(2) must refer to organizations that are directly identified with or linked to such candidacies for Federal office, and not to organizations -- like the "Yes on F Committee" -- which have no such affiliation. If this is the case, then neither the "Yes on F Committee" nor the "Community Campaign Committee" met the definition of proscribed recipients

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of corporate contributions in § 441b(b)(2).* Further confirmation that § 441(b)(2) was not intended to sweep so broadly is found in the fact that "political committee" is a term of art under the Act, yet § 441b(b)(2), in listing the groups to which the restriction on corporate contributions or expenditures extends, specifically does not mention "political committee" among them.

A recent Massachusetts U.S. District Court case, Federal Election Commission v. Massachusetts Citizens For Life, Inc., 589 F. Supp. 646 (D. Mass. 1984), has reached conclusions about the Act which are quite relevant to this analysis. In that case, a corporation published a special election paper listing candidates' voting records on issues of concern to the organization and also urged its readers to vote. The court concluded that the definition of corporate "contributions" or "expenditures" in § 441b(b)(2) "outlaws indirect payment or gifts of anything of value to any candidate, campaign committee, or political party or organization," (emphasis in the original), and reasoned that the publication in question "was uninvited by any candidate and uncoordinated with any campaign," and so was not within the section. The court also concluded, in a footnote, that the definition of expenditure in § 441b(b)(2) is "exclusive," despite the use of the verb "shall include" rather than "shall mean," because the definition section of the Act "in effect adopts the § 441b(b)(2) definition."** It is difficult to imagine circumstances in which this definition would permit an expenditure or contribution by a corporation which is not covered by § 441b(b) nevertheless to be included under the prohibitions of the Act.

In sum, § 441b(b)(2) contains the exclusive definition of "expenditure" and "contribution" as applied to corporate activities prohibited under § 441b(a) of the Act. Neither the "Yes on F Committee" nor the "Community Campaign

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* The mailer that is the subject of the complaint specifically states that the "Community Campaign Committee" is "not an official political group," which helps to demonstrate its intentions and the intentions of those who had dealings with it.

** This recognized the reality that in the definitions part of the Act, § 431(8)(B)(vi) excludes from the definition of "contribution," and similarly, § 431(9)(B)(v) excludes from the definition of "expenditure", "any payment made or obligation incurred by a corporation or a labor organization which, under § 441(b) of this Title, would not constitute an expenditure by such corporation or labor organization."

Committee" was a "candidate, campaign committee, or political party or organization" as contemplated in § 441b(b)(2) of the Act. There was, therefore, no contribution "to" such an organization, as is required if a violation of § 441b is to be found. It follows that Respondent's expenditures in this case were entirely permissible under the Act.

3. Since the expenditures by Respondent did not expressly advocate the election or defeat of any Federal candidate, they deserves constitutional protection under the First Amendment.

It is well settled that corporate speech, as well as individual speech, enjoys First Amendment protection. In the leading case of First National Bank of Boston v. Bellotti, 435 U.S. 765 (1978), the U.S. Supreme Court struck down as unconstitutional a Massachusetts statute that forbade expenditures by banks and business corporations to influence the outcome of certain referenda, thereby protecting precisely the kind of speech that was Respondent's purpose in this case. It is also clear that independent "expenditures" generally enjoy a higher degree of constitutional protection than do "contributions." In Buckley v. Valeo, 424 U.S. 1 (1976), the Court distinguished between the two, holding unconstitutional a statutory provision which limited individual political expenditures, even on behalf of candidates, while recognizing the $1,000.00 per candidate limit on contributions to be a reasonable limitation on First Amendment rights. The Act's prohibitions on corporate contributions to and expenditures on behalf of Federal candidates also have been approved. However, as a general proposition, limits on expenditures, as opposed to contributions, must meet a rather precise test. In order to survive a challenge on First Amendment grounds, the Court in Buckley read § 434(e), which imposes independent reporting requirements on individuals and groups that are not candidates or political committees, as being limited to circumstances in which such groups make expenditures for communications that "expressly advocate the election or defeat of a clearly identified candidate."

While the precise issue of applying that standard to corporate expenditures has not been addressed, it is reasonable to suppose that conditions no less rigorous must be attached to limits on corporate expenditures which are not made to or coordinated with a campaign for Federal office. In this case, the slate cards in question clearly did not expressly advocate the election or defeat of any candidate, for example through the use of such phrases as "vote for," "elect," or "cast your ballot for" the candidates in question. As noted elsewhere, this confirms the lack of any purpose on Respondent's part to support such candidates. It also

2704044614

suggests that Respondent's expenditures were used for an expression that was sufficiently ambiguous in character to enjoy, along with the remainder of the mailer, the status of constitutionally protected "speech," as distinguished from proscribable "actions" in the form of contributions to or expenditures on behalf of a Federal candidate.

4. Section 441e of the Act was not violated because there was no "contribution" as defined by the Act and also because Respondent's expenditures on behalf of Proposition F were not in connection with any "political office."

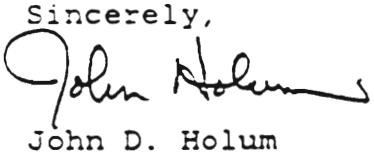
The discussion above establishing that there was no "contribution" within the framework of the Act as applied to § 441b also applies to § 441e regulating foreign nationals. Respondent made no "contributions" as defined by the Act, and therefore could not conceivably have run afoul of the section prohibiting certain of "contributions" by foreign nationals, since an indispensable element of the offense is absent.

In addition, it is clear that § 441e does not reach contributions by foreign nationals to municipal level referenda, since it renders unlawful only contributions "in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office." (Emphasis added.) The pertinent regulation, 11 C.F.R. § 110.4(a)(1), also contains the limitation that the proscribed contribution must be made "in connection with any local, state or federal public office." Proposition F manifestly did not involve a political office and, therefore, Respondent's contributions to that campaign were entirely permissible under the Act.

CONCLUSION

On the basis of the foregoing discussion, we submit that the Commission should take no further action in connection with MUR 1859.

Sincerely,



John D. Holum
for O'Melveny & Myers
Attorneys for Four Seasons
Hotels, Limited.

Attachment

3 7 0 4 0 6 4 4 4 6 1 5

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President

Ronald Reagan
George Bush

U.S. Congress

Claude Parrish
23rd District

California Assembly

Robert Malouf
43rd District

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — **No**	#37 — **No**
#26 — **No**	#31 — Yes	#38 — Yes
#27 — **No**	#32 — **No**	#39 — Yes
#28 — Yes	#33 — Yes	#40 — **No**
#29 — Yes	#34 — Yes	#41 — **No**
	#36 — **No Recommendation**	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

attachment 5

G-CC#5979
DEC 17 A9:58

D M G, LIMITED
439 NORTH BEDFORD DRIVE
SUITE 1000
BEVERLY HILLS, CALIFORNIA 90210
(213) 273-9930 - (213) 276-7083

December 13, 1984

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

RE: MUR 1859

Gentlemen:

Pursuant to that certain letter dated November 1, 1984 directed to you by Mr. Peter A. Bagatelos of Bagatelos and Fadem, Attorneys, on behalf of their client, Gloria Grossman, please be advised as follows.

DMG, Ltd. is not a corporation; rather, it is a California General Partnership. Furthermore, all of the partners of the partnership are individuals who are United States citizens.

Therefore, we are unaware of any basis for any claim against us. In light of the above, we do not see any need to pursue the matter further. If this is incorrect contact the undersigned.

Very truly yours,

DMG, Ltd.

Daniel Gottlieb
General Partner

DG/sjw

3 7 0 4 0 5 4 4 5 1 8

attachment 6

HAND DELIVERED

DEC 18 AM 10:49

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

December 12, 1984

Federal Election Commission
1325 K Street, NW.
Washington, D.C. 20463

Re: MUR 1859

Dear Sir/Madam:

This office represents W. B. Johnson Properties, Inc. in connection with the above-referenced matter. This letter is written in response to your notification letter dated December 3, 1984.

As I understand the complaint in this matter, there are two separate charges. The first charge alleges that the "Yes on F" Committee improperly received funds from a foreign national -- Four Seasons Hotel Limited. Since that is a charge which does not relate to my client, no response is necessary.

The second charge in the complaint is that the "Yes on F" Committee used funds received from my client and from Four Seasons Hotel Limited, both corporations, to purchase for the "Yes on F" campaign a place on a slate card which, inter alia, supported certain persons running for federal and state offices. Under California law, of course, contributions by corporations to local and state elections are lawful. The complaint apparently seeks to allege that, as a result of the "Yes on F" Committee's use of its funds to purchase a place on this slate card, the original contributions to the Committee were somehow tainted.

In order to put the allegations of the complaint in perspective, it is necessary to briefly discuss the "Yes on F" campaign. Measure "F" was a ballot measure placed on the Beverly Hills ballot by its City Council. A true and correct copy of which is enclosed herewith. The measure would have permitted the construction of certain additional hotel spaces, subject to a review procedure set forth in the measure. Since the existing Beverly Hills law and planning practice generally makes the development of new hotel space economically unattractive, Measure "F" was supported by those persons and entities wishing to enter the Beverly Hills hotel market. On the other hand, it was opposed by existing Beverly Hills hotel owners and operators.

9704046519

Both my client, W. B. Johnson Properties, Inc., and Four Seasons Hotel Limited are corporations whose business includes the construction, ownership, and operation of major hotels. In both cases, these companies desired to enter the Beverly Hills hotel market and supported Proposition "F" in their own business interest. Both companies believed that they could offer hotel projects which would be considered favorably under the requirements set forth in the review procedures contained in Measure "F."

In the case of my client, W. B. Johnson Properties, Inc., it never intended its contributions to the "Yes on F" Committee to be utilized for any purpose other than to campaign for the passage of Measure "F." There was certainly no intent or understanding by my client that any of its contributions would be used in any fashion to influence a federal election. The contributions were made to the "Yes on F" Committee solely for the purpose of accomplishing the passage of Measure "F."

Therefore, even if the complaint were to contain a valid claim against the "Yes on F" Committee, I respectfully submit that under the circumstances no charge of any impropriety may be properly made against W. B. Johnson Properties, Inc.

If you have any questions, please feel free to give me a call.

Very truly yours,

Stephen L. Jones

Stephen L. Jones
of Stacey & Jones

enc.

2704046520

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1859

NAME OF COUNSEL: Stephen L. Jones

ADDRESS: Stacey & Jones

1299 Ocean Ave., Suite 330

Santa Monica, CA 90401

TELEPHONE: (213) 394-1163

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.

12-12-84
Date

William L. Murrah
Signature WILLIAM L. MURRAH

RESPONDENT'S NAME: W. B. Johnson Properties, Inc.

ADDRESS: 3414 Peachtree Road, N.E.

Atlanta, GA 30326

Attn: William L. Murrah

HOME PHONE:

BUSINESS PHONE: (404) 237-5500

8704064621

BALLOT ARGUMENTS MEASURE

Do you approve Ordinance 84-0-1930 adopted by the Beverly Hills City Council establishing a Hotel Overlay Zone in the Business Triangle, which limits new hotel development under these standards to 600 guest rooms (no more than 300 rooms in any hotel); limits banquet seating for weddings, etc., to 450 seats for the entire zone; establishes three height zones, allowing hotels of 120 feet, 90 feet and 60 feet depending on location and existing character of the Business Triangle but limits them to a height of 45 feet at street front along all streets except Wilshire Boulevard.

By August 20, 1984, 5 P.M. for arguments

By August 30, 1984, 5 P.M. for rebuttal

Suggest submitting earlier so words can be counted by City Clerk.

3704546222

RESOLUTION NO. 84-

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA CALLING AND GIVING NOTICE OF THE HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD IN SAID CITY ON TUESDAY, NOVEMBER 6, 1984 FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF SAID CITY A PROPOSED ORDINANCE RELATING TO THE CONTROL OF FUTURE HOTEL DEVELOPMENT

WHEREAS, the City Council of the City of Beverly Hills desires to submit to the qualified electors of said City at a special Municipal Election a proposed ordinance relating to the control of future hotel development; and

WHEREAS, the City Council of said city is thereupon authorized and directed by statute to submit the Ordinance to the qualified voters;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities within said State, there shall be, and there is hereby called and ordered held in the City of Beverly Hills, County of Los Angeles, State of California, on Tuesday, November 6, 1984, a special Municipal Election of the qualified electors of said City for the purpose of submitting the following proposed ordinance, to wit:

THE 100 WORDS FOR THE MEASURE WILL BE PROVIDED SEPARATELY.	YES	
	NO	

Section 2. The proposed ordinance submitted to the voters shall be set forth in Exhibit A attached hereto and by this reference incorporated herein.

Section 3. That the ballots to be used at said election shall be, both as to form and matter contained therein, such as may be required by law to be used thereat.

Section 4. That the polls for said election shall be open at seven o'clock a.m. of the day of said election and shall remain open continuously from said time until eight o'clock p.m. of the same day when said polls shall be closed, except as provided in Section 14301 of the Elections Code of the State of California.

Section 5. That in all particulars not recited in this Resolution, said election shall be held and conducted as provided by law for holding municipal elections in said City.

Section 6. That notice of the time and place of holding said election is hereby given and the City Clerk is hereby authorized, instructed and directed to give such further or additional notice of said election in time, form and manner as required by law.

Section 7. The City Clerk is further directed to transmit a true and correct copy of this Resolution to the City Attorney of this City who, upon receipt of same, shall cause to be prepared and submitted to the City Clerk, at the time required by law, his impartial analysis of the proposed ordinance.

Section 8. That the City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of Resolutions of said City; and shall make a minute of

the passage and adoption thereof in the records of the proceedings of the City Council of said City, in the minutes of the meeting at which the same is passed and adopted.

Section 9. That this Resolution shall take effect immediately.

Adopted:

ANNABELLE HEIFERMAN
Mayor of the City of
Beverly Hills, California

ATTEST:

(SEAL)
JEAN M. USHIJIMA
City Clerk

Approved as to form:

CHARLES D. HAUGHTON
City Attorney

Approved as to content:

EDWARD S. KREINS
City Manager

whoz

ORDINANCE NO. 84-0-

ORDINANCE OF THE CITY OF BEVERLY HILLS
ESTABLISHING A HOTEL OVERLAY ZONE.

The Council of the City of Beverly Hills does ordain as follows:

Section 1. Subject to the provisions of Section 10-3.1855 herein, Article 18.5 is hereby added to Chapter 3, Title 10 of the Beverly Hills Municipal Code to provide as follows:

ARTICLE 18.5 HOTEL OVERLAY (C3H) ZONE

Sec. 10-3.1850. Purpose.

The purpose of this Article includes but is not limited to the following municipal objectives.

Properly planned and regulated, hotels offer an opportunity for orderly development in a manner which is mutually supportive of other commercial uses, with complementary, rather than conflicting characteristics relative to traffic and other impacts. The hotel development standards in this Article are deemed desirable to distinguish between the character of the business triangle and those commercial areas which abut residential zones; to distinguish between the character of hotels and other types of commercial development; and to establish a limit on the number of additional hotel rooms which can be developed in the City, thereby limiting the potential for adverse impacts from such factors as traffic which might result from unrestricted growth or undue concentrations of a particular type of development. Accordingly, this Article establishes zoning regulations applicable to hotel development in the business triangle, which would allow proposed hotels which conform to these special standards and limitations to be considered for approval under this Article. This Article allows hotel development in C-3 Zones which exceed the prevailing C-3 height limit in a manner which will coincide with the character of the existing surroundings and scale of the streetscape as viewed by pedestrians; attenuate the appearance of bulk as viewed by pedestrian traffic on the public street; minimize the potential intrusion of taller buildings on neighboring uses, by controlling the height through the design review process; and minimize the concentration of hotels and taller structures in one area.

EXHIBIT A

4.6.58

Sec. 10-3.1851. C3H Hotel Overlay Zone Created.

Hotel Overlay Zones, C3H-1, C3H-2, C3H-3, as designated on the map on file in the Planning Department are hereby created and incorporated in the Official Zone Map of the City. Any hotel construction, alteration or enlargement in a C3H Zone may be made either in accordance with existing C-3 zoning provisions and requirements, or may be made in accordance with the provisions of this Article. Any hotel development pursuant to this Article shall comply with the provisions herein and, with the exception of floor area ratio, all C-3 zoning provisions are applicable to the extent such provisions are not inconsistent with this Article.

Sec. 10-3.1852. Height Restrictions.

Any hotel structure developed under the provisions of this Article shall utilize any space above a height of 45' exclusively for hotel purposes, appurtenant services, or restaurants. The portion of a hotel structure at the property line adjacent to a public street (except Wilshire Boulevard) shall not exceed forty-five feet (45') in height. Maximum hotel height may be permitted along any alley, except that the portion of a hotel constructed at the intersection of an alley and a public street shall not exceed the maximum height permitted for such public street in accordance with this Article. The transitional height from the property line to the maximum height permitted on the site shall be subject to approval under the conditional use permit process. No portion of a hotel shall exceed the following height restrictions in any C3H Zone:

(a) Zone C3H-1. A maximum height of ninety feet (90') for one hotel, and a maximum height of sixty feet (60') for any other hotels.

(b) Zone C3H-2. A maximum height of sixty feet (60').

(c) Zone C3H-3. A maximum height of one hundred twenty feet (120') along the north side of Wilshire Boulevard for one hotel, and a maximum height of ninety feet (90') for any other hotels.

Sec. 10-3.1853. Maximum Hotel Guest Rooms.

The maximum number of guest rooms which may be developed under this Article:

(a) Shall not exceed an aggregate of Six Hundred (600) rooms;

(b) Shall not exceed Four Hundred (400) rooms in any Zone;

(c) Shall not exceed Three Hundred (300) rooms in any hotel.

Sec. 10-3.1854. Maximum Public Assembly Areas.

Hotel public assembly capacity shall be set by the Planning Commission under the conditional use permit and the maximum capacity shall not exceed an aggregate of Four Hundred and Fifty (450) persons under this Article.

Sec. 10-3.1855. Adoption of Ordinance.

If a majority of the voters voting on this matter at the November 6, 1984 General Election approve its adoption, this Article shall be deemed adopted upon certification of the results of said election, and shall go into effect ten (10) days thereafter pursuant to Elections Code Section 4013. Upon adoption, this Article shall not be amended or repealed except upon submission to an election and approval by a majority of the voters voting on such amendment or repeal.

Section 2. Section 10-3.301 of Article 3 of Chapter 3 of Title 10 of the Beverly Hills Municipal Code is hereby amended to add the following zones:

C3H-1	Hotel Overlay Zone
C3H-2	Hotel Overlay Zone
C3H-3	Hotel Overlay Zone

Section 3. The Official Zoning Map of the City of Beverly Hills, January, 1962, as referenced in Section 10-3.302, a copy of which is on file in the office of the City Clerk and is incorporated into the Beverly Hills Municipal Code by reference,

is hereby amended to designate the boundaries of the C3H-1, C3H-2 and C3H-3 Zones as shown on the Zone Map attached hereto and by reference made a part of Article 3 of Chapter 3 of Title 10.

Section 4. The Council of the City of Beverly Hills has duly considered the evaluation and analysis of environmental impacts of this ordinance, and determined no significant adverse impacts will result from the adoption and implementation of this ordinance.

Section 5. The City Clerk shall cause this ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code; shall certify to the adoption of this ordinance and shall cause this ordinance and her certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Adopted

ATTEST:

ANNABELLE HEIFERMAN
Mayor of the City of
Beverly Hills, California

JEAN M. USHIJIMA, City Clerk

Approved as to form for
the City Attorney:

JOHN O'CONNOR
Assistant City Attorney

Approved as to content:

EDWARD S. KREINS
City Manager

IRWIN M. KAPLAN
Planning Director

4.6.58

ATTACHMENT 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Community Campaign Committee
Irene Kleinberg, as treasurer
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

Re: MUR 1859

Dear Ms. Kleinberg:

The Federal Election Commission notified Community Campaign Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that Community Campaign Committee and you, as treasurer, have violated 2 U.S.C. §§ 433, 434 and 441d, provisions of the Act. Specifically, it appears that your committee expended in excess of $1,000 for the purpose of influencing Federal elections, but did not register or report as required of political committees under the Act. It further appears your committee made independent expenditures that were not reported as required by the Act. Also, the letters paid for by your committee did not disclose whether these letters were authorized by the candidates for Federal office listed thereon, as required by the Act.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matters in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

3 7 0 4 0 5 4 4 5 3 0

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

3 7 0 1 0 4 1 5 3 1

Questions To: Community Campaign Committee
and Irene Kleinberg, as treasurer

1. State what the relationship was between the Community Campaign Committee ("CCC") and the "Yes on F" Committee.

   a. State whether any members, employees, or agents of CCC also were members, employees, or agents of the "Yes on F" Committee.

   b. If so, state the names and addresses of such individuals.

   c. State whether any members, employees, or agents of CCC also were employees or shareholders of Four Seasons Hotel, Limited or W.B.J. Properties, Inc.

   d. If so, state the names and addresses of such individuals.

2. State the total amount of money received by CCC from the Yes on F Committee in 1984.

3. State the total amount expended by CCC in 1984 for mailings, authorized by the Yes on F Committee, that included slates listing candidates for Federal office.

4. Provide copies of all reports filed by CCC with California election officials listing contributions and expenditures in 1984.

5. State what agreement(s) or contract(s) existed between CCC and the Yes on F Committee concerning the composition, printing, and/or dissemination of letters supporting Proposition F.

   Provide copies of any documents evidencing such agreement(s) or contract(s).

2 7 0 4 0 4 4 6 3 2

6. State what persons established and administered CCC.

7. State whether any employees, officers, or shareholders of Four Seasons Hotel Limited and/or W.B.J. Properties, Inc. participated in the establishment and/or management of CCC.

If so, identify the individuals involved.

8. State whether the letters in support of Proposition F that were paid for by CCC were composed and/or disseminated in cooperation or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committee or agent of such candidate.

9. State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F that were paid for by CCC.

ATTACHMENT 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Yes on F Committee
Ronald Lederman, Treasurer
113 No. San Vicente Boulevard
Beverly Hills, California 90211

Re: MUR 1859

Dear Mr. Lederman:

The Federal Election Commission notified Yes on F Committee and you, as treasurer, on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on , 1985, determined that there is reason to believe that Yes on F Committee and you, as treasurer, have violated 2 U.S.C. §§ 433 and 434, provisions of the Act. Specifically, it appears that your committee expended over $1,000 for the purpose of influencing Federal elections but did not register or report as required of a political committee under the Act. Also, it appears that your committee made independent expenditures that were not reported, as required by the Act.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

3 7 0 1 4 7 4 4 5 3 4

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

9701054435

QUESTIONS TO: "Yes on F" Committee and
Ronald Lederman, as treasurer

1. What was the relationship between the Community Campaign Committee ("CCC") and the Yes on F Committee?

   a. Were any members, employees, or agents of the Yes on F Committee also members, employees or agents of CCC?

   b. If so, state the names and addresses of such individuals.

2. Were any members, employees, or agents of Yes on F also employees, officers, or shareholders of Four Seasons Hotel, Limited or W.B.J. Properties, Inc.? If so, state the names and addresses of such individuals.

3. What was the total amount of money paid by Yes on F to CCC in 1984?

4. What was the total amount expended by Yes on F in 1984 for mailings that included slates listing candidates for Federal office?

5. Provide copies of all reports filed by Yes on F with California election officials listing contributions and expenditures in 1984.

6. State whether any employees, officers, or shareholders of Four Seasons Hotel, Limited and/or W.B.J. Properties, Inc. consulted with the Yes on F Committee Concerning the content of letters that were disseminated in support of proposition F.

   If so, identify the individuals involved.

7. State whether any employees, officers, or shareholders of Four Seasons Hotel Limited and/or W.B.J. Properties, Inc.

established and/or administered the Yes on F Committee.

Identify the individuals who established and administered the Yes on F Committee.

8. State what agreement(s) or contract(s) existed between the Yes on F Committee and CCC concerning the composition, printing, and/or dissemination of letters supporting Proposition F.

Provide copies of any documents evidencing such agreement(s) or contract(s).

9. State whether any agents, employees, officers, or shareholders of the Four Seasons Hotel, Limited and/or W.B.J. Properties, Inc. participated in or had knowledge of the composition, drafting and writing of the letters disseminated in support or Proposition F.

10. State the names of all persons who participated in the composition, drafting, and writing of the letters in support of Proposition F paid for and/or authorized by the Yes on F Committee.

11. State whether the letters in support of Proposition F, that were paid for and/or authorized by the Yes on F Committee, were composed and/or disseminated in cooperation and/or consultation with, or at the suggestion of, any candidate for Federal office, or any authorized committees or agent of such candidate.

ATTACHMENT 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

Re: MUR 1859
Four Seasons Hotels, Limited

Dear Mr. Holum:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that your client has violated 2 U.S.C. §§ 441b and 441e, provisions of the Act. Specifically, it appears that Four Seasons Hotel, Ltd., a foreign corporation, made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

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QUESTIONS TO: Four Seasons Hotel, Limited

1. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

2. State whether the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

3. State whether the Four Season Hotel, Limited, or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, of shareholders were involved.

4. State when the Four Seasons Hotel, Limited, or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

5. State the place of incorporation of Four Seasons Hotel, Limited.

Provide copies of documents evidencing place of incorporation.

ATTACHMENT 10

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stephen L. Jones, Esquire
Stacey & Jones
1299 Ocean Avenue
Suite 330
Santa Monica, California 90401

RE: MUR 1859
W. B. Johnson Properties, Inc.

Dear Mr. Jones:

The Federal Election Commission notified you on December 3, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1985, determined that there is reason to believe that your client has violated 2 U.S.C. § 441b, a provision of the Act. Specifically, it appears that W.B. Johnson Properties, Inc. made expenditures in connection with Federal elections, in that it made contributions that were used to pay for mailings that had the purpose of influencing Federal elections.

Your client's response to the Commission's initial notification of this complaint did not provide complete information regarding the matter in question. Please submit answers to the enclosed questions within 10 days of receipt of this letter. Statements should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against your committee and you, as treasurer, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2, of the enclosed procedures.

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This matter will remain 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 matter to be made public.

If you have any questions, please contact Charles Snyder the attorney assigned to this matter, at (202)523-4000.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Procedures

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QUESTIONS TO: W.B. Johnson Properties, Inc.

1. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, established:

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

2. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders, directed, controlled, operated, or managed

a) the Yes on F Committee;

b) the Community Campaign Committee

If so, specify which employees, agents, officers, or shareholders were involved.

3. State whether W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders participated in the composition, writing, or printing of letters disseminated in support of Proposition F on the ballot in Beverly Hills, California in 1984.

If so, specify which employees, agents, officers, of shareholders were involved.

4. State when W.B. Johnson Properties, Inc. or any of its employees, agents, officers, or shareholders learned of the contents of letters disseminated in Support of Proposition F.

ATTACHMENT 11

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Daniel Gottlieb
D.M.G. Limited
439 North Bedford Drive
Suite 1000
Beverly Hills, California 90210

Re: MUR 1859
D.M.G. Limited

Dear Mr. Gottlieb:

On December 3, 1984, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1985, determined that on the basis of the information in the complaint, and information provided by you there is no reason to believe that a violation of any statute within its jurisdiction has been committed by D.M.G. Limited. Accordingly, the Commission closed its file in this matter as it pertains to you. This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

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RECEIVED AT THE FEC

HAND DELIVERED

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLF HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS

1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

1000 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722088 (ITT)

680 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127018

26, COURS ALBERT 1er
75008 PARIS, FRANCE

January
10th
1 9 8 4

OUR FILE NUMBER

278,254-001

WRITER'S DIRECT TELEPHONE

457-5319

Charles Snyder, Esq.
Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C.

Re MUR 1859

Dear Mr. Snyder:

This letter constitutes the response of Four Seasons Hotels, Ltd., pursuant to 2 U.S.C. § 437(g)(a)(1) and 11 C.F.R. § 111.6, to the complaint made on behalf of one Gloria Grossman that Four Seasons Hotels, Ltd. allegedly violated the Federal Election Campaign Act of 1971, as amended (hereinafter "the Act"), by making contributions to the "Yes or F Committee," which purchased space on a mailer from an independent group, the "Community Campaign Committee." The Commission has received separately Four Seasons Hotels, Ltd.'s designation of O'Melveny & Myers as counsel in connection with this matter by instrument dated December 17, 1984 and signed by Patricia A. Moore, assistant secretary.

There is no suggestion in the complaint that corporations are precluded under Federal law from supporting a municipal electoral proposition. California law permits contributions by corporations to state-level candidates and ballot issues. However, 2 U.S.C. § 441b(a) makes it unlawful for any corporation "to make a contribution or expenditure in connection with" an election for Federal office.

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Complainant has also alleged that Respondent Four Seasons Hotels, Ltd., as a Canadian Corporation, has violated § 441e of the Act, which imposes certain limits on contributions by foreign nationals to U.S. campaigns, including State level campaigns.

Respondent contends that no action should be taken on the basis of the above-referenced complaint.

STATEMENT OF MATERIAL FACTS

During the 1984 general election campaign, there appeared on the ballot in Beverly Hills, California, a referendum, known as "Proposition F", concerning a change in the City of Beverly Hills' zoning ordinances to permit construction of hotels in certain areas above the three-story height limit presently imposed by the City. Proposition F was placed on the Beverly Hills ballot by the City Council and was generally supported by individuals and companies interested in the construction of new hotel facilities in the community. Proposition F was endorsed by many business and community leaders in Beverly Hills. The Proposition was opposed principally by the owners of the Beverly Wilshire Hotel, which is located in the area proposed for new hotel development under Proposition F. The Beverly Wilshire Hotel was constructed before the height restriction was imposed and therefore is shielded from competition from new major hotels so long as the height restriction remains in effect.

Four Seasons, a Canadian corporation, desired to build a twelve-story hotel in the business district of Beverly Hills. The restrictions contained in Beverly Hills' existing zoning ordinances, however, made construction of the proposed hotel impossible. Four Seasons' proposed hotel would have been feasible if the zoning changes contained in Proposition F had been approved by City voters. As a result, Four Seasons supported the passage of Proposition F.

During the campaign, a committee made up of supporters of the Proposition, the "Yes on F Committee" was formed and duly registered with the California Secretary of State. The sole purpose of the "Yes on F Committee" was to achieve the passage of Proposition F. This Committee received funds from respondent Four Seasons as well as from other sources. We have been informed by the Treasurer of the "Yes on F Committee" that the Committee spent in excess of $225,000 in support of Proposition F.

During the campaign, the "Yes on F Committee" made a payment to an independent and distinct organization, the "Community Campaign Committee," of a total of $8,500, in

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return for which the latter Committee prepared literature in support of Proposition F and mailed it to Beverly Hills residents. A photocopy of one side of this literature was supplied to the Commission by the complainant. A complete sample is attached as Exhibit I. The side the complainant did not provide to the Commission is devoted primarily to a list of the arguments in support of a "yes" vote on Proposition F. The other side came in two versions, both of which contained instructions on how to vote by mail and listed recommended positions on various State and Los Angeles County propositions, including a recommendation for a "Yes" vote on Proposition F in bold type-face. It also listed candidates on the ballot for State and Federal office under the legend, "Your Beverly Hills Absentee Voting Guide," but in this respect the two versions differed. One, which was mailed to registered Republican voters, listed the Republican candidates for President, Vice-President, U.S. Congress, and the California Assembly. The other version, mailed to registered Democrats, listed the Democratic candidates for those same offices. Both mailers also listed the same candidates for two nonpartisan judicial offices on the Los Angeles Superior Court. Slate cards of this type are a common form of campaigning for and against ballot measures in California.

Despite this and other efforts, Proposition F was defeated in the November 6 election by a margin of 31 percent in favor and 69 percent against.

DISCUSSION

The circumstances described above do not support a claim of violation of the Act for the following reasons:

1. Expenditures made by the Respondent were not made "for the purpose" of electing Federal candidates.

a. It is well established under FEC precedents that the Act does not reach contributions or expenditures made with a primary purpose other than to influence the nomination or election of a Federal candidate.

The expenditures in this case are not reached by the Act because the Commission's "primary purpose" test is not met. As we show below under point 2, we do not believe the "Yes on F Committee" was among the class of recipients identified under § 441b(b)(2) in the definition of proscribed corporate contributions and expenditures. However, even if it was such a group, we believe its activities were permissible under the Act based on the purpose for which they were undertaken.

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If the Act is read as prohibiting corporate contributions to any "political committee" as defined in § 431(4)(A) -- essentially any group which receives contributions or makes expenditures in excess of $1,000 during a calendar year -- then the definition of "contribution" in § 431(8) of the Act comes into play. For a violation, that definition explicitly requires that the contributions have been made "for the purpose of influencing" an election for Federal office.

A number of actions and Advisory Opinions of the Commission have made clear that contributions or expenditures do not fall within the intent of the Act if the major purpose of the activity in question is not to influence the nomination or election of a Federal candidate. In circumstances quite similar to those present here, the Commission considered in MUR 1235 expenditures by a committee formed in California for the purpose of promoting a reduction in that State's income tax through the passage of a State initiative called "Proposition 9." The committee sponsored radio and television advertisements on behalf of Proposition 9, and such advertisements mentioned, as a supporter of such proposition, Mr. Paul Gann, who was a candidate for the Republican nomination for the United States Senate in the same election. The General Counsel's report on the matter of May 27, 1980, recognized that "the major purpose of these advertisements is not the election of Paul Gann to Federal office, but the passage of Proposition 9." The General Counsel noted that this conclusion is especially likely to be reached in cases where there is "an absence of any communication expressly advocating the election or defeat of a candidate or the solicitation of a campaign contribution." And the opinion concluded that, "though the advertisements have indirectly benefitted Mr. Gann's candidacy, it is clear that the major purpose of these advertisements is not to influence a Federal election . . . ."

Applying the "primary purpose" test, the Commission has determined that a number of other benefits to candidates do not constitute corporate contributions, including:

-- Preparation by a charity organization of a brochure containing a picture of and letter by a candidate for Congress, and distribution of the brochure, including transmittal to people in the candidate's district. The Commission concluded that while the activity indirectly may have provided a benefit to the Federal candidacy, its "major purpose" was not the nomination or election of a candidate. AO 1978-15.

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-- A "non-profit, non-partisan salute" to a congressman who presumably would be running for reelection from Arizona. The Commission concluded that the event was "not for the purpose of influencing" the congressman's nomination or election to Federal office. AO 1978-4.

-- Chairmanship by a candidate for Congress of a state-wide petition drive, initiated by his state party, against the Panama Canal Treaty. All mailings, newsletters, news stories and advertisements included the candidates name, and at least some were distributed in his district. The Commission concluded that this did not constitute contributions to or expenditures by his campaign. AO 1977-54.

-- Hosting of interview programs by an incumbent congressman who was a candidate for reelection, for which he was employed and paid in part by the radio station that broadcast the programs and in part by commercial sponsors. The Commission concluded that funding of these appearances did not constitute a contribution or expenditure on behalf of the candidate either by the sponsors of the programs or by the radio station. AO 1977-42.

-- An advertisement by a commercial magazine listing an incumbent representative's committee assignments, educational achievements, and positions on certain issues. The advertisement spoke of the congressman in "glowing terms", and invited subscriptions to the magazine. It was determined not to constitute a contribution to the congressman's candidacy, since the "major purpose" of the advertisement was not the nomination or election of the congressman but promotion of the magazine. MUR 1051.

-- An advertisement in a nationally circulated magazine in 1976, showing a picture of Jimmy Carter looking into a mirror with Richard Nixon as his reflection and captioned, "If you liked Richard Nixon, you'll love Jimmy Carter," was determined by the Commission not to be an in kind political contribution by the corporation to Mr. Carter's opponent since the advertisement was "most logically construed as an effort, albeit suggestive, to promote a commercial venture." MUR 296.

b. <u>The "primary purpose" test has received judicial approval</u>.

The Commission's "primary purpose" test has been judicially reviewed and approved in <u>John Epstein v. Federal Election Commission</u>, Fed. Elc. Camp. Fin. Guide (CCH) ¶ 9161, at 51,243 (D.D.C. 1981), in which the court considered circumstances with major elements in common with the present

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case. Reader's Digest Association, Inc. purchased an advertisement which excerpted two articles it previously had published. One, written by a Republican Congressman, was headed, "Why You Should Vote Republican," and the other, written by a Democratic Congressman, was entitled "Why You Should Vote Democratic." The advertisement also contained language promoting Reader's Digest as "a forum for ideas that deeply concern the community at large." In that case, as here, to the extent that there might have been any political benefit, it was available equally to both major parties. And the Commission applied the test which is also appropriate here, relying, as the court said, upon, "a growing body of decisions by the Commission that remove advertisements and other forms of publicity from the Act's prohibition if they have a purpose distinct from political assistance of candidates whose campaigns are covered by the Act." The court concluded that,

> ". . . the Commission may reasonably determine that expenditures on publicity that have a purpose other than assistance of political candidates covered by the Act were not intended by Congress to be punished under the Act. Particularly is this so when the 'major purpose' of the publicity is self-evidently not to advocate the election of candidates, but to promote the organization paying for the publicity."

In the Reader's Digest case, the court also found there was "nothing unreasonable" in the Commission's refusal to consider that the Digest offered commentary only from representatives of the two major parties, since,

> ". . . what matters is whether the challenged publicity, whatever its content, has no partisan purpose. Furthermore, at worst, this publicity was bi-partisan."

c. Applying the test in this case, Respondents' purpose manifestly was to secure support for Proposition F, and not to influence a Federal election.

The circumstances of the present case demonstrate that the purpose for which Respondent expended funds was not the election or defeat of any Federal candidate, but the passage of Proposition F. Clearly it would be untenable to assert, even construing all information presently available against the Respondent, that the "Yes on F" effort, so clearly important to Respondent, was in fact only a subterfuge to mask Respondent's real intent to influence campaigns for Federal office in California. On the contrary, the only reasonable interpretation of these circumstances is

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that Respondent's objective was wholly unrelated to the Federal campaign.

As noted above, slate cards are a common form of campaign advocacy in California, and the "Yes on F Committee" only elected to make use of this standard vehicle as a means of transmitting its message to the voters. Circumstances confirming that there was no purpose to influence an election for Federal office include:

-- As in other cases applying the "primary purpose" test, Respondent clearly had a separate purpose that was entirely distinct from influencing a Federal election.

-- As in MUR 1235, there was no express advocacy of the election or defeat of any candidates, nor was there a solicitation of funds on behalf of any such candidate.

-- Slate cards were provided for both parties, an action which is wholly inconsistent with an intent to support one party or candidate over another.

-- Approximately 2.5% of the total space on the mailer, consuming proportionately about $212.50 of the total $8,500 fee paid to the "Community Campaign Committee" for the mailer, was devoted to listing Federal candidates. This equals about 0.09% of the $225,000 spent by the "Yes on F Committee," a negligible sum, and wholly insufficient to establish any purpose at all in connection with Federal candidates.*

d. <u>In any event, neither Respondent nor the "Yes on F Committee" was directly responsible for references to Federal candidates in the mailer</u>.

As noted above, the "Community Campaign Committee" was a distinct, independent organization, unrelated to Respondent or the "Yes on F Committee," which sent Democratic and Republican voters in Beverly Hills appropriately targeted flyers encouraging votes in favor of Proposition F.

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* The amount is even less significant in comparison to the sums spent on their campaigns by the Federal candidates listed on the mailer, and therefore fails entirely to raise the "overriding concern" behind the Act and its predecessors, which is the "corruption of elected representations through the creation of political debts." <u>See United States v. United Auto Workers</u>, 352 U.S. 567 (1957).

The text of the mailer was written, the format was designed, and the mailing was conducted by the "Community Campaign Committee." The "Yes on F Committee" in this transaction intended only to purchase space for and delivery of its own message to Beverly Hills voters. In these circumstances, Respondent's position was analogous to that of an advertiser who buys, from an independent contractor, space for its message on a billboard which also contains another message. It should not thereby be assumed that the advertiser is responsible for or endorses everything that appears on the display. Neither should it be assumed in this case that Respondent is responsible for information on the mailers that was not directly related to its own message.

2. The expenditures by Respondent were not made "to" a candidate, campaign committee, or political party or organization.

The separate definition of "contribution" and "expenditure" in § 441b(b)(2), the one contiguous to the provision which prohibits such corporate activities in connection with Federal campaigns, treats the terms interchangeably, and provides that that they "shall include," in a variety of forms, direct or indirect payments,

> ". . .to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section . . . ."

As indicated in part 1, the Commission has reached the Act's separate definitions of "contribution" and "expenditure" in § 431 by regarding any committee which meets the § 431(4)(A) definition of "political committee" as the equivalent of a "campaign committee" or "political party or organization" under § 441b(b)(2). However, there is a considerable difference between a "political committee" as broadly defined in § 431(4)(A), which might reach groups with no organized political affiliation whatever, and the closer identification with a political party, candidate, or campaign which appears to be intended in § 441b(b)(2). The § 441b(b)(2) definition must be read in light of the specific prohibitions to which it relates in § 441b(a), against corporate contributions or expenditures in connection with nominations or elections to certain specified Federal offices. In context, therefore, § 441b(b)(2) must refer to organizations that are directly identified with or linked to such candidacies for Federal office, and not to organizations -- like the "Yes on F Committee" -- which have no such affiliation. If this is the case, then neither the "Yes on F Committee" nor the "Community Campaign Committee" met the definition of proscribed recipients

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of corporate contributions in § 441b(b)(2).* Further confirmation that § 441(b)(2) was not intended to sweep so broadly is found in the fact that "political committee" is a term of art under the Act, yet § 441b(b)(2), in listing the groups to which the restriction on corporate contributions or expenditures extends, specifically does not mention "political committee" among them.

A recent Massachusetts U.S. District Court case, Federal Election Commission v. Massachusetts Citizens For Life, Inc., 589 F. Supp. 646 (D. Mass. 1984), has reached conclusions about the Act which are quite relevant to this analysis. In that case, a corporation published a special election paper listing candidates' voting records on issues of concern to the organization and also urged its readers to vote. The court concluded that the definition of corporate "contributions" or "expenditures" in § 441b(b)(2) "outlaws indirect payment or gifts of anything of value to any candidate, campaign committee, or political party or organization," (emphasis in the original), and reasoned that the publication in question "was uninvited by any candidate and uncoordinated with any campaign," and so was not within the section. The court also concluded, in a footnote, that the definition of expenditure in § 441b(b)(2) is "exclusive," despite the use of the verb "shall include" rather than "shall mean," because the definition section of the Act "in effect adopts the § 441b(b)(2) definition."** It is difficult to imagine circumstances in which this definition would permit an expenditure or contribution by a corporation which is not covered by § 441b(b) nevertheless to be included under the prohibitions of the Act.

In sum, § 441b(b)(2) contains the exclusive definition of "expenditure" and "contribution" as applied to corporate activities prohibited under § 441b(a) of the Act. Neither the "Yes on F Committee" nor the "Community Campaign

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* The mailer that is the subject of the complaint specifically states that the "Community Campaign Committee" is "not an official political group," which helps to demonstrate its intentions and the intentions of those who had dealings with it.

** This recognized the reality that in the definitions part of the Act, § 431(8)(B)(vi) excludes from the definition of "contribution," and similarly, § 431(9)(B)(v) excludes from the definition of "expenditure", "any payment made or obligation incurred by a corporation or a labor organization which, under § 441(b) of this Title, would not constitute an expenditure by such corporation or labor organization."

Committee" was a "candidate, campaign committee, or political party or organization" as contemplated in § 441b(b)(2) of the Act. There was, therefore, no contribution "to" such an organization, as is required if a violation of § 441b is to be found. It follows that Respondent's expenditures in this case were entirely permissible under the Act.

3. Since the expenditures by Respondent did not expressly advocate the election or defeat of any Federal candidate, they deserves constitutional protection under the First Amendment.

It is well settled that corporate speech, as well as individual speech, enjoys First Amendment protection. In the leading case of First National Bank of Boston v. Bellotti, 435 U.S. 765 (1978), the U.S. Supreme Court struck down as unconstitutional a Massachusetts statute that forbade expenditures by banks and business corporations to influence the outcome of certain referenda, thereby protecting precisely the kind of speech that was Respondent's purpose in this case. It is also clear that independent "expenditures" generally enjoy a higher degree of constitutional protection than do "contributions." In Buckley v. Valeo, 424 U.S. 1 (1976), the Court distinguished between the two, holding unconstitutional a statutory provision which limited individual political expenditures, even on behalf of candidates, while recognizing the $1,000.00 per candidate limit on contributions to be a reasonable limitation on First Amendment rights. The Act's prohibitions on corporate contributions to and expenditures on behalf of Federal candidates also have been approved. However, as a general proposition, limits on expenditures, as opposed to contributions, must meet a rather precise test. In order to survive a challenge on First Amendment grounds, the Court in Buckley read § 434(e), which imposes independent reporting requirements on individuals and groups that are not candidates or political committees, as being limited to circumstances in which such groups make expenditures for communications that "expressly advocate the election or defeat of a clearly identified candidate."

While the precise issue of applying that standard to corporate expenditures has not been addressed, it is reasonable to suppose that conditions no less rigorous must be attached to limits on corporate expenditures which are not made to or coordinated with a campaign for Federal office. In this case, the slate cards in question clearly did not expressly advocate the election or defeat of any candidate, for example through the use of such phrases as "vote for," "elect," or "cast your ballot for" the candidates in question. As noted elsewhere, this confirms the lack of any purpose on Respondent's part to support such candidates. It also

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suggests that Respondent's expenditures were used for an expression that was sufficiently ambiguous in character to enjoy, along with the remainder of the mailer, the status of constitutionally protected "speech," as distinguished from proscribable "actions" in the form of contributions to or expenditures on behalf of a Federal candidate.

4. Section 441e of the Act was not violated because there was no "contribution" as defined by the Act and also because Respondent's expenditures on behalf of Proposition F were not in connection with any "political office."

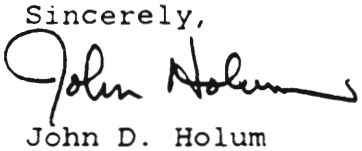
The discussion above establishing that there was no "contribution" within the framework of the Act as applied to § 441b also applies to § 441e regulating foreign nationals. Respondent made no "contributions" as defined by the Act, and therefore could not conceivably have run afoul of the section prohibiting certain of "contributions" by foreign nationals, since an indispensable element of the offense is absent.

In addition, it is clear that § 441e does not reach contributions by foreign nationals to municipal level referenda, since it renders unlawful only contributions "in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office." (Emphasis added.) The pertinent regulation, 11 C.F.R. § 110.4(a)(1), also contains the limitation that the proscribed contribution must be made "in connection with any local, state or federal public office." Proposition F manifestly did not involve a political office and, therefore, Respondent's contributions to that campaign were entirely permissible under the Act.

CONCLUSION

On the basis of the foregoing discussion, we submit that the Commission should take no further action in connection with MUR 1859.

Sincerely,



John D. Holum
for O'Melveny & Myers
Attorneys for Four Seasons
Hotels, Limited.

Attachment

Who Can Vote by Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — **No**	#37 — **No**
#26 — **No**	#31 — Yes	#38 — Yes
#27 — **No**	#32 — **No**	#39 — Yes
#28 — Yes	#33 — Yes	#40 — **No**
#29 — Yes	#34 — Yes	#41 — **No**
	#36 — **No Recommendation**	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group R

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
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Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

VOTING BY MAIL —
It's Legal!
It's Easy!
It's Convenient!

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

(City) (State) (Zip)

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

RECEIVED AT THE FEC
HAND DELIVERED
84 DEC 18 A10:49
GCC#6021

STACEY & JONES
ATTORNEYS AT LAW
1299 OCEAN AVENUE
SUITE 330
SANTA MONICA, CALIFORNIA 90401

AREA CODE 213
394-1163

December 12, 1984

Federal Election Commission
1325 K Street, NW.
Washington, D.C. 20463

Re: MUR 1859

Dear Sir/Madam:

This office represents W. B. Johnson Properties, Inc. in connection with the above-referenced matter. This letter is written in response to your notification letter dated December 3, 1984.

As I understand the complaint in this matter, there are two separate charges. The first charge alleges that the "Yes on F" Committee improperly received funds from a foreign national -- Four Seasons Hotel Limited. Since that is a charge which does not relate to my client, no response is necessary.

The second charge in the complaint is that the "Yes on F" Committee used funds received from my client and from Four Seasons Hotel Limited, both corporations, to purchase for the "Yes on F" campaign a place on a slate card which, inter alia, supported certain persons running for federal and state offices. Under California law, of course, contributions by corporations to local and state elections are lawful. The complaint apparently seeks to allege that, as a result of the "Yes on F" Committee's use of its funds to purchase a place on this slate card, the original contributions to the Committee were somehow tainted.

In order to put the allegations of the complaint in perspective, it is necessary to briefly discuss the "Yes on F" campaign. Measure "F" was a ballot measure placed on the Beverly Hills ballot by its City Council. A true and correct copy of which is enclosed herewith. The measure would have permitted the construction of certain additional hotel spaces, subject to a review procedure set forth in the measure. Since the existing Beverly Hills law and planning practice generally makes the development of new hotel space economically unattractive, Measure "F" was supported by those persons and entities wishing to enter the Beverly Hills hotel market. On the other hand, it was opposed by existing Beverly Hills hotel owners and operators.

Both my client, W. B. Johnson Properties, Inc., and Four Seasons Hotel Limited are corporations whose business includes the construction, ownership, and operation of major hotels. In both cases, these companies desired to enter the Beverly Hills hotel market and supported Proposition "F" in their own business interest. Both companies believed that they could offer hotel projects which would be considered favorably under the requirements set forth in the review procedures contained in Measure "F."

In the case of my client, W. B. Johnson Properties, Inc., it never intended its contributions to the "Yes on F" Committee to be utilized for any purpose other than to campaign for the passage of Measure "F." There was certainly no intent or understanding by my client that any of its contributions would be used in any fashion to influence a federal election. The contributions were made to the "Yes on F" Committee solely for the purpose of accomplishing the passage of Measure "F."

Therefore, even if the complaint were to contain a valid claim against the "Yes on F" Committee, I respectfully submit that under the circumstances no charge of any impropriety may be properly made against W. B. Johnson Properties, Inc.

If you have any questions, please feel free to give me a call.

Very truly yours,

Stephen L. Jones
of Stacey & Jones

enc.

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1859

NAME OF COUNSEL: Stephen L. Jones

ADDRESS: Stacey & Jones

1299 Ocean Ave., Suite 330

Santa Monica, CA 90401

TELEPHONE: (213) 394-1163

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.

12-12-84
Date

William L. Murrah
Signature WILLIAM L. MURRAH

RESPONDENT'S NAME: W. B. Johnson Properties, Inc.

ADDRESS: 3414 Peachtree Road, N.E.

Atlanta, GA 30326

Attn: William L. Murrah

HOME PHONE:

BUSINESS PHONE: (404) 237-5500

3704044560

BALLOT ARGUMENTS MEASURE

Do you approve Ordinance 84-0-1930 adopted by the Beverly Hills City Council establishing a Hotel Overlay Zone in the Business Triangle, which limits new hotel development under these standards to 600 guest rooms (no more than 300 rooms in any hotel); limits banquet seating for weddings, etc., to 450 seats for the entire zone; establishes three height zones, allowing hotels of 120 feet, 90 feet and 60 feet depending on location and existing character of the Business Triangle but limits them to a height of 45 feet at street front along all streets except Wilshire Boulevard.

By August 20, 1984, 5 P.M. for arguments

By August 30, 1984, 5 P.M. for rebuttal

Suggest submitting earlier so words can be counted by City Clerk.

87040644561

RESOLUTION NO. 84-

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA CALLING AND GIVING NOTICE OF THE HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD IN SAID CITY ON TUESDAY, NOVEMBER 6, 1984 FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF SAID CITY A PROPOSED ORDINANCE RELATING TO THE CONTROL OF FUTURE HOTEL DEVELOPMENT

WHEREAS, the City Council of the City of Beverly Hills desires to submit to the qualified electors of said City at a special Municipal Election a proposed ordinance relating to the control of future hotel development; and

WHEREAS, the City Council of said city is thereupon authorized and directed by statute to submit the Ordinance to the qualified voters;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities within said State, there shall be, and there is hereby called and ordered held in the City of Beverly Hills, County of Los Angeles, State of California, on Tuesday, November 6, 1984, a special Municipal Election of the qualified electors of said City for the purpose of submitting the following proposed ordinance, to wit:

THE 100 WORDS FOR THE MEASURE WILL BE PROVIDED SEPARATELY.	YES	
	NO	

3704046562

Section 2. The proposed ordinance submitted to the voters shall be as set forth in Exhibit A attached hereto and by this reference incorporated herein.

Section 3. That the ballots to be used at said election shall be, both as to form and matter contained therein, such as may be required by law to be used thereat.

Section 4. That the polls for said election shall be open at seven o'clock a.m. of the day of said election and shall remain open continuously from said time until eight o'clock p.m. of the same day when said polls shall be closed, except as provided in Section 14301 of the Elections Code of the State of California.

Section 5. That in all particulars not recited in this Resolution, said election shall be held and conducted as provided by law for holding municipal elections in said City.

Section 6. That notice of the time and place of holding said election is hereby given and the City Clerk is hereby authorized, instructed and directed to give such further or additional notice of said election in time, form and manner as required by law.

Section 7. The City Clerk is further directed to transmit a true and correct copy of this Resolution to the City Attorney of this City who, upon receipt of same, shall cause to be prepared and submitted to the City Clerk, at the time required by law, his impartial analysis of the proposed ordinance.

Section 8. That the City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of Resolutions of said City; and shall make a minute of

the passage and adoption thereof in the records of the proceedings of the City Council of said City, in the minutes of the meeting at which the same is passed and adopted.

Section 9. That this Resolution shall take effect immediately.

Adopted:

ANNABELLE HEIFERMAN
Mayor of the City of
Beverly Hills, California

ATTEST:

_____(SEAL)
JEAN M. USHIJIMA
City Clerk

Approved as to form:

Charles D. Haughton
CHARLES D. HAUGHTON
City Attorney

Approved as to content:

EDWARD S. KREINS
City Manager

whoz

87041054

ORDINANCE NO. 84-0-

ORDINANCE OF THE CITY OF BEVERLY HILLS
ESTABLISHING A HOTEL OVERLAY ZONE.

The Council of the City of Beverly Hills does ordain as follows:

Section 1. Subject to the provisions of Section 10-3.1855 herein, Article 18.5 is hereby added to Chapter 3, Title 10 of the Beverly Hills Municipal Code to provide as follows:

ARTICLE 18.5 HOTEL OVERLAY (C3H) ZONE

Sec. 10-3.1850. Purpose.

The purpose of this Article includes but is not limited to the following municipal objectives.

Properly planned and regulated, hotels offer an opportunity for orderly development in a manner which is mutually supportive of other commercial uses, with complementary, rather than conflicting characteristics relative to traffic and other impacts. The hotel development standards in this Article are deemed desirable to distinguish between the character of the business triangle and those commercial areas which abut residential zones; to distinguish between the character of hotels and other types of commercial development; and to establish a limit on the number of additional hotel rooms which can be developed in the City, thereby limiting the potential for adverse impacts from such factors as traffic which might result from unrestricted growth or undue concentrations of a particular type of development. Accordingly, this Article establishes zoning regulations applicable to hotel development in the business triangle, which would allow proposed hotels which conform to these special standards and limitations to be considered for approval under this Article. This Article allows hotel development in C-3 Zones which exceed the prevailing C-3 height limit in a manner which will coincide with the character of the existing surroundings and scale of the streetscape as viewed by pedestrians; attenuate the appearance of bulk as viewed by pedestrian traffic on the public street; minimize the potential intrusion of taller buildings on neighboring uses, by controlling the height through the design review process; and minimize the concentration of hotels and taller structures in one area.

EXHIBIT A

4.6.58

87 0 4 0 4 4 5 5 5

Sec. 10-3.1851. C3H Hotel Overlay Zone Created.

Hotel Overlay Zones, C3H-1, C3H-2, C3H-3, as designated on the map on file in the Planning Department are hereby created and incorporated in the Official Zone Map of the City. Any hotel construction, alteration or enlargement in a C3H Zone may be made either in accordance with existing C-3 zoning provisions and requirements, or may be made in accordance with the provisions of this Article. Any hotel development pursuant to this Article shall comply with the provisions herein and, with the exception of floor area ratio, all C-3 zoning provisions are applicable to the extent such provisions are not inconsistent with this Article.

Sec. 10-3.1852. Height Restrictions.

Any hotel structure developed under the provisions of this Article shall utilize any space above a height of 45' exclusively for hotel purposes, appurtenant services, or restaurants. The portion of a hotel structure at the property line adjacent to a public street (except Wilshire Boulevard) shall not exceed forty-five feet (45') in height. Maximum hotel height may be permitted along any alley, except that the portion of a hotel constructed at the intersection of an alley and a public street shall not exceed the maximum height permitted for such public street in accordance with this Article. The transitional height from the property line to the maximum height permitted on the site shall be subject to approval under the conditional use permit process. No portion of a hotel shall exceed the following height restrictions in any C3H Zone:

(a) Zone C3H-1. A maximum height of ninety feet (90') for one hotel, and a maximum height of sixty feet (60') for any other hotels.

(b) Zone C3H-2. A maximum height of sixty feet (60').

(c) Zone C3H-3. A maximum height of one hundred twenty feet (120') along the north side of Wilshire Boulevard for one hotel, and a maximum height of ninety feet (90') for any other hotels.

Sec. 10-3.1853. Maximum Hotel Guest Rooms.

The maximum number of guest rooms which may be developed under this Article:

(a) Shall not exceed an aggregate of Six Hundred (600) rooms;

(b) Shall not exceed Four Hundred (400) rooms in any Zone;

(c) Shall not exceed Three Hundred (300) rooms in any hotel.

Sec. 10-3.1854. Maximum Public Assembly Areas.

Hotel public assembly capacity shall be set by the Planning Commission under the conditional use permit and the maximum capacity shall not exceed an aggregate of Four Hundred and Fifty (450) persons under this Article.

Sec. 10-3.1855. Adoption of Ordinance.

If a majority of the voters voting on this matter at the November 6, 1984 General Election approve its adoption, this Article shall be deemed adopted upon certification of the results of said election, and shall go into effect ten (10) days thereafter pursuant to Elections Code Section 4013. Upon adoption, this Article shall not be amended or repealed except upon submission to an election and approval by a majority of the voters voting on such amendment or repeal.

Section 2. Section 10-3.301 of Article 3 of Chapter 3 of Title 10 of the Beverly Hills Municipal Code is hereby amended to add the following zones:

C3H-1	Hotel Overlay Zone
C3H-2	Hotel Overlay Zone
C3H-3	Hotel Overlay Zone

Section 3. The Official Zoning Map of the City of Beverly Hills, January, 1962, as referenced in Section 10-3.302, a copy of which is on file in the office of the City Clerk and is incorporated into the Beverly Hills Municipal Code by reference,

87 0 4 0 5 4 4 5 5 7

is hereby amended to designate the boundaries of the C3H-1, C3H-2 and C3H-3 Zones as shown on the Zone Map attached hereto and by reference made a part of Article 3 of Chapter 3 of Title 10.

Section 4. The Council of the City of Beverly Hills has duly considered the evaluation and analysis of environmental impacts of this ordinance, and determined no significant adverse impacts will result from the adoption and implementation of this ordinance.

Section 5. The City Clerk shall cause this ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code; shall certify to the adoption of this ordinance and shall cause this ordinance and her certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Adopted

ATTEST:

ANNABELLE HEIFERMAN
Mayor of the City of
Beverly Hills, California

JEAN M. USHIJIMA, City Clerk

Approved as to form for
the City Attorney:

JOHN O'CONNOR
Assistant City Attorney

Approved as to content:

EDWARD S. KREINS
City Manager

IRWIN M. KAPLAN
Planning Director

4.6.58

87040644568

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

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

DATE: JANUARY 8, 1985

SUBJECT: MUR 1859 - First General Counsel's Report dated January 7, 1985

The above-captioned matter was circulated to the Commission on a 24 hour no-objection basis at 11:00, January 7, 1985.

There were no objections to the First General Counsel's Report at the time of the deadline.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel

DATE: January 7, 1985

SUBJECT: MUR 1859 - First General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[ ]	Compliance	[X]
Sensitive	[ ]		
Non-Sensitive	[ ]	Audit Matters	[ ]
24 Hour No Objection	[X]	Litigation	[ ]
Sensitive	[X]		
Non-Sensitive	[ ]	Closed MUR Letters	[ ]
Information	[ ]	Status Sheets	[ ]
Sensitive	[ ]		
Non-Sensitive	[ ]	Advisory Opinions	[ ]
Other	[ ]	Other (see distribution below)	[ ]

9704045570

SENSITIVE

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

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

85 JAN 7 A8:43

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION 1/7/85-8:45

MUR 1859
DATE COMPLAINT RECEIVED BY OGC November 2, 1984
DATE OF NOTIFICATION TO RESPONDENTS December 3, 1984
STAFF MEMBER Charles N. Snyder

COMPLAINANT'S NAME: Gloria Grossman
per Peter Bagatelos, Esq.

RESPONDENTS' NAMES: Community Campaign Committee
Yes on F Committee
Four Seasons Hotel Limited
W.B.J. Properties, Inc.
D.M.G. Limited

RELEVANT STATUTE: 2 U.S.C. § 431(4)(A), 433, 434, 441a, 441b, 441e;
11 C.F.R. § 114.4(b)(2)(i)

INTERNAL REPORTS CHECKED:

Summary of Allegations

This matter was generated by a complaint filed with the Commission on November 2, 1984 by Peter A. Bagatelos, Esq. on behalf of Gloria Grossman. */ The Complaint named five Respondents. Among these, the Community Campaign Committee ("CCC") and the "Yes on F" Committee ("Yes on F") are both political committees registered with the Secretary of State of California and not with the Federal Election Commission. The remaining Respondents, all of whom contributed money to Yes on F, include the following: Four Seasons Hotel Limited ("Four Seasons"), a Canadian corporation; W.B.J. Properties, Inc.

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*/ This report was transmitted to the Commission on November 30, 1984.

9 7 0 4 0 4 4 5 7 1

("WBJ"), a Georgia corporation; and D.M.G. Limited ("DMG"), a California partnership.

It appears that the corporate Respondents established Yes on F as their vehicle for supporting Proposition F, which was at issue in Beverly Hills, California in the November 1984 election. Yes on F, in the disclosure statement required under California law, reported that it received $120,583.33 in contributions. Of this amount, $20,750 consisted of non-monetary contributions. All of the $99,833.33 in monetary contributions came from two sources: $54,500 from Four Seasons and $45,333.33 from WBJ. Yes on F also received a $5000 contibution in the form of a loan (since repaid) from DMG.

CCC, for its part, appears to be a creature of Yes on F. All of the $8500 in contributions reportedly received by CCC came from Yes on F. It follows then that the $1408 CCC reported spending derived entirely from corporate contributors, one of whom was a Canadian corporation.

The money CCC spent went for a mailing in Beverly Hills ostensibly designed to exhort voters to take advantage of California's liberal absentee voting law. (See attachment 1). This literature stressed that anyone, for any reason, could vote by mail instead of going to the polls. Purportedly to assist voters who chose to take advantage of this law, CCC included in its mailing an "Absentee Voting Guide". According to complainant, registered Republicans received only a Republican guide, and registered Democrats a Democratic guide. Each guide set forth the "official" position of the particular party as to the election for President and Congress, as well as on three

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local elections and ninteeen state and local referenda. Significantly, the fact that both major parties argued a "Yes" vote on Proposition F was reported in bolder print than the information concerning the other referenda.

The pith of the complaint is that the CCC's mailing, because it included suggestions on how one major party or the other would wish the recipient to vote in the elections for President and Congress, involved spending for the purpose of influencing Federal elections. From that premise, Complainant concludes that Respondents violated the Act on various grounds.

First, Complainant alleges, the funds CCC spent to influence a Federal election derived originally from corporations. Hence, the making of such contributions would entail a violation of 2 U.S.C. § 441b by the corporations. Second, the Four Seasons contribution would violate the prohibition against contributions by foreign nationals. 2 U.S.C. § 441e. Third, CCC and Yes on F allegedly violated 2 U.S.C. § 441b by accepting contributions prohibited by the Act.

In addition to the foregoing allegations, one should note that if the expenditures in question are deemed to have been made for the purpose of influencing a Federal election, both CCC and Yes on F would have become political committees for puropses of Federal election law. 2 U.S.C. § 431(4)(A). It would appear then, that the Committees would have violated the Act by failing to register and report with the FEC in accordance with 2 U.S.C. §§ 433 and 434.

3 7 0 4 0 5 4 1 6 7 3

Factual and Legal Analysis

The complaint in this MUR was received November 2, 1984. Notification letters were sent to the Respondents on December 3, 1984. CCC and Yes on F have not responded to the complaint. The remaining Respondents have answered the allegations as follows.

On December 13, DMG asserted that it is not a corporation but a partnership, and all partners are U.S. citizens. Consequently, it concludes, it could not have violated any of the statutes cited in the complaint. WBJ, on December 13, stated through counsel that it never intended its contributions to Yes on F to be used for any purpose other than the support of Proposition F; such spending, moreover, was permissible under California law. Finally, counsel for Four Seasons, on December 19, requested a 30-day extension of time permitted for response, on the grounds of illness of counsel and the fact that pertinent records are located in California, while Respondent is based in Toronto and its counsel in Washington, D.C. Upon consideration of all the circumstances, this Office granted Respondent a fifteen day extension. The response is now due January 10, 1985.

This Office will report its recommendations to the Commission after the expiration of Respondents' time to reply.

Charles N. Steele
General Counsel

January 4, 1985
Date

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

8704064574

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1984

John D. Holum, Esquire
O'Melveny & Myers
1800 M Street, N.W.
Washington, D.C. 20036

Re: MUR 1859
Four Seasons Hotels, Limited

Dear Mr. Holum:

This is in response to your letter dated December 19, 1984, requesting an extension of 30 days in which to respond to the complaint in the above-referenced case.

Upon consideration of the circumstances you cite, and with due regard for the responsibility of the Commission to deal expeditiously with matters under review, this Office hereby grants an extension only until January 10, 1985.

If you have any questions, please contact Charles W. Snyder, the attorney handling this matter, at 523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704464673

RECEIVED AT THE FEC
GC #6121
1980 DEC 31 A 8:24

December 26, 1980

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

RE: MUR 1859

Dear Mr. Snyder,

Last week, I sent you a letter regarding this matter. In the letter, I made reference to the fact that I was enclosing copies of the subject mailings for your inspection and information. However, I neglected to place the copies in the envelope before I mailed it.

Enclosed are the copies of the mailing for inclusion in your file on this matter.

Sincerely,

Irene Kleinberg

Encls.

9701041570

ommunity Campaign Committee
3701 Riverside Dr., Suite 600
herman Oaks, CA 91423

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

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It's as simple as A, B, C !

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B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

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Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President

Walter Mondale
Geraldine Ferraro

U.S. Congress

Anthony C. Beilenson
Incumbent

California Assembly

Gray Davis
Incumbent

L.A. Superior Court Office #30

Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38

Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS

(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — **No**
#26 — Yes	#31 — Yes	#37 — **No**
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#29 — Yes	#34 — Yes	#40 — **No**
		#41 — **No**

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

3 7 0 1 0 4 4 5 7 9

TEAR HERE

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

X

Registered Name

Registered Address

(City) (State) (Zip)

PLEASE SEND AN ABSENTEE BALLOT TO:

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

SIGN AND MAIL BY OCTOBER 27, 1984

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

VOTING BY MAIL —
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It's Easy!
It's Convenient!

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — **No**	#37 — **No**
#26 — **No**	#31 — Yes	#38 — Yes
#27 — **No**	#32 — **No**	#39 — Yes
#28 — Yes	#33 — Yes	#40 — **No**
#29 — Yes	#34 — Yes	#41 — **No**
	#36 — **No Recommendation**	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group R

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.
2. Proposition "F" will restrict hotels to the business triangle.
3. Proposition "F" will mandate free off-street parking for all employees.
4. Proposition "F" will ensure plentiful parking for guests.
5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.
6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.
7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

VOTING BY MAIL —
It's Legal!
It's Easy!
It's Convenient!

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Registered Address

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

RECEIVED AT THE FEC
FCC#6079
84 DEC 26 A 9:27

Charles Snyder
Federal Election Commission
1325 K. St., NW
Washington, DC 20463

December 20, 1984

RE: MUR 1859

Dear Mr. Snyder,

We have received your letter of December 3, 1984 regarding this matter and we wish to offer the following facts concerning our involvement in the mailing in question:

1. We were contacted by representatives of the Yes on F Committee and asked to produce a mailer to voters for their campaign;

2. We quoted them a price that included all costs of production and mailing, including printing, postage, creative fees, etc.;

3. They accepted our offer and supplied all material to us for inclusion in the mailer;

4. Our arrangement with the Yes on F Committee gave us no discretion or control over the matters to be dealt with in the mailer or the candidates and positions to be included in the "slate" portion of the mailer;

5. In payment for our services and the costs of production, we received checks from the Yes on F Committee, drawn on local banks;

6. To the best of our knowledge, the Yes on F Committee was a registered political election campaign committee, located in Beverly Hills, California and registered with the Secretary of State of California;

7. Until we received your letter and the copy of the complaint, we had no knowledge of the source of funds received by the Yes on F Committee, nor had we any reason to believe that officials of the Yes on F Committee would not be aware of and in compliance with all state and federal campaign laws.

I believe that the above facts make it clear that we did not "knowingly accept or receive any contribution prohibited" by the sections cited in the complaint. Furthermore, I believe that an inspection of the mailing in question will show that the inclusion of federal candidates was incidental to the mailing, which was, in fact, designed only to elicit absentee votes for the Yes on F position in the local Beverly Hills election. (I am enclosing full copies of the subject mailings for your inspection and information.)

--cont'd.

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Should it become necessary, I would be willing to attest to all of the information in this letter under oath.

I hope that this information is helpful to your efforts to resolve this matter. If you have any further questions, or require any further information, please let us know.

Sincerely,

Irene Kleinberg

Irene Kleinberg
Treasurer
Community Campaign Committee

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ommunity Campaign Committee
3701 Riverside Dr., Suite 600
herman Oaks, CA 91423

Charles Snyder
Federal Election Commission
1325 K St., NW
Washington, DC 20463

12 DEC 26 A 9:27

GCL#6046

RECEIVED BY THE FEC

HAND DELIVERED

WILLIAM T. COLEMAN, JR.
WARREN CHRISTOPHER
CHARLES G. BAKALY, JR.
JOHN H. RONEY
RICHARD C. WARMER
MICHAEL T. MASIN
BEN E. BENJAMIN
DONALD T. BLISS
GARY N. HORLICK
RICHARD G. PARKER
CARL R. SCHENKER, JR.
ARTHUR B. CULVAHOUSE, JR.

ZOE E. BAIRD
AARON S. BAYER
DAVID T. BEDDOW
JOHN H. BEISNER
JUDITH HIPPLER BELLO
JOSHUA B. BOLTEN
DAVID T. DASEF
RANDOLF HURST HARDOCK
JOHN D. HOLUM
VALERIE A. LEE
JACOB M. LEWIS
MARGARET McFARLAND
MARK D. PLEVIN
JOSHUA M. RAFNER
SUSAN S. RICHARDSON
CHRISTOPHER W. SAVAGE
ELIZABETH A. SNYDER
ANNE F. STRASSFELD
STUART A. STREICHLER
REBECCA K. TROTH

O'MELVENY & MYERS
1800 M STREET, N. W.
WASHINGTON, D. C. 20036-5857
TELEPHONE (202) 457-5300
TELEX 89-622 (202) 833-3672 (DDD)

LOS ANGELES, CALIFORNIA 90071-2899
TELEPHONE (213) 669-6000
TELEX 67-4122 · 4997795 (ITT)

1800 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-1589
TELEPHONE (213) 553-6700
TELEX 67-4097

SUITE 1700
610 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660-6429
TELEPHONE (714) 760-9600 · (213) 669-6000
TELEX (714) 720-1397 (DDD) · 4722068 (ITT)

660 FIFTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 247-4040
TELEX 127008

26, COURS ALBERT 1er
75008 PARIS, FRANCE

December
19th
1 9 8 4

WRITER'S DIRECT TELEPHONE
(202) 457-5319

OUR FILE NUMBER
278,234-1

The Office of the General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Charles Snyder, Esquire

Re MUR 1859, Request for Extension of Time

Dear Mr. Snyder:

This letter constitutes the formal request of Respondent Four Seasons Hotels, Limited, for a thirty (30) day extension of time for Respondent's demonstration, pursuant to 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.6, that no action should be taken by the Commission in connection with the above-referenced Matter Under Review. We understand that the Respondent has supplied its designation of O'Melveny & Myers as counsel in this matter directly to the Commission.

The notice of the complaint was received by this Respondent on December 11, 1984. Since the response initially was due "within fifteen (15) days from receipt" of the complaint, and pursuant to the general rule on computation of time set forth in 11 C.F.R. § 111.2(a), we calculate that the requested extension would move the deadline for this submission from December 26, 1984 to January 25, 1985.

Respondent's need for an extension is occasioned in part by the recent illness of the undersigned, who will be the attorney principally responsible for preparing this filing. In addition, preparation of the filing will require

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examination of files and documents that are located on the West Coast, as well as interviews of a number of people who may have relevant knowledge. These time-consuming processes likely will be further extended due to interruptions during the Holiday period.

Thank you for your consideration of this request. If you have questions, please contact the undersigned at 457-5319.

Sincerely,

John Holum

John D. Holum
for O'MELVENY & MYERS
Attorneys for Respondent
Four Seasons Hotels, Limited

JDH:fhm

8704141686

RECEIVED AT THE FEC
HAND DELIVERED
84 DEC 18 A10:46
GCC#6018

December 17th, 1984

Mr. Kenneth A. Gross
Federal Election Commission
1325 K Street, N.W.
Washinton, D.C.
20463

Re: MUR 1859

Dear Sirs:

Further to your letter of December 3rd, 1984 attached please find Statement of Designation of Counsel.

Yours very truly,

P. Moore

Patricia A. Moore
Assistant Secretary

PAM*eve
Enc.

cc: K. Burgweger

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1859

NAME OF COUNSEL: O'MELVENY & MYERS

ADDRESS: 1800 M Street N.W.
Washington, D.C. 20036
Att: John Holum

TELEPHONE: 202-457-5300

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.

Dec. 17, 1984
Date

P.A. Moore
Signature

RESPONDENT'S NAME: FOUR SEASONS HOTELS LIMITED

ADDRESS: 1100 Eglinton Ave. East
Don Mills, Ontario
Canada M3C 1H8

Attn: Ms. P.A. Moore, Assistant Secretary

HOME PHONE: ~~416-441-4312~~

BUSINESS PHONE: 416-441-4312

2704746983

D M G, LIMITED
439 NORTH BEDFORD DRIVE
SUITE 1000
BEVERLY HILLS, CALIFORNIA 90210
(213) 273-9930 - (213) 276-7083

RECEIVED AT THE FEC
GCC#5979
84 DEC 17 A9:56

December 13, 1984

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

RE: MUR 1859

Gentlemen:

Pursuant to that certain letter dated November 1, 1984 directed to you by Mr. Peter A. Bagatelos of Bagatelos and Fadem, Attorneys, on behalf of their client, Gloria Grossman, please be advised as follows.

DMG, Ltd. is not a corporation; rather, it is a California General Partnership. Furthermore, all of the partners of the partnership are individuals who are United States citizens.

Therefore, we are unaware of any basis for any claim against us. In light of the above, we do not see any need to pursue the matter further. If this is incorrect contact the undersigned.

Very truly yours,

DMG, Ltd.

Daniel Gottlieb
General Partner

DG/sjw

3704044589

D M G. LIMITED

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

AUG 17 PM 4:54

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 3, 1984

Ms. Gloria Grossman
c/o Bagatelos & Fadem
One Maritime Plaza
Suite 2500
San Francisco, California 94111

Dear Ms. Grossman:

This letter is to acknowledge receipt of your complaint which we received on November 2, 1984, against Community Campaign Committee, "Yes on F" Committee, Four Seasons Hotel, Limited, W.B.J. Properties, Inc., and D.M.G. Limited, which alleges violations of the Federal Election Campaign laws. Due to administrative inadvertence, we have been unable to process your complaint until the present. A staff member has now been assigned to analyze your allegations. The respondent will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedure for handling complaints. If you have any questions, please contact Barbara A. Johnson at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure

9 7 0 1 0 5 4 1 5 9 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 3, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Community Campaign Committee
13701 Riverside Drive
Suite 600
Sherman Oaks, California 91423

Re: MUR 1859

Dear Sir/Madam:

This letter is to notify you that on November 2, 1984 the Federal Election Commission received a complaint which alleges that Community Campaign Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Due to administrative inadvertence, we have been unable to process this complaint until now. A copy of the complaint is enclosed. We have numbered this matter MUR 1859. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against Community Campaign Committee in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain 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 matter to be made public.

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.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

87044169

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 3, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

"Yes on F" Committee
400 South Beverly Drive
Beverly Hills, California 90212

Re: MUR 1859

Dear Sir/Madam:

This letter is to notify you that on November 2, 1984 the Federal Election Commission received a complaint which alleges that "Yes on F" Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Due to administrative inadvertence, we have been unable to process this complaint until now. A copy of the complaint is enclosed. We have numbered this matter MUR 1859. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against "Yes on F" Committee in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain 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 matter to be made public.

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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If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

9704046625

FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

December 3, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Four Seasons Hotel, Limited
1100 Elginton Avenue East
Toronto, Ont.
Canada M3214B

Re: MUR 1859

Dear Sir/Madam:

This letter is to notify you that on November 2, 1984 the Federal Election Commission received a complaint which alleges that Four Seasons Hotel, Limited may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Due to administrative inadvertence, we have been unable to process this complaint until now. A copy of the complaint is enclosed. We have numbered this matter MUR 1859. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against Four Seasons Hotel, Limited in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain 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 matter to be made public.

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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If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

87044646 97

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 3, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

W.B.J. Properties, Inc.
3414 Peachtree Road
Atlanta, Georgia 30326

Re: MUR 1859

Dear Sir/Madam:

This letter is to notify you that on November 2, 1984 the Federal Election Commission received a complaint which alleges that W.B.J. Properties, Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Due to administrative inadvertence, we have been unable to process this complaint until now. A copy of the complaint is enclosed. We have numbered this matter MUR 1859. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against W.B.J. Properties, Inc. in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain 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 matter to be made public.

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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If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

27044699

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 3, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

D.M.G. Limited
439 North Bedford Drive
Beverly Hills, California 90210

Re: MUR 1859

Dear Sir/Madam:

This letter is to notify you that on November 2, 1984 the Federal Election Commission received a complaint which alleges that D.M.G. Limited may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Due to administrative inadvertence, we have been unable to process this complaint until now. A copy of the complaint is enclosed. We have numbered this matter MUR 1859. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against D.M.G. Limited in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain 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 matter to be made public.

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.

2 7 0 1 0 4 1 7 0

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

87040417001

OGC# 5464

RECEIVED AT THE FEC

HAND DELIVERED

84 NOV 2 P12:01

LAW OFFICES OF
BAGATELOS & FADEM
ATTORNEYS AT LAW
ONE MARITIME PLAZA
SUITE 2500
SAN FRANCISCO, CALIFORNIA 94111

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 362-1940

MUR 1859

November 1, 1984

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: Danny McDonald, Chairman

Dear Mr. McDonald:

Pursuant to Title 2 of the United States Code Section 437g(a)(1), we are filing a complaint on behalf of our client, Gloria Grossman, with the Commission regarding an apparent violation of the Federal Election Campaign Act of 1971, as amended (hereafter "the Act"), by a committee known as the "Community Campaign Committee," a committee known as the "Yes on F" Committee, and corporate contributors to the "Yes on F" Committee.

We believe that the above described entities violated the Act through the sending of slate mailers in the City of Beverly Hills, California, which advocate support of presidential, vice presidential and congressional candidates, inter alia, whereby the costs of the slate mailers have been financed with funds from domestic and foreign corporations.

The Community Campaign Committee is registered with the California Secretary of State as a political committee. The address of the Committee is 13701 Riverside Drive, Suite 600, Sherman Oaks, California 91423. Its I.D. Number is 841891. The Yes on F Committee is registered with the California Secretary of State's office. Its I.D. Number is 841947 and its purpose is to support Measure F on the Beverly Hills, California election ballot on November 6, 1984.

The Yes on F Committee has filed campaign statements, as required by the California Political Reform Act of 1974, as amended. Enclosed are copies of the committee reports for your review. The reports reveal that $99,833.33 in monetary contributions were received by the Yes on F Committee from two corporate entities. One of which is headquartered in Toronto, Canada. A $5,000.00 loan, (which was repaid), was received from a Beverly Hills limited partnership named D.M.G. Ltd. The contributors have identified themselves as follows:

1) Four Seasons Hotel Limited
   1100 Eglinton Avenue East
   Toronto, Ont.
   Canada
   $54,500.00

2) W.B.J. Properties, Inc.
3414 Peach Tree Road
Atlanta, GA 30326
$45,333,33

3) D.M.G. Ltd.
439 North Bedford Drive
Beverly Hills, CA
$5,000.00 (loan)

We are informed and believe that the Four Seasons Hotel and W.B.J. Properties are corporations, and that Four Seasons Hotel is a foreign corporation.

The Yes on F report shows an $8,500.00 expenditure to the Community Campaign Committee mailing services. The campaign reports (attached) of the Community Campaign Committee reveal as its only receipts the $8,500.00 referenced above.

During October, 1984, the Community Campaign Committee mailed campaign literature to Beverly Hills residents containing a voting guide, which included endorsements of presidential, vice presidential, and congressional candidates for office. Copies of two such mailings, one to a Democratic voter and the other to a Republican voter are included herewith.

Since the Yes on F Committee's and the Community Campaign Committee funds are derived almost exclusively from domestic and foreign corporations, it seems very clear that the mailings referenced above have been financed with corporate and foreign monies, in violation of the Act. Applicable Sections are discussed below.

It is unlawful for any corporation whatever to make a contribution or expenditure in connection with any election of any candidate to any federal office. (2 U.S.C. Section 441b; 11 Code of Federal Regulations Section 114.1(b))

In addition, it is unlawful for a foreign national, including foreign based corporations, directly or through any other person to make any contribution in connection with the election of candidates to any political office (2 U.S.C. Section 441e; 11 Code of Federal Regulations Section 110.4(a)(1)).

It is our position that the sections above prohibiting corporate contributions have been violated by the Four Seasons Hotel and W.B.J. Properties, Inc. The sections prohibiting contributions by foreign nationals has been violated by the Four Seasons Hotel.

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Furthermore, the above referenced sections make it unlawful for any person to knowingly accept or receive any contribution prohibited by the above sections. (2 U.S.C. Section 441b; 11 Code of Federal Regulations Section 114.2(c); 2 U.S.C. Section 441e; and 11 Code of Federal Regulations Section 110.4(a)(2)). Accordingly, it is our position that the Yes on F Committee and Community Campaign Committee have violated each of the foregoing sections.

We respectfully request that the Commission invoke its authority pursuant to 2 U.S.C. Section 437d, 437g, and 11 Code of Federal Regulations Part 111, to investigate and take appropriate enforcement actions against the persons responsible for violations under the Act, as alleged above.

I declare under penality of perjury that the foregoing is true and correct to the best of my knowledge.

Sincerely,

Peter A. Bagatelos

Peter A. Bagatelos

PAB:ask

Original and 3 copies enclosed

(Individual)

STATE OF CALIFORNIA
COUNTY OF San Francisco } SS.

On November 1, 1984 before me, the undersigned, a Notary Public in and for said State, personally appeared

Peter Bagatelos

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name subscribed to the within instrument and acknowledged that executed the same.

WITNESS my hand and official seal.

Signature

Name (Typed or Printed)

STC 67

STAPLE HERE

OFFICIAL SEAL
KAREN WILLIAMS
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
My Comm. Expires Oct. 13, 1987

(This area for official notarial seal)

3 7 9 1 1 9 1 4 4 1 7 9 4

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

B. Mail it at any post office or mail box, or give it to the person who delivers the mail at your home or office. (No postage is necessary.)

C. Wait until you receive your voting materials from the L.A. county Registrar of Voters in a few days. Then follow the simple instructions on how to cast your ballot!

IMPORTANT REMINDER !

Keep this voting guide in a convenient place. It will be an important voting aid when your absentee ballot arrives!

Your Beverly Hills Absentee Voting Guide !

President/Vice President
Walter Mondale
Geraldine Ferraro

U.S. Congress
Anthony C. Beilenson
Incumbent

California Assembly
Gray Davis
Incumbent

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the L.A. County Democratic Party)

#25 — Yes	#30 — Yes	#36 — No
#26 — Yes	#31 — Yes	#37 — No
#27 — Yes	#32 — Yes	#38 — No
#28 — Yes	#33 — Yes	#39 — No
#29 — Yes	#34 — Yes	#40 — No
		#41 — No

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group D

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name

Adam Grossman

Registered Address

610 N Linden Dr

Beverly Hills, Ca 90210

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

2. Proposition "F" will restrict hotels to the business triangle.

3. Proposition "F" will mandate free off-street parking for all employees.

4. Proposition "F" will ensure plentiful parking for guests.

5. Proposition "F" will provide adquate holding areas for taxis, limousines and visitors.

6. Proposition "F" will limit the total number of rooms that can be built in the business triangle to 600.

7. Proposition "F" will enhance life in Beverly Hills by contributing significantly to the tax revenues of the City, thereby guaranteeing our police, fire and other city services.

Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

★ ★ ★ ★ ★ ★ ★

VOTING BY MAIL —
It's Legal !
It's Easy !
It's Convenient !

★ ★ ★ ★ ★ ★

CAR RT SORT *CR 45
Adam Grossman
610 N Linden Dr
Beverly Hills Ca 90210

Who Can Vote By Mail?

Changes in the law make it legal for any registered voter to vote by mail for any reason!

Why Vote By Mail?

You should sign and return the attached "vote by mail" application if you think there is a chance you might not be able to go to the polls on Election Day, Nov. 6, for any of the following reasons:

1. You may be out of the city or out of the state;
2. Your business schedule may be so busy that it might not be convenient for you to get to the polls;
3. Personal or family matters might make it difficult for you to go to the polls;
4. Illness or incapacitation will prevent you from going to the polls;
5. Any other reason you may have for wanting to vote in the privacy of your own home rather than going to the polls on Election Day.

How To Vote By Mail —

It's as simple as A, B, C !

A. Sign the attached application in the proper place.

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Your Beverly Hills Absentee Voting Guide !

President/Vice President
Ronald Reagan
George Bush

U.S. Congress
Claude Parrish
23rd District

California Assembly
Robert Malouf
43rd District

L.A. Superior Court Office #30
Sherman W. Smith, Jr.
Judge, Municipal Court

L.A. Superior Court Office #38
Rosemary Shumsky
Judge, Municipal Court

STATE PROPOSITIONS
(Official Positions of the Calif. Republican Party)

#25 — Yes	#30 — **No**	#37 — **No**
#26 — **No**	#31 — Yes	#38 — Yes
#27 — **No**	#32 — **No**	#39 — Yes
#28 — Yes	#33 — Yes	#40 — **No**
#29 — Yes	#34 — Yes	#41 — **No**
	#36 — **No Recommendation**	

L.A. COUNTY PROPOSITIONS

Prop. A — Yes
Prop. B — Yes

BEVERLY HILLS CITY PROPOSITION

Prop. F — **YES**

Paid for by: **Community Campaign Committee**
256 South Robertson, Suite 8371, Beverly Hills, CA 90211
Not An Official Political Group

R

TEAR HERE

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 4054 BEVERLY HILLS, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Community Campaign Committee
256 S. Robertson, Suite 8371
Beverly Hills, CA 90211

SIGN AND MAIL BY OCTOBER 27, 1984

PLEASE SEND AN ABSENTEE BALLOT TO:

Registered Name
Brian Grossman

Registered Address
610 N Linden Dr

Beverly Hills, Ca 90210

If you wish to have your ballot mailed to an address other than the one at which you are registered, please provide the mailing address below:

(Name)

(Street Address)

(City) (State) (Zip)

X

Sign as Registered Above (Do Not Print) (Date) (Phone Number)

TEAR HERE

Seven Reasons to Vote YES on "F"

1. Proposition "F" will preserve the residential environment of Beverly Hills and restrict uncontrolled growth of hotels.

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Community Campaign Committee
256 South Robertson, Suite 8371
Beverly Hills, CA 90211

Bulk Rate
U.S. Postage
PAID
Permit No. 1832
Beverly Hills, Calif.
Cr. Rt. Sort

CAR RT SORT *CR 45
Brian Grossman
610 N Linden Dr
Beverly Hills Ca 90210

VOTING BY MAIL —
It's Legal !
It's Easy !
It's Convenient !

Form 420
1984

RECIPIENT COMMITTEE CAMPAIGN STATEMENT

(Government Code Sections 84200—84217)

For use by recipient committees which receive a cumulative contribution of $100 or more from a single source.

(Type or Print in Ink)

Statement covers period from 9/18/84 through 10/20/84

A OFFICIAL USE ONLY

NAME OF COMMITTEE: Community Campaign Committee

I.D. NUMBER: applied for

ADDRESS OF COMMITTEE: NO. AND STREET 13701 Riverside Dr., Suite 600, CITY Sherman Oaks, STATE, ZIP CODE, AREA CODE 818 PHONE NUMBER 906-0960

NAME OF TREASURER: Irene Kleinberg

PERMANENT ADDRESS OF TREASURER: NO. AND STREET 13701 Riverside Dr., Suite 600, CITY Sherman Oaks, STATE, ZIP CODE, AREA CODE 818 PHONE NUMBER 906-0960

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): 11/6/84

TOTAL PAGES:

SPONSORING ORGANIZATION (IF APPLICABLE):

II IS THIS A CONTROLLED COMMITTEE?

(A controlled committee is one which is controlled directly or indirectly by a candidate or a proponent of a state ballot measure or which acts jointly with a candidate, controlled committee or proponent of a state ballot measure in connection with the making of expenditures. A candidate or proponent of a state ballot measure controls a committee if he or she, his or her agent, or any other committee he or she controls, has a significant influence on the actions or decisions of the committee.)

[ ] YES (Complete Section III below) [X] NO (Section III is not applicable)

III CANDIDATES OR STATE MEASURE PROPONENTS CONTROLLING THIS COMMITTEE; CANDIDATES, STATE MEASURE PROPONENTS OR COMMITTEES WITH WHICH THIS COMMITTEE ACTS JOINTLY.

NOTE: If this committee is controlled by more than one candidate, the name of each controlling candidate must be listed below.

NAME OF CANDIDATE, STATE MEASURE PROPONENT OR COMMITTEE	IDENTIFICATION NUMBER OF COMMITTEE OR TREASURER'S NAME AND PERMANENT STREET ADDRESS

Attach additional information on separately lettered continuation sheets.

VERIFICATION

C

D

E

F

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and that I have used all reasonable diligence in their preparation.

Executed on 10/25/84 (DATE) at Sherman Oaks Ca (CITY AND STATE) by Irene Kleinberg (SIGNATURE OF TREASURER)

A candidate or officeholder who controls a committee must also verify the campaign statement.

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and the treasurer of this committee has used all reasonable diligence in the preparation of this statement and its schedules.

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF CANDIDATE OR OFFICEHOLDER)

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES:

List all contributions (including loans) and independent expenditures itemized on Schedules E and F to support or oppose officeholders, candidates and ballot measures (other than those controlling this committee or for which this committee is primarily formed). Indicate the date of the expenditure, the office sought or held (or the measure's number or letter and if local measure, city or county), the amount of the expenditure and the cumulative amount to date. The "Cumulative to Date" column should include the sum total of expenditures for or against each candidate or measure since January 1 of the current calendar year. (See "Information Manual on Campaign Disclosure" for discussion and examples of "cumulation.")

ALLOCATION OF CONTRIBUTIONS AND EXPENDITURES MADE TO OR ON BEHALF OF OTHER CANDIDATES, OFFICEHOLDERS AND MEASURES (Allocate expenditures from Schedules E & F made to or on behalf of another candidate, officeholder or measure. Amounts may be rounded off to whole dollars.)

OFFICIAL USE ONLY	DATE	NAME OF CANDIDATE OR OFFICEHOLDER AND OFFICE OR MEASURE AND BALLOT NUMBER OR LETTER	CHECK ONE Support	CHECK ONE Oppose	AMOUNT	CUMULATIVE TO DATE
		NONE				

Attach additional information on appropriately labled continuation sheets.

CAMPAIGN DISCLOSURE STATEMENT SUMMARY PAGE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

	COLUMN A Cumulative total from previous period*	COLUMN B Total this period from attached schedules	COLUMN C Cumulative to date (Columns A + B)
CONTRIBUTIONS RECEIVED			
1. Monetary contributions	$ -0-	$ 8,500.00 (SCHEDULE A, LINE 1)	$ 8,500.00
2. Loans	-0-	-0- (SCHEDULE B, LINE 4)	-0-
3. Subtotal	$ -0- (LINES 1 + 2)	$ 8,500.00 (LINES 1 + 2)	$ 8,500.00 (LINES 1 + 2)
4. Non-monetary contributions	-0-	-0- (SCHEDULE C, LINE 3)	-0-
5. Pledges	-0-	-0- (SCHEDULE D, LINE 7)	-0-
6. TOTAL CONTRIBUTIONS	$ -0- (LINES 3 + 4 + 5)	$ 8,500.00 (LINES 3 + 4 + 5)	$ -0- (LINES 3 + 4 + 5 (SHOULD EQUAL LINE 6, COLUMNS A + B))
EXPENDITURES MADE			
7. Payments	$ -0-	$ 1,408.00 (SCHEDULE E, LINE 4)	$ 1,408.00
8. Accrued expenses (unpaid bills)	-0-	-0- (SCHEDULE F, LINE 4)	-0-
9. TOTAL EXPENDITURES	$ -0- (LINES 7 + 8)	$ 1,408.00 (LINES 7 + 8)	$ -0- (LINES 7 + 8 (SHOULD EQUAL LINE 9, COLUMNS A + B))

If this is the first report filed for the calendar year, Column A should be blank except for unpaid loans, bills and pledges.

STATEMENT OF CHANGES IN FINANCIAL CONDITION

10.	Cash on hand at the beginning of this period. (Line 14 of previous statement)	$ -0-
11.	Cash receipts this period (Line 3, Column B above)	8,500.00
12.	Miscellaneous adjustments to cash (Schedule G, Line 7)	-0-
13.	Cash payments this period (Line 7, Column B above)	1,408.00
14.	Cash on hand at closing date (Lines 10+11+12-13 above)*	7,092.00
15.	Outstanding debts (Line 2 + Line 8 of Column C above)	-0-
16.	Ending surplus (if Line 14 is greater than Line 15, subtract Line 15 from Line 14)	$ 7,092.00
17.	Ending deficit (if Line 15 is greater than Line 14, subtract Line 14 from Line 15)	$ ( )

Ending cash on hand should not be a negative amount.

SUMMARY FOR CANDIDATES IN BOTH A JUNE AND NOVEMBER ELECTION *(See Instructions on Reverse)*

	1/1 thru 6/30	7/1 to date
18. CONTRIBUTIONS RECEIVED:		
19. EXPENDITURES MADE:		

SCHEDULE A

MONETARY CONTRIBUTIONS RECEIVED
FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	AMOUNT CUMULATIVE TO DATE
10/3	Yes for F 400 S. Beverly Dr. Beverly Hills, CA		ID #841947	$4,250	
10/9	Yes for F 400 S. Beverly Dr. Beverly Hills, CA		ID #841947	$4,250	$8,500.00

☐ If more space is needed, check box at left and attach additional Schedules A.

SUBTOTAL $8,500.00

SUMMARY

1. AMOUNT RECEIVED – CONTRIBUTIONS OF $100 OR MORE (Include all Schedule A subtotals) . . . . . $ _____
2. AMOUNT RECEIVED – CONTRIBUTIONS OF LESS THAN $100 (Not itemized) . . . . . _____
3. TOTAL MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + Line 2) Enter here and on Line 1 Column B of Summary Page . . . . . $ _____

SCHEDULE B

LOANS

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE) applied for

PART 1 – LOANS RECEIVED

DATE REC'D	FULL NAME AND ADDRESS OF LENDER AND ANY GUARANTORS OR COSIGNERS (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	INT. RATE	AMOUNT OF LOAN	CUMULATIVE TO DATE
					NONE	NONE
☐	If more space is needed, check box at left and attach additional Schedules B, Part 1.		SUBTOTAL		NONE	

PART 2 – LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY:

DATE	FULL NAME AND ADDRESS OF THE LENDER	(a) AMOUNT REPAID	ENTER THIS DATA ON SCHEDULE A ALSO (b) AMOUNT FORGIVEN OR PAID BY THIRD PARTY	THIRD PARTY NAME AND ADDRESS	UNPAID BALANCE
☐	If more space is needed, check box at left and attach additional Schedules B, Part 2. SUBTOTAL	(a) NONE	(b) NONE		

SUMMARY

1. LOANS OF $100 OR MORE THIS PERIOD (Part 1) . . . . . $
2. LOANS UNDER $100 THIS PERIOD (Not itemized) . . . . . .
3. TOTAL LOANS RECEIVED THIS PERIOD (Line 1 + 2) . . . . . .
4. LOANS OF $100 OR MORE REPAID THIS PERIOD (Part 2, Column (a)) . . . . . .
5. LOANS OF $100 OR MORE THIS PERIOD FORGIVEN OR PAID BY A THIRD PARTY (Part 2, Column (b)) . . . . . .
6. LOANS UNDER $100 REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Not itemized) (Also enter this amount on Line 2 of Summary section of Schedule A) . . . . . .
7. TOTAL LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Line 4 + 5 + 6) . . . . . .
8. NET CHANGE THIS PERIOD (Subtract Line 7 from Line 3) Enter the difference here and on Line 2, Column B of Summary Page . . . . . $ NONE (May be negative figure)

SCHEDULE C

NON-MONETARY CONTRIBUTIONS RECEIVED

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	FAIR MARKET VALUE RECEIVED	CUMULATIVE AMOUNT
☐ If more space is needed, check box at left and attach additional Schedules C.				SUBTOTALS	NONE	

SUMMARY

1. NON-MONETARY CONTRIBUTIONS OF $100 OR MORE THIS PERIOD. . . . . $ _____
2. NON-MONETARY CONTRIBUTIONS UNDER $100 THIS PERIOD (Not itemized). . . . . _____
3. TOTAL NON-MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + 2) Enter here and on Line 4, Column B of Summary Page . . . . . $ NONE

SCHEDULE D

PLEDGES

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community ~~Comapiang~~ Campaign Committee

I.D. NUMBER (IF COMMITTEE) applied for

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT PLEDGED THIS PERIOD	AMOUNT PAID (ALSO ENTER ON SCHEDULE A)	CUMULATIVE PLEDGE UNPAID
☐	If more space is needed, check box at left and attach additional Schedules D.		SUBTOTALS	(a) NONE	(b) NONE	

SUMMARY

1. PLEDGES OF $100 OR MORE THIS PERIOD (Column (a)) . . . . . $ _____
2. PLEDGES UNDER $100 THIS PERIOD (Not itemized) . . . . . _____
3. TOTAL PLEDGES RECEIVED (Line 1 + 2) . . . . . _____
4. PLEDGES OF $100 OR MORE PAID THIS PERIOD (Column (b)) . . . . . _____
5. PLEDGES UNDER $100 PAID THIS PERIOD (Not itemized) (Also enter on Line 2 of the summary section of Schedule A) . . . . . _____
6. TOTAL PLEDGES PAID (Line 4 + 5) . . . . . _____
7. NET CHANGE THIS PERIOD (Subtract Line 6 from Line 3) Enter the difference here and on Line 5, Column B of Summary Page . . . . . $ NONE

(May be negative figure)

SCHEDULE E

PAYMENTS AND CONTRIBUTIONS MADE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the expenditure, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

IMPORTANT: Do not itemize the payment of accrued expenses on Schedule E. Report only the lump sum of these payments on Line 3 of the Summary section, below.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
U.S. Postmaster Beverly Hills, CA	L		$1,275.00
Barad & Levine 13701 Riverside Dr., Suite 600 Sherman Oaks, CA 91423	L		$131.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	$1,406.00

IMPORTANT: Contributions and expenditures on behalf of other candidates or committees must also be entered in the allocation section at the front of the campaign statement.

SUMMARY

1.	Payments of $100 or more made this period (Include all Schedule E Subtotals)	$ $1406.00
2.	Payments under $100 this period (not itemized)	$ 2.00
3.	Total Accrued Expenses paid this period (Schedule F, Line 4)	$ -0-
4.	Total Payments this period (Line 1 + 2 + 3) Enter here and on Line 7, Column B of Summary Page	$ $1408.00

SCHEDULE F

ACCRUED EXPENSES
(UNPAID BILLS)

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

CODES FOR CLASSIFYING ACCRUED EXPENSES

If one of the following codes is used to describe the accrued expense, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the accrued expense, leave the "Code" column blank and provide a written description in the "Description of Payment" column.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT ACCRUED
☐ If more space is needed, check box, and attach additional Schedules F		SUBTOTAL	NONE

IMPORTANT: Do not itemize the *payment* of accrued expenses on Schedules E or F. Report the lump sum of these payments on Schedule E, Line 3, and on Schedule F, Line 4. Do not re-itemize accrued expenses which have been reported in a previous period.

SUMMARY

1.	Accrued Expenses of $100 or More This Period	$	
2.	Accrued Expenses of Under $100 This Period (Not Itemized)		
3.	Total Accrued Expenses Incurred This Period (Line 1 + 2)		
4.	Accrued Expenses Paid This Period (Not Itemized) Enter here and on Schedule E, Line 3		
5.	Net Change This Period (Subtract Line 4 from Line 3), Enter difference here and on Line 8, Column B of Summary Page		NONE (May be negative figure)

SCHEDULE G

MISCELLANEOUS ADJUSTMENTS TO CASH POSITION

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9/18/84 THROUGH 10/20/84

NAME OF CANDIDATE OR COMMITTEE: Community Campaign Committee

I.D. NUMBER (IF COMMITTEE): applied for

DATE	DESCRIPTION OF ADJUSTMENT (IF THE ADJUSTMENT INVOLVES A COMMITTEE, OTHER THAN THE FILER, ENTER THE COMMITTEE'S NAME AND ADDRESS. ~~NAME~~ ENTER THE COMMITTEE'S I.D. NUMBER OR THE TREASURER'S NAME AND ADDRESS)	AMOUNT OF INCREASE TO CASH	AMOUNT OF DECREASE TO CASH
	If more space is needed, check box at left and attach additional Schedules G — SUBTOTAL	(a) NONE	(b) NONE

SUMMARY

1.	INCREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (a))	$
2.	INCREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
3.	TOTAL INCREASES TO CASH THIS PERIOD (Line 1 + Line 2)	
4.	DECREASES TO CASH OF $100 OR MORE THIS PERIOD (Column (b))	
5.	DECREASES TO CASH OF LESS THAN $100 THIS PERIOD (Not itemized)	
6.	TOTAL DECREASES TO CASH THIS PERIOD (Line 4 + Line 5)	
7.	TOTAL MISCELLANEOUS ADJUSTMENTS TO CASH THIS PERIOD (Line 3 minus Line 6) Enter here and on Line 12 of Summary Page	$ NONE (May be negative figure)

Copy 2nd Pd

Form 490
1983

CONSOLIDATED CAMPAIGN STATEMENT

(Government Code Sections 84200-84217)

For use by candidates/officeholders and their controlled committees.

(Type or Print in Ink)

Statement covers period from 9-18-84 through 10-22-84

OFFICIAL USE ONLY
Postmarked 10/24/84

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): November 6, 1984

TOTAL PAGES

I CANDIDATE/OFFICEHOLDER INCLUDED IN THIS CONSOLIDATED REPORT

NAME OF CANDIDATE

OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE)

RESIDENTIAL ADDRESS: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER

BUSINESS ADDRESS: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER

II CONTROLLED COMMITTEES* INCLUDED IN THIS CONSOLIDATED REPORT

NAME OF COMMITTEE: Yes on F | I.D. NUMBER: 841947

ADDRESS OF COMMITTEE: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
Ronald Lederman 113 No San Vicente Blvd., Beverly Hills, CA 90211 (213) 651-0960

NAME OF TREASURER: Ronald Lederman

PERMANENT ADDRESS OF TREASURER: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
113 No San Vicente Blvd., Beverly Hills, CA 90211 (213) 651-0960

NAME OF COMMITTEE | I.D. NUMBER

ADDRESS OF COMMITTEE: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER

NAME OF TREASURER:

PERMANENT ADDRESS OF TREASURER: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER

Attach additional information on appropriately labeled continuation sheets.

III CANDIDATE/OFFICEHOLDER ONLY: LIST ANY OTHER COMMITTEES NOT INCLUDED IN THIS CONSOLIDATED STATEMENT WHICH ARE PRIMARILY FORMED TO RECEIVE CONTRIBUTIONS OR MAKE EXPENDITURES ON BEHALF OF YOUR CANDIDACY.

COMMITTEE NAME AND I.D. NUMBER	COMMITTEE ADDRESS	TREASURER	Controlled Committee?* YES	NO

Attach additional information on appropriately labeled continuation sheets.

*(A controlled committee is one which is controlled directly or indirectly by a candidate or which acts jointly with a candidate or controlled committee in connection with the making of expenditures. A candidate controls a committee if the candidate, the candidate's agent, or any other committee he or she controls, has significant influence on the actions or decisions of the committee.)

VERIFICATION

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and that I have used all reasonable diligence in their preparation.

Executed on 10-23-84 (DATE) at Beverly Hills, CA (CITY AND STATE) by [signature] (SIGNATURE OF TREASURER(S))

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF TREASURER(S))

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and the treasurer(s) of this committee(s) has used all reasonable diligence in the preparation of this statement and its schedules.

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF CANDIDATE OR OFFICEHOLDER)

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part V.

CAMPAIGN DISCLOSURE STATEMENT SUMMARY PAGE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE): 841947

	COLUMN A Cumulative total from previous period*	COLUMN B Total this period from attached schedules	COLUMN C Cumulative to date (Columns A + B)
CONTRIBUTIONS RECEIVED			
1. Monetary contributions	$	$ 99,833.33 (SCHEDULE A, LINE 3)	$ 99,833.33
2. Loans		(SCHEDULE B, LINE 8)	
3. Subtotal	$ (LINES 1 + 2)	$ 99,833.33 (LINES 1 + 2)	$ 99,833.33 (LINES 1 + 2)
4. Non-monetary contributions	20,750	-0- (SCHEDULE C, LINE 3)	20,750.00
5. Pledges		(SCHEDULE D, LINE 7)	
6. TOTAL CONTRIBUTIONS	$ 20,750 (LINES 3 + 4 + 5)	$ 99,833.33 (LINES 3 + 4 + 5)	$ 120,583.33 (LINES 3 + 4 + 5 (SHOULD EQUAL COLUMNS A + B))
EXPENDITURES MADE			
7. Payments	$	$ 90,931.78 (SCHEDULE E, LINE 4)	$ 90,931.78
8. Accrued expenses (unpaid bills)		10,000.00 (SCHEDULE F, LINE 3)	10,000.00
9. TOTAL EXPENDITURES	$ (LINES 7 + 8)	$ 100,931.78 (LINES 7 + 8)	$ 100,931.78 (LINES 7 + 8 (SHOULD EQUAL COLUMNS A + B))

*If this is the first report filed for the calendar year, Column A should be blank except for unpaid loans, bills and pledges.

STATEMENT OF CHANGES IN FINANCIAL CONDITION

10. Cash on hand at the beginning of this period. (Line 14 of previous statement)	$ NONE	
11. Cash receipts this period (Line 3, Column B above)	99,833.33	
12. Miscellaneous adjustments to cash (Schedule G, Line 7)	NONE	
13. Cash payments this period (Line 7, Column B above)	90,931.78	
14. Cash on hand at closing date (Lines 10+11+12-13 above)*	8,901.55	
15. Outstanding debts (Line 2 + Line 8 of Column C above)	10,000.00	
16. Ending surplus (if Line 14 is greater than Line 15, subtract Line 15 from Line 14)		$ 8,901.55
17. Ending deficit (if Line 15 is greater than Line 14, subtract Line 14 from Line 15)		$ (1,098.45)

*Ending cash on hand should not be a negative amount.

SUMMARY FOR CANDIDATES IN BOTH A JUNE AND NOVEMBER ELECTION *(See Instructions on Reverse)*

	1/1 thru 6/30	7/1 to date
18. CONTRIBUTIONS RECEIVED:		120,583.33
19. EXPENDITURES MADE:		90,931.78

8704047

SCHEDULE A

MONETARY CONTRIBUTIONS RECEIVED
FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-18-84	10-22-84

NAME OF CANDIDATE OR COMMITTEE: Jes on F

I.D. NUMBER (IF COMMITTEE): 841947

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	AMOUNT CUMULATIVE TO DATE
	Four Seasons Hotels 1100 Eglinton Avenue Ext Toronto, ONT CANADA M3214B	Hotels	Same	10,000	
	Four Seasons Hotels 1100 Eglinton Avenue Ext Toronto, ONT CANADA M3214B	Hotels	Same	10,000	
	WBJ Properties Inc. 3414 Peachtree Road Atlanta, GA 30326	Realty	Same	10,000	
	Four Seasons Hotels 1100 Eglinton Avenue Ext Toronto ONT CANADA M3214B	Hotels	Same	34,500	
	WBJ Properties, Inc. 3414 Peachtree Road Atlanta, GA 30326	Realty	Same	35,333.33	
☐	If more space is needed, check box at left and attach additional Schedules A.		SUBTOTAL	99,833.33	

SUMMARY

1. AMOUNT RECEIVED, $100 OR MORE (Include all Schedule A subtotals)	$ 99,833.33	
2. AMOUNT RECEIVED LESS THAN $100 (Not itemized)	-0-	
3. TOTAL MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + Line 2) Enter here and on Line 1 Column B of Summary Page		$99,833.33

SCHEDULE B
LOANS
FORM 420, 430 OR 490
(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE) 841947

PART 1 – LOANS RECEIVED

DATE REC'D	FULL NAME AND ADDRESS OF LENDER AND ANY GUARANTORS OR COSIGNERS (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	INT. RATE	AMOUNT OF LOAN	CUMULATIVE TO DATE
	DMG Ltd.				5,000	5,000
☐	If more space is needed, check box at left and attach additional Schedules B, Part 1.		SUBTOTAL		5,000	5,000

PART 2 – LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY:

DATE	FULL NAME AND ADDRESS OF THE LENDER	(a) AMOUNT REPAID	ENTER THIS DATA ON SCHEDULE A ALSO: (b) AMOUNT FORGIVEN OR PAID BY THIRD PARTY	THIRD PARTY NAME AND ADDRESS	UNPAID BALANCE
	DMG Ltd.	5,000	-0-		-0-
☐	If more space is needed, check box at left and attach additional Schedules B, Part 2. SUBTOTAL	(a) 5,000	(b) -0-		

SUMMARY

1. LOANS OF $100 OR MORE THIS PERIOD (Part 1)	$	
2. LOANS UNDER $100 THIS PERIOD (Not itemized)		
3. TOTAL LOANS RECEIVED (Line 1 + 2)		5,000
4. LOANS OF $100 OR MORE REPAID THIS PERIOD (Part 2, Column (a))	5,000	
5. LOANS OF $100 OR MORE THIS PERIOD FORGIVEN OR PAID BY A THIRD PARTY (Part 2, Column (b))	-0-	
6. LOANS UNDER $100 REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Not itemized)	-0-	
7. TOTAL LOANS REPAID, FORGIVEN OR PAID BY A THIRD PARTY THIS PERIOD (Line 4 + 5 + 6)		5,000
8. NET CHANGE THIS PERIOD (Subtract Line 7 from Line 3) Enter the difference here and on Line 2, Column B of Summary Page		$ NONE (May be negative figure)

SCHEDULE E

PAYMENTS AND CONTRIBUTIONS MADE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-18-84	10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE): 841947

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Information Manu on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the expenditure, leave the "Code" column blank a provide a written description in the "Description of Payment" column.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	DESCRIPTION OF PAYMENT	AMOUNT PAID
Fairbank, Canapary & Maullin 447 Sutter San Francisco, California 94108	P	Public Opinion Research	7,500.00
B Sacks Assoc 11857 Riverside Drive North Hollywood, California 91607	N	Advertising	1,755.14
U.S. Postmaster	N	First Mailer	1,000.00
Irma Smith 317 South Elm Beverly Hills, California 90210	F	Caterer	3,000.00
Roz Segal P.O. Box 5092 Beverly Hills, California 90210	F	Kick-Off Party	105.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	13,360.14

SUMMARY

1.	Payments of $100 or more made this period (Include all Schedule E Subtotals)	$ 90,931.78
2.	Payments under $100 this period (not itemized)	$ -0-
3.	Total Accrued Expenses paid this period (Schedule F, Line 4)	$ -0-
4.	Total Payments this period (Line 1 + 2 + 3) Enter here and on Line 7, Column B of Summary Page	$ 90,931.78

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE) 841947

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of Schedule E and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

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NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
Petty Cash	G		500.00
Los Angeles Courier Service P.O. Box 17994 Los Angeles, California 90017	G	Delivery	9.35
Roz Segal 1069 South Hayworth Los Angeles, California 90035	G	Postage, Copies and Telephone	3,420.25
Post Newspaper Group P.O. Box 351617 Los Angeles, California 90035	N	Advertising	499.80
Beverly Stationers 422 North Beverly Drive Beverly Hills, California 90210	G	Index Cards	7.35
Community Campaign Committee 13701 Riverside Drive Sherman Oaks, California 91423	N	Mailing Services	8,500.00
Adwest Mailers 13013 Saticoy North Hollywood, California 91605	G	Labels	224.54
Roz Segal P.O. Box 5092 Beverly Hills, California 90210	P	Consultations	20,000.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	33,161.29

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-18-84	10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE): 841947

CODES FOR CLASSIFYING EXPENDITURES

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NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
Campaign Assoc P.O. Box 5002 Beverly Hills, California 90210	G	Postage	238.83
Dorothy Chilkov Assoc [illegible] South Beverly Drive Beverly Hills, California 90212	P	Campaign Administration	7,500.00
Ronald Lederman & Associ 113 North San Vicente Boulevard Beverly Hills, California 90211	P	Accounting Fees	1,250.00
Petty Cash	G	Salary, Auto, Food Delivery	419.47
U.S. Postmaster	G	Postage	200.00
U.S. Postmaster	G	Postage	1,249.00
Copyrite 9333 Wilshire Boulevard Beverly Hills, California 90212	G	Copies	134.62
Standard Lithography [illegible] South Westmoreland Los Angeles, California 90006	L	Invitations	1,272.68
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	12,264.60

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE) 841947

CODES FOR CLASSIFYING EXPENDITURES

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NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
B Sachs Assoc 11257 Riverside North Hollywood, Caliofrnia 91607	N	Letterhead	177.86
Campaign Assoc P.O. Box 5092 Beverly Hills, California 90210	G	Parking	160.00
Campaign Assoc P.O. Box 5092 Beverly Hills, California 90210	N	Postage, Advertising	2,606.60
Edward Crider 5476 Bohlig Road Los Angeles, California	P	Computer, Graphics, Research	1,417.50
Shirley Shainin	G	Salary	102.00
Lauren Beck	G	Salary	124.80
Shawna McKinley 4010 Calle Ariana San Clemente, California 92672	P	Victory Committee	500.00
L H C D C C Pac 6253 Hollywood Boulevard Los Angeles, California 90028	N	Mailers	1,000.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	6,088.76

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE) 841947

CODES FOR CLASSIFYING EXPENDITURES

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NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OF NAME AND ADDRESS OF TREASURER)	CODE	DESCRIPTION OF PAYMENT	AMOUNT PAID
Volt Temporary Services 12304 Santa Monica Boulevard Los Angeles, California 90025	I	Phone Bank	2,145.00
Jack Nadel Inc. 1900 West Temple Los Angeles, California 90074	F	Pens	772.45
Dorothy Chilkov Assoc 280 South Beverly Drive Beverly Hills, California 90212	G	Auto, Entertainment Phone, Postage and Office	404.06
Standard Lithograph Co. 909 South Westmoreland Los Angeles, California 90006	G	Folders	2,012.85
B Sachs Assoc. 4372 Laurel Canyon North Hollywood, California 91607	N	Advertising Design	1,098.02
Beverly Stationers 422 North Beverly Drive Beverly Hills, California 90212	G	Supplies	136.46
Campaign Assoc P.O. Box 5092 Beverly Hills, California 90210	N	Advertising	3,581.30
Roz Segal P.O. Box 5092 Beverly Hills, California 90210	G	Postage	100.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	10,250.14

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM 9-18-84 THROUGH 10-22-84

NAME OF CANDIDATE OR COMMITTEE: ies on F

I.D. NUMBER (IF COMMITTEE)

CODES FOR CLASSIFYING EXPENDITURES

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	NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
3	West Mailers 3913 Saticoy Street North Hollywood, California 91605	N	Mailing	551.76
4	Fairbank, Canapary & Maullin 347 Sutter Street San Francisco, California 94108	P	Referendum Study	5,250.00
5	U.S. Postmaster	G	Postage	465.00
6	Sanderson 2714 Dalepark San Dimas, California 91773	P	Consulting	3,500.00
7	Bellow and Tobe	N	Mailing	2,000.00
8	Beverly Company 400 South Beverly Drive Beverly Hills, California 90212	G	Rent	750.00
	U.S. Postmaster	G	Postage	2,500.00
	Precision Marketing 515 West Washington Los Angeles, California 90015	G	Rent Typewriter	351.34
	☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	15,368.10

SCHEDULE E
PAYMENTS AND CONTRIBUTIONS MADE
(CONTINUATION SHEET)
FORM 420, 430 OR 490)

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-18-84	10-22-84

NAME OF CANDIDATE OR COMMITTEE: fes on F

I.D. NUMBER (IF COMMITTEE): 841947

CODES FOR CLASSIFYING EXPENDITURES

If one of the following codes is used to describe the expenditure, no written description is needed. (Note exceptions on the back of this schedule for codes "C", "I" and "T".) Refer to the back of Schedule E and the *Information Manual on Campaign Disclosure* for detailed explanations and examples of each category.

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NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
Juan Samuel 7310 Wilbur Reseda, California	G	Copier Service	45.00
Beverly Hills Locksmith 9300 Wilshire Boulevard Beverly Hills, California 90211	G	Keys	77.75
Shirley Shainin	G	Salary	119.00
Lauren Beck	G	Salary	197.00
☐ If more space is needed, check box and attach additional Schedules E.		SUBTOTAL	438.75

SCHEDULE F

ACCRUED EXPENSES (UNPAID BILLS)

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-18-84	10-22-84

NAME OF CANDIDATE OR COMMITTEE:	I.D. NUMBER (IF COMMITTEE)
Yes on F	841947

CODES FOR CLASSIFYING ACCRUED EXPENSES

If one of the following codes is used to describe the accrued expense, no written description is needed. (Note exceptior on the back of this schedule for codes "C", "I" and "T".) Refer to the back of this schedule and the *Informatio Manual on Campaign Disclosure* for detailed explanations and examples of each category.

- "C" – CONTRIBUTIONS TO OTHER CANDIDATES OR COMMITTEES
- "I" – INDEPENDENT EXPENDITURES
- "L" – LITERATURE
- "B" – BROADCAST ADVERTISING
- "N" – NEWSPAPER AND PERIODICAL ADVERTISING
- "O" – OUTSIDE ADVERTISING
- "S" – SURVEYS, SIGNATURE GATHERING, DOOR-TO-DOOR SOLICITATIONS
- "F" – FUNDRAISING EVENTS
- "G" – GENERAL OPERATIONS AND OVERHEAD
- "T" – TRAVEL, ACCOMMODATIONS AND MEALS
- "P" – PROFESSIONAL MANAGEMENT AND CONSULTING SERVICES

If one of the above codes does not accurately or fully describe the accrued expense, leave the "Code" column blank an provide a written description in the "Description of Payment" column.

NAME AND ADDRESS OF PAYEE, CREDITOR OR RECIPIENT OF CONTRIBUTION (IF COMMITTEE, ALSO ENTER I.D. NUMBER OR NAME AND ADDRESS OF TREASURER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT ACCRUED
Marathon Communications 3420 Ocean Park Boulevard #2050 Santa Monica, California 90405	P	Consulting	10,000.00
☐ If more space is needed, check box, and attach additional Schedules F		SUBTOTAL	10,000.00

SUMMARY

1.	Accrued Expenses of $100 or More This Period	$ 10,000.00	
2.	Accrued Expenses of Under $100 This Period (Not Itemized)		
3.	Total Accrued Expenses Incurred This Period (Line 1 + 2)		10,000.00
4.	Accrued Expenses Paid This Period (Not Itemized) Enter here and on Schedule E, Line 3		NONE
5.	Net Change This Period (Subtract Line 4 from Line 3). Enter difference here and on Line 8, Column B of Summary Page		10,000.00 (May be negative figure)

1ST Pd copy

Rate

CONSOLIDATED CAMPAIGN STATEMENT

(Government Code Sections 84200-84217)

Form 490
1984

For use by candidates/officeholders and their controlled committees.

(Type or Print in Ink)

Statement covers period from 9-13-84 through 9-17-84

A OFFICIAL USE ONLY

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): November 6, 1984

TOTAL PAGES:

I CANDIDATE/OFFICEHOLDER INCLUDED IN THIS CONSOLIDATED REPORT

NAME OF CANDIDATE

OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE)

RESIDENTIAL ADDRESS — NO. AND STREET — CITY — STATE — ZIP CODE — AREA CODE — PHONE NUMBER

BUSINESS ADDRESS — NO. AND STREET — CITY — STATE — ZIP CODE — AREA CODE — PHONE NUMBER

II CONTROLLED COMMITTEES* INCLUDED IN THIS CONSOLIDATED REPORT

A. NAME OF COMMITTEE: Yes on F — I.D. NUMBER: Applied for

ADDRESS OF COMMITTEE — NO. AND STREET: Ronald Lederman — CITY: 113 North San Vicente Blvd., — STATE: Beverly Hills — ZIP CODE: CA 90211 — AREA CODE: (213) — PHONE NUMBER: 651-0960

NAME OF TREASURER: Ronald Lederman

PERMANENT ADDRESS OF TREASURER — NO. AND STREET — CITY — STATE — ZIP CODE — AREA CODE — PHONE NUMBER: 113 North San Vicente Blvd., Beverly Hills, CA 90211 (213) 651-0960

B. NAME OF COMMITTEE — I.D. NUMBER

ADDRESS OF COMMITTEE — NO. AND STREET — CITY — STATE — ZIP CODE — AREA CODE — PHONE NUMBER

NAME OF TREASURER

PERMANENT ADDRESS OF TREASURER — NO. AND STREET — CITY — STATE — ZIP CODE — AREA CODE — PHONE NUMBER

Attach additional information on appropriately labeled continuation sheets.

III CANDIDATE/OFFICEHOLDER ONLY: LIST ANY OTHER COMMITTEES NOT INCLUDED IN THIS CONSOLIDATED STATEMENT WHICH ARE CONTROLLED BY YOU OR ARE PRIMARILY FORMED TO RECEIVE CONTRIBUTIONS OR MAKE EXPENDITURES ON BEHALF OF YOUR CANDIDACY.

COMMITTEE NAME AND I.D. NUMBER	COMMITTEE ADDRESS	TREASURER	Controlled Committee? YES NO

Attach additional information on appropriately labeled continuation sheets.

* A controlled committee is one which is controlled directly or indirectly by a candidate or which acts jointly with a candidate or controlled committee in connection with the making of expenditures. A candidate controls a committee if the candidate, the candidate's agent, or any other committee he or she controls has significant influence on the actions or decisions of the committee.)

VERIFICATION

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and that I have used all reasonable diligence in their preparation.

Executed on 9-18-84 (DATE) at Beverly Hills, CA (CITY AND STATE) by _____ (SIGNATURE OF TREASURER(S))

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF TREASURER(S))

I declare under penalty of perjury that to the best of my knowledge this statement and its schedules are true, correct and complete and the treasurer(s) of this committee(s) has used all reasonable diligence in the preparation of this statement and its schedules.

Executed on _____ (DATE) at _____ (CITY AND STATE) by _____ (SIGNATURE OF CANDIDATE OR OFFICEHOLDER)

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

CAMPAIGN DISCLOSURE STATEMENT SUMMARY PAGE

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-13-84	9-17-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE): Applied for

	COLUMN A Cumulative total from previous period*	COLUMN B Total this period from attached schedules	COLUMN C Cumulative to date (Columns A + B)
CONTRIBUTIONS RECEIVED			
1 Monetary contributions	$	$ (SCHEDULE A, LINE 3)	$
2 Loans		(SCHEDULE B, LINE 6)	
3 Subtotal	$ (LINES 1 + 2)	$ (LINES 1 + 2)	$ (LINES 1 + 2)
4 Non-monetary contributions		20,750 (SCHEDULE C, LINE 3)	20,750
5 Pledges		(SCHEDULE D, LINE 7)	
6 TOTAL CONTRIBUTIONS	$ (LINES 3 + 4 + 5)	$ 20,750 (LINES 3 + 4 + 5)	$ 20,750 (LINES 3 + 4 + 5 SHOULD EQUAL LINE 6 COLUMNS A + B)
EXPENDITURES MADE			
7 Payments	$	$ (SCHEDULE E, LINE 4)	$
8 Accrued expenses (unpaid bills)		(SCHEDULE F, LINE 3)	
9 TOTAL EXPENDITURES	$ (LINES 7 + 8)	$ (LINES 7 + 8)	$ (LINES 7 + 8 (SHOULD EQUAL LINE 9 COLUMNS A + B))

*If this is the first report filed for the calendar year, Column A should be blank except for unpaid loans, bills and pledges.

STATEMENT OF CHANGES IN FINANCIAL CONDITION

10.	Cash on hand at the beginning of this period. (Line 14 of previous statement)	$ NONE
11.	Cash receipts this period (Line 3, Column B above)	NONE
12.	Miscellaneous adjustments to cash (Schedule G, Line 7)	NONE
13.	Cash payments this period (Line 7, Column B above)	NONE
14.	Cash on hand at closing date (Lines 10+11+12-13 above)*	NONE
15.	Outstanding debts (Line 2 + Line 8 of Column C above)	NONE
16.	Ending surplus (if Line 14 is greater than Line 15, subtract Line 15 from Line 14)	$ NONE
17.	Ending deficit (if Line 15 is greater than Line 14, subtract Line 14 from Line 15)	$ (NONE)

*Ending cash on hand should not be a negative amount.

SUMMARY FOR CANDIDATES IN BOTH A JUNE AND NOVEMBER ELECTION *(See Instructions on Reverse)*

	1/1 thru 6/30	7/1 to date
18. CONTRIBUTIONS RECEIVED:		
19. EXPENDITURES MADE:		

SCHEDULE C

NON-MONETARY CONTRIBUTIONS RECEIVED

FORM 420, 430 OR 490

(Amounts May Be Rounded To Whole Dollars)

STATEMENT COVERS PERIOD FROM	THROUGH
9-13-84	9-17-84

NAME OF CANDIDATE OR COMMITTEE: Yes on F

I.D. NUMBER (IF COMMITTEE)

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE AND ENTER I.D. NUMBER OR TREASURER'S NAME AND ADDRESS)	OCCUPATION	EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	FAIR MARKET VALUE RECEIVED	CUMULATIVE AMOUNT
9-15-84	WBJ Properties 3414 Peachtree Road Atlanta GA 30326	Realty	Same	Survey	14,250	14,250
9-15-84	Four Seasons Hotels 1100 Eglinton Ave Ext Toronto ONT CANADA M321HB	Hotels	Same	Administration Services of Roslyn Segal	6,500	6,500
☐	If more space is needed, check box at left and attach additional Schedules C.			SUBTOTALS	20,750	

SUMMARY

1. NON-MONETARY CONTRIBUTIONS OF $100 OR MORE THIS PERIOD	$ 20,750	
2. NON-MONETARY CONTRIBUTIONS UNDER $100 THIS PERIOD (Not itemized)		
3. TOTAL NON-MONETARY CONTRIBUTIONS THIS PERIOD (Line 1 + 2) Enter here and on Line 4, Column B of Summary Page		$ 20,750

Form 461
1984

EXPENDITURE MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

For use by: (1) persons who have made expenditures or contributions totaling more in a calendar year directly to or at the behest of candidates, officeholders, committees; or, (2) persons who have made independent expenditures on behalf of officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

1984 OCT 25 PM 12

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A OFFICIAL USE ONLY
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Statement covers period 9/18/84 through 10/20/84

NAME OF FILER
W. B. Johnson Properties, Inc.

PERMANENT ADDRESS NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
3414 Peachtree Road, N.E., Atlanta, Georgia 30326 (404) 237-5500

NAME OF TREASURER
William L. Murrah

PERMANENT ADDRESS OF TREASURER NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
3414 Peachtree Road, N.E., Atlanta, Georgia 30326 (404) 237-5500

DATE OF ELECTION (MO. DAY YR.) (IF APPLICABLE) November 6, 1984 | TOTAL PAGES 2

I. EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, enter I.D. No. if filed, name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF BALLOT MEASURE & SHORT NUMBER OR LETTER	Check one: Sub. Cont.	Check one: Sub. Exp.	AMOUNT	CUMULATIVE AMOUNT
	9 25 84	Yes on "F" Committee. I.D. No. applied for. Treas. Ron Lederman, 1131 San Vicente, Bev. Hills, CA 90211	contribution	Beverly Hills ballot measure "F"	X		10,000.00	24,250.0
	10 16	Yes on "F" Committee. I.D. No. applied for. Treas. Ron Lederman, 1131 San Vicente, Bev. Hills, CA 90211	contribution	Beverly Hills ballot measure "F"	X		35,333.33	59,583.3

Attach additional information on 100 Series forms, lettered continuation sheets.

SUBTOTAL Carry with any additional subtotals to Line 1, Part VI $ 45,333.33

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X

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NAME U.B. Johns[illegible] Properties, Inc.

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 0.00

III LOANS REPAID BY (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown, list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part V) $ 0.00

IV SUMMARY

1	Expenditures and contributions made of $100 or more this period (Part II)	$ 45,333.33
2	Expenditures and contributions under $100 made this period (Not itemized)	0.00
3	Loans made this period (Part III) Include all subtotals	0.00
4	TOTAL (Line 1 + 2 + 3)	45,333.33
5	Loans repaid this period (Part III) Include all subtotals	0.00
6	Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	45,333.33
7	Cumulative expenditures and contributions made from prior statement	14,250.00
8	Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 59,583.33

VERIFICATION

I have not received any contributions during this calendar year.

I declare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in its preparation.

Executed on Oct 24 1994 (date) at Santa Monica CA (city and state), by William L. Munnell (signature of committee treasurer or individual donor)

Form 461
1984

~~EXPENDITURE~~ MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

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1984 OCT 25 PM 12:15 RECEIVED

A OFFICIAL USE ONLY

Statement covers period 9/18/84 through 10/20/84

NAME OF FILER
W. B. Johnson Properties, Inc.

PERMANENT ADDRESS: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
3414 Peachtree Road, N.E., Atlanta, Georgia 30326 (404) 237-5500

NAME OF TREASURER
William L. Murrah

PERMANENT ADDRESS OF TREASURER: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
3414 Peachtree Road, N.E., Atlanta, Georgia 30326 (404) 237-5500

DATE OF ELECTION (MO. DAY YR.) (IF APPLICABLE): November 6, 1984

TOTAL PAGES: 2

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Oppose	AMOUNT	CUMULATIVE AMOUNT
	9/27/84	Yes on "F" Committee. I.D. No. applied for. Treas. Ron Lederman, 113 N San Vicente, Bev. Hills, CA 90211	contribution	Beverly Hills ballot measure "F"	X		10,000.00	24,250.00
	10/16	Yes on "F" Committee. I.D. No. applied for. Treas. Ron Lederman, 113 N San Vicente, Bev. Hills, CA 90211	contribution	Beverly Hills ballot measure "F"	X		35,333.33	59,583.33

Attach additional information on appropriately sized continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 45,333.33

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

NAME W.B. Johnson Properties, Inc.

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 0.00

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown, list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 0.00

IV SUMMARY

1.	Expenditures and contributions made of $100 or more this period (Part I)	$ 45,333.33
2.	Expenditures and contributions under $100 made this period (Not itemized)	0.00
3.	Loans made this period (Part III) Include all subtotals	0.00
4.	TOTAL (Line 1 + 2 + 3)	45,333.33
5.	Loans repaid this period (Part III) Include all subtotals	0.00
6.	Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	45,333.33
7.	Cumulative expenditures and contributions made from prior statement	14,250.00
8.	Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 59,583.33

VERIFICATION

I have not received any contributions during this calendar year.

I declare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in its preparation.

Executed on Oct. 24, 1984 (DATE) at Santa Monica CA (CITY AND STATE). by William L. Munch (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL DONOR)

Copy of check

EXPENDITURE AND MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

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A OFFICIAL USE ONLY

Statement covers period 1/1/84 through 10/23/84

NAME OF FILER: DMG, Ltd.

PERMANENT ADDRESS: NO. AND STREET: 439 North Bedford Drive | CITY: Beverly Hills, | STATE: CA | ZIP CODE: 90210 | AREA CODE: (213) | PHONE NUMBER: 273-9930

NAME OF TREASURER: Steven D. Lebowitz

PERMANENT ADDRESS OF TREASURER: NO. AND STREET: 439 North Bedford Drive | CITY: Beverly Hills, | STATE: CA | ZIP CODE: 90210 | AREA CODE: (213) | PHONE NUMBER: 273-9930

DATE OF ELECTION (MO. DAY, YR.) (IF APPLICABLE): November 6, 1984

TOTAL PAGES: 2

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ -0-

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

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NAME

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
10/16/84	Yes on "F" Committee. I.D. No. applied for. Treasurer Ron Lederman, 113 N. San Vicente, Bev. Hills, CA 90211	Beverly Hills ballot measure "F"	X		-0-	$5,000.00	$5,000.00

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 5,000.00

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown, list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $

IV SUMMARY

1. Expenditures and contributions made of $100 or more this period (Part I) $ -0-
2. Expenditures and contributions under $100 made this period (Not itemized) _____
3. Loans made this period (Part II) (Include all subtotals) 5,000
4. TOTAL (Line 1 + 2 + 3) 5,000
5. Loans repaid this period (Part III) (Include all subtotals) _____
6. Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount) _____
7. Cumulative expenditures and contributions made from prior statement _____
8. Cumulative expenditures and contributions made to date (Line 6 + 7) $ 5,000

VERIFICATION

I have not received any contributions during this calendar year.

I declare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in its preparation.

Executed on 10/24/84 (DATE) at Beverly Hills, CA (CITY AND STATE) by [signature] (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL DONOR)

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 1859

DATE FILMED 4/3/87 CAMERA NO. 4

CAMERAMAN GPC

87114174710

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

9-21-87

THE FOLLOWING MATERIAL IS BEING ADDED TO THE

PUBLIC FILE OF CLOSED MUR 1859

87040554069

Plum

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 17, 1987

Peter A. Bagatelos, Esquire
Bagatelos & Fadem
601 California St.
San Francisco, California 94108

RE: MUR 1859

Dear Mr. Bagatelos:

By letter dated February 27, 1987, the Office of the General Counsel informed you of determinations made with respect to the complaint filed by you against the Yes on F Committee, Four Seasons Hotels, Ltd., W.B. Johnson Properties, Inc., and the Community Campaign Committee.

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision to make findings of probable cause to believe, no probable cause to believe, and to close the file. This document will be placed on the public record as part of the file of MUR 1859.

If you have any questions, please contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Enclosure
Statement of Reasons

8704065 4070

FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Four Seasons Hotels, Limited	)	MUR 1859
W.B. Johnson Properties, Inc.	)	
Community Campaign Committee and	)	
Irene Kleinberg, as treasurer	)	
Yes on F Committee and	)	
Ronald Lederman, as treasurer	)	

STATEMENT OF REASONS

On February 18, 1987, The Federal Election Commission adopted all the probable cause recommendations of the Office of the General Counsel in MUR 1859 except as to alleged violations by Four Seasons Hotels, Limited, and W.B. Johnson Properties, Inc. The Commission made no finding as to whether there was probable cause to believe Four Seasons Hotels, Limited, violated 2 U.S.C. §§441b and 441e and no finding as to whether there was probable cause to believe W.B. Johnson Properties, Inc., violated 2 U.S.C. §441b. The Commission also approved the recommendation of the Office of General Counsel to take no further action and close the file as to all respondents.

The Commission determined there was insufficient evidence to indicate that the officers of Four Seasons Hotels, Limited, and W.B. Johnson Properties, Inc., were aware, prior to approving participation in funding the mailers, that the slate mailers at issue advocated the election of candidates for federal office. Moreover, upon considering the small amount of money involved and the proper ordering of Commission priorities and resources, see

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Heckler v. Chaney, 470 U.S. 821 (1985), the Commission concluded that no further inquiry or action as to these respondents was warranted.

4/9/87
Date

Scott E. Thomas
Chairman

4/9/87
Date

Thomas J. Josefiak
Vice Chairman

4/10/87
Date

Joan D. Aikens
Commissioner

4/10/87
Date

Lee Ann Elliott
Commissioner

4/10/87
Date

John Warren McGarry
Commissioner

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Plan

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 25, 1987

Daniel Gottlieb
D.M.G. Limited
439 North Redford Drive
Suite 1000
Beverly Hills, CA 90210

RE: MUR 1859
D.M.G. Limited

Dear Mr. Gottlieb:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Charles Snyder, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

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