FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THIS IS THE BEGINNING OF MUR # 2688

DATE FILMED 10/27/93 CAMERA NO. 2

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ALEX1/082988

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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August 29, 1988

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: REFERRAL OF MATTERS IN THE AUDIT OF THE POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS

On August 26, 1988, the Commission voted to refer the attached matters to your office for appropriate action. Should you have any questions or require access to Audit workpapers, please contact Cornelia Riley or Alex Boniewicz at 376-5320.

Attachments:

Exhibit A: Apparent Prohibited Receipts
Exhibit B: Contributions Made in Excess of the Limitation

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Apparent Prohibited Receipts

Section 441b(a) of Title 2, United States Code, states, in part, that it is unlawful for any corporation to make a contribution or expenditure in connection with a Federal election or for a political committee to knowingly accept or receive a contribution prohibited by this section.

Section 441b(b)(2)(C) of Title 2, United States Code, provides that the term "contribution or expenditure" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

Section 114.5(b)(3) of Title 11, Code of Federal Regulations, states that if the separate segregated fund pays any solicitation or other administration expenses from its own account which could have been paid by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 calendar days after payment by the separate segregated fund. However, 11 C.F.R. § 114.5(b) prohibits [a connected organization's] use of the establishment, administration, and solicitation process as a means of exchanging treasury monies for voluntary contributions.

1. Apparent Corporate Contributions

The Audit staff reviewed the Committee's receipts journal and contributor list and identified six apparent corporate contributions totaling $6,075. (See Attachment I to Exhibit A). In addition, the Audit staff identified one $3,000 corporate contribution within an $8,000 deposit intended for the Assembly of Turkish American Associations ("the Connected Organization") but apparently inadvertently deposited into the Committee's account. The Audit staff verified the corporate status of these entities with the appropriate Secretaries of State. The Committee refunded the $8,000 deposit, which included one $3,000 corporate contribution, to the Connected Organization on March 19, 1987.

The Audit staff found no evidence that the other apparent corporate contributions, totalling $6,075, were refunded. The contributions that were itemized indicated the following: (a) one $5,600 receipt was apparently reported as received from eight individuals, each contributing $700, and appeared to fund a subsequent contribution to a candidate committee (see Exhibit B); and (b) one $250 apparent corporate contribution was reported from an individual.

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In the Interim Audit Report the Audit staff recommended that the Committee provide evidence demonstrating that the above noted six contributions, totaling $6,075, were not in violation of 2 U.S.C. § 441b(a), or make refunds of the prohibited contributions and submit evidence of the refunds, including copies of the front and back of cancelled checks, to the Audit staff for review. In conjunction with making refunds of the prohibited contributions received, if these contributions represent earmarked receipts the Audit staff also recommended that the Committee seek a refund from the candidate committee to which the contributions were earmarked ($5,600).

With respect to the six apparent corporate contributions totaling $6,075, the Committee acknowledged that the contributions were made on corporate checks. The Committee responded that $5,600 of this amount "is being refunded." However, the Committee did not provide evidence of this refund and did not disclose a refund in the most recent report filed at the time the response was received. With respect to this contribution, the designated agent stated in the response that

> "Regardless of the fact that the $5,600 contribution was written on a corporate check of Erol's, Inc., PAC officers were under the impression that this was done by Erol's Inc. for convenience; that the funds actually represented funds of the [eight] individual's [sic] attending the fundraiser and that the transaction would be appropriately handled by Erol's, Inc. internally. Accordingly, the PAC report reflected the contributions as having been made in the amounts of $700 by 8 different individuals."

Later, with regard to the same $5,600 corporate contribution, the designated agent states that "only $4,900 of the $5,600 contribution is being refunded as $700 has already been returned as an excessive contribution to Erol Onaran [one of the eight individuals attending the fundraiser] on June 12, 1987."

With respect to the remaining apparent corporate contributions ($6,075 less $5,600), the designated agent stated in the response that

> " The corporate contributions were not refunded as it was previously determined, through oral verification with the respective parties, that such contributions were made on corporate checks

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> but actually represented funds of the individual ---. In these instances, the corporation owed the individual money and the check was therefore made out to the PAC rather than the individual themselves."

The designated agent further acknowledges that "This [practice] is not an uncommon occurrence."

2. Transfer of Funds from Connected Organization to Separate Segregated Fund

During the review of receipts the Audit staff identified three transfers totaling $6,100 from the Connected Organization. One transfer for $1,000 was identified in Committee documentation as "initial deposit". The receipt date of this transfer was itemized as July 10, 1985, however the transfer was deposited on June 20, 1985. Secondly, a deposit on November 14, 1985 included a $100 transfer from the American Turkish Association, Houston, Texas. A third transfer of $5,000 received on January 6, 1986 was described in the disclosure reports as "Receipt for General Expenses". The Committee had acknowledged in correspondence to the Commission that both the $5,000 and the $1,000 transfers were for administrative expenses, but that the expenses were not made within the 30 days preceding the transfers. The Committee reported the refund of the transfers totaling $6,000 as "Loan Repayment" on June 17, 1986, and provided the Audit staff with copies of the refund checks.

The Audit staff provided the Committee representative with a schedule of the transfers at the exit conference (see Attachment II to Exhibit A).

In the Interim Audit Report the Audit staff recommended that the Committee provide evidence demonstrating why the transfers from the Connected Organization should not be considered prohibited; absent such documentation refund the $100 transfer noted above and submit evidence of the refund to the Audit staff for review.

In a response dated May 31, 1988, the Committee designated agent stated that the $100 transfer from the Connected Organization had been refunded. However, the Committee did not provide evidence of the refund to the Audit staff for review, did not address the prohibited nature of the transfers, and did not report a refund to the Connected Organization for the period covered by the most recent report filed (1988 April Quarterly) with the Commission at the time of the response.

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Recommendation

The Audit staff recommends that the matter of prohibited receipts be referred to the Office of General Counsel.

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Matter Referred
Political Action Committee of the
Assembly of Turkish American Associations
Final Audit Report

Attachment I
to Exhibit A

Political Action Committee of the Assembly of Turkish American Associations

Schedule of Apparent Corporate Contributions

Contributor	Incorporation Date	Deposit Date per receipts journal or contributor list	Amount
1. Marlboro Motor Lodge, Inc.	11/6/78	10/02/85	$ 100
2. The Precious Gem	7/10/81	10/02/85	250
3. Cay Export-Import Corp.	2/27/81	10/22/85	50
4. Erol's Inc.	7/14/87	11/12/85	5,600
5. Evansville Metal Products, Inc.	11/10/61	1985	50
6. Kemor Food, Inc.	3/3/80	1985	25
		Total	$6,075

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Political Action Committee of the Assembly of Turkish American Associations

Schedule of Receipts from the Connected Organization

Date of Deposit	Amount	Amount Refunded	Date of Refund
6/20/85	$1,000	$1,000	6/17/86
11/14/85	100	-0-[1]	
1/06/86	5,000	5,000	6/17/86
Total	$6,100	$6,000	

[1] The designated agent stated in the response that a refund had been made. However, no evidence of the refund was provided.

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Contributions Made in Excess of the Limitation

Section 441a(a) of Title 2, United States Code, states, in relevant part, that no person shall make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. It further states that no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $5,000.

A review of the Committees disbursement and receipt files indicated that the Committee made apparent excessive contributions to two candidate committees.

The Committee made a $1,050 contribution to a House candidate on October 8, 1985. The Committee did not achieve multicandidate status until November 30, 1985. A $50 refund of the excessive portion was made by the candidate committee on January 9, 1986. The Committee reported an additional $5,600 contribution to the same House candidate on November 12, 1985. The House candidate committee reported the $5,600 contribution as earmarked from eight individuals at $700 each through the Committee (Exhibit A). The Audit staff noted that the Committee reported contributions from these same individuals for the amounts reported by the House candidate committee, but did not identify these receipts on its reports as earmarked to the House candidate. In addition, the Committee reported the $5,600 disbursement to the House candidate as a contribution from the Committee.

The Committee contributed $3,000 to a second House candidate on November 25, 1985. The Audit staff noted that the $3,000 contribution was made prior to the Committee achieving multicandidate status on November 30, 1985. The excessive portion of this contribution, $2,000, was refunded on April 25, 1986.

In the Interim Audit Report the Audit staff recommended no further action with respect to the refunded contributions relating to two House candidates.

The Audit staff also recommended in the Interim Audit Report that the Committee provide evidence to show why a subsequent $5,600 contribution to one of these House candidates was not excessive or seek a refund of the excessive portion.

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In response to the Interim Audit Report the Committee stated that it will seek a refund of $5,600 from the House candidate committee, but provided no evidence of this action.

The designated agent of the Committee acknowledged in the response that:

- The $5,600 contribution to the House candidate was made for the purchase of a table at a fundraiser so that eight employees of Erol's Inc. could attend;
- The Committee initiated the solicitation of the funds used to make this contribution for the fundraiser;
- The funds for this contribution were received from Erol's Inc.; and
- The eight individuals involved did not reimburse Erol's Inc. for the contributions made on their behalf.

Recommendation

The Audit staff recommends that this matter be referred to the Office of General Counsel.

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ALEX1/101888

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 18, 1988

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: MUR 2688 - DOCUMENTATION RECEIVED FROM POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS

Attached please find correspondence received from the subject committee on October 17, 1988. If you have any questions, please contact Alex Boniewicz at 376-5320.

Attachment:

Letter, dated 10/9/88, to Robert J. Costa
with enclosures

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AUDIT DIVISION

Mr. Robert J. Costa
Mr. Alex Bonawiecz
Audit Division
Federal Election Commission
Washington DC 20463

Re: Political Action Committee of
The Assembly of Turkish American
Associations
1985, 1986 Audit

October 9, 1988

Dear Mr. Costa:

It has come to my attention that certain matters regarding the audit of PAC-ATAA for 1985 and 1986 were referred to the general counsels office through my conversation with Mr. Alex Bonawiecz. Per our conversation it seems that the reason the interim audit report went to the general counsels office is for lack of substantiation of our actions following the recommendations of the FEC audit report. I am dismayed that these matters were referred to general counsel as I was under the understanding that I took all actions necessary to fully comply with the audit.

I think that this misunderstanding is due to a lack of communication between myself and the FEC audit staff and is understandable as the audit staff seems to be extremely busy during this election year. Up until my response of May 31, 1988 to the interim report I was in close contact with the audit staff regarding the PAC's compliance with the recommendations of the FEC. In light of such close contact and my willingness during the audit to comply with the recommendations I was under the impression I would be contacted should there have been any problem with my response. I was also under the impression that I would be contacted prior to the issuance of the final report.

To my knowledge matters were referred to general counsel due to the fact that proof of payment of certain items were not provided to the audit staff, namely a $100 refund to ATAA and a $5600 refund to a corporation (Erol's Inc.). Such proof of reimbursement could not have been provided at such time as the PAC did not have the funds to do so. It is perhaps my mistake in not communicating this directly in my response to the FEC however at the time I was confident funds could be raised to clear up the matter. I beleived the audit staff was also aware of the fact that the PAC, during these months, was inactive and did not have any funds. As it turned out funds for the PAC were not raised until recently and priority was given to making the payments per

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 293-4670

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the recommendations of the audit staff.

I would also like to point out that with respect to the $5600 check from Erol's Inc. we had received a pledge which would have covered the $4900 refund which we needed to make. Based on this pledge we made out such check in June, 1988 and the check bounced as our pledge was not fullfilled. Such refund was made as of the 9/30/88 report.

Proof of payment of these items is enclosed and I hope that this clears up this matter. If there is anything I can do to further expedite this process and receive the most favorable recommendation from the FEC, please let me know.

Thank you for your consideration of these matters.

Sincerely,

Erol Ozdemir

Erol Ozdemir, CPA, MST
Treasurer

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PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT	
REFUND PER AUDIT	100	—

15-4
540

227

NT One Hundred DOLLARS

CHECK AMOUNT

TO THE ORDER OF	DESCRIPTION	CHECK NUMBER
ATAA		227

$ 100.00

REFUND PER AUDIT

Esol Ogular

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

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1ST AMERICAN BANK

JUL 12 1988

PAGE 1

RETURN ITEM CHARGE NOTICE

07/07/88

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CCORDING TO OUR RECORDS, YOUR BALANCE IS INSUFFICIENT TO COVER ITEMS PRESENTED
DAY FOR PAYMENT. LISTED BELOW ARE THE ITEMS AND THE DISPOSITION OF EACH.
OUR ACCOUNT HAS BEEN CHARGED A TOTAL OF 20.00 TO COVER THE EXTRA HANDLING
SIS. PLEASE DEDUCT THIS CHARGE FROM YOUR BALANCE.

4,900.00 PAID

PAC-ATAA
2010 MASSACHUSETTS AV
WASHINGTON, DC 20036

[redacted]

[redacted]

For Deposit Only
To The Account of
ATAA
Account #3 234 131

9 3 0 4 0 9 8 0 1 9 2

FEDERAL ELECTION COMMISSION RECEIVED
89 MAY 17 PM 3:57

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE
EXECUTIVE SESSION
JUN 01 1989

FIRST GENERAL COUNSEL'S REPORT

MUR # 2688
STAFF MEMBER Kenneth Kellner

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

RESPONDENTS: Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer

Assembly of Turkish American Associations

Erol's Inc.

Jim Hansen Committee and Gordon E. Hoskins, as treasurer

Badham Congressional Committee and Robert W. Krone, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 433(c)
2 U.S.C. § 441b(a)
2 U.S.C. § 441b(b)(2)(C)
2 U.S.C. § 441f
2 U.S.C. § 431(11)
2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441a(a)(2)(A)
2 U.S.C. § 441a(a)(8)
2 U.S.C. § 441a(f)
11 C.F.R. § 103.3(b)(3)
11 C.F.R. § 110.6(c)(1)(i)
11 C.F.R. § 110.6(d)(1) and (2)
11 C.F.R. § 114.5(b)(3)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter originated as an Audit Division referral based on an audit of the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") covering the period May 30, 1985 to December 31, 1986. The Committee had no

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debts and a reported ending cash balance of $12,211 at the conclusion of the audit period. As of December 31, 1988, the Committee had no debts and a reported ending cash balance of $1,555.

II. FACTUAL AND LEGAL ANALYSIS

A. Background

The Committee registered with the Commission on May 30, 1985. The connected organization of the Committee during the audit period was the Assembly of Turkish American Associations (the "Connected Organization"). The Connected Organization is incorporated under the laws of the District of Columbia. The original treasurer of the Committee and the treasurer during the period covered by the audit was Bulent Atalay. The Statement of Organization also listed Taskin Atil as the Custodian of Records, but did not list an assistant treasurer.

Bulent Atalay resigned as treasurer while MUR 2368, a prior enforcement matter for late filing, was pending. An amended Statement of Organization was filed on April 30, 1987 that listed Erol Ozdemir as the Committee's treasurer and Custodian of Records. It also listed Eren Veral as the Committee's assistant treasurer. The Committee filed an additional amended Statement of Organization on November 20, 1987 listing Alp Karahasan as the Committee's treasurer and Custodian of Records. Eren Veral remained the Committee's assistant treasurer. Subsequently, Alp Karahasan was substituted as treasurer for the purposes of MUR 2368.

According to a letter from the Committee received on

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February 2, 1988 (Attachment 1), Alp Karahasan died on January 28, 1988, leaving the Committee without a treasurer. The letter also stated that Eren Veral had resigned as assistant treasurer and that the signatory of the letter, Erol Ozdemir, would be addressing issues involving the Committee until the appointment of a new treasurer.

Correspondence received from the Committee on June 6, 1988 and October 17, 1988 (Attachments 2 and 3) was signed by Erol Ozdemir, as treasurer. In addition, reports filed with the Commission since February 2, 1988 have been signed by Erol Ozdemir, as treasurer. For those reasons, the Reports Analysis Division has been directing correspondence to the Committee to Erol Ozdemir, as treasurer.

At no point, however, has the Committee filed an Amended Statement of Organization to affirmatively list Erol Ozdemir as its new and current treasurer.

The audit of the Committee indicated that total receipts on the 1986 Year End Report were understated by $8,000, resulting in an understatement of ending cash at December 31, 1986 of $8,000. The Committee has stated that this was the result of a December 12, 1986 deposit of funds intended for the Connected Organization, but inadvertently deposited into the Committee's account. On January 25, 1988, the Committee provided records of the receipt supporting this contention.

The audit identified one $3,000 corporate contribution within the $8,000 deposit discussed above. The entire $8,000 deposit, however, was refunded to the Connected Organization on

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March 19, 1987. Apparently, the Committee was unaware of the source of the deposit up through January 31, 1987. The audit staff concluded that the Committee had sufficient funds for its activities without using these funds while they were in its account. The Committee filed an amended report to disclose the deposit on June 6, 1988. Accordingly, this particular matter involving alleged 2 U.S.C. § 434(b)(1) and (2) violations was not referred to this Office for enforcement.

The audit, however, revealed six other apparent corporate contributions totaling $6,075 on the Committee's receipts journal and contributor list as follows:

Contributor	Deposit Date	Amount
Marlboro Motor Lodge, Inc.	10/02/85	$ 100
The Precious Gem	10/02/85	250
Cay Export-Import Corp.	10/22/85	50
Erol's Inc.	11/12/85	5,600
Evansville Metal Products, Inc.	1985	50
Kemor Food, Inc.	1985	25
	TOTAL	$ 6,075

The Committee acknowledged that the contributions were made on corporate checks.

On the same date that the Committee reported the receipt of $5,600 from Erol's Inc., the Committee made a $5,600 contribution to the Jim Hansen Committee. The Committee reported this receipt as contributions from eight individuals even though the source was one corporate check. In its 1985 Year End Report, the Jim Hansen Committee reported the receipt of these funds as earmarked

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contributions from the same eight individuals. It appears that each individual contribution was in the amount of $700. The Committee stated that these contributions were given to one individual to pay for tickets to a fundraising dinner for the candidate. It stated that this was done for convenience.

On June 6, 1988, the Committee stated that the $5,600 contribution was not necessarily an earmarked contribution to the Jim Hansen Committee since it was at the Committee's discretion to use the funds as it pleased. The Committee further stated that the Committee itself had initiated the solicitation of the funds.

On June 17, 1987, the Committee refunded $700 of the $5,600 to Erol Onaron, one of the eight individuals to attend the fundraiser. The refund was reported in the Committee's 1987 Mid-Year Report. Erol Onaron is also the registered agent, chief executive officer and director of Erol's Inc. In the same correspondence, the Committee stated that the individuals involved did not ever reimburse or otherwise provide funds to Erol's Inc. for the contributions it had apparently made on their behalf. It is not evident that the individuals involved were even aware of the use of their names in this transaction.

In its letter received on October 17, 1988, the Committee stated that a check for $4,900 it had written to Erol's Inc. in June 1988 was returned to it for insufficient funds. The Committee enclosed documentation with the letter verifying that transaction. The Committee also stated in this letter that the "refund was made as of the 9/30/88 report." While the 1988

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October Quarterly Report lists such a refund to Erol's Inc., this Office has no documentation that a refund was ever consummated.

As to the remaining five apparent corporate contributions, the Committee has stated that although the contributions were made on corporate checks, in actuality the five contributing corporations owed the individual money and simply made out the checks to the Committee for the individual. According to the referral materials, one of these contributions was reported as a contribution from an individual. This Office has not located these contributions on an applicable Committee report.

The audit further revealed three transfers totaling $6,100 from the Connected Organization to the Committee. The Committee has stated that two transfers totaling $6,000 were made for administrative expenses but that the expenses were not incurred within 30 days preceding the transfers. The Committee reported the refund of those transfers as "Loan Repayment" and has provided copies of the refund checks. In its letter received on June 6, 1988, the Committee stated that the remaining transfer of $100 had been refunded. In its letter received on October 17, 1988, the Committee enclosed a copy of a check to the Connected Organization for $100. It is not known whether the transfer of $100, apparently refunded by the Committee, was for administrative expenses incurred within the 30 days preceding the transfer.

The Committee reported the $5,600 disbursement to the Jim Hansen Committee discussed earlier as a contribution from the Committee in its 1985 Year End Report, even though the Jim Hansen

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Committee reported it as earmarked from eight individuals. The date of this disbursement was November 12, 1985. In addition, the Committee made an additional $1,050 contribution to the Jim Hansen Committee on October 8, 1985. The Committee, however, did not achieve multicandidate status until November 30, 1985. The Jim Hansen Committee refunded $50 to the Committee on January 9, 1986. The Committee has stated that it requested but did not receive a refund of the $5,600 contribution from the Jim Hansen Committee.

The Committee also contributed $3,000 to the Badham Congressional Committee on November 25, 1985, although the Committee did not obtain multicandidate status until November 30, 1985. The apparent excessive portion of this contribution, $2,000, was refunded by the Badham Congressional Committee to the Committee on April 25, 1986.

B. Legal Analysis

1. Failure to Report Change of Information in Statement of Organization

Under 2 U.S.C. § 433(c), any change in information previously submitted in a statement of organization must be reported to the Commission no later than ten days after the change.

As set forth above, the treasurer of the Committee during the period covered by the audit resigned while MUR 2368 was pending. Alp Karahasan was later substituted as treasurer, but died in January 1988. No change or correction was reported in the information previously listed in the Statement of

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Organization regarding the role of Erol Ozdemir as the Committee's current treasurer or assistant treasurer. Correspondence and reports from the Committee to the Commission suggest, however, that Erol Ozdemir is fulfilling the duties of treasurer or assistant treasurer as prescribed by the Act. Under the circumstances, this Office recommends that the Commission find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 433(c). Since Erol Ozdemir appears to be functioning as the Committee's treasurer, notice of possible violations of the Act by the Committee is being directed to him.

2. Corporate Contributions

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election or for a political committee to knowingly accept or receive a contribution from any corporation. Furthermore, this Section makes it unlawful for an officer of a corporation to consent to such a contribution or expenditure.

In view of the facts set forth above, this Office recommends that the Commission find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441b(a) for accepting up to $6,075 in apparent corporate contributions. See list of contributors supra p. 2-3. This Office further recommends that the Commission find reason to believe that Erol's Inc. violated 2 U.S.C. § 441b(a) for making a contribution to the

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Committee in the amount of $5,600.

There is no information contained in the audit referral or in disclosure reports to indicate that the Jim Hansen Committee knew it was accepting corporate contributions. Therefore, this Office is making no recommendation at this time regarding the Jim Hansen Committee and this issue.

3. Contributions in the Name of Another

Under 2 U.S.C. § 441f, it is unlawful for a person to contribute to a political committee in the name of another person or for a political committee to knowingly accept a contribution made by one person in the name of another person. The term "person" is defined under the Act to include corporations. 2 U.S.C. § 431(11). See also Advisory Opinion 1986-41.

As set forth above, Erol's Inc. apparently made a $5,600 contribution to the Committee on behalf of several individuals. Therefore, this Office recommends that the Commission find reason to believe that Erol's Inc. violated 2 U.S.C. § 441f.

The Committee admitted that it had accepted contributions that were made on corporate checks, including that of Erol's Inc., in the name of another person. Therefore, this Office recommends that the Commission find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441f.

The Jim Hansen Committee accepted the $5,600 contribution from the Committee, apparently believing the Committee to have been serving as a conduit, as earmarked from eight individuals.

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Therefore, there is no evidence it knew of the involvement of Erol's Inc. Accordingly, this Office is making no recommendation at this time regarding the Jim Hansen Committee and this issue.

4. **Transfer of Funds from the Connected Organization to the Separate Segregated Fund**

Under 2 U.S.C. § 441b(b)(2)(C), the term "contribution or expenditure" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

Under 11 C.F.R. § 114.5(b)(3), if the separate segregated fund pays any solicitation or other administration expenses from its own account which could have been paid by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 days after payment by the separate segregated fund.

The Connected Organization was apparently acting as the collecting agent for the Committee. See 11 C.F.R § 102.6(b)(1)(ii). The Connected Organization made three transfers totaling $6,100 to the Committee for reimbursement of administrative expenses. Six thousand dollars ($6,000) of the expenses, however, were not incurred within 30 days preceding the transfers, the required time period of 11 C.F.R. § 114.5(b)(3). As previously discussed, the Committee reported a refund of $6,000 to the Connected Organization and provided copies of the refund checks to the audit staff.

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Also noted previously in this report, the Committee also provided a copy of a check to the Connected Organization for $100. It has not, however, provided evidence demonstrating why this transfer should not also be considered prohibited.

The transfers totaling $6,100, although later refunded, should be treated as apparent corporate contributions accepted by the Committee in violation of 2 U.S.C. § 441b(a). This Office further recommends that the Commission find reason to believe that the Connected Organization, the Assembly of Turkish American Associations, violated 2 U.S.C. § 441b(a) for making contributions to the Committee totaling $6,100.

5. Contributions Made in Excess of the Limitation

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. The term person includes a political committee. 2 U.S.C. § 431(11). Furthermore, under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committee with respect to any election for Federal office, which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a "multicandidate political committee" is a political committee which has been registered with the Commission for at least six months, has received contributions from more than 50 persons, and except for State party political organizations, has made contributions to five or more candidates for federal office.

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Under 2 U.S.C. § 441a(f), it is unlawful for an officer or employee of a political committee to knowingly accept a contribution made for the use or benefit of a candidate in violation of the limitations imposed on contributions under 2 U.S.C. § 441a.

Under 11 C.F.R. § 103.3(b)(3), the treasurer of a political committee is responsible for examining all contributions received to determine whether such contributions are illegal or whether, when aggregated with other contributions from the same contributor, exceed the contribution limitations. Excessive contributions may be deposited in a campaign depository or returned to the contributor. If an excessive contribution is deposited by a committee, the treasurer of the committee may request redesignation or reattribution of the contribution by the contributor. If a redesignation or reattribution is not obtained, the contribution must be refunded to the contributor within 60 days of the receipt of the contribution.

Under 2 U.S.C. § 441a(a)(8), contributions may be earmarked through an intermediary or conduit, but treated as a contribution from the original source and not from the intermediary or conduit. Under that Section, the intermediary or conduit of earmarked funds must report the original source and the intended recipient of such funds to the Commission and to the intended recipient.

If earmarked funds pass through a conduit's account, the conduit must disclose each contribution on schedules of itemized receipts and expenditures. 11 C.F.R. § 110.6(c)(1)(i). Under

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11 C.F.R. § 110.6(d)(1), where the conduit exercises any direction or control over the choice of the recipient candidate, the conduit's contribution limits are also affected. If a conduit exercises any direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit. 11 C.F.R. § 110.6(d)(2)

The Committee did not report the receipt and passing on of the $5,600 contribution as earmarked from eight individuals. It apparently told the Jim Hansen Committee it was an earmarked contribution even though the Committee admittedly was exercising control over the choice of the recipient candidate. Rather, the Committee reported the $5,600 as a direct contribution from it to the Jim Hansen Committee. Thus, the contribution from Erol's Inc. should be considered as a contribution to the Committee. The Committee, in turn, made a contribution to the Jim Hansen Committee.

As discussed earlier, the Committee did not obtain multicandidate status until November 30, 1985. Therefore, the Committee's contribution limitation was $1,000 until that date. 2 U.S.C. § 441a(a). The Committee gave $5,600 to the Jim Hansen Committee on November 12, 1985 and $1,050 to the Jim Hansen Committee on October 8, 1985. The Committee thus exceeded its contribution limit of $1,000 with its contributions to the Jim Hansen Committee. The Committee also exceeded its contribution limit with its contribution of $3,000 on November 25, 1985 to the Badham Congressional Committee.

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Accordingly, this Office recommends that the Commission find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A).

The Jim Hansen Committee had accepted from the Committee, in addition to the $5,600 contribution, the $1,050 contribution which by itself exceeded the Committee's contribution limit of $1,000. The Jim Hansen Committee refunded $50 to the Committee approximately three months later.

The Jim Hansen Committee should also refund the $5,600 contribution even though at the time the contribution was made there was apparently no reason for the Jim Hansen Committee to have known that this contribution was not earmarked from eight individuals. Despite apparent requests from the Committee for it to do so, there is no evidence that the Jim Hansen Committee has refunded the $5,600 contribution to the Committee.

While the Jim Hansen Committee may have had no knowledge that the Committee was not qualified to make the contributions it did, the Jim Hansen Committee may have failed in its duty to determine whether or not the Committee had obtained multicandidate status. FEC v. John A. Dramesi For Congress, 640 F. Supp. 985 (D. N.J. 1986). See also FEC v. Re-Elect Hollenbeck To Congress Committee, et al., No. 85-2239, slip op. (D. D.C. June 25, 1987). The Jim Hansen Committee received a total of $6,650 from the Committee, presumably by check from the Committee, without determining whether or not the Committee had obtained multicandidate status.

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Accordingly, this Office recommends that the Commission find reason to believe that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

The Badham Congressional Committee accepted $3,000 from the Committee prior to the Committee's having attained multicandidate status. As set forth above, the excessive portion of this contribution was not refunded to the Committee for five months. While the Badham Congressional Committee may have had no knowledge that the Committee was not qualified to make the contribution it did, the Badham Congressional Committee, like the Jim Hansen Committee, may have failed in its duty to determine whether the Committee had attained multicandidate status.

Accordingly, this Office recommends that the Commission find reason to believe that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

III. RECOMMENDATIONS

1. Find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c).

2. Find reason to believe that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a).

3. Find reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f.

4. Find reason to believe that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

5. Find reason to believe that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

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6. Approve the attached letters, interrogatories and requests for production of documents, and factual and legal analyses.

Lawrence M. Noble
General Counsel

May 17, 1989
Date

BY: George F. Rishel
George F. Rishel
Acting Associate General Counsel

Attachments:
1. Correspondence from the Committee received on February 2, 1988
2. Correspondence from the Committee received on June 6, 1988
3. Correspondence from the Committee received on October 17, 1988
4. Referral Materials
5. Proposed letters (5), interrogatories and requests for production of documents (4), and factual and legal analyses (5)

93040980208

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN
COMMISSION SECRETARY

DATE: MAY 22, 1989

SUBJECT: OBJECTION TO MUR 2688 - First General Counsel's Report Signed May 17, 1989

The above-captioned document was circulated to the Commission on Thursday, May 18, 1989 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	X

This matter will be placed on the meeting agenda for meeting date have not been assigned.

Please notify us who will represent your Division before the Commission on this matter.

93040980209

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer	)	
	)	
Assembly of Turkish American Associations	)	MUR 2688
	)	
Erol's Inc.	)	
	)	
Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	
	)	
Badham Congressional Committee and Robert W. Krone, as treasurer	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 1, 1989, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2688:

1. Find reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c).

(continued)

2. Find reason to believe that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a).

3. Find reason to believe that Erols, Inc. violated 2 U.S.C. §§ 441b(a) and 441f.

4. Find reason to believe that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

5. Find reason to believe that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

6. Approve the letters, interrogatories and request for production of documents, and factual and legal analyses attached to the General Counsel's report dated May 17, 1989.

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

Attest:

June 1, 1989
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1989

Erol M. Onaron
Erol's Inc.
6621 Electronic Drive
Springfield, VA 22151

RE: MUR 2688
Erol's Inc.

Dear Mr. Onaron:

On June 1, 1989, the Federal Election Commission found that there is reason to believe Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Erol's Inc. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against Erol's Inc., the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

93040980213

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2688
)

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Erol Onaron
Erol's Inc.
6621 Electronic Drive
Springfield, VA 22151

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Erol's Inc. MUR 2688

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission learned that the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") received an apparent corporate contribution of $5,600 on November 12, 1985 from Erol's Inc. The Committee acknowledged that the contribution was made on a corporate check. The contribution was revealed on the Committee's receipts journal and contributor list.

On the same date that the Committee reported the receipt of $5,600 from Erol's Inc., the Committee made a $5,600 contribution to the Jim Hansen Committee. The Committee reported this receipt as contributions from eight individuals even though the source was one corporate check. The Jim Hansen Committee reported the receipt of these funds as earmarked contributions from the same eight individuals. It appears that each individual contribution was in the amount of $700. The Committee stated that these contributions were given to one individual to pay for tickets to a fundraising dinner for the candidate. It stated that this was done for convenience.

On June 6, 1988, the Committee stated that the $5,600 contribution was not necessarily an earmarked contribution to the Jim Hansen Committee since it was at the Committee's discretion to use the funds as it pleased. The Committee further stated that the Committee itself had initiated the solicitation of the

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funds.

On June 17, 1987, the Committee refunded $700 of the $5,600 to Erol Onaron, one of the eight individuals to attend the fundraiser. The refund was reported in the Committee's 1987 Mid-Year Report. Erol Onaron is also the registered agent, chief executive officer and director of Erol's Inc. In the same correspondence, the Committee stated that the individuals involved did not ever reimburse or otherwise provide funds to Erol's Inc. for the contributions it had apparently made on their behalf. It is not evident that the individuals involved were even aware of the use of their names in this transaction.

In its letter received on October 17, 1988, the Committee stated that a check for $4,900 it had written to Erol's Inc. in June 1988 was returned to it for insufficient funds. The Committee enclosed documentation with the letter verifying that transaction. The Committee also stated in this letter that the "refund was made as of the 9/30/88 report." While the 1988 October Quarterly Report lists such a refund to Erol's Inc., this Office has no documentation that a refund was ever consummated.

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election or for a political committee to knowingly accept or receive a contribution from any corporation. Furthermore, this Section makes it unlawful for an officer of a corporation to consent to such a contribution or expenditure.

Therefore, there is reason to believe that Erol's Inc. violated 2 U.S.C. § 441b(a) by making a contribution to the

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Committee in the amount of $5,600.

Under 2 U.S.C. § 441f, it is unlawful for a person to contribute to a political committee in the name of another person or for a political committee to knowingly accept a contribution made by one person in the name of another person. The term "person" is defined under the Act to include corporations. 2 U.S.C. § 431(11). See also Advisory Opinion 1986-41.

As set forth above, Erol's Inc. apparently made a $5,600 contribution to the Committee on behalf of several individuals. Therefore, there is reason to believe that Erol's Inc. violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1989

Gordon E. Hoskins, Treasurer
Jim Hansen Committee
P.O. Box 654
Farmington, UT 84025

RE: MUR 2688
Jim Hansen Committee and
Gordon E. Hoskins, as
treasurer

Dear Mr. Hoskins:

On June 1, 1989, the Federal Election Commission found that there is reason to believe the Jim Hansen Committee (the "Committee") and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter along with answers to the enclosed questions. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

cc: James V. Hansen

93040980219

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2688
)

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Gordon E. Hoskins, Treasurer
Jim Hansen Committee
P.O. Box 654
Farmington, UT 84025

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

a. State the reasons for which the funds were treated as earmarked for the Jim Hanson Committee;

b. State the names and positions of the persons responsible for the making and the acceptance of the contribution;

c. Describe the process by which you determined whether the individuals who are identified as having contributed $700 apiece to the Committee were in any manner aware contributions were being made in their names by Erol's Inc.

d. State whether the Committee has requested a refund of the $5,600 contribution from the Jim Hansen Committee and whether at any time such a refund was made.

e. State the reasons the Jim Hansen Committee has or has not refunded the $5,600 contribution to the Committee.

2. Produce each and every document concerning the above interrogatories including, but not limited to, copies of both sides of all relevant checks and other documents relating to this transaction.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jim Hansen Committee and Gordon E. Hoskins, as treasurer

MUR 2688

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission learned that the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") received a $5,600 contribution to the Committee from Erol's Inc. on November 12, 1985. On that same date, the Committee made a $5,600 contribution to the Jim Hansen Committee.

The Committee reported this receipt as contributions from eight individuals even though the source was one corporate check. The Jim Hansen Committee reported the receipt of these funds as earmarked contributions from the same eight individuals. It appears that each individual contribution was in the amount of $700. The Committee stated that these contributions were given to one individual to pay for tickets to a fundraising dinner for the candidate. It stated that this was done for convenience.

On June 6, 1988, the Committee stated that the $5,600 contribution was not necessarily an earmarked contribution to the Jim Hansen Committee since it was at the Committee's discretion to use the funds as it pleased. The Committee further stated that the Committee itself had initiated the solicitation of the funds.

The Committee made an additional $1,050 contribution to the Jim Hansen Committee on October 8, 1985. The Committee, however,

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did not achieve multicandidate status until November 30, 1985. The Jim Hansen Committee refunded $50 to the Committee on January 9, 1986. The Committee has stated that it requested but did not receive a refund of the $5,600 contribution from the Jim Hansen Committee.

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. The term person includes a political committee. 2 U.S.C. § 431(11). Furthermore, under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committee with respect to any election for Federal office, which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a "multicandidate political committee" is a political committee which has been registered with the Commission for at least six months, has received contributions from more than 50 persons, and except for State party political organizations, has made contributions to five or more candidates for federal office.

Under 2 U.S.C. § 441a(f), it is unlawful for an officer or employee of a political committee to knowingly accept a contribution made for the use or benefit of a candidate in violation of the limitations imposed on contributions under 2 U.S.C. § 441a.

Under 11 C.F.R. § 103.3(b)(3), the treasurer of a political committee is responsible for examining all contributions received

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to determine whether such contributions are illegal or whether, when aggregated with other contributions from the same contributor, exceed the contribution limitations. Excessive contributions may be deposited in a campaign depository or returned to the contributor. If an excessive contribution is deposited by a committee, the treasurer of the committee may request redesignation or reattribution of the contribution by the contributor. If a redesignation or reattribution is not obtained, the contribution must be refunded to the contributor within 60 days of the receipt of the contribution.

Under 2 U.S.C. § 441a(a)(8), contributions may be earmarked through an intermediary or conduit and treated as a contribution only from the original source and not from the intermediary or conduit. Under that Section, the intermediary or conduit of earmarked funds must report the original source and the intended recipient of such funds to the Commission and the intended recipient.

If earmarked funds pass through a conduit's account, the conduit must disclose each contribution on schedules of itemized receipts and expenditures. 11 C.F.R. § 110.6(c)(1)(i). Under 11 C.F.R. § 110.6(d)(1), where the conduit exercises any direction or control over the choice of the recipient candidate, the conduit's contribution limits are also affected. If a conduit exercises any direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit. 11 C.F.R. § 110.6(d)(2).

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The Committee did not report the receipt and passing on of the $5,600 contribution as earmarked from eight individuals. It apparently told the Jim Hansen Committee it was an earmarked contribution even though the Committee admittedly was exercising control over the choice of the recipient candidate. Rather, the Committee reported the $5,600 as a direct contribution from it to the Jim Hansen Committee. Thus, the contribution from Erol's Inc. should be considered as a contribution to the Committee. The Committee, in turn, made a contribution to the Jim Hansen Committee.

The Jim Hansen Committee had accepted from the Committee, in addition to the $5,600 contribution, the $1,050 contribution which by itself exceeded the Committee's contribution limit of $1,000.

The Jim Hansen Committee refunded $50 to the Committee approximately three months later. The Jim Hansen Committee should also refund the $5,600 contribution even though at the time the contribution was made there was apparently no reason for the Jim Hansen Committee to have known that this contribution was not earmarked from eight individuals. Despite apparent requests from the Committee for it to do so, there is no evidence that the Jim Hansen Committee has refunded the $5,600 contribution to the Committee.

While the Jim Hansen Committee may have had no knowledge that the Committee was not qualified to make the contributions it did, the Jim Hansen Committee may have failed in its duty to determine whether or not the Committee had obtained

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multicandidate status. FEC v. John A. Dramesi For Congress, 640 F. Supp. 985 (D. N.J. 1986). See also FEC v. Re-Elect Hollenbeck To Congress Committee, et al., No. 85-2239, slip op. (D. D.C. June 25, 1987). The Jim Hansen Committee received a total of $6,650 from the Committee, presumably by check from the Committee, without determining whether or not the Committee had obtained multicandidate status.

Therefore, there is reason to believe that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1989

Robert W. Krone, Treasurer
Badham Congressional Committee
2237 Donnie Road
Newport Beach, CA 92660

RE: MUR 2688
Badham Congressional
Committee and Robert
W. Krone, as treasurer

Dear Mr. Krone:

On June 1, 1989, the Federal Election Commission found that there is reason to believe the Badham Congressional Committee (the "Committee") and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter along with answers to the enclosed questions. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

cc: Robert E. Badham

9304098028

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2688
)

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Robert W. Krone, Treasurer
Badham Congressional Committee
2237 Donnie Road
Newport Beach, CA 92660

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

1. Describe the process by which the Badham Congressional Committee determined that the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") had obtained multicandidate status by the time it accepted a $3,000 contribution from the Committee.

2. Produce each and every document concerning the above including, but not limited to, copies of both sides of all relevant checks.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Badham Congressional Committee and Gordon E. Hoskins, as treasurer — **MUR 2688**

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. The term person includes a political committee. 2 U.S.C § 431(11). Furthermore, under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committee with respect to any election for Federal office, which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a "multicandidate political committee" is a political committee which has been registered with the Commission for at least six months, has received contributions from more than 50 persons, and except for State party political organizations, has made contributions to five or more candidates for federal office.

Under 2 U.S.C. § 441a(f), it is unlawful for an officer or employee of a political committee to knowingly accept a contribution made for the use or benefit of a candidate in violation of the limitations imposed on contributions under 2 U.S.C. § 441a.

Under 11 C.F.R. § 103.3(b)(3), the treasurer of a political committee is responsible for examining all contributions received to determine whether such contributions

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are illegal or whether, when aggregated with other contributions from the same contributor, exceed the contribution limitations. Excessive contributions may be deposited in a campaign depository or returned to the contributor. If an excessive contribution is deposited by a committee, the treasurer of the committee may request redesignation or reattribution of the contribution by the contributor. If a redesignation or reattribution is not obtained, the contribution must be refunded to the contributor within 60 days of the receipt of the contribution.

The Political Action Committee of the Assembly of Turkish American Associations (the "Committee") contributed $3,000 to the Badham Congressional Committee on November 25, 1985, although the Committee did not obtain multicandidate status until November 30, 1985. Therefore, the Committee's contribution limitation was $1,000 until that date. 2 U.S.C. § 441a(a). The Committee thus exceeded its contribution limit of $1,000 with its contributions to the Badham Congressional Committee.

The apparent excessive portion of this contribution, $2,000, was refunded by the Badham Congressional Committee to the Committee on April 25, 1986, five months after the initial contribution.

While the Badham Congressional Committee may have had no knowledge that the Committee was not qualified to make the contributions it did, the Badham Congressional Committee may have failed in its duty to determine whether or not the Committee had

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obtained multicandidate status. FEC v. John A. Dramesi For Congress, 640 F. Supp. 985 (D. N.J. 1986). See also FEC v. Re-Elect Hollenbeck To Congress Committee, et al., No. 85-2239, slip op. (D. D.C. June 25, 1987). The Badham Congressional Committee received a total of $3,000 from the Committee, presumably by check from the Committee, without determining whether or not the Committee had obtained multicandidate status.

Therefore, there is reason to believe that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1989

Erol Ozdemir, Treasurer
Political Action Committee of
the Assembly of Turkish
American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

On June 1, 1989, the Federal Election Commission found that there is reason to believe the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") and you, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2688
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Erol Ozdemir, Treasurer
Political Action Committee of the Assembly of
Turkish American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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Erol Ozdemir

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from May 30, 1985 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

1. Regarding the $5,600 contribution from Erol's Inc. to the Political Action Committee of the Assembly of Turkish American Associations (the "Committee"):

a. State the names and positions of the persons at Erol's Inc. responsible for making the contribution;

b. State the reasons for which the funds were treated as earmarked for the Jim Hanson Committee;

c. State the reasons Erol's Inc. was not reimbursed by the individuals who are identified as having contributed $700 apiece to the Committee; and

d. State the reasons why the receipt and passing on of the contributions as earmarked were not reported by the Committee as earmarked.

2. Describe the efforts made by the Committee in obtaining a refund of the $5,600 contribution from the Jim Hanson Committee.

3. State whether the transfer of $100 from the Assembly of Turkish American Associations to the Committee described in the factual and legal analysis was for administrative expenses incurred by the Committee within 30 days preceding the transfer and provide proof thereof.

4. Regarding the contributions totaling $475 from Marlboro Motor Lodge, Inc., The Precious Gem, Cay Export-Import Corp., Evansville Metal Products, Inc. and Kemor Food, Inc.:

a. State how the Committee determined the contributing corporations were making contributions on behalf of individuals to whom the contributing corporations owed money; and

b. State the names of the individuals for whom the contributions were made and the dates of the contributions.

5. Produce each and every document concerning the above interrogatories including, but not limited to, copies of both sides of all relevant checks and other documents relating to:

a. the transfer of funds from the Assembly of Turkish American Associations to the Committee;

b. contributions made to the Committee on corporate checks;

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c. contributions made by the Committee to the Jim Hanson Committee and the Badham Congressional Committee; and

d. the Committee's refund of $5,600 to Erol's Inc.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer

MUR 2688

A. Background

The Committee registered with the Commission on May 30, 1985. The connected organization of the Committee during the audit period was the Assembly of Turkish American Associations (the "Connected Organization"). The Connected Organization is incorporated under the laws of the District of Columbia. The original treasurer of the Committee and the treasurer during the period covered by the audit was Bulent Atalay. The Statement of Organization also listed Taskin Atil as the Custodian of Records, but did not list an assistant treasurer.

Bulent Atalay resigned as treasurer while MUR 2368, a prior enforcement matter for late filing, was pending. An amended Statement of Organization was filed on April 30, 1987 that listed Erol Ozdemir as the Committee's treasurer and Custodian of Records. It also listed Eren Veral as the Committee's assistant treasurer. The Committee filed another amended Statement of Organization on November 20, 1987 listing Alp Karahasan as the Committee's treasurer and Custodian of Records. Eren Veral remained the Committee's assistant treasurer. Subsequently, Alp Karahasan was substituted as treasurer for the purposes of MUR 2368.

According to a letter received by the Commission on

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February 2, 1988, Alp Karahasan died on January 28, 1988, leaving the Committee without a treasurer. The letter also stated that Eren Veral had resigned as assistant treasurer and that the signatory of the letter, Erol Ozdemir, would be addressing issues involving the Committee until the appointment of a new treasurer.

Correspondence received from the Committee on June 6, 1988 and October 17, 1988 was signed by Erol Ozdemir, as treasurer. In addition, reports filed with the Commission since February 2, 1988 have been sign by Erol Ozdemir, as treasurer. For those reasons, correspondence from the Commission to the Committee has been directed to Erol Ozdemir.

At no point, however, has the Committee filed an Amended Statement of Organization to affirmatively list Erol Ozdemir as its new and current treasurer.

The audit revealed six apparent corporate contributions totaling $6,075 on the Committee's receipts journal and contributor list as follows:

Contributor	Deposit Date	Amount
Marlboro Motor Lodge, Inc.	10/02/85	$ 100
The Precious Gem	10/02/85	250
Cay Export-Import Corp.	10/22/85	50
Erol's Inc.	11/12/85	5,600
Evansville Metal Products, Inc.	1985	50
Kemor Food, Inc.	1985	25
		$ 6,075

The Committee acknowledged that the contributions were made on corporate checks.

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On the same date that the Committee reported the receipt of $5,600 from Erol's Inc., the Committee made a $5,600 contribution to the Jim Hansen Committee. The Committee reported this receipt as contributions from eight individuals even though the source was one corporate check. The Jim Hansen Committee reported the receipt of these funds as earmarked contributions from the same eight individuals. It appears that each individual contribution was in the amount of $700. The Committee stated that these contributions were given to one individual to pay for tickets to a fundraising dinner for the candidate. It stated that this was done for convenience.

On June 6, 1988, the Committee stated that the $5,600 contribution was not necessarily an earmarked contribution to the Jim Hansen Committee since it was at the Committee's discretion to use the funds as it pleased. The Committee further stated that the Committee itself had initiated the solicitation of the funds.

On June 17, 1987, the Committee refunded $700 of the $5,600 to Erol Onaron, one of the eight individuals to attend the fundraiser. The refund was reported in the Committee's 1987 Mid-Year Report. In the same correspondence, the Committee stated that the individuals involved did not ever reimburse or otherwise provide funds to Erol's Inc. for the contributions it had apparently made on their behalf. It is not evident that the individuals involved were even aware of the use of their names in this transaction.

In its letter received on October 17, 1988, the Committee

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stated that a check for $4,900 it had written to Erol's Inc. in June 1988 was returned to it for insufficient funds. The Committee enclosed documentation with the letter verifying that transaction. The Committee also stated in this letter that the "refund was made as of the 9/30/88 report." While the 1988 October Quarterly Report lists such a refund to Erol's Inc., this Office has no documentation that a refund was ever consummated.

As to the remaining five apparent corporate contributions, the Committee has stated that although the contributions were made on corporate checks, in actuality the five contributing corporations owed the individual money and simply made out the checks to the Committee for the individual. According to the referral materials, one of these contributions was reported as a contribution from an individual. This Office has not located these contributions on an applicable Committee report.

The audit further revealed three transfers totaling $6,100 from the Connected Organization to the Committee. The Committee has stated that two transfers totaling $6,000 were made for administrative expenses but that the expenses were not incurred within 30 days preceding the transfers. The Committee reported the refund of those transfers as "Loan Repayment" and has provided copies of the refund checks. In its letter received on June 6, 1988, the Committee stated that the remaining transfer of $100 had been refunded. In its letter received on October 17, 1988, the Committee enclosed a copy of a check to the Connected Organization for $100. It is not known whether the transfer of $100, apparently refunded by the Committee, was for

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administrative expenses incurred within the 30 days preceding the transfer.

The Committee reported the $5,600 disbursement to the Jim Hansen Committee discussed earlier as a contribution from the Committee even though the Jim Hansen Committee reported it as earmarked from eight individuals. The date of this disbursement was November 12, 1985. In addition, the Committee made an additional $1,050 contribution to the Jim Hansen Committee on October 8, 1985. The Committee, however, did not achieve multicandidate status until November 30, 1985. The Jim Hansen Committee refunded $50 to the Committee on January 9, 1986. The Committee has stated that it requested but did not receive a refund of the $5,600 contribution from the Jim Hansen Committee.

The Committee also contributed $3,000 to the Badham Congressional Committee on November 25, 1985, although the Committee did not obtain multicandidate status until November 30, 1985. The apparent excessive portion of this contribution, $2,000, was refunded by the Badham Congressional Committee to the Committee on April 25, 1986.

B. Legal Analysis

1. Failure to Report Change of Information in Statement of Organization

Under 2 U.S.C. § 433(c), any change in information previously submitted in a statement of organization must be reported to the Commission no later than ten days after the change.

As set forth above, the treasurer of the Committee during

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the period covered by the Audit resigned while MUR 2368 was pending. Alp Karahasan was later substituted as treasurer, but died in January 1988. No change or correction was reported in the information previously listed in the Statement of Organization regarding the role of Erol Ozdemir as the Committee's current treasurer or assistant treasurer. Correspondence and reports from the Committee to the Commission suggest, however, that Erol Ozdemir is fulfilling the duties of treasurer or assistant treasurer as prescribed by the Act.

Therefore, there is reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 433(c).

2. Corporate Contributions

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election or for a political committee to knowingly accept or receive a contribution from any corporation. Furthermore, this Section makes it unlawful for an officer of a corporation to consent to such a contribution or expenditure.

In view of the facts set forth above, there is reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441b(a) for accepting up to $6,075 in apparent corporate contributions.

3. Contributions in the Name of Another

Under 2 U.S.C. § 441f, it is unlawful for a person to contribute to a political committee in the name of another person

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or for a political committee to knowingly accept a contribution made by one person in the name of another person. The term "person" is defined under the Act to include corporations. 2 U.S.C. § 431(11). See also Advisory Opinion 1986-41.

The Committee admitted that it had accepted contributions that were made on corporate checks, including that of Erol's Inc., in the name of another person.

Therefore, there is reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441f.

4. Transfer of Funds from the Connected Organization to the Separate Segregated Fund

Under 2 U.S.C. § 441b(b)(2)(C), the term "contribution or expenditure" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

Under 11 C.F.R. § 114.5(b)(3), if the separate segregated fund pays any solicitation or other administration expenses from its own account which could have been paid by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 days after payment by the separate segregated fund.

The Connected Organization was apparently acting as the collecting agent for the Committee. See 11 C.F.R. § 102.6(b)(1)(ii). The Connected Organization made three

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transfers totaling $6,100 to the Committee for administrative expenses. Six thousand dollars ($6,000) of the expenses, however, were not incurred within 30 days preceding the transfers, the required time period of 11 C.F.R. § 114.5(b)(3). As previously discussed, the Committee reported the refund of $6,000 to the Connected Organization and provided copies of the refund checks to the audit staff.

The Committee also provided a copy of a check for $100 to the Connected Organization. It has not, however, provided evidence demonstrating why this transfer should not also be considered prohibited. The transfers totaling $6,100, although later refunded, should be treated as apparent corporate contributions accepted by the Committee. Therefore, there is reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441b(a).

5. Contributions Made in Excess of the Limitation

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. The term person includes a political committee 2 U.S.C. § 431(11). Furthermore, under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committee with respect to any election for Federal office, which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a "multicandidate political

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committee" is a political committee which has been registered with the Commission for at least six months, has received contributions from more than 50 persons, and except for State party political organizations, has made contributions to five or more candidates for federal office.

Under 2 U.S.C. § 441a(a)(8), contributions may be earmarked through an intermediary or conduit and treated as a contribution only from the original source and not from the intermediary or conduit. Under that Section, the intermediary or conduit of earmarked funds must report the original source and the intended recipient of such funds to the Commission and the intended recipient.

If earmarked funds pass through a conduit's account, the conduit must disclose each contribution on schedules of itemized receipts and expenditures. 11 C.F.R. § 110.6(c)(1)(i). Under 11 C.F.R. § 110.6(d)(1), where the conduit exercises any direction or control over the choice of the recipient candidate, the conduit's contribution limits are also affected. If a conduit exercises any direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit. 11 C.F.R. § 110.6(d)(2).

The Committee did not report the receipt and passing on of the $5,600 contribution as earmarked from eight individuals. It apparently told the Jim Hansen Committee it was an earmarked contribution even though the Committee admittedly was exercising control over the choice of the recipient candidate. Rather, the

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Committee reported the $5,600 as a direct contribution from it to the Jim Hansen Committee. Thus, the contribution from Erol's Inc. should be considered as a contribution to the Committee. The Committee, in turn, made a contribution to the Jim Hansen Committee.

As discussed earlier, the Committee did not obtain multicandidate status until November 30, 1985. Therefore, the Committee's contribution limitation was $1,000 until that date. 2 U.S.C. § 441a(a). The Committee gave $5,600 to the Jim Hansen Committee on November 12, 1985 and $1,050 to the Jim Hansen Committee on October 8, 1985. The Committee thus exceeded its contribution limit of $1,000 with its contributions to the Jim Hansen Committee. The Committee also exceeded its contribution limit with its contribution of $3,000 on November 25, 1985 to the Badham Congressional Committee.

Therefore, there is reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 20, 1989

Tunca Iskir, President
Assembly of Turkish American
Associations
2010 Massachusetts Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Assembly of Turkish
American Associations

Dear Mr. Iskir:

On June 1, 1989, the Federal Election Commission found that there is reason to believe the Assembly of Turkish American Associations (the "Assembly") violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Assembly. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Assembly, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Assembly of Turkish American Associations MUR 2688

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election or for a political committee to knowingly accept or receive a contribution from any corporation. Furthermore, this Section makes it unlawful for an officer of a corporation to consent to such a contribution or expenditure.

Under 2 U.S.C. § 441b(b)(2)(C), the term "contribution or expenditure" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

Under 11 C.F.R. § 114.5(b)(3), if the separate segregated fund pays any solicitation or other administration expenses from its own account which could have been paid by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 days after payment by the separate segregated fund.

The Federal Election Commission conducted an audit of the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") covering the period May 30, 1985 to December 31, 1986. The connected organization of the Committee during the audit period was the Assembly of Turkish

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American Associations (the "Connected Organization"). The Connected Organization is incorporated under the laws of the District of Columbia.

The audit revealed three transfers totaling $6,100 from the Connected Organization to the Committee. The Committee has stated that two transfers totaling $6,000 were made for administrative expenses but that the expenses were not incurred within 30 days preceding the transfers. The Committee reported the refund of those transfers as "Loan Repayment" and has provided copies of the refund checks. In its letter received on June 6, 1988, the Committee stated that the remaining transfer of $100 had been refunded. In its letter received on October 17, 1988, the Committee enclosed a copy of a check to the Connected Organization for $100. It is not known whether the transfer of $100, apparently refunded by the Committee was for administrative expenses incurred within the 30 days preceding the transfer.

The Connected Organization was apparently acting as the collecting agent for the Committee. See 11 C.F.R. § 102.6(b)(1)(ii).

The transfers totaling $6,100, although later refunded, should be treated as apparent corporate contributions accepted by the Committee in violation of 2 U.S.C. § 441b(a).

Therefore, there is reason to believe that the Connected Organization, the Assembly of Turkish American Associations, violated 2 U.S.C. § 441b(a) for making contributions to the Committee totaling $6,100.

9304098025 4

OGC 3194

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 JUN 26 AM 9:49

DARRYL R. WOLD
ATTORNEY AT LAW
3151 AIRWAY AVENUE, SUITE M-1
COSTA MESA, CALIFORNIA 92626
(714) 641-4942 FAX (714) 546-1003

June 22, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 26 PM 3:56

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2688, Badham Congressional Committee
and Robert W. Krone, as Treasurer

Dear Mr. Noble:

I represent the Badham Congressional Committee and Robert W. Krone, as Treasurer. Their Statement of Designation of Counsel form is enclosed.

I am writing to request an extension of time to respond to the Commission's letter of June 6, 1989, and of the period during which my clients may request pre-probable cause conciliation, and of the time within which they have to respond to the Commission's Interrogatories and Request for Production of Documents. I request an additional period of time of 20 days, to and including July 12, 1989.

The reasons for requesting the extension are that:

(1) The Commission's inquiry is based on information that the Badham Congressional Committee received a contribution of $3,000, from a committee that was not qualified as a multi-candidate committee, on November 25, 1985. The Commission's Factual and Legal Analysis acknowledges, however, that the donor did qualify as a multi-candidate committee on November 30, 1985. Information in my client's files indicates that the contribution in fact was not received until on or after November 30, 1985, which if correct, would indicate that there has been no violation.

(2) My clients need additional time to obtain further substantiation of the date on which the contribution was received, but this information will have to be obtained from individuals formerly employed by Congressman Badham, who are no longer employed by him because he has since retired from office. We expect that we will be able to locate and interview these individuals, but need additional time to do so.

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Because we expect that the facts that we will be able to ascertain will show that no violation has, in fact, occurred, good cause exists for the brief extension of time we are requesting.

Since I spoke with attorney Kenneth Kellner in your office concerning these matters on June 22, I am copying him with this letter. Thank you for your consideration.

Sincerely,

Darryl R. Wold

DARRYL R. WOLD

DRW/jw
LBADHAM.01

Enclosure

cc: Kenneth E. Kellner, Esq. (with encl.)
Robert W. Krone (with encl.)
Hon. Robert E. Badham (with encl.)

9304098025 6

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2688

NAME OF COUNSEL: Darryl R. Wold, Esq.

ADDRESS: 3151 Airway Avenue
Suite M-1
Costa Mesa, CA 92626

TELEPHONE: (714) 641-4942

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.

June 22, 1989
Date

Robert W. Krone
Signature
Robert W. Krone, individually and for Badham Congressional Committee

RESPONDENT'S NAME: Badham Congressional Committee and Robert W. Krone, as Treasurer

ADDRESS: 2237 Donnie Road
Newport Beach, CA 92660

HOME PHONE:

BUSINESS PHONE: (714) 850-9404

93040980257

OGC 3198

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 JUN 26 AM 10: 29

LAW OFFICES
WATKISS & CAMPBELL
A PROFESSIONAL CORPORATION
TWELFTH FLOOR
310 SOUTH MAIN STREET
SALT LAKE CITY, UTAH 84101-2171

DAVID K. WATKISS
ROBERT S. CAMPBELL, JR.
JAMES P. COWLEY
HERSCHEL J. SAPERSTEIN
H. WAYNE WADSWORTH
WILLIAM VOGEL
PHILIP C. PUGSLEY
GLEN E. DAVIES
ROBERT D. MAACK
MICHAEL F. HEYREND
GREGORY B. MONSON
ALLAN T. BRINKERHOFF
WESTON L. HARRIS
E. BARNEY GESAS
LANGDON T. OWEN, JR.
DAVID B. WATKISS
KAREN C. JENSON
ELIZABETH T. DUNNING
VERNON L. HOPKINSON
D. RANDALL TRUEBLOOD
VINCENT C. RAMPTON
JOSEPH T. DUNBECK, JR.
TRACY H. FOWLER
R. L. KNUTH
DENNIS J. CONROY
STEVEN T. WATERMAN
KEN P. JONES
DEBRA J. MOORE
CASS C. BUTLER
STUART W. HINCKLEY
STEVEN G. FORSYTH
PERRIN R. LOVE*
H. DICKSON BURTON
DANIEL J. TORKELSON
GEORGE T. WADDOUPS
CHARLOTTE L. MILLER
MARTIN R. DENNEY
STEVEN E. McCOWIN
CAROLYN COX
WILLIAM H. CHRISTENSEN
C. SCOTT BROWN
BRETT F. WOOD
LESLIE J. RANDOLPH
LAWRENCE R. DINGIVAN
MATTHEW C. BARNECK
STEVEN W. CALL

*ADMITTED IN WASHINGTON, D.C. ONLY

OF COUNSEL
ZAR E. HAYES

TELEPHONE
(801) 363-3300

TELECOPIER
(801) 350-3892

WRITER'S DIRECT NUMBER:

June 23, 1989

Kenneth E. Kellner
Office of General Counsel
Federal Election Commission
Room 659
999 E Street NW
Washington, DC 20463

CONFIDENTIAL

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 26 PM 12: 55

Re: **MUR-2688; Jim Hansen Committee**

Dear Ken:

Confirming our telephone conversation of yesterday, I have been retained by the Jim Hansen Committee to represent it in the above-referenced matter. I have enclosed the appropriate statement of designation of counsel herewith. I am also enclosing responses to the Commission's Interrogatories and Request for Productions of Documents.

As you will see from the answers to those interrogatories and the documents produced, the Jim Hansen Committee and its Treasurer reasonably believed that the $5,600 contribution consisted of earmarked contributions from eight individuals in the amount of $700 each. It was not until late September of 1988 that the Committee had any reason to believe that the propriety of the contribution was in question and even then expected to receive further information upon completion of the FEC audit. The Committee received no further communications from neither PAC-ATAA nor the FEC until receipt of the FEC's June 6, 1989 letter. After consulting with counsel, the Committee has now sent a check to PAC-ATAA for $5,600 in complete and full reimbursement of the contribution.

If you have any questions or require further information, please give me a call at your convenience.

Very truly yours,

H. Dickson Burton

HDB/mhj
cc: James V. Hansen
Peter H. Jenks

9304098025 8

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2688

NAME OF COUNSEL: H. Dickson Burton

ADDRESS: Watkiss & Campbell
310 South Main, Suite 1200
Salt Lake City, Utah 84101

TELEPHONE: (801) 363-3300

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.

June 23, 1989
Date

Gordon E. Hoskins, Treasurer
Signature
by Peter Jacks, Finance Director
Jim Hansen Committee

RESPONDENT'S NAME: Jim Hansen Committee, Gordon E. Hoskins, Treasurer

ADDRESS: P.O. Box 654
Farmington, Utah 84025

HOME PHONE:

BUSINESS PHONE: (801) 451-6500

9304098025 9

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)))	MUR 2688

ANSWERS TO INTERROGATORIES
AND REQUESTS FOR PRODUCTION
OF DOCUMENTS

The Jim Hansen Committee answers under oath the Interrogatories and responds to the Request for Production of Documents submitted to it by the Federal Election Commission as follows:

1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

a. State the reasons for which the funds were treated as earmarked for the Jim Hansen Committee;

ANSWER:

On 11/18/85, the Jim Hansen Committee received and deposited check #125, dated 11/12/85, from PAC-ATAA for $5,600 for the fundraising reception held on 10/8/85 in Washington, D.C. The Jim Hansen Committee was told by PAC-ATAA that this contribution consisted of earmarked contributions from eight individuals at $700 each (ticket price was $350 each, $700 for couples). Eight names along with place of employment were submitted to the Jim Hansen Committee with the original check. Furthermore, it is believed that the aforementioned individuals attended the event. Attached are copies of the invitation response cards which were returned to the Committee.

On 12/12/85, Jim Barker, then Administrative Assistant for Congressman Hansen, called "Ferda" (last name believed to be Gumustas) at the PAC-"ATAA to get the home addresses for reporting purposes for the eight individuals. Ferda responded with those addresses to Jim Barker on 12/20/85. He forwarded them on to June Fisher, Officer Manager for the Jim Hansen Committee, who listed that information on the appropriate FEC Report along with the notation that these were earmarked contributions from PAC-ATAA. Further, June Fisher attached a memo to the Jim Hansen Committee's FEC Report of 12/31/85. This memo described the transaction in which the Committee received the earmarked contributions.

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1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

b. State the names and positions of the persons responsible for the making and the acceptance of the contribution;

ANSWER:

Names and positions of those responsible for making the contribution:

Nilgun Floyd	Executive	Erol's Inc.
Yavuz Somen	Executive	Erol's Inc.
Yilmaz Turker	Purchasing	Erol's Inc.
Erol Onaran	Executive	Erol's Inc.
Sukran de Lorme	Executive	Erol's Inc.
Hatice Shermat	Executive	Erol's Inc.
Nevin Belendir	Executive	Erol's Inc.
Deniz Ozturk	Executive	Erol's Inc.

Names and positions of those responsible for the acceptance of the contribution:

June Fisher	Office Manager	Jim Hansen Committee
Jim Barker	Administrative Assistant	Cong. James V. Hansen

1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

c. Describe the process by which you determined whether the individuals who are identified as having contributed $700 apiece to the Committee were in any manner aware contributions were being made in their names by Erol's Inc.

ANSWER:

The PAC-ATAA informed the Committee that it received checks from each individual. No other evidence was available to the Committee which indicated that the individuals identified as contributing $700 each did not make individual voluntary contributions.

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1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

d. State whether the Committee has requested a refund of the $5,600 contribution from the Jim Hansen Committee and whether at any time such a refund was made.

ANSWER:

On 3/27/87 the Jim Hansen Committee received a letter dated 2/17/87 from PAC-ATAA requesting a refund of $5,600. On 9/20/88, the Jim Hansen Committee received a letter dated 6/27/88 requesting a refund of $4,900.00.

A refund of $5,600.00 was made to PAC-ATAA on June 23, 1989.

1. Regarding the $5,600 contribution from the Political Action Committee of the Assembly of Turkish American Associations (the "Committee") described in the Factual and Legal Analysis:

e. State the reasons the Jim Hansen Committee has or has not refunded the $5,600 contribution to the Committee.

ANSWER:

The Jim Hansen Committee reasonably believed that the $5,600 check consisted of eight $700 contributions which were legitimately earmarked with PAC-ATAA as the conduit, and that these earmarked contributions were made without PAC-ATAA exercising any direction or control over the choice of the recipient candidate. This is substantiated by the receipt of the eight invitation response cards to the fundraising event from the PAC-ATAA and the subsequent receipt of home addresses of the eight individuals from PAC-ATAA.

On 3/27/87, the Jim Hansen Committee received a letter dated 2/17/87 from PAC-ATAA requesting a refund of $5,600 because "it fully exceeds our limit." Peter Jenks, then Finance Director for the Jim Hansen Committee, responded in a letter on 4/7/87 that it was the Committee's understanding that the $5,600 was within legal limits despite the fact that they were not a multi-candidate PAC at the time because it consisted of eight $700

9304098026 2

earmarked contributions. At the end of this letter, Peter Jenks asked them to contact the Committee if they had any further questions or desired any further information. PAC-ATAA did not respond to that letter and the Committee believed the matter to be resolved.

On 9/20/88, the Committee received a letter from PAC-ATAA dated 6/27/88. This time PAC-ATAA requested that the Committee return $4,900 to PAC-ATAA, saying it was required to do so by the FEC in accordance with a recommendation of an audit of their PAC. A telephone call from Jim Barker to PAC-ATAA Chairman Erol Ozdemir confirmed that the audit was still ongoing and it was determined to wait until the audit was complete and to receive further information from PAC-ATAA or the FEC before proceeding. Upon receipt of the June 6, 1989 communication from the FEC and upon the advice of counsel, $5,600.00 was refunded on June 23, 1989.

2. Produce each and every document concerning the above interrogatories including, but not limited to, copies of both sides of all relevant checks and other documents relating to this transaction.

ANSWER:

The available documents concerning the above interrogatories are attached.

PETER JENKS
Finance Director, Jim Hansen Committee

93040980263

STATE OF Utah)
: SS.
COUNTY OF Salt Lake)

On the 23rd day of June, 1989, personally appeared before me PETER JENKS, signer of the foregoing Answers to Interrogatories and Request for Production of Documents, who duly acknowledged to me that he has read the foregoing answers and knows the contents thereof, that upon information and belief he believes the contents thereof to be true, and that he signed the same in his capacity as the Finance Director of the Jim Hansen Committee.

Jean E. McDonald
NOTARY PUBLIC
Residing in Salt Lake City, Utah

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9 3 0 4 0 9 8 0 2 6 5

(illegible)

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT

15-4
640

125

PAY AMOUNT OF Five thousand six hundred DOLLARS

CHECK AMOUNT

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER
11/12	Hanson Re-election Committee		125

$ 5600.00

Bruce Kaufman
Bruce Kaufman
Treas. Atty

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

⑈0000125⑈ ⑆054000063⑆ 3 325 096⑈

Exhibit #17
NOV 18 1985

#17

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .

☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name Sukran de Lorme

Affiliation Erol's Inc.

City and State Springfield, Va. Zip 22151

Paid for by Hansen Re-election Committee Farmington, Utah 84025

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .

☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name Hatice Shermat

Affiliation Erol's Inc.

City and State Springfield, Va. Zip 22151

Paid for by Hansen Re-election Committee Farmington, Utah 84025

9304098026 6

NOV 15 1985
#17

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .
☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name YILMAZ TURKER

Affiliation EROL'S INC.

City and State SPRINGFIELD, VA. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .
☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name EROL ONARAN

Affiliation EROL'S INC.

City and State SPRINGFIELD, VA. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

93040980267

NOV 18 1985
#17

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .
☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name Nilgun Floyd

Affiliation Erol's Inc.

City and State Springfield, Va. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .
☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name Yavuz Somen

Affiliation Erol's Inc.

City and State Springfield, Va. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

93040980268

#17

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .

☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name NEVIN BELENDIR

Affiliation EROL'S INC.

City and State SPRINGFIELD, VA. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

Yes, Jim - we're coming in for '86!

Please reserve _____ tickets. Here is our

☒ contribution for $ 700.00 .

☐ pledge for $ _____ .

Please make checks payable to Hansen Re-election Committee

Name DENIZ OZTURK

Affiliation EROL'S INC.

City and State SPRINGFIELD, VA. Zip 22151

Paid for by Hansen Re-election Committee, Farmington, Utah 84025

2304098026

Jim Hansen
U.S. Congress

MEMO to F.E.C. Report 12-31-85

SCHEDULE A ITEMIZED RECEIPTS Line 11A

The eight individual contributions on this report that are marked (MEMO) all came from an earmarked contribution (FEC RULE 110.6) to the Jim Hansen Committee through the PAC - ATAA
2010 Massachusetts Ave., N.W.
Washington, DC 20036

PAC - ATAA Check #125, dated 11-12-85 in the amount of $5,600 was received in our Farmington Office on November 18, 1985 and deposited on that date.

It represented 8 individuals purchasing 2 tickets each to our Washington, DC, Fund-Raising Event of October 8, 1985. Tickets were $350 each; thus each donation was $700.

REFER to pages 2 & 3 of Itemized Receipts Line 11A of our 1985 Year-End FEC Report for the individual names, etc.

9304098027 0

80 South 200 West
P.O. Box 654
Farmington, Utah 84025

Paid for by the Jim Hansen Committee

Jim
Hansen
U.S. Congress

January 10, 1986

PAC ATAA
2010 Massachusetts Ave., N.W.
Washington, D. C. 20036

Attention: Ferda

Gentlemen:

We appreciate the financial help you have given to the Jim Hansen Committee to assist in his 1986 re-election campaign.

We have learned that your PAC is not a multi-candidate PAC. Under Federal Election Commission Regulations a PAC is limited to giving $1,000 per election cycle (Primary and General). A Multi-Candidate PAC may give $5,000 per cycle.

On October 8, 1985 you wrote a check to our Committee for $1,050 in payment of 3 tickets to our Fund Raiser in Washington D.C. on that date. Since this was in excess of the limit, we are enclosing our check for $50.

We would be interested in knowing if your PAC status changes in the future. Your support is deeply appreciated.

Sincerely,

JIM HANSEN COMMITTEE

June M. Fisher

June M. Fisher
Office Manager

9304098027 1

60 South 200 West
P.O. Box 654

Paid for by the Jim Hansen Committee

MAR 2 7 1987

February 17,1987

Jim Hansen Committee
P.O. Box 654
Farmington, UT 84025

Dear Sir:

Recent examination of our accounts and FEC reports indicates that we had contributed to your committee $1,050 on 10-8-85. A $50 excess contribution had already been refunded to us since our PAC had become a multicandidate committee. Prior to 11-30-85 our PAC could not contribute more than $1,000 to any candidate or committee.

By the same legal contribution limitations, our check dated 11-12-85 for $5,600 fully exceeds our limit. It is with regret and embarrasment that I ask your committee to refund the afore mentioned sum. I apologize for the inconvenience it may cause.

Sincerely,

Bulent Atalay

Bulent Atalay
Treasurer

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 293-4670

93040980272

JIM HANSEN
CONGRESS

April 7, 1987

Mr. Bulent Atalay
Treasurer
PAC-ATAA
2010 Massachusetts Ave. N.W.
Washington, D.C. 20036

Dear Mr. Atalay:

In reference to your letter dated February 17, 1987 (we received it March 27, 1987), I would like to respond to your concerns.

Your contribution of $5,600 consisted of eight $700 earmarked contributions to the Jim Hansen Committee (see FEC Rule 110.6 - Earmarked Contributions). Consequently, the $5,600 is within legal contribution limits despite the fact that you were not a multicandidate PAC at the time.

I have attached the appropriate pages of our 1985 Year End FEC Report that shows the names and addresses of those who gave the earmarked donations. Our original contacts on this matter were Ferda Gumustas from your organization and Gary Hymel.

Please contact me if you have any further questions or desire any further information.

Sincerely,

Peter H. Jenks
Finance Director

cc: Jim Barker

9304098027 3

Jim Hansen Committee
P.O. Box 654
Farmington, Utah 84025
(801) 451-6500
Paid for by the Jim Hansen Committee

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee: Jim Hansen Committee

Ralph . Ropp
3403 Prince William Dr.
Fairfax, VA 22031

EMPLOYER:
OCCUPATION:

Date	Amount
10/11/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Heath Lowry
3609 N. Delaware St.
Arlington, VR 22207

EMPLOYER:
OCCUPATION:

Date	Amount
10/11/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Engin I Holmstrom
138 Grafton St.
Chevy Chase, MD 20815

EMPLOYER:
OCCUPATION:

Date	Amount
10/16/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

John Val Browning
6182 S. 2855 East
Ogden, UT 84403

EMPLOYER: Breckinridge Minerals
OCCUPATION: President

Date	Amount
11/25/85	1,000.00

RECEIPT FOR: Primary AGGREGATE YTD: 1,000.00

Yilmaz Turker
8819 Southwick St. Earmarked Thru
Fairfax, VA PAC - ATAA

EMPLOYER: Erol Inc.
OCCUPATION: Purchases

Date	Amount
11/18/85	700.00
(MEMO) 11/18/85	0.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Nilgun Floyd
1021 Pelham Earmarked thru
Alexandria, VA 22304 PAC - ATAA

EMPLOYER: Erol's Inc
OCCUPATION: Executive

Date	Amount
(MEMO) 11/18/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

PAGE SUBTOTAL = 4,500.00

93040980274

nformation copied from such Reports or Statements may not be sold or , by any person for the purpose of soliciting contributions or for mercial purposes, other than using the name and address of any political mittee to solicit contributions from such committee.

Name of Committee: Jim Hansen Committee

Wavuz Somen
EMPLOYER: Erol's
OCCUPATION: Executive
1207 wEST gRAVE bLVD.
Alexandria, VA 22307
Earmarked thru PAC - ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Erol Onaran
EMPLOYER: Erol's Inc
OCCUPATION: Executive
6621 Electronic Dr.
Springfield, VA 22151
Earmarked thru PAC - ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Sukran DeLorne
EMPLOYER: Erol's Inc,
OCCUPATION: Executive
5511 Margate
Springfield, VA 22151
Earmarked thru PAC - ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Hatice Shermat
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
1702 Burning Tree Dr.
Vienna, VA 22180
Earmarked thru PAC - ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Deuiz Ozturk
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
1020 N. Stafford St.,Unit 201
Arlington, VA 22201
Earmarked thru PAC ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Nevin Belendir
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
6143 Bardu Ave
Springfield, VA 22152
Earmarked thru PAC - ATAA (MEMO)
Date: 11/18/85 Amount: 700.00
RECEIPT FOR: Primary AGGREGATE YTD: 700.00

PAGE SUBTOTAL = 4,200.00 LINE TOTAL = 11,500.00

SEP 2 0 1988

PAC-ATAA

June 27, 1988

Congressman James Hansen
Hansen Re-election Committee
60 South 200 West
PO Box 654
Farmington, Utah 84025

Dear Congressman Hansen:

It is with great embarrassment that I must request that your committee refund $4900 to PAC-ATAA however I am required to do so by the Federal Election Commission in accordance with their recomendation resulting from their audit of our committee. This refund results from a contribution of $5600 made to your committee on November 12, 1985 which has been deemed a prohibited contribution.

Again, I apoligize for this inconvenience on behalf of the committee and we hope to make it back up to you as we appreciate the support you have shown for the Turkish-American community and the mutually beneficial interests of Turkey and the United States.

Sincerely,

Erol Ozdemir

Erol Ozdemir, CPA, MST
Chairman, Treasurer

202-657-7110
301-468-4804

93040980276

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE N.W. • WASHINGTON DC 20036 • (202) 293-4670

JIM
HANSEN
U.S. CONGRESS

June 23, 1989

Dr. Asil Gezen - PAC ATAA
1522 Connecticut Ave.
3rd Floor
Washington, D.C. 20036

Dear Dr. Gezen:

The Jim Hansen Committee is hereby refunding a $5,600 contribution pursuant to a request by the Federal Election Commission.

Sincerely,

June M. Fisher

June M. Fisher
Office Manager

cc: F.E.C.

93040980277

60 South 200 West
P.O. Box 654
Farmington, Utah 84025
(801) 451-6500

Paid for by the Jim Hansen Committee
Contributions are not deductible as charitable contributions for Federal income tax purposes

JIM
HANSEN
U.S. CONGRESS

60 South 200 West
P.O. Box 654
Farmington, Utah 84025

Dr. Asil Gezan
Assembly of Turkish American Assoc. PAC
1522 Connecticut Ave.
3rd Floor
Washington, D.C. 20036

9304098027 8

JIM HANSEN COMMITTEE 1000
P.O. BOX 654
FARMINGTON, UT 84025

2872

DAVIS COUNTY BANK
12 West State
Farmington, Utah 84025

97-63/1243
44400-308

PAY Five thousand six hundred & no/100 Dollars

DATE 6-23-89

AMOUNT $ 5,600.00

TO THE ORDER OF ATAA PAC

9 3 0 4 0 9 8 0 2 7 9

LAXALT, WASHINGTON, PERITO & DUBUC

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1120 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036
(202) 857-4000

1455 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004
(202) 857-2000

2852 WORLD TRADE CENTER
401 EAST PRATT STREET
BALTIMORE, MARYLAND 21202
(301) 962-0212

TELEX: 692415/804000
TELECOPIER: (202) 857-4410
CABLE: DANKEY

June 26, 1989

FEDERAL ELECTION COMMISSION
SECRETARIAT
89 JUN 26 PM 4:37

9304098028 0

HAND DELIVERED

The Honorable Danny L. McDonald
Chairman
Federal Election Commission
PEPCO Building
999 E Street, N.W.
Washington, D.C. 20463

Re: Matter of Erol M. Onaran and Erol's Inc. (MUR 2688)

Dear Mr. Chairman:

We have been asked to represent an existing client, Erol's Inc. (the "Corporation") with respect to a Matter Under Review by the Federal Election Commission (the "Commission"). On June 8, 1989, the Corporation received a letter dated June 6, 1989 notifying it that the Commission had "reason to believe" the Corporation violated §§ 441b(a) (corporate contribution) and 441f (contribution in name of another) of the Federal Election Campaign Act of 1971, as amended (the "Act"). Those alleged violations involve a $5,600 contribution made by the Corporation on November 6, 1985 to the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA"). We have reviewed the factual basis of the Commission's allegations and have furnished the Commission with all requested documentation and complete answers to its written interrogatories. We believe that this matter can be resolved quickly and respectfully request the initiation of pre-probable cause conciliation under 11 C.F.R. 111.18(d).

The remainder of this letter outlines: (i) our understanding of the factual basis of the Commission's allegations; (ii) a discussion of those facts and an explanation of the mitigating factors underlying those allegations; and (iii) a description of the corrective procedures in place to prevent the reoccurrence of any of the alleged violations in the future.

A. Summary of Facts. Our understanding of the facts underlying the Commission's allegations as reported to us by our client is described as follows:

1. Erol M. Onaran is a first-generation Turkish immigrant who entered the United States in 1959. He established permanent residency and obtained his U.S. citizenship in 1985. The Corporation, which began with a single television repair shop on upper Wisconsin Avenue, is engaged currently in the sale and rental of video cassettes, and the sale of VCRs and other appliances through approximately 200 retail outlets in the Mid-Atlantic area. Although he has been successful in business, Mr. Onaran is relatively naive, unsophisticated and inexperienced in legal, accounting and political matters. His contributions to PAC-ATAA comprised one of his first contributions to the U.S. political system. Those contributions were an outgrowth of his desire to assist the Turkish-American community, and were discussed by others within the Corporation who participated more actively in Turkish-American community affairs.

2. In September 1985, Mr. Onaran was contacted by friends who participated in the Assembly of Turkish American Associations (the "Association") concerning a contribution to its newly organized PAC. He had made charitable contributions to the Association previously and had attended its various fundraising events. He agreed to make the requested maximum contribution of $5,000 as explained by a PAC representative. On September 24, 1985, a $5,000 check was written to the PAC on his personal account.

3. In October 1985, Mr. Onaran was again solicited to participate; this time in a fundraising dinner supported by PAC-ATAA for Rep. James Hansen (R-UT). The Secretary of the Corporation, Yilmaz Turker discussed the invitation with Mr. Onaran, and Mr. Onaran authorized the purchase of a table at the Hansen dinner. The business success of the Corporation has resulted in a dramatic increase in the number of invitations received by Mr. Onaran to various business and charitable functions. It became the normal practice for Mr. Turker, or others, to discuss scheduled events with Mr. Onaran and for the Corporation to contribute to those events. Mr. Turker (in the case of Turkish American causes) would then notify employees that the Corporation had purchased tickets to a particular event, and would invite them to attend as its representatives.

4. Neither Mr. Onaran nor Mr. Turker were knowledgeable of the Federal election laws. The PAC's materials apparently

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omitted any language informing potential contributors about the prohibition against corporate contributions. A corporate check for $5,600 was issued to PAC-ATAA in payment for one table ($700 per couple x 8) at the Hansen fundraiser. Other corporate checks were sent routinely for various charitable endeavors. The Corporation's commitment to participate was communicated to PAC-ATAA by Mr. Turker prior to the October 8, 1985 event and a check was sent on November 6, 1985 in payment of that pledge. Mr. Turker was not aware that Mr. Onaran had already made a personal contribution to the PAC in September 1985.

5. The Corporation provided the PAC with the names of eight employees who would be invited to attend. It is unclear whether any employees actually attended the October 8, 1985 dinner. No employee was asked to reimburse the Corporation for the cost of a ticket, as this was not the custom for other events in which the Corporation participated.

6. No representative of PAC-ATAA ever explained during this time that a corporate contribution to a PAC was prohibited, and no effort was made by PAC-ATAA to question or return the check which was clearly marked "Erol's Inc."

7. The Corporation's tax accountant in 1985 (now its Assistant Secretary) Robert H. Medford discovered the corporate check payable to PAC-ATAA shortly after it was delivered. He has some general knowledge concerning corporate political prohibitions. On December 7, 1985, he requested that the bookkeeping department charge that $5,600 to Mr. Onaran's personal "withdrawal account." Since the Corporation was a "Subchapter S" entity, many corporate expenditures were passed through to Mr. Onaran as its sole stockholder. Mr. Medford believed that charging the contribution to Mr. Onaran's personal account was sufficient to convert the corporate contribution to an individual contribution in satisfaction of Federal election law requirements. He was also unaware of Mr. Onaran's previous personal contribution to PAC-ATAA in 1985.

8. In late December 1987, or early January 1988, Mr. Turker was contacted by the Treasurer of PAC-ATAA, Erol Ozdemir. Apparently, the Commission had raised questions concerning the contribution during a review of the PAC's 1985 Quarterly Report. Mr. Ozdemir memorialized that conversation in a letter to Mr. Turker dated January 5, 1988. In his letter, he recast the transaction in terms of contributions made by eight employees.

9. On January 26, 1988, Mr. Medford responded to Mr. Ozdemir in a letter asserting that the check had been

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reallocated to Mr. Onaran's personal account in the Subchapter S corporation so no longer constituted an illegal corporate contribution. He noted that Mr. Onaran's personal contribution in September 1985 of $5,000 was supposedly for the dinner and that payment had been made twice. He requested a refund of the $5,600 payment.

10. On June 17, 1987, the PAC refunded $700, apparently on the understanding that an additional $700 attributable to Mr. Onaran for his contribution to the dinner, when aggregated with a $5,000 personal contribution already paid, would exceed Mr. Onaran's individual contribution limit to the PAC.

11. On June 28, 1988, PAC-ATAA sent Mr. Turker a check for the remaining $4,900 noting that "this amount was made on a corporate account."

12. On July 12, 1988, the Corporation was notified by Signet Bank that the PAC-ATAA check had not been honored due to "non-sufficient funds."

13. On September 13, 1988, Mr. Onaran made a personal contribution to PAC-ATAA of $5,000 so the PAC would have sufficient funds to return the $4,900.

14. On September 17, 1988, PAC-ATAA wrote a second check to Erol's Inc. refunding the $4,900.

15. On December 9, 1988, the Corporation wrote a check to Mr. Onaran for $4,900 consistent with its 1985 allocation of those funds to Mr. Onaran's withdrawal account in the Subchapter S corporation.

B. Discussion of Facts. Based on the facts presented above, it is the position of the Respondents that:

1. At the time contributions were made, several election law violations occurred.

2. Those violations were unintentional, inadvertent and were not "knowing" or "willful." Both Mr. Onaran and the Corporation desire to comply fully with the law and have implemented corrective measures discussed below to avoid the reoccurrence of any election law violation.

3. The problem was created initially because the Corporation personnel responsible for corporate accounts were unaware of the contribution made by Mr. Onaran on his personal account. Mr. Onaran, on the other hand, had never made a

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political contribution before and was unaware that such a contribution was treated differently than a contribution to the Association, to a business group or to a charity.

4. The PAC appears to be as inexperienced as Mr. Onaran. Frequently a PAC Treasurer acts as a control against any improper contributions. Such a control was unavailable in this case. Mr. Onaran and the Corporation had a right to rely on the specialized expertise of PAC-ATAA. No PAC material contained precatory language advising the Respondents of the prohibition against corporate contributions. A check clearly marked "Erol's Inc." was never questioned or returned by PAC-ATAA until it was questioned by the Commission.

5. When the check was reviewed by Mr. Medford shortly after the contribution was made, he made a timely and "good faith" attempt to convert the corporate contribution into a personal contribution. Unfortunately, he was unaware of Mr. Onaran's prior individual contribution and of prohibitions against contributions in the name of another.

6. The Respondent's have made no attempt to disguise or recast the corporate contribution into eight individual contributions, nor to earmark the contribution. Allegations to that effect in the Commission's Factual and Legal Analysis are incorrect.

In summary, the single 1985 contribution in question was a product of the inexperience of several Turkish immigrants and newly admitted U.S. citizens, and was not knowing and willful. The Corporation made a contemporaneous and "good faith" attempt to correct the error. The obvious inexperience and ineffective management of PAC-ATAA failed to detect the error and indeed compounded it by attempting to incorrectly recast the transaction. This single improper contribution has been refunded and properly accounted for by the Corporation and by Mr. Onaran.

D. <u>Corrective Action</u>

1. Mr. Onaran and the management of the Corporation have been fully briefed concerning the requirements of the Act. They have always intended that their actions comply fully with the law and are willing to sign a conciliation agreement to that effect in order to avoid the reoccurrence of these regrettable circumstances.

2. We have been requested to review any and all future political contributions before they are delivered to insure that they are in compliance with the Act.

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Based on the information contained herein, and the full cooperation provided by the Respondents, we respectfully request that this matter be resolved through pre-probable cause conciliation and that no civil penalty be assessed.

Please telephone me to discuss this matter further.

Best regards.

Sincerely

Marc J. Scheineson

cc: Mr. Kenneth E. Kellner
Mr. Erol Onaran
Mr. Yilmaz Turker
Mr. Robert Medford

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BEFORE THE FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

In the Matter of Erol M. Onaran and Erol's Inc.	)	MUR 2688

RESPONSE TO FEDERAL ELECTION COMMISSION INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

Pursuant to Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) in which the Federal Election Commission (the "Commission") is authorized to investigate alleged violations, Erol's Inc. and Erol M. Onaran submits the following responses to the Commission's Interrogatories and Request for Production of Documents.

INTERROGATORY NO. a:

State the names and positions of the persons at Erol's Inc. responsible for making the [$5,600 contribution from Erol's Inc. to the PAC-ATAA].

RESPONSE TO INTERROGATORY NO. a:

Yilmaz Turker, currently the Secretary of Erol's Inc. (the "Corporation"), was responsible for reviewing all requests for contributions to "Turkish causes," including the request for the contribution in question. That contribution, which represented the cost of a table to a fundraising dinner sponsored by the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") on behalf of Rep. James V. Hansen (R-UT), was discussed with, and authorized by, Erol M. Onaran, the President of the Corporation.

INTERROGATORY NO. b:

State whether the funds were intended to have been earmarked for the Jim Hansen Committee and, if so, state the basis for the funds to have been treated as such.

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RESPONSE TO INTERROGATORY NO. b:

The contributor gave no specific instructions concerning the earmarking of funds to Rep. Hansen. The contribution was made to the PAC-ATAA in response to a solicitation for the purchase a table at a PAC supported fundraiser on behalf of Rep. Hansen.

INTERROGATORY NO. c:

State whether the contribution has been refunded by the Committee to Erol's Inc. and the date of such refund.

RESPONSE TO INTERROGATORY NO. c:

A refund of the Corporation's contribution was made by PAC-ATAA as follows:

1.	6-17-87	$700 payment by PAC-ATAA representing refund for Mr. Onaran's attendance at dinner (which was $700 per couple).
2.	6-28-88	$4,900 payment by PAC-ATAA representing refund of remainder of Corporation contribution. (A check was returned for insufficient funds.)
3.	9-17-88	$4,900 payment by PAC-ATAA representing refund of remainder of Corporation contribution.

INTERROGATORY NO. d:

State whether Erol's Inc. was reimbursed by the individuals who are identified as having contributed $700 apiece to the Committee.

RESPONSE TO INTERROGATORY NO. d:

The Corporation received no reimbursement from the individuals identified by the Jim Hansen Committee as contributors.

INTERROGATORY NO. e:

State whether the individuals involved were in any manner aware contributions were being made in their names by Erol's Inc.

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RESPONSE TO INTERROGATORY NO. e:

The individuals involved were invited to the PAC-ATAA sponsored dinner, at no charge, but had no specific knowledge that contributions made by the Corporation were allocated in their names by PAC-ATAA. Several individuals did receive thank you notes for their contributions from the Hansen committee. The Corporation did not specifically make those contributions in the name of anyone else. Mr. Turker was asked by PAC-ATAA to list the individuals who were invited to attend the Hansen dinner on behalf of the Corporation. PAC-ATAA then apparently allocated the Corporation contribution to those eight individuals in information provided to the Jim Hansen Committee.

REQUEST FOR DOCUMENTS

Produce each and every document concerning the above interrogatories including, but not limited to, copies of both sides of all relevant checks and other documents relating to the contribution made to the Committee by Erol's Inc.

RESPONSE TO REQUEST FOR DOCUMENTS

The Corporation will produce, and has attached, all relevant documents responsive to this request that are within the possession of the Corporation or Mr. Onaran. These documents are summarized as follows:

1.	Exhibit "A"	11-6-85	5,600 corporate check to PAC-ATAA for table to Hansen fundraising dinner on 10-8-85 ($700 couple x 8).
2.	Exhibit "B"	1-5-88	PAC-ATAA letter to Yilmaz Turker at Erol's Inc. from Erol Ozdemir (PAC-ATAA Treasurer) requesting copy of check and assuming corporate contribution was the aggregate of Erol's employees' contributions.
3.	Exhibit "C"	1-28-88	Corporate response to Ozdemir letter from Robert Medford stating belief check was to Association rather than PAC. Payment charged to Onaran personally in Sub S withdrawal account as

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			personal expense on 12-7-85 journal entry. Explained that same table paid for twice and $5,600 should be returned.
4.	Exhibit "D"	6-28-88	$4,900 PAC ATAA refund check to Corporation. Cover letter noted $700 returned by PAC-ATAA already in belief that it constituted excess personal contribution by Onaran.
5.	Exhibit "E"	7-12-88	Signet Bank notice of "insufficient funds" for PAC-ATAA check.
6.	Exhibit "F"	9-13-88	$5,000 Onaran check to PAC-ATAA.
7.	Exhibit "G"	9-17-88	PAC-ATAA refund check to Corporation ("Refund of 1985 contribution").
8.	Exhibit "H"	12-8-88	Corporate payment to Erol Onaran refunding PAC-ATAA payment to Corporation.

Respectfully submitted,

Marc J. Scheineson

Marc J. Scheineson

LAXALT, WASHINGTON, PERITO & DUBUC
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036
(202) 857-4498

Attorney for
Erol's Inc.
Erol Onaran

11741

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2688

NAME OF COUNSEL: Marc J. Scheineson, Esq.

ADDRESS: 1120 Connecticut Avenue, N.W.
Suite 1000
Washington, D.C. 20036

TELEPHONE: (202) 857-4498

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.

6-15-89
Date

Yilmaz Turker
Signature

RESPONDENT'S NAME: Erol M. Onaran-Erol's Inc.

ADDRESS: 6621 Electronic Drive
Springfield, VA 22151

HOME PHONE: unlisted

BUSINESS PHONE: 642-3300

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9304 8029

EROL'S INC.
6621 ELECTRONIC DRIVE
SPRINGFIELD, VA 22151

NO. 109337

FIRST AMERICAN BANK OF VIRGINIA
McLEAN, VIRGINIA 22102

PAY Five Thousand Six Hundred Dollars and .00¢

November 6, 1985

PAY **********5,600.00

TO THE ORDER OF ATAA - PAC

AUTHORIZED SIGNATURE

Exhibit "A"

For deposit only
PAC-ATAA
3-

FIRST AMERICAN BANK
WASHINGTON, D.C.
15-4
154
M 133 -

Exhibit "B"

January 5, 1988

Mr. Yilmaz Turker
Erol's Inc
6621 Electronic Drive
Springfield, VA 22151

Re: PAC-ATAA

Dear Mr. Turker:

Thank you for your response to my request concerning the contribution by employees of Erol's, Inc. to PAC-ATAA. The contribution by Erol Onaran of $5,000.00 on September 26, 1985 was correctly reported by the PAC, however, it is another contributions which we need to clarify for the Federal Election Commission. It seems a contribution was made by several employees of Erol's, Inc. on or before November 18, 1985 and such contribution were aggregated and sent in one lump sum of $5,600.00 It seems that this group attended a fund raising dinner in Washington, D.C. for Jim Hansen on October 18, 1985 for which the tickets were $700 per couple. In order to satisfy the FEC, we need to provide them with a copy, back and front, of such check as they are concerned it is a corporate check. Their concern lies in the fact that corporate contributions or contributions made by an individual on behalf of others is illegal. Therefore, they have also requested statements from such individuals to the effect that the contributions were not made for them by Erol Onaran or Erol's Inc. but rather that the contributions were their own. As we discussed on the phone, it seems that a check was made out for $5,600.00 for the sake of convenience but again, we need to substantiate this for the FEC. These individuals are:

Erol Onaran	$700.00
Yilmaz Turker	700.00
Nilgun Floyd	700.00
Yavuz Somen	700.00
Sukran De Lorne	700.00
Batice Shermat	700.00
Deniz Ozturk	700.00
Mevin Belinder	700.00
Total	$5,600.00

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE N W • WASHINGTON DC 20036 • (202) 293-4670

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Your prompt response would be greatly appreciated as time is of the essence for us to avoid having this included in an interim report of the FEC which would be a matter of public record.

Again, I apologize for the inconvenience to you and I am grateful to you for your contributions and support. If you have any questions with respect to the above, please feel free to contact me at (W) 657-1910 or (H) 469-4804.

Respectfully,

Erol Ozdemir

Erol Ozdemir, CPA, MST
PAC Board Member
[illegible] -1910

EO:bo

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POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 293-4670

Exhibit "C"

EROL'S INC.
EXECUTIVE OFFICES
6621 ELECTRONIC DRIVE
SPRINGFIELD, VA 22151
(703) 642-3300

VIDEO CLUB & COLOR TV
SINCE 1963

January 26, 1988

Mr. Erol Ozdemir, PAC Board
Political Action Committee of the
Assembly of Turkish American Associations
2010 Massachusetts Ave., N.W.
Washington, D.C. 20036

Re: PAC-ATAA

Dear Mr. Ozdemir:

We have researched your letter of January 5, 1988 and find that we may have inadvertently caused some confusion or problems to you, EROL'S INC. and Erol Onaran.

EROL'S INC. wrote you a check in the amount of $5,600.00 in error (copy enclosed) and this check was charted in our books to "Donations". Apparently, our Accounts Payable Department did not realize the check was for the PAC rather than the Association. A couple of days later, paperwork was received by me to go in the tax file for the "donation".

At that point, I saw the problem, asked about the transaction, and advised that the check should not have been written by the corporation, that there was no tax deduction, etc. The best way to handle it at that time was to charge the check to Erol Onaran's personal withdrawal account since it was not a proper corporate expense.

While EROL'S INC. is a corporation, it has elected Sub Chapter S status and all earnings belong to the stockholders. Withdrawals for personal use and expenses happen all the time and require no authorization, much like a sole proprietorship. Abstracts from our computer general ledger accounts are enclosed to show this journal entry on December 7, 1985. In effect, Erol Onaran personally paid the $5,600.00.

Actually, in looking back now, it would appear that the second check was sent to you in error in the first place. It appears that Erol Onaran authorized the purchase of the table and had his secretary send his personal check for $5,000.00 in September. Then Yilmaz Turker was given the responsibility of getting the group together and distributing the tickets. The tickets showed a price of $700.00 for each couple on the envelopes. Mr.Turker authorized the second payment in November for $5,600.00 (8 couples x $700 for each couple), not knowing that it had already been paid.

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We do not know this for fact, but that is how it appears. If this is what is indicated in your records, it would appear that Erol Onaran is due a refund for the $5,600.00, since the table has already been paid for.

Thank you for your immediate attention to this matter.

Sincerely.

Robert H. Medford
Assistant Secretary

cc: Yilmaz Turker

a:rm001.sal

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COMPANY GROUP [illegible] CROL'S INC.
COMPANY 1 CROL'S INC.

* P=POSTED U=UNPOSTED SELECTED ACCOUNT :

1-R/DT-STRR-ST-DV/D-ACCT-SUBR

JNRL #	A	DESCRIPTION	MTH	DATE	SOURCE	REFERENCE	QTY.DESC PROJ./JOB	DEBIT AMOUNT	CREDIT AMOUNT
1-0101-0002-52-0409-5125		DONATION				BEGINNING BALANCE		.00D	
79	P	DONATION-FFX HOSPITAL	01	7/29/1985	J/E	EXPENSE		1,043.56	
						01 JUN TOTALS		1,043.56*	
1758	P	W/O BADT DEBT - CHARITY	04	10/05/1985	J/E	BAD DEBT		290.11	
1771	P	CASH RECEIPTS	04	10/05/1985	J/E	C/R			285.00
2134	P	AR-5090	04	10/08/1985		APDIST	AMERICAN	285.00	
						04 SEP TOTALS		290.11*	
2792	P	CHARITABLE DONATION 7950 WOODR	05	11/06/1985		APDIST		1,000.00	
2792	P	7950 WOODR	05	11/06/1985		APDIST		250.00	
						05 OCT TOTALS		1,250.00*	
3235	P	ACCOUNTS PAYABLE SUBLEDGER	06	12/06/1985		APDIST	ATAA-PAC	5,600.00	
3368	P	RECL ATAA PAC	06	12/07/1985	J/E	RECLASS			5,600.00
						06 NOV TOTALS		.00*	
3540	P	HQ C/R	07	1/07/1986	J/E	HQ C/R			450.00
3610	P	DONATION -FIRE DEPT-	07	1/08/1986		APDIST	STERLING	100.00	
						07 DEC TOTALS			350.00*
4344	P	DONATION TO VOLUNTEER F	09	3/06/1986	AP	A/P TRAN	FALLS	100.00	
						09 FEB TOTALS		100.00*	
5364	P	DONATIONS	11	5/08/1986	J/E	ADJ SLS		335.87	
						11 APR TOTALS		335.87*	
6098	P	DONATION TO FIRE DEPT.	12	6/06/1986	AP	APDIST	BXRUFD	100.00	
						12 MAY TOTALS		100.00*	
6585	P	DONATION	14	7/07/1986		Y/E JRNL			2,769.54
						14 ADJ TOTALS			2,769.54*
						ENDING BALANCE		.00E	
						DIV./DEPT. TOTALS		.00	
						STATE TOTALS		.00	
						STORE/LOC. TOTALS		.00	
						REG./DIST. TOTALS		.00	
						COMPANY TOTALS		.00	
						REPORT TOTALS		.00	

********** END OF REPORT **********

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18/01/[illegible]        JOURNAL ITEMS DISPLAY          GLGTXI     GLGTXI
COMPANY        1          [illegible]'S INC.            MONETARY
YEAR/MONTH [illegible]                                    TOTALS        $600.00
JOURNAL 1          [illegible]    DATE    12/07/1995                    $600.00CR
REFERENCE    RECLASS    SOURCE J/E          JOURNAL ENTRIES
DESCRIPTION RECL ATAA PAC

 CMD 7 TO END    CMD 5 FOR ACCOUNT DESCRIPTIONS    CMD 8 - JOURNAL DESCRIPTION
1-R/DT-STRM-ST-DV/D-ACCT-SUB#          PROJ./JOB                    AMOUNT
1-0000-0000-00-0000-3215                                            $600.00
DIST. OF CURRENT INCOME
1-0101-0002-52-0422-5125                                            $600.00CR
  NATION
```

PAC-ATAA

Exhibit "D"

June 28, 1988

Mr. Yilmaz Turker
Erol's Inc.
6621 Electronic Drive
Springfield, Va 22151

Sayin Bay Turker:

Per our earlier conversations and correspondence, enclosed is a check for $4900 which represents the amount that PAC-ATAA must refund to Erol's Inc. since this contribution was made on a corporate account. The PAC had previosly refunded $700 of the original $5600 check dated November 6, 1985 believing it was an excess personal contribution by Erol Onaran. Thank you for your assistance in unraveling this transaction and your continued support for PAC-ATAA.

Hurmetlerimle,

Erol Ozdemir

Erol Ozdemir
Treasurer

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POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 793-4670

9 3 0 4 0 9 8 0 2 9 9

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT	
Refund	4900	00

154
540

226

PAY AMOUNT OF — Four Thousand Nine Hundred — DOLLARS

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER
6/28/88	Erol's Inc.		226

CHECK AMOUNT $ 4900.00

Erol Ozaler

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

⑈0000226⑈ ⑆054000043⑆ 3 325 096⑈

SIGNET BANK

Virginia

WE CHARGE YOUR ACCOUNT NUMBER

PLUS A HANDLING CHARGE OF $

FOR A CHECK ON

#102 SIGNED BY PAC-ATAM

RETURNED FOR NON-SUFFICIENT FUNDS

DATE 07/12/88

IN THE AMOUNT OF $ 4900 00

E717 1 42

THE CHARGE TO COVER THE HANDLING OF THIS ITEM HAS BEEN DEDUCTED FROM YOUR ACCOUNT PLEASE ENTER THIS CHARGE IN YOUR CHECK REGISTER AND DEDUCT FROM YOUR BALANCE ON COMMERCIAL ACCOUNTS THE CHARGE WILL BE CONSIDERED IN THE MONTHLY SERVICE ANALYSIS ON YOUR ACCOUNT

ADVICE

EROL'S INC
HEADQUARTER #2
6621 ELECTRONIC DRIVE
SPRINGFIELD VA 22151

SK 7/14

Exhibit "E"

Exhibit "F"

1367

EROL ONARAN

September 13, 1988

58-424/580 067

PAY TO THE ORDER OF PAC-ATAA $ 5000.00/100

Five thousand and no cents DOLLARS

1ST AMERICAN
FIRST AMERICAN BANK OF VIRGINIA
McLEAN, VIRGINIA 22102

MEMO

Machittal

FOR YOUR CONVENIENCE

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)	✓ T	FEE (IF ANY) (-)	DEPOSIT/CREDIT (+)
1	9/13	Ca[illegible]	345 45	✓		
		[illegible] 9/10				
	9/[illegible]	[illegible]	[illegible]	✓		
		[illegible]				
	9/13	Cash	500 00	✓		
		for Erol				
	9/13	PAC-ATAA	5000 00	✓		
		[illegible]				

9304098030

REMEMBER TO RECORD AUTOMATIC PAYMENTS / DEPOSITS ON DATE AUTHORIZED

For Deposit Only
To The Account of
[redacted] - ATAA
Account #3 325 091

0029 02358

1ST AMERICAN
BANK
RESTON, VA 22091
[illegible]
▶ 0340000013 ◀

SEP 16 88

9 3 0 4 0 9 8 0 3 0 2

SE 88 SE 8 14
0040
C0043
FIRST AMERICAN BANK
RESTON, VA 220

2304098 0303

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT
Refund 3/1/88	
Contribution	

15-4
540

239

PAY AMOUNT OF Four Thousand Nine Hundred DOLLARS

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER	CHECK AMOUNT
9/17/88	Erol's Inc		239	$ 4900.00

Erol Ozdemir

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

⑈0000239⑈ ⑆054000043⑆ 3 325 096⑈

Exhibit "G"

Exhibit "H"

EROL'S INC.
6621 ELECTRONIC DRIVE
SPRINGFIELD, VA 22151

68-589
514

SIGNET BANK
McLEAN, VIRGINIA

NO. 185892
CNO. 185892

12/08/88

PAY
FOUR THOUSAND NINE HUNDRED DOLLARS NO CENTS

PAY $*****4,900.00

TO THE ORDER OF

EROL McGUNAGAN
5117 RAVENSWORTH ROAD
* 0002
ANNANDALE VA
22003

12-12-88

AUTHORIZED SIGNATURE

930400980304

OGC 3235

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION

89 JUN 28 AM 10: 22

ASSEMBLY OF
TURKISH
AMERICAN
ASSOCIATIONS

1522 CONNECTICUT AVE., N.W.
3rd FLOOR
WASHINGTON, D.C. 20036

Telephone (202) 483-9090
FAX (202) 483-9092
Telex 650 360 2751 MCI UW

June 27, 1989

RE: Your reference:
MUR 2688
Assembly of Turki
American Associat

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 30 PM 3:37

Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

ATTN: Kenneth E. Kellner
Attorney-at-Law

Dear Sirs and/or Ladies:

Please refer to your letter dated June 20, 1989 concerning the possible violation of the Federal Election Campaign Act of 1971, as amended, specifically, 2 U.S.C. § 441b(a), by the Assembly of Turkish American Associations, Inc., (ATAA).

Immediately after receiving the Commission's letter I started examining the related documents and attempted to contact past and present officers of ATAA and PAC-ATAA.

During the course of these efforts it became fairly evident that in order to give the Commission an accurate response, I will need more time to study all aspects of the situation, and to contact the current Treasurer of PAC-ATAA who is presently out of the country and won't be back before the 15-day response period expires.

In view of the above, I respectfully request an extension of twenty (20) days to comply with the Commission's procedures.

Cordially yours,

Tunca Iskir
President

9304098030 5

OGC 3294

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 JUL -3 AM 11:06

DARRYL R. WOLD
ATTORNEY AT LAW
3151 AIRWAY AVENUE, SUITE M-1
COSTA MESA, CALIFORNIA 92626
(714) 641-4942 FAX (714) 546-1003

June 29, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL -3 PM 12:31

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2688, Badham Congressional Committee
and Robert W. Krone, as Treasurer

Dear Mr. Noble:

This letter requests pre-probable cause conciliation in this matter, and as part of that process, requests that the Commission determine that no action should be taken in this matter because no violation of the Federal Elections Campaign Act has occurred.

In support of our contention that no violation has occurred, we offer the facts set forth below in this letter. If the Commission requests, we will submit appropriate declarations under penalty of perjury. Before doing so, however, I would appreciate a response from the Commission, suggesting any additional information the Commission would request, or indicating that the facts set forth below would be satisfactory.

The basic fact offered in support of our request that the Commission determine that no violation has occurred is that the check in question in this matter, from the Political Action Committee of the Assembly of Turkish American Associations ("ATAA"), dated November 25, 1985, was not actually delivered to the Badham Congressional Committee until it was handed to Mr. Badham (at that time a member of Congress) on November 30, 1985, the date on which ATAA qualified as a multi-candidate committee (see the Commission's Factual and Legal Analysis in this matter, second page).

Mr. Badham recalls receiving this check on November 30, 1985 because that was the date on which he and Mrs. Badham attended a dinner sponsored by the ATAA in Irvine, California, where he was the honored guest and speaker, when several checks were given to him from the ATAA and its supporters. Mr. Badham's recollection that that event was held on November 30 is refreshed and substantiated by the personal calendar maintained by Mrs. Badham,

93040980306

a copy of which is attached as Exhibit A. The entry for November 30 reads: "Turkish dinner, Registry, 7:30," a reference to the ATAA dinner held at the Registry Hotel in Irvine, California that evening.

The ATAA check was evidently written in advance of November 30, possibly on or about November 25 when it was dated, because it was written on an account in Washington, D.C. and would have to have been written before the November 30 event to be sent to ATAA representatives in California to be delivered to Mr. Badham at the dinner in California on November 30.

Mr. Badham's practice in handling campaign contributions given to him personally was to turn such checks over to his office staff at the first opportunity, for delivery to the Badham Congressional Committee Treasurer, Robert W. Krone. Consistent with that practice, Mr. Badham turned the checks he received on November 30 over to his staff in his Capitol office in Washington, D.C. because he returned to Washington for the resumption of the congressional session on December 2, 1985. This sequence of events is substantiated by a cover letter from Kathy Hill, who was at that time employed in Mr. Badham's Washington office, to Mr. Krone, dated December 3, 1985, referring to the checks received on November 30, and including the ATAA check. Mr. Krone has that cover letter, copies of the checks, and a copy of his deposit slip for those checks in his records. Copies are attached to this letter as Exhibit B.

Additional substantiation that all of these checks were delivered on November 30 is the fact that two of the six checks from the ATAA and its supporters are dated November 30. See checks attached as part of Exhibit B.

In addition, it should be noted that Mr. Badham was in his district in California during the entire week prior to November 30 because of the congressional Thanksgiving recess. If he had received the ATAA check before November 30, he would have given it to his district office staff to send to Mr. Krone. The fact that the check was sent to Mr. Krone from Mr. Badham's Washington office, and not from his district office, is further substantiation that the check was not received until November 30.

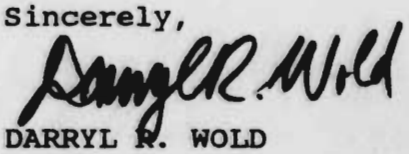
Thus, regardless of when the check was dated, it is evident that it was not received until November 30. Since the donor had qualified as a multi-candidate committee by that date, the $3,000 amount of that check did not constitute a prohibited contribution on that date.

9304098030 7

When Mr. Krone was contacted by the Commission in March, 1986, concerning this contribution from the ATAA, apparently based on the Commission's review of ATAA's reports showing a check written on November 25, 1985, in excess of the $1,000 limit on amounts of contributions the ATAA was qualified to make on that date, Mr. Krone simply assumed that the Commission was correct in its conclusion that the contribution had been made on the date of the check, and was in excess of the amount permitted on that date, and refunded the $2,000 excess portion without making any independent inquiry himself.

Please let me know what our next step should be.

Sincerely,



DARRYL R. WOLD

DRW/jw
LBADHAM.02

Enclosures

cc: Hon. Robert E. Badham (with encls.)
Robert W. Krone (with encls.)

93040980308

Office of Congressman
Robert E. Badham
U.S. House of Representatives
Washington, D.C. 20515

12/3/85

TO: Bob Krone
FROM: Kathy Hill KH

Enclosed are checks which Mr. Badham was handed at an event on November 30. I do not know if the check from Ismail & Otova, Inc. can be accepted if it is not a personal check.

I have acknowledge these (with the exception of the one in question). If the check is o.k, please ask Howard to send a thank you. Also, I have sent copies of the checks to Howard for Booster records.

A check from the NRCC is also enclosed.

Please let me know if you have any questions.

Thanks for your help.

9304098030 9

EXHIBIT B

DEPOSIT TICKET

PLEASE BE SURE THAT ALL ITEMS ARE PROPERLY ENDORSED. LIST EACH CHECK SEPARATELY.

A HOLD FOR UNCOLLECTED FUNDS MAY BE PLACED ON FUNDS DEPOSITED BY CHECK OR SIMILAR INSTRUMENTS. THIS COULD DELAY YOUR ABILITY TO WITHDRAW SUCH FUNDS. THE DELAY, IF ANY, WOULD NOT EXCEED THE PERIOD OF TIME PERMITTED BY LAW.

DATE 1-19-5

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS LIST EACH SEPARATELY 1 98-5-0	1	—
2 1-w	6	—
3 16-24	2 00	—
4 16-66	1 00	—
5 15-4	2 00	—
6 68-424	1 00	—
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
TOTAL	5 00	—

PLEASE ENTER TOTAL HERE

TOTAL ITEMS 6

TOTAL DEPOSIT 5 00 —

NATIONAL BANK OF SOUTHERN CALIFORNIA

LEGAL INVESTIGATIVE PROFESSIONAL COMMITTEE

CHECKING

9304098031 0

SAVAS MIRCI
SERMIN N. MIRCI
25 SNOWBERRY
IRVINE, CA 92714

832

Nov 23 1985 90-8560/3822

PAY TO THE ORDER OF Robert E. Badham $ 100.—

One Hundred and no/100 DOLLARS

AMERICAN ELECTRONICS ASSOCIATION
CREDIT UNION
[illegible] MICHELSON DRIVE
IRVINE, CA [illegible]

FOR Campaign Fund Savas Mirci

ALTAN AKSU
SEYVAL AKSU
1044 SANTIAGO DR
NEWPORT BEACH, CA 92660

511

11/25/1985 [illegible]

Robert Badham $ 600.00

Six hundred 00/100 DOLLARS

CALIFORNIA 1ST PRIVATE BANK
HARBOR VIEW OFFICE
[illegible] San Miguel Drive
Newport Beach, California [illegible]

MoneyMarket Account

FOR Campaign Fund Seyval Aksu

Wells Fargo Bank
NATIONAL ASSOCIATION

[illegible]/611
[illegible]

2455

WESTWOOD VILLAGE OFFICE
10930 WILSHIRE BLVD., LOS ANGELES, CA 90024

Nov 30 1985

PAY TO THE ORDER OF Badham Congressional Committee 200.00

Two hundred Dollars DOLLARS

BULENT BASOL
SEMA BASOL
3444 GREENWOOD AVE.
LOS ANGELES, CA 90066

[illegible]

9304098031 1

VASIF CANLI
SEVIM CANLI

27682 TRES VISTAS
MISSION VIEJO, CA 92692

5314

11/30/85

PAY TO THE ORDER OF Badham Congressional Committee $ 100.—

Exactly one hundred and 00/100 — DOLLARS

BANK OF AMERICA
MISSION VIEJO BRANCH 0002
26882 MARGARITA BLVD.
P.O. BOX 2000
MISSION VIEJO, CA 92690

FOR Campaign Contribution

Vasif Canli

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT

15-4
540

130

THREE THOUSAND DOLLARS. DOLLARS

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER	CHECK AMOUNT
12/5/85	ROBERT BADHAM.		130	$ 3000.00

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

Robert Badham
Robert Badham

⑆230409980⑆

VENDOR NUMBER
01-BADH001

CHECK NUMBER
29752

NATIONAL REPUBLICAN CONGRESSIONAL COMMITTEE • CONGRESSMAN GUY VANDER JAGT, CHAIRMAN
320 FIRST STREET S.E.
WASHINGTON, D.C. 20003
(202) 479-7040

DATE
11/25/85

CHECK AMOUNT
$1,030.32

PAY TO THE ORDER OF
BADHAM CONGRESSIONAL COMM.
BOB KRONE, TREAS.
PO BOX 2621
NEWPORT BEACH CA 92660

FIRST AMERICAN BANK OF VIRGINIA
MCLEAN, VIRGINIA

Guy Vander Jagt

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 5, 1989

Darryl R. Wold, Esq.
3151 Airway Avenue, Suite M-1
Costa Mesa, California 92626

RE: MUR 2688
Badham Congressional
Committee and Robert W.
Krone, as treasurer

Dear Mr. Wold:

This is in response to your letter dated June 22, 1989, which we received on June 26, 1989, requesting an extension of twenty (20) days to respond to the above-captioned matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on July 12, 1989.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304098031 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 5, 1989

Tunca Iskir, President
Assembly of Turkish American Associations
1522 Connecticut Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Assembly of Turkish
American Associations

Dear Mr. Iskir:

This is in response to your letter dated June 27, 1989, which we received on June 28, 1989, requesting an extension of twenty (20) days to respond to the above-captioned matter. After considering the circumstances presented in your letter, I have granted an extension of ten (10) days. Accordingly, your response is due by the close of business on July 15, 1989.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304098031 4

06C 3345

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 JUL -7 AM 10:09

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL -7 PM 12:58

93040980315

July 3, 1989

Kenneth Kellner
Federal Election Commission
Washington DC 20463

Re: Political Action Committee
of The Assembly of Turkish
American Associations
Mur 2688

Dear Mr. Kellner:

Per our conversation of today I am writing to request an extension of time in which to reply to your letter dated June 6, 1989. Such an extension is necessary as I have been out of the country since June 9, 1989 & have only received your letter upon my return on July 1, 1989. You indicated to me that a cursory extension of time would be allowed until July 15, 1989 as I was out of the country & therefore unable to respond to your letter. While this time may be inadequate for me to fully respond to the FEC, I will attempt to do so & I appreciate your consideration of this matter.

Sincerely,

Erol Ozdemir

Erol Ozdemir, CPA, MST

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 12, 1989

Erol Ozdemir, Treasurer
Political Action Committee of
the Assembly of Turkish
American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

This is in response to your letter dated July 3, 1989, which we received on July 7, 1989, requesting an extension until July 15, 1989 to respond to the above-captioned matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on July 15, 1989.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304098031 6

OGC 3391

LAW OFFICES

WATKISS & CAMPBELL

A PROFESSIONAL CORPORATION

TWELFTH FLOOR

310 SOUTH MAIN STREET

SALT LAKE CITY, UTAH 84101-2171

DAVID R. WATKISS
ROBERT S. CAMPBELL, JR.
JAMES P. COMBLEY
HERSCHEL J. SAPERSTEIN
H. WAYNE WADSWORTH
WILLIAM VOGEL
PHILIP C. PUGSLEY
GLEN E. DAVIES
ROBERT D. MAACK
MICHAEL F. HEYREND
GREGORY S. MONSON
ALLAN T. BRINKERHOFF
WESTON L. HARRIS
E. BARNEY GESAS
LANGDON T. OWEN, JR.
DAVID B. WATKISS
KAREN C. JENSON
ELIZABETH T. DUNNING
VERNON L. HOPKINSON
D. RANDALL TRUEBLOOD
VINCENT C. RAMPTON
JOSEPH T. DUNBECK, JR.
TRACY H. FOWLER

R. L. KNUTH
DENNIS J. CONROY
STEVEN T. WATERMAN
KEN P. JONES
DEBRA J. MOORE
CASS C. BUTLER
STUART W. HINCKLEY
STEVEN G. FORSYTH
PERRIN R. LOVE*
H. DICKSON BURTON
DANIEL J. TORKELSON
GEORGE T. WADDOUPS
CHARLOTTE L. MILLER
MARTIN R. DENNEY
STEVEN E. McCOWIN
CAROLYN COX
WILLIAM H. CHRISTENSEN
C. SCOTT BROWN
BRETT F. WOOD
LESLIE J. RANDOLPH
LAWRENCE R. DINGIVAN
MATTHEW C. BARNECK
STEVEN W. CALL

*ADMITTED IN WASHINGTON, D.C. ONLY

OF COUNSEL
ZAR E. HAYES

TELEPHONE
(801) 363-3300

TELECOPIER
(801) 350-3892

WRITER'S DIRECT NUMBER:

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
89 JUL 12 AM 9:16

July 7, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL 12 PM 11:50

Kenneth E. Kellner, Esq.
Office of General Counsel
Federal Election Commission
Room 659
999 E Street N.W.
Washington, D.C. 20463

Re: MUR-2688; Jim Hansen Committee

Dear Ken:

As a follow-up to our telephone conversation of yesterday and the answers to Interrogatories and Requests for Production of Documents previously submitted, I request that the Federal Election Commission take no further action with respect to the above-reference matter.

You indicated that the only major concern at this time is that the Jim Hansen Committee did not refund the $5,600.00 to PAC-ATAA when requested. As I discussed with you yesterday, the reasons for not refunding the money when initially requested are plainly set forth in Response to Interrogatory No. 1(e). The first request came on March 27, 1987 in a letter dated February 17, 1987. This request was promptly responded to in a letter which explained the Committee's reasons for believing it was a legal contribution. PAC-ATAA did not respond to this letter and the Committee believed the matter to be resolved.

On September 20, 1988, the Committee received a letter date June 27, 1988 requesting a $4,900.00 refund. This was responded to by a phone call wherein it was confirmed that the FEC audit was ongoing and it was determined to wait until the audit was complete and to receive further information from PAC-ATAA or the FEC before proceeding. At that time the Committee had no reason to believe the contribution was not in compliance with Federal law and its decision to wait for further information was completely reasonable. Nothing further was heard until the June 6, 1989 communication from the FEC. It was not until that time that the Committee could make an informed decision that the contribution should be refunded. The entire $5,600.00 contribution was refunded on June 23, 1989.

93040980317

For these reasons, we strongly urge that no further action be taken in this matter. If we can provide further information or if you would like to discuss any concerns, please let me know. Please advise as to your response to this request.

I look forward to hearing from you soon.

Very truly yours,

H. Dickson Burton

HDB/mhj

9304098031 8

OGC 3390

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH

89 JUL 12 AM 9:12

ASSEMBLY OF
TURKISH
AMERICAN
ASSOCIATIONS

1522 CONNECTICUT AVE., N.W.
3rd FLOOR
WASHINGTON, D.C. 20036

Telephone (202) 483-9090
FAX (202) 483-9092
Telex 650 360 2751 MCI UW

July 11, 1989

RE: Your reference:
MUR 2688
Assembly of Turkish
American Associa[illegible]

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL 12 PM 11:51

Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

ATTN: Kenneth E. Kellner
Attorney-at-Law

Dear Sirs and/or Ladies:

Please refer to your letter dated June 20, 1989, concerning the possible violation of the Federal Election Campaign Act of 1971, as amended, specifically, 2 U.S.C.§ 441b(a), by the Assembly of Turkish American Associations, Inc., (ATAA), and your letter dated July 5, 1989, granting an extension of ten (10) days to July 15, 1989, to ATAA, to respond to the above-captioned matter.

ATAA respectfully requests to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

ATAA also respectfully requests that the Commission take into consideration the following facts and circumstances:

- ATAA never intended to break the law.
- Two transfers totalling $6,000 to PAC/ATAA were made for administrative expenses although the expenses were not incurred within 30 days preceding the transfers.
- Transfer of funds were unofficial loans in nature and were given to PAC/ATAA at the infant stage to cover administrative expenses with the understanding that as soon as PAC/ATAA was able to raise funds, the loans would be paid back. These loans were indeed paid back to ATAA as reported by PAC/ATAA to the Commission.
- Transfer of $100 refunded by PAC/ATAA which was mentioned in PAC/ATAA's letter dated October 17, 1988, was a donation from a member to ATAA, inadvertently deposited in the PAC/ATAA account.

93040980319

Federal Election Commission
7/11/89

ATAA would like to reiterate its willingness to fully cooperate with the Commission in resolving this matter, and respectfully requests the Office of the General Counsel to recommend that the Commission enter into conciliation prior to a finding of probable cause to believe a violation has been committed.

Thanking you for your consideration, I remain,

Cordially yours,

Tunca Iskir
President

93040980320

06C 3453

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

89 JUL 18 AM 10:49

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

89 JUL 18 PM 12:14

93041098032 1

July 14, 1989

Mr. Kenneth Kellner
Federal Election Commission
Office of General Counsel
Washington, DC 20463

Re: MUR 2688
Political Action Committee
of The Assembly of Turkish
American Associations

Dear Mr. Kellner:

I am responding to your correspondence dated June 6, 1989 in which you request additional information & documents with respect to events which occured during 1985 & 1986. I would like to point out at the outset that my knowledge with respect to these events is limited in that I was not involved with the PAC at this time & in my representations to you I am relying on the recollections of others & whatever documents exist that are related to these events & supportive thereof.

Reply to Legal Analysis

1. Failure to Report Change of Information in Statement of Organization

On April 16, 1987, one day after tax season, I was asked to assume the duties of the Treasurer of PAC-ATAA due to my expertise as a CPA who practiced public accounting. I was asked to become the Treasurer in order to ensure that the PAC complies with Federal Election laws as it was obvious to the PAC that someone who dealt with government filings & laws was required for this position. I agreed on the condition that I would not be associated with any prior violations & I was given this assurance by legal counsel representing the PAC before the FEC at the time & by PAC officials. Despite these assurances I was

named in a proceeding by the FEC against the PAC & myself as Treasurer for violations that occurred prior to my involvement with the PAC. Our legal counsel could not reach an agreement with the FEC whereas I would not be named as committing a violation of the law when I was not even aware of the PAC. I therefore resigned my position. At the time of my resignation the audit branch of the FEC was investigating the PAC & I knew there was a possibility of additional enforcement action. I did not want to be associated with any document claiming that I violated the law as Treasurer when in fact I was not the Treasurer at the time of the violation so I therefore resolved not to be in the position of Treasurer until such time as the investigation was completed. However I did want to help the PAC with these difficulties & on the death of the Treasurer, Dr. Alp Karahasan, I called the FEC & explained this situation to them. Based on this conversation I wrote a letter to the FEC, within 10 days, notifying them of Dr. Karahasan's death & the fact that I would address any issues until the appointment of a new Treasurer. No one would become the Treasurer knowing that they might be named in such a document as described above & therefore I continued in this role. Despite my attempts to resolve the issues raised by the audit as quickly as possible, this whole process has taken nearly two years. The final audit report said that certain matters were referred to General Counsel, however, when I inquired about this I was not given any information with respect to the status of this investigation. I was unsure of whether the case was closed or not. Upon completion of this process I planned to file a Statement of Organization & officially assume the duty of Treasurer. However, my correspondence of February 2, 1988 is in compliance with FEC regulations, 2 USC 433 (c), in that a letter will suffice to notify the FEC of any change.

Based on these circumstances I respectfully request that this charge be dropped.

2. Corporate Contributions

With regard to the corporate contributions listed, PAC officials made best faith efforts to ascertain whether the contribution was legal. Such effort was in the form of a letter asking the contributor to notify the PAC if such contribution was a corporate contribution & not funds of the individual. The PAC received one response out of several inquiries & promptly refunded the contribution. For responses the PAC did not receive it was assumed that the contribution was legal. Contributions for Evansville Metal & Kemor Food do not appear on my copy of the 1985 report.

93040980322

When I raised this issue with the audit staff they were not sure whether a contribution which represented funds of the individual was allowable or not & I have not yet received a definite answer from the FEC whether or not such contributions are acceptable. It is for this reason that none of the contributions in question have been refunded by this Committee.

With respect to the $5600 contribution from Erol's, Inc. &/or the eight individuals involved, I have related these events previously to the audit staff of the FEC. I would like to reiterate that there seems to have been a great miscommunication regarding this transaction between those involved & that there was not any intent to violate any FEC provisions. It seems that this transaction was simply not handled properly.

3. Contributions in the Name of Another

I believe that any contributions accepted were deposited under the belief that they were proper.

4. Transfer of Funds from the Connected Organization to the Separate Segregated Fund

It seems that PAC officials were not aware of the requirement that expenses need to be incurred within a 30 day time period & were further under the impression that receiving the monies as a loan was proper.

5. Contributions Made in Excess of the Limitation

The PAC achieved multi-candidate status on 11/30/85 & it seems that the $3000 contribution to the Badham Committee was not actually delivered to such Committee until 11/30/85 & therefore did not exceed the limit.

Interrogatories & Request For Production of Documents

1.a. President - Erol Onaran
Vice-President - Yilmaz Turker

93040980323

b. According to my copies of the reports the funds were not treated as earmarked.

c. It seems that those involved were either unaware that a reimbursement was necessary &/or that the transaction was not properly followed through.

d. Based on my understanding of these events I would speculate that those involved with the PAC were not cognizant of the proper reporting requirements regarding this transaction.

2. A letter was written to the Jim Hanson Committee on June 27, 1988 requesting the refund (enclosure). This request was confirmed by phone.

3. The FEC audit determined that this $100 "transfer" was actually a deposit from a component organization of the Assembly & it seems that it was mistakenly deposited into the PAC's account. It seems that the deposit was not intended for any purpose, i.e. expenses.

4. a. Members of the Committee wrote to the corporate addresses & inquired as to the nature of the contribution. I have not located a copy of this letter at this time, however, the letter basically read " If a contribution is received from a business entity or is drawn on what appears to be a business account, the PAC must determine that the contribution is not from a corporation, government contractor or other prohibited source. It appears that your contribution came from corporate treasury funds. Please let us know if such funds were corporate funds, & not individual funds, so that we can refund the contribution." Enclosed is an affirmitive response to such letter which resulted in a return of a corporate contribution.

b. Marlboro Motor Lodge, Inc.
Houssein A. Youssouf
10/2/85 $100

The Precious Gem
Recep Akin
10/2/85 250

Cay Import-Export Corp.
?
10/22/85 50

Evansville Metal Products, Inc.

93040980324

?

50

Kemor Food, Inc.
?

25

5. Due to a recent move all the documents requested have not been readily available, however, these documents, & copies thereof, have been previously provided to the FEC through the audit staff. I will attempt to produce these documents as soon as possible.

   a. Request is unclear; I will attempt to obtain copies of the cancelled checks from the Assembly.

   b. Copies of checks we have are enclosed.

   c. To be provided

   d. Enclosed. Refund consisted of two checks, $700 & $4900.

Regarding all of the above, I would like to make a few comments. The PAC was formed with the best of intentions by people who had immigrated to the US & became US citizens. The PAC is a very young organization & these events occured in its formative years. Due to the fact that those operating the PAC were somewhat new to the country (relatively speaking) & that none of these indivduals had any comparable expertise in any area similar to dealing in compliance with a government agency, & the fact that FEC law is fairly technical, it seems that these individuals were not properly equipped to handle these matters. At all times the intent of the PAC has been to comply in full with the FEC & to follow the requirements of the law. Furthermore, none of the former officials of the PAC intended to violate any FEC provisions, however, a combination of oversight & technicality may have contributed to these events. In addition, all members of the PAC served as volunteers on a part-time basis & were in no way experienced professionals regarding these types of matters.

When it became apparent to PAC officials that FEC reporting requirements were such that they needed more expertise in dealing with these matters, they took immediate steps to do so. This consisted of at first retaining the services of a CPA to initially review & help with the preparation of PAC reports & to help in the search for a qualified Treasurer. The PAC also retained legal counsel to help in compliance with the FEC & to set up procedures so as to avoid any future problems. Lastly, the PAC did ask me to take over the duties of Treasurer based on

9304098032 5

my qualifications as a CPA. This request was made to me regardless of the fact that I had never dealt with the FEC as it was extremely difficult to find volunteers who did have this expertise.

Throughout this whole investigation the PAC has fully cooperated with the FEC & the FEC audit staff. It has replied to all requests, it has complied with all FEC recommendations to the best of its ability, & it has sought assistance from the various branches of the FEC in its efforts to fully comply with all FEC regulations.

In light of all the above, the full cooperation of the PAC in resolving these issues, the positive steps the PAC has taken to meet all FEC requirements, & the fact that there was never any intent to violate any FEC regulations, I am respectfully requesting that the FEC take these circumstances into consideration as it evaluates these events. The PAC would like to seek pre-probable cause conciliation with respect to these matters & would like to resolve these matters as soon as possible. If I can be of any further assistance with respect to the above, please feel free to contact me.

Erol Ozdemir

Erol Ozdemir, CPA, MST

93040980326

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT	
Refunds	4900	00

15-4
540

226

PAY AMOUNT OF — Four Thousand Nine Hundred — DOLLARS

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER
6/28/88	Erol's Inc.		226

CHECK AMOUNT $ 4900.00

Erol Ozaler

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

9 3 0 4 0 9 8 0 3 2 7

Chonda Moore

CREDIT ONLY
BANK OF CALIFORNIA
ACCT. #302-0026523

[redacted]

[redacted]

9304090

FIRST AMERICAN BANK, N. A.
740 15TH STREET, N. W.
WASHINGTON D.C. 20005

Distribution:
PAC file
cc: Erol Ozdemir
Original: Erol's box

ENCLOSURES
1
PAGE NUMBER
1

PAC-ATAA
2010 MASSACHUSETTS AV
WASHINGTON DC 20036

TAXPAYER ID
000-00-0000

3

STATEMENT DATE
07/31/87

AUG 6 1987

PAY AMOUNT OF SEVEN HUNDRED & 00/100 DOLLARS

DATE 6-17-87 TO THE ORDER OF ERCAN O. NARAN

DESCRIPTION 20437353

CHECK NUMBER 382

CHECK AMOUNT $ 700.00

FIRST AMERICAN BANK, N.A.
1910 M STREET, N.W. WASHINGTON, D.C. 20036

⑆ 0 4 0 9 8 0 3 2 9 ⑈

SERVICE CHARGES.....
ENDING BALANCE 07/31/87.....

DAILY BALANCE SUMMARY

DATE	DATE	DATE	BALANCE
07/10	07/13		

MISCELLANEOUS DEBITS AND CREDITS

DATE	AMOUNT	DESCRIPTION	REFERENCE
07/10	305.00+	DEPOSIT	30633155

CHECKS PRESENTED

DATE	CHECK NO.	AMOUNT	REFERENCE NO.	DATE	CHECK NO.	AMOUNT
07/13	382	700.00	30134255			

* INDICATES A SKIP IN SEQUENTIAL CHECK NUMBERS

#382

9304098033 0

[redacted]

[redacted]

MISCELLANEOUS DEBITS AND CREDITS

DATE	AMOUNT	DESCRIPTION	REFERENCE
06/01	3,000.00+	DEPOSIT	30714965

CHECKING STATEMENT CONTINUES ON NEXT PAGE

PAC-ATAA

June 27, 1988

Congressman James Hansen
Hansen Re-election Committee
60 South 200 West
PO Box 654
Farmington, Utah 84025

Dear Congressman Hansen:

It is with great embarrassment that I must request that your committee refund $4900 to PAC-ATAA however I am required to do so by the Federal Election Commission in accordance with their recomendation resulting from their audit of our committee. This refund results from a contribution of $5600 made to your committee on November 12, 1985 which has been deemed a prohibited contribution.

Again, I apoligize for this inconvenience on behalf of the committee and we hope to make it back up to you as we appreciate the support you have shown for the Turkish-American community and the mutually beneficial interests of Turkey and the United States.

Sincerely,

Erol Ozdemir

Erol Ozdemir, CPA, MST
Chairman, Treasurer

93040980331

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE N.W. • WASHINGTON DC 20036 • (202) 293-4670

CJ LASER CORPORATION • 3035 DRYDEN ROAD • PHONE (513) 296-0513

December 3, 1986

PAC-ATAA
2010 Massachusetts Ave., N.W.
Washington, D.C. 20036

Attention: Mr. Osman Soyer

Dear Mr. Soyer,

The contribution sent into PAC-ATAA was by CJ Laser Corp. which is privately owned. If this raises a problem, please return the check and we will issue a personal check.

Sincerely,

Nilesen Gokay
Vice President

CHECK # 176 FOR $100 SENT BACK
ON 1-19-87

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9 3 0 4 0 9 8 0 3 3 3

PAC - ATAA
2010 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D.C. 20036

EXPLANATION	AMOUNT	
CORP CHECK		
RETURNED	100	—

15-4
540

176

PAY AMOUNT OF ONE HUNDRED & 00/100 DOLLARS

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NUMBER
1-19-87	NILESEN GOKAY		176

CHECK AMOUNT $ 100 —

2 20 01-27 Gokay Atalay

FIRST AMERICAN BANK, N.A.
1919 M STREET, N.W. WASHINGTON, D.C. 20036

⑈0000176⑈ ⑆054000043⑆ 3 325 096⑈ ⑈0000010000⑈

8 3 0 4 0 0 8 0 3 3 4

[redacted]

[redacted]

1 JA '87 29

PAY ANY BANK, P.E.G.
1ST AMERICAN BK. NA
WASHINGTON, D.C.

1 2 4 9 1

#176

1111

C J LASER
EXECUTIVE ACCOUNT
P. O. BOX 85
CENTERVILLE, OH 45459

55-27
422

Oct 29 1985

PAY TO THE ORDER OF Political Action Committee for ATAA $ 100 00/100

Only one hundred DOLLARS

VOID IF OVER $500.00

First National Bank DAYTON, OHIO 45402

FOR donation to PAC-ATAA

1098

THE PRECIOUS GEM
VILLAGE SHOPS AT KINGSMILL
WILLIAMSBURG, VA 23185

68-132/514

Pay two hundred fifty dollars and zero/100 Dollars

DATE	CHECK NO.	PAYMENT TO THE ORDER OF	ACCT. NO.	GROSS AMOUNT	DISC.	NET AMT.
9/21/85	1098	PAC-ATAA	625			250 —

Dominion National Bank of Greater Hampton Roads A Dominion Bankshares Bank

Donation

⑧0 3 3 5

CAY EXPORT-IMPORT CORP.
182 GRANNY ROAD
FARMINGVILLE, NY 11738

412

10/1 1985

1-1/280

PAY TO THE ORDER OF ATAA $ 50 00/100

fifty dollars and zero DOLLARS

THE BANK OF NEW YORK LONG ISLAND REGION 22 Jericho Road Babylon, N.Y. 11713

MEMO Donation to PAC-ATAA.

⑨ 3 0 4 0

MARLBORO MOTOR LODGE INC.
141 R.D. 3 - HWY. 9
ENGLISHTOWN, N.J. 07726

55-244
212

5567

One hundred only DOLLARS

DATE	TO THE ORDER OF	CHECK NO.	DESCRIPTION	CHECK AMOUNT
10-85	PAC-ATAA.	5567		100 00

3210 Massachusetts Ave. N.W.
Washington, DC 20036

H. YOUSSOUF

FIRST MERCHANTS NATIONAL BANK
MARLBORO OFFICE MARLBORO, N.J. 07746

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

89 AUG 14 PM 2:15

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, Assembly of Turkish American Associations, Erol's Inc., Badham Congressional Committee and Robert W. Krone, as treasurer, Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	MUR 2688

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 1, 1989, the Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c); that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a); that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f; that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f); and that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

Responses have been received from all the respondents, including responses to interrogatories and requests for production of documents where appropriate. The responses are included as attachments to this report.

9304098036

II. CONCILIATION REQUESTS

All of the respondents, with the exception of the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, have requested pre-probable cause conciliation. This Office is currently in the process of reviewing the responses and other evidence. Preliminary review of these items, however, indicates that possible discrepancies may exist in the factual submissions of the several respondents. Accordingly, this Office recommends that the Commission deny the requests for pre-probable cause conciliation at this time. After a full review of all the evidence, this Office will report to the Commission with appropriate recommendations.

III. RECOMMENDATIONS

1. Deny the requests for pre-probable cause conciliation submitted on behalf of the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, the Assembly of Turkish American Associations, Erol's Inc., and the Badham Congressional Committee and Robert W. Krone, as treasurer, at this time.

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2. Approve the attached letters.

Lawrence M. Noble
General Counsel

8/11/88
Date

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachments
1. Response of the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer
2. Response of the Assembly of Turkish American Associations
3. Response of Erol's Inc.
4. Response of the Badham Congressional Committee and Robert W. Krone, as treasurer
5. Response of the Jim Hansen Committee and Gordon E. Hoskins, as treasurer
6. Supplementary response of the Jim Hansen Committee and Gordon E. Hoskins, as treasurer
7. Letters (4)

Staff assigned: Kenneth Kellner

93040980338

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, Assembly of Turkish American Associations, Erol's Inc., Badham Congressional Committee and Robert W. Krone, as treasurer, Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	MUR 2688

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 17, 1989, the Commission decided by a vote of 6-0 to take the following actions in MUR 2688:

1. Deny the requests for pre-probable cause conciliation submitted on behalf of the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, the Assembly of Turkish American Associations, Erol's Inc., and the Badham Congressional Committee and Robert W. Krone, as treasurer, at this time, as recommended in the General Counsel's Report to the Commission dated August 11, 1989.

(continued)

93040980339

2. Approve the letters, as recommended in the General Counsel's Report to the Commission dated August 11, 1989.

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

Attest:

8-18-89
Date

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

Received in the Secretariat: Monday, August 14, 1989 at 2:15 p.m.
Circulated to the Commission: Tuesday, August 15, 1989 at 4:00 p.m.
Deadline for vote: Thursday, August 17, 1989 at 4:00 p.m.

cmj

9304098034 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1989

Mark J. Scheineson, Esq.
Laxalt, Washington, Perito & Dubuc
1200 Connecticut Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Erol's Inc.

Dear Mr. Scheineson:

On June 6, 1989, you were notified that the Federal Election Commission found reason to believe that your client violated 2 U.S.C. §§ 441b(a) and 441f. On June 26, 1989, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93040980341

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1989

Darryl R. Wold, Esq.
3151 Airway Avenue, Suite M-1
Costa Mesa, CA 92626

RE: MUR 2688
Badham Congressional
Committee and Robert W.
Krone, as treasurer

Dear Mr. Wold:

On June 6, 1989, you were notified that the Federal Election Commission found reason to believe that your clients violated 2 U.S.C. § 441a(f). On July 3, 1989, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93040980342

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1989

Tunca Iskir
Assembly of Turkish American Associations
1522 Connecticut Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Assembly of Turkish
American Associations

Dear Mr. Iskir:

On June 6, 1989, you were notified that the Federal Election Commission found reason to believe that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a). On July 12, 1989, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304098034 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1989

Erol Ozdemir, Treasurer
Political Action Committee
of the Assembly of Turkish
American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

On June 6, 1989, you were notified that the Federal Election Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and you, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c). On July 18, 1989, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93040980344

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 7, 1989

Robert W. Krone, Treasurer
Badham Congressional Committee
2237 Donnie Road
Newport Beach, CA 92660

RE: MUR 2688

Dear Mr. Krone:

On July 10, 1989, you requested that the Federal Election Commission permit the Badham Congressional Committee ("Committee") to terminate pursuant to 2 U.S.C. § 433(d) and Section 102.3 of the Commission's Regulations. Because of the ongoing enforcement matter involving your Committee, this request has been denied. Therefore, you are reminded that the Committee must continue to file all the required reports with the Commission until such time as the enforcement matter has been closed as to the Committee.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304098034 5

OGC 4151

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
89 OCT -2 AM 10:23

LAW OFFICES
WATKISS & CAMPBELL
A PROFESSIONAL CORPORATION
TWELFTH FLOOR
310 SOUTH MAIN STREET
SALT LAKE CITY, UTAH 84101-2171

DAVID K. WATKISS
ROBERT S. CAMPBELL, JR.
JAMES P. COWLEY
HERSCHEL J. SAPERSTEIN
H. WAYNE WADSWORTH
WILLIAM VOGEL
PHILIP C. PUGSLEY
GLEN E. DAVIES
ROBERT D. MAACK
GREGORY B. MONSON
ALLAN T. BRINKERHOFF
WESTON L. HARRIS
E. BARNEY GESAS
LANGDON T. OWEN, JR.
DAVID B. WATKISS
KAREN C. JENSON
ELIZABETH T. DUNNING
VERNON L. HOPKINSON
G. RANDALL TRUEBLOOD
VINCENT C. RAMPTON
JOSEPH T. DUNBECK, JR.
TRACY H. FOWLER
R. L. KNUTH
DENNIS J. CONROY
STEVEN T. WATERMAN
KEN P. JONES
DEBRA J. MOORE
CASS C. BUTLER
STUART W. HINCKLEY
STEVEN G. FORSYTH
PERRIN R. LOVE*
H. DICKSON BURTON
DANIEL J. TORKELSON
GEORGE T. WADDOUPS
CHARLOTTE L. MILLER
MARTIN R. DENNEY
STEVEN E. McCOWIN
CAROLYN COX
WILLIAM H. CHRISTENSEN
C. SCOTT BROWN
BRETT F. WOOD
LESLIE J. RANDOLPH
LAWRENCE R. DINGIVAN
MATTHEW C. BARNECK
STEVEN W. CALL

*ADMITTED IN WASHINGTON, D.C. ONLY

OF COUNSEL
ZAR E. HAYES

TELEPHONE
(801) 363-3300

TELECOPIER
(801) 350-3892

WRITER'S DIRECT NUMBER:

September 27, 1989

Kenneth E. Kellner, Esq.
Office of the General Counsel
Federal Election Commission
Room 659
999 E Street N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 OCT -2 PM 12:53

Re: MUR 2688; Jim Hansen Committee

Dear Ken:

Pursuant to our telephone conversation of today, I hereby reaffirm the request of the Jim Hansen Committee that the Commission take no further action with respect to the above-referenced matter. The reasons for this request are set forth in my letter to you of July 7, 1989 as well as the Answers to Interrogatories and Request for Production of Documents previously submitted by the Committee. I am confident that your thorough review of these materials will lead to that conclusion.

As per your suggestion, in the event you determine to go forward with this matter, the Jim Hansen Committee may request pre-probable cause conciliation. Accordingly, I would request that you let me know of your decision at your earliest possible convenience.

Very truly yours,

H. Dickson Burton

HDB/mhj

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GGC 4177

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 OCT -4 AM 8:16

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
89 OCT -4 AM 9:10

LAW OFFICES
WILLIAMS & CONNOLLY
HILL BUILDING
839 SEVENTEENTH STREET, N.W.
WASHINGTON, D.C. 20006
AREA CODE 202
331-5000

EDWARD BENNETT WILLIAMS (1920-1988)
PAUL R. CONNOLLY (1922-1978)

VINCENT J. FULLER
RAYMOND W. BERGAN
STUART E. SEIGEL
JEREMIAH C. COLLINS
ROBERT L. WEINBERG
DAVID POVICH
STEVEN M. UMIN
JOHN W. VARDAMAN, JR.
PAUL MARTIN WOLFF
J. ALAN GALBRAITH
JOHN G. KESTER
WILLIAM E. McDANIELS
BRENDAN V. SULLIVAN, JR.
AUBREY M. DANIEL, III
RICHARD M. COOPER
GERALD A. FEFFER
ROBERT P. WATKINS
JERRY L. SHULMAN
LAWRENCE LUCCHINO
LEWIS H. FERGUSON, III
ROBERT B. BARNETT
DAVID E. KENDALL
GREGORY B. CRAIG
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TERRENCE O'DONNELL
DOUGLAS R. MARVIN
JOHN K. VILLA
BARRY S. SIMON
KEVIN T. BAINE
STEPHEN L. URBANCZYK
PHILIP J. WARD
ELLEN SEGAL HUVELLE
FREDERICK WHITTEN PETERS
PETER J. KAHN
JUDITH A. MILLER
LON S. BABBY
SCOTT BLAKE HARRIS
MICHAEL S. SUNDERMEYER
JAMES T. FULLER, III
DAVID D. AUFHAUSER
BRUCE R. GENDERSON
CAROLYN H. WILLIAMS
F. LANE HEARD, III
STEVEN R. KUNEY
JAMES A. BRUTON, III
ROBERT S. LITT
GERSON A. ZWEIFACH
SARAH HELENE DUGGIN
PAUL MOGIN
DANIELA WINKLER
JEFFREY B. KINDLER
HOWARD W. GUTMAN
NANCY F. PREISS
RICHARD S. HOFFMAN
P. MICHELE ELLISON
STEVEN A. STEINBACH
MARY G. CLARK
MARK S. LEVINSTEIN
DIANNE J. SMITH
CHERRY JOY BEYSSELANCE
VICTORIA L. RADD
GEORGE ELLARD
DANIEL F. KATZ
MANLEY W. ROBERTS
NICOLE K. SELIGMAN
LAURA P. MASUROVSKY
ROBERT M. KRASNE
KATHLEEN L. BEGGS
SVEN ERIK HOLMES
MAUREEN T. CANNON
WILLIAM R. MURRAY, JR.
EVA M. PETKO
CYNTHIA C. HOGAN
KAREN ZACHARIA
BRUCE S. OLIVER
MATTHEW D. LERNER
STEPHEN D. RABER
DAVID C. KIERNAN
JOHN D. CLINE
BRENT J. GURNEY
CHRISTOPHER C. KEARNEY*
JOHN P. MONAHAN, III
THOMAS J. MURPHY
KEVIN J. HASSON
JENNY A. DURKAN
MARIE T. REILLY
NANCY A. BARD*
LON E. MUSSLEWHITE
NEIDI K. HUBBARD
PETER W. CHATFIELD
EVAN J. ROTH
MARK A. SRERE
ROBIN E. JACOBSOHN
PAUL BUTLER
CHARLES A. SWEET
ELENA KAGAN
ABNER S. GREENE
ELIZABETH D. COLLERY*
GREGORY A. BAER
GLENN J. PFADENHAUER
WILLIAM K. LAYMAN
GEORGE A. BORDEN*
ELIZABETH T. LEAR*
ROBERT J. SHAUGHNESSY
NANCY TORRESEN*
MARY R. CROUTER*
JONATHAN P. GRAHAM
DAVID N. WECHT
ALLEN P. WAXMAN
DIANA L. SCHACHT*
J. LEIB DODELL*
WILLIAM H. WILTSHIRE
ELISABETH A. BRESEE
DEMETRA LAMBROS*
BARBARA A. MACK
J. ROGER WILLIAMS, JR.
STEVEN A. SOLOMON*

COUNSEL
CHARLES H. WILSON
LYMAN G. FRIEDMAN

*NOT ADMITTED IN DC

October 3, 1989

Kenneth F. Kellner, Esq.
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2688

Dear Mr. Kellner:

This is to confirm our recent telephone conversation in which I indicated that Williams & Connolly had been retained to represent the Assembly of Turkish American Associations in the above-noted matter. Enclosed is the appropriate designation of counsel form.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Scott Harris

Scott Blake Harris

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2638

NAME OF COUNSEL: Scott Blake Harris

ADDRESS: Williams & Connolly
839 17th Street, N.W.
Washington, D.C. 20006

TELEPHONE: (202) 331-5556

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.

9/27/89
Date

Harun Kazaz, EXEC. DIR.
Signature
HARUN KAZAZ
EXECUTIVE DIRECTOR

RESPONDENT'S NAME: Assembly of Turkish American Associations

ADDRESS: 1522 Connecticut Ave., N.W.
Washington, D.C. 20036

HOME PHONE: (202) 483-9090

BUSINESS PHONE:

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A PROFESSIONAL CORPORATION

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310 SOUTH MAIN STREET

SALT LAKE CITY, UTAH 84101-2171

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H. WAYNE WADSWORTH
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LAWRENCE R. DINGIVAN
MATTHEW C. BARNECK
STEVEN W. CALL
PAUL A. HOFFMAN
JON C. MARTINSON
ROBERT W. COTTLE

OF COUNSEL
ZAN E. HAYES

TELEPHONE
(801) 363-3300

TELECOPIER
(801) 350-3892

WRITER'S DIRECT NUMBER:

October 23, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 OCT 26 PM 3 03

Kenneth E. Kellner
Office of the General Counsel
Federal Election Commission
Room 659
999 E Street N.W.
Washington, D.C. 20463

Re: MUR 2688; Jim Hansen Committee

Dear Ken:

On behalf of the Jim Hansen Committee and pursuant to our telephone conversation of Friday, October 20, 1989, I hereby request pre-probable cause conciliation and reserve the right to request that the Commission take no further action in this matter.

Very truly yours,

H. Dickson Burton

HDB/mhj

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Badham Congressional Committee and	)	MUR 2688
Robert W. Krone, as treasurer	)	
	)	

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to the Badham Congressional Committee and Robert W. Krone, as treasurer, based on the assessment of the information presently available.

Date 1/12/90

Lawrence M. Noble
General Counsel

Staff Member: Kenneth Kellner

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 17, 1990

Darryl R. Wold, Esq.
3151 Airway Avenue, Suite, M-1
Costa Mesa, CA 92626

RE: MUR 2688
Badham Congressional
Committee and Robert
W. Krone, as treasurer

Dear Mr. Wold:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on June 1, 1989, the Federal Election Commission found reason to believe that the Badham Congressional Committee ("Committee") and Robert W. Krone, as treasurer, violated 2 U.S.C § 441a(f), and instituted an investigation in 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.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten 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 the 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 whether there is probable cause to believe a violation has occurred.

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If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Badham Congressional Committee and Robert W. Krone, as treasurer	)	MUR 2688
	)	
	)	

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 1, 1989, the Commission found reason to believe the Badham Congressional Committee and Robert W. Krone, as treasurer, (the Badham Committee") violated 2 U.S.C. § 441a(f) by accepting an excessive contribution from the Political Action Committee of the Assembly of Turkish American Associations ("PACATAA").

II. ANALYSIS

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committee with respect to any election for Federal office, which, in the aggregate, exceed $1,000. The term person includes a political committee. 2 U.S.C. § 431(11). Furthermore, under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committee with respect to any election for Federal office, which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a "multicandidate political committee" is a political committee which has been registered with the Commission for at least six months, has received

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contributions from more than 50 persons, and has made contributions to five or more candidates for federal office. Under 2 U.S.C. § 441a(f), it is unlawful for an officer or employee of a political committee to knowingly accept a contribution in violation of the limitations imposed on contributions under 2 U.S.C. § 441a.

PACATAA reported contributing $3,000 to the Badham Congressional Committee (the "Badham Committee") on November 25, 1985, although PACATAA did not obtain multicandidate status until November 30, 1985. The excessive portion of this contribution, $2,000, was refunded by the Badham Committee on April 25, 1986. Although PACATAA reported making the contribution on November 25, 1985, in apparent violation of 2 U.S.C. § 441a(a)(1)(A), the Badham Committee, in its response, maintained that no violation of the Act has occurred because the contribution check was not actually delivered to the Badham Committee until November 30, 1985.

Robert E. Badham recalls receiving the check on the date PACATAA became a multicandidate committee because he was "the honored guest and speaker" at a PACATAA sponsored dinner in Irvine, California. A personal calendar maintained by Mrs. Badham reads on November 30, 1985, "Turkish dinner, Registry, 7:30." The Badham Committee contends that the check was written prior to that date so that it could have been mailed to California to be delivered to Mr. Badham on November 30. Other materials supplied by the Badham Committee seem to demonstrate that the PACATAA contribution was not received until after

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PACATAA had obtained multicandidate status. These materials include a copy of the deposit slip for the PACATAA check dated December 10, 1985, and a copy of a December 3, 1985 memorandum to the Badham Committee's treasurer to which several contribution checks are attached including PACATAA's and others actually dated November 30, 1985. The memorandum stated that Mr. Badham was handed these checks "at an event on November 30."

The Badham Committee stated that it refunded $2,000 to PACATAA after being contacted by the Commission in March of 1986 because it "assumed that the Commission was correct in its conclusion that the contribution had been made on the date of the check[.]"

The evidence indicates that the Badham Committee did not receive the check from PACATAA until November 30, 1985, the date PACATAA became a multicandidate committee. Accordingly, the receipt of the $3,000 contribution did not constitute acceptance of an excessive contribution. Therefore, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

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III. GENERAL COUNSEL'S RECOMMENDATION

Find no probable cause to believe the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f).

1/16/90
Date

Lawrence M. Noble
General Counsel

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DARRYL R. WOLD
ATTORNEY AT LAW
3151 AIRWAY AVENUE, SUITE M-1
COSTA MESA, CALIFORNIA 92626
(714) 641-4942 FAX (714) 546-1003

January 24, 1990

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OFFICE OF GENERAL COUNSEL

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Secretary
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2688, Badham Congressional Committee
and Robert W. Krone, as Treasurer

Dear Commissioners:

I represent the Badham Congressional Committee and Robert W. Krone as Treasurer. I have received a letter from Lawrence M. Noble, General Counsel, dated January 17, 1990 advising that his office is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred in this matter.

The General Counsel's Brief dated January 16, 1990 fairly states the facts that I believe are relevant to this matter. For that reason, I do not expect to file a brief on behalf of my clients, but respectfully request that the Commission accept the recommendation of the General Counsel's office and find no probable cause to believe that a violation has occurred.

Sincerely,

Darryl R. Wold

DARRYL R. WOLD

DRW/jms

cc: Robert W. Krone
Office of the General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, Assembly of Turkish American Associations, Erol's Inc., Erol Onaran, Badham Congressional Committee and Robert W. Krone, as treasurer, Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	MUR 2688

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter originated as an Audit Division referral based on an audit of the Political Action Committee of the Assembly of Turkish American Associations ("PACATAA") covering the period May 30, 1985 to December 31, 1986.

On June 1, 1989, the Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c); that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a); that Erol's Inc. violated 2 U.S.C. § 441b(a) and 441f; that the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f); and that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

Responses have been received from all the respondents, including responses to interrogatories and requests for production of documents where appropriate. The responses were

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circulated to the Commission in a General Counsel's Report signed August 11, 1989. On August 17, 1989, the Commission determined not to enter into pre-probable cause conciliation with the respondents that had requested it pending a review of all the evidence by this Office. Since that date, the Jim Hansen Committee and Gordon E. Hoskins, the only respondents who had not requested pre-probable cause conciliation, requested it. The conciliation request is attached to this report. In this report, this Office is making recommendations regarding all the respondents in this case except for the Badham Congressional Committee and Robert W. Krone, as treasurer. This Office has forwarded a brief to those respondents, a copy of which has previously been circulated to the Commission.

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II. ANALYSIS

This Office has reviewed the documentary evidence obtained from all sources and previously circulated to the Commission.

A. Failure of PACATAA to Report Change of Information in Statement of Organization

The original treasurer of the Political Action Committee of the Assembly of Turkish American Associations was Bulent Atalay. An amended Statement of Organization was filed on April 30, 1987, that listed Erol Ozdemir as this committee's treasurer. Another amended Statement of Organization was filed on November 20, 1987, that listed Alp Karahasan as the PACATAA treasurer. According to a letter signed by Mr. Ozdemir received on February 2, 1988, Mr. Karahasan died on January 28, 1988, leaving PACATAA without a treasurer. The letter also stated that Mr. Ozdemir would be

addressing issues involving PACATAA until the appointment of a new treasurer.

All correspondence and reports received by the Commission from PACATAA since the receipt of the letter described above have been signed by Mr. Ozdemir, as treasurer. As a consequence, the Reports Analysis Division has been directing correspondence to PACATAA to Erol Ozdemir, as treasurer. At no point, however, has an amended Statement of Organization been filed to affirmatively list Mr. Ozdemir as the current treasurer of PACATAA.

Mr. Ozdemir submitted the response to the Commission's reason to believe findings on behalf of PACATAA. In the response, Mr. Ozdemir stated that he initially became treasurer of this committee on the condition that he would not be associated with any violation of the Act by PACATAA which occurred prior to his becoming treasurer.[1] He later resigned as treasurer when he apparently did not receive adequate assurances from PACATAA.

Mr. Ozdemir stated that he was aware that the Commission was conducting an audit of PACATAA that might result in an additional enforcement action. He also stated:

> I did not want to be associated with any document claiming that I violated the law as Treasurer when in fact I was not the Treasurer at the time of the violation so I therefore resolved not to be in the position of Treasurer until such time as the investigation was completed. However I did want to help [PACATAA] with these difficulties . . .

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1. Although he did not mention it specifically, Mr. Ozdemir is apparently referring to MUR 2368, a prior enforcement matter for late filing.

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Accordingly, after the death of Alp Karahasan, Mr. Ozdemir wrote to the Commission stating that he would address issues regarding PACATAA until the appointment of a new treasurer. Mr. Ozdemir stated that upon the completion of the enforcement process by the Commission, he planned to file an amended Statement of Organization and officially assume the role of treasurer.

As set forth above, Erol Ozdemir appears to have been fulfilling the duties of treasurer or assistant treasurer since February 2, 1988. However, no change or correction was reported in the information previously listed in the Statement of Organization regarding the role of Erol Ozdemir as PACATAA's current treasurer or assistant treasurer. Therefore, the evidence supports the Commission's finding that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 433(c).

B. Transfer of Funds from the Connected Organization to the Separate Segregated Fund

PACATAA's connected organization during the audit period was the Assembly of Turkish American Associations (the "Connected Organization"). The Connected Organization made three transfers totaling $6,100 to PACATAA for the reimbursement of administrative expenses. Six thousand dollars ($6,000) of the expenses, however, were not incurred within 30 days preceding the transfers, the required time period of 11 C.F.R. § 114.5(b)(3). All the transfers, $6,100 in total, have since been refunded by

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PACATAA to the Connected Organization.

In its response, the Connected Organization stated that it never intended to break the law. It stated that two transfers totaling $6,000 were "unofficial loans in nature and were given to [PACATAA] at the infant stage to cover administrative expenses with the understanding that as soon as [PACATAA] was able to raise funds, the loans would be paid back." Furthermore, the $100 transfer later refunded by PACATAA was a donation to the Connected Organization that was inadvertently deposited into PACATAA's account.

The response of PACATAA regarding this matter is consistent with the declarations of the Connected Organization. Mr. Ozdemir stated that ". . . [PACATAA] officials were not aware of the requirement that expenses need to be incurred within a 30 day time period [and] were further under the impression that receiving the monies as a loan was proper." Therefore, the evidence supports the Commission's findings that that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, and the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a).

C. Corporate Contributions

As set forth in the chart below, the Commission found reason to believe PACATAA accepted six contributions totaling $6,075 from corporations, including one for $5,600 from Erol's Inc. PACATAA has acknowledged that all these contributions were made on corporate checks.

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Contributor	Deposit Date	Amount
Marlboro Motor Lodge, Inc.	10/02/85	$ 100
The Precious Gem	10/02/85	250
Cay Export-Import Corp.	10/22/85	50
Erol's Inc.	11/12/85	5,600
Evansville Metal Products, Inc.	1985	50
Kemor Food, Inc.	1985	25
	TOTAL	$ 6,075

The contribution from Erol's Inc. is discussed in detail in the next section of this report. With regard to the five other contributions totaling $475, Mr. Ozdemir stated that

> [PACATAA] officials made best faith efforts to ascertain whether the contribution was legal. Such effort was in the form of a letter asking the contributor to notify [PACATAA] if such contribution was a corporate contribution [and] not funds of the individual.

He further stated that only one response was received out of the several inquiries, resulting in the refund of that contribution. For responses PACATAA did not receive, he stated that it was assumed that the contributions were legal. Mr. Ozdemir stated that he could not locate a copy of the letter mailed to the corporate entities. He was, however, able to describe it. According to his description, the letter asked corporate contributors to contact PACATAA if the contributions they had made were prohibited by law.

Mr. Ozdemir included a copy of the one response PACATAA received as a consequence of the PACATAA "inquiry." This response, however, was from "CJ Laser Corporation," an additional corporate contributor of $100, previously undisclosed. PACATAA

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refunded this apparent prohibited contribution of $100. It has not, however, despite repeated instructions, either refunded the $475 in contributions or demonstrated that these contributions were not prohibited.

Therefore, the evidence supports the Commission's finding that that the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, violated 2 U.S.C. § 441b(a).

D. Contributions in the Name of Another

The response of Erol's Inc. was able to shed some light on the events surrounding that entity's $5,600 contribution to PACATAA.

On September 24, 1985, Erol Onaran, the chief executive officer and director of Erol's Inc., made a $5,000 contribution to PACATAA.

In October of 1985, Mr. Onaran authorized the purchase of a table at a fundraising dinner for United States Representative James Hansen sponsored by PACATAA. A corporate check for $5,600 ($700 per couple for eight couples) was issued the following month to PACATAA.[2] According to Erol's Inc., "corporate checks were sent routinely for various charitable endeavors." Whenever tickets for a fundraising event were purchased, it was the practice of Erol's Inc. to invite some of its employees to attend

2. On the same date that PACATAA reported the receipt of this $5,600 contribution, PACATAA made a $5,600 contribution to the Jim Hansen Committee. An examination of this separate transaction follows in the next section of this report.

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the event as representatives of Erol's Inc.

Erol's Inc. somehow and sometime later provided PACATAA with the names of eight employees, including Mr. Onaran, who would be invited to attend. PACATAA reported the receipt of the $5,600 check from Erol's Inc. as separate $700 contributions from these eight employees. Erol's Inc. was unsure whether any employees actually attended the fundraiser. Furthermore, none of the information received by this Office indicates that the individuals invited to the fundraiser were even aware that contributions made by this corporation were listed in their names on reports filed with the Commission.

On December 7, 1985, unaware of Mr. Onaran's previous $5,000 personal contribution to PACATAA, the corporation's tax accountant charged the $5,600 contribution to Mr. Onaran's personal account. Apparently, it was believed that this was sufficient to convert the prohibited contribution to a permissible one.

On June 17, 1987, PACATAA refunded $700 of the $5,600 to Erol Onaran. Apparently, this amount represented the amount attributed to Erol Onaran for the fundraiser. As set forth above, Erol Onaran had already made the maximum permissible contribution to this committee.

On January 5, 1988, PACATAA, in response to a Commission inquiry, wrote a letter to Erol's Inc. requesting statements from the eight employees to verify that their contributions were not made for them by Erol Onaran or Erol's Inc. On January 26, 1988, an agent of Erol's Inc. wrote a letter back to PACATAA requesting

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a refund of that entity's $5,600 contribution.

A check dated June 28, 1988 from PACATAA to Erol's Inc. for the remaining $4,900 was returned to PACATAA for insufficient funds. On September 13, 1988, Erol Onaran made a $5,000 personal contribution to PACATAA so that PACATAA would have sufficient funds to refund the $4,900. On September 17, 1988, PACATAA refunded the $4,900 to Erol's Inc. Erol's Inc. has provided copies of checks and correspondence verifying these transactions.

Erol's Inc. has stated that no employee was asked to reimburse Erol's Inc. for the cost of the ticket. It further stated that "[Erol's Inc.] did not specifically make those contributions in the name of anyone else." Erol's Inc. has attributed the above-described events to Erol Onaran. It stated that "[a]lthough he has been successful in business, Mr. Onaran is relatively naive, unsophisticated and inexperienced in legal, accounting and political matters."

In his response on behalf of PACATAA, Mr. Ozdemir simply stated his belief "that any contributions accepted were deposited under the belief that they were proper." This is consistent with responses by PACATAA which followed the Commission's audit of that committee. On June 6, 1988, Mr. Ozdemir stated that

> [PACATAA was] under the impression that the $5,600 contribution represented additional efforts by Erol Onaran to encourage other Turkish Americans to support [PACATAA]. Regardless of the fact that the $5,600 contribution was written on a corporate check of Erol's, Inc., [PACATAA] officers were under the impression that this was done by Erol's, Inc. for convenience; that the funds actually represented funds for the individual's [sic] attending the fundraiser and that the transaction would be appropriately handled by Erol's, Inc. internally. Accordingly, the [PACATAA] report reflected the contributions as having been made in the amounts of

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> $700 by 8 different individuals. Ironically, $700 of this $5,600 was refunded to Erol Onaran [on] June 17, 1987 as an excessive contribution[.]

See the First General Counsel's Report, signed May 17, 1989 at Attachment 2, p.2.

The statements by PACATAA are inconsistent with the response of Erol's Inc. As set forth above, Erol's Inc. explicitly denies making a contribution in the names of others. PACATAA, however, maintains it was under the impression that Erol's Inc. issued a check on behalf of eight of its employees.

Further discovery is required to resolve the factual conflicts apparent in the responses by these respondents. Accordingly, this Office recommends that the Commission authorize the depositions of Erol Ozdemir and Erol Onaran. Depositions will allow this Office to delve into the nature and substance of the communications between Erol Onaran and Erol Ozdemir. This information is essential for a complete evaluation of the violations of the Act by Erol's Inc. and PACATAA. Depositions also may clarify whether any of the participants in this transaction knowingly and willfully violated the provisions of the Act.

Under 2 U.S.C. § 441b(a), it is unlawful for an officer of a corporation to consent to a contribution by that corporation in connection with a federal election. As previously noted, the Commission has already found reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f. Since further investigation is necessary regarding the Section 441f finding against Erol's Inc., this Office is making no new Section 441f

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recommendation against Erol Onaran for his participation at this time. The evidence set forth above, however, clearly demonstrates that Erol Onaran authorized funds of Erol's Inc. to be used to contribute to PACATAA. Accordingly, this Office now recommends that the Commission find reason to believe that Erol Onaran violated 2 U.S.C. § 441b(a).

E. Contributions Made in Excess of the Limitation

1. Contributions to the Jim Hansen Committee

On the same date that PACATAA reported the receipt of $5,600 from eight employees of Erol's Inc., PACATAA made a $5,600 contribution to the Jim Hansen Committee (the "Hansen Committee"). As set forth earlier, PACATAA had reported this receipt as eight individual $700 contributions from the eight employees of Erol's Inc. who were invited to attend the fundraiser for Jim Hansen. The Hansen Committee reported its receipt of these funds as earmarked contributions from the same eight individuals.

On June 6, 1988, PACATAA, in response to a Commission inquiry, stated that the $5,600 contribution was not necessarily an earmarked contribution to the Hansen Committee since it was at PACATAA's discretion to use the funds as it pleased.

PACATAA had made a $1,050 contribution to the Hansen Committee on October 8, 1985, over a month prior to the $5,600 contribution. PACATAA, however, did not achieve multicandidate

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status until November 30, 1985.[3] The $50 excessive portion of this contribution was refunded to PACATAA by the Hansen Committee on January 9, 1986.

The Hansen Committee has requested that the Commission take no further action against it in this matter. The Hansen Committee maintains that at the time it accepted the $5,600 contribution from PACATAA it had no reason to believe these contributions were from other than the eight individuals associated with Erol's Inc. According to the Hansen Committee, the names of these eight individuals, along with their place of employment, were submitted to the Hansen Committee with the contribution check. The Hansen Committee further sought and received from PACATAA the home addresses of these eight individuals.

According to materials submitted by the Hansen Committee, in a letter dated February 17, 1987, but stamped as received on March 27, 1987, PACATAA requested a refund of its $5,600 contribution. On April 7, 1987, a representative of the Hansen Committee responded in a letter to PACATAA that "the $5,600 was within legal limits despite the fact that they were not a multicandidate PAC at the time because it consisted of eight $700 earmarked contributions." The letter from PACATAA, however, clearly leaves the impression that this contribution was not from

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3. PACATAA registered with the Commission on May 30, 1985. Under 2 U.S.C. § 441a(a)(4), in order to qualify as a multicandidate committee, a political committee must be registered with the Commission for at least six months. Therefore, PACATAA was not qualified to be a multicandidate committee until November 30, 1985.

eight individuals, but rather from PACATAA. The complete text of the PACATAA letter, which was signed by Bulent Atalay, PACATAA's treasurer at the time, is as follows:

> Recent examination of our accounts and FEC reports indicates that we had contributed to your committee $1,050 on 10-8-85. A $50 excess contribution had already been refunded to us since our PAC had become a multicandidate committee. Prior to 11-30-85 our PAC could not contribute more than $1,000 to any candidate or committee. By the same legal contribution limitations, our check dated 11-12-85 for $5,600 fully exceeds our limit. It is with regret and embarrassment [sic] that I ask your committee to refund the afore mentioned sum. I apologize for the inconvenience it may cause.

Nonetheless, according to the Hansen Committee, when PACATAA did not respond to its letter, the Hansen Committee believed the matter to be resolved and did not undertake a determinative investigation as to the legality of the $5,600 check from PACATAA.

In a letter dated June 27, 1988, but stamped as received on September 20, 1988, PACATAA requested a refund of $4,900 from the Hansen Committee. Erol Ozdemir has stated that "[t]his request was confirmed by phone." The Hansen Committee did not respond to PACATAA's request. Rather, a representative of the Hansen Committee called Erol Ozdemir and determined to wait until the Commission audit of PACATAA was completed before proceeding. It was only after the receipt of the Commission's reason to believe finding against the Hansen Committee that the $5,600 excessive contribution was refunded to PACATAA. This refund was made on June 23, 1989, over two years after the initial PACATAA request for a refund. Apparently, in that time, the Hansen Committee

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made no efforts to determine the legality of the receipt from PACATAA. Accordingly, this Office recommends that the Commission decline to take no further action at this time against the Jim Hansen Committee and Gordon E. Hoskins, as treasurer. In addition, since the depositions of Erol Ozdemir and Erol Onaran may reveal information pertinent to the Hansen Committee's role in this series of transactions, this Office further recommends that the Commission deny its request for pre-probable cause conciliation at this time. This Office will report to the Commission with appropriate recommendations after a full review of all the evidence.

2. **Contribution to the Badham Congressional Committee**

PACATAA also reported contributing $3,000 to the Badham Congressional Committee (the "Badham Committee") on November 25, 1985, although PACATAA did not obtain multicandidate status until November 30, 1985. The excessive portion of this contribution, $2,000, was refunded by the Badham Committee on April 25, 1986. Although PACATAA reported making the contribution on November 25, 1985, in apparent violation of 2 U.S.C. § 441a(a)(1)(A), the Badham Committee, in its response, maintains that no violation of the Act has occurred because the contribution was actually received by the Badham Committee on November 30, 1985. This Office is making no recommendation in this report regarding the Badham Committee and is currently preparing a brief addressing the liability of that committee.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTIES

As set forth above, the evidence supports a finding that the

9304098037 1

Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a). The involvement of the Assembly of Turkish American Associations in this MUR is sufficiently discrete to merit conciliation with this respondent at this time.

Accordingly, attached for the Commission's approval is a proposed conciliation agreement to the Assembly of Turkish American Associations.

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IV. RECOMMENDATIONS

1. Find reason to believe Erol Onaran violated 2 U.S.C. § 441b(a).

2. Enter into conciliation with the Assembly of Turkish American Associations prior to a finding of probable cause to believe.

3. Decline to take no further action against the Jim Hansen Committee and Gordon E. Hoskins, as treasurer.

4. Deny the request for pre-probable cause conciliation submitted by the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, at this time.

5. Approve the attached subpoenas, proposed conciliation agreement, letters and Factual and Legal Analysis.

Lawrence M. Noble
General Counsel

3-13-90
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
1. Conciliation request of the Jim Hansen Committee
2. Proposed letter and subpoena to Erol Ozdemir
3. Proposed letter, subpoena and Factual and Legal Analysis to Erol Onaran
4. Proposed letter and conciliation agreement to the Assembly of Turkish Americans
5. Proposed letter to the Jim Hansen Committee

Staff assigned: Kenneth Kellner

93040980373

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer; Assembly of Turkish American Associations; Erol's Inc.; Erol Onaran; Badham Congressional Committee and Robert W. Krone, as treasurer; Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	MUR 2688

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission executive session on April 3, 1990, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2688:

1. Find reason to believe Erol Onaran violated 2 U.S.C. § 441b(a).

2. Enter into conciliation with the Assembly of Turkish American Associations prior to a finding of probable cause to believe.

3. Decline to take no further action against the Jim Hansen Committee and Gordon E. Hoskins, as treasurer.

(continued)

9304098037 4

4. Deny the request for pre-probable cause conciliation submitted by the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, at this time.

5. Approve the subpoenas, proposed conciliation agreement, letters, and Factual and Legal Analysis attached to the General Counsel's report dated March 13, 1990.

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

Attest:

4-4-90
Date

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

9304098037 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1990

H. Dickson Burton, Esq.
Watkiss & Campbell
310 South Main Street
Salt Lake City, Utah 84101

RE: MUR 2688
Jim Hansen Committee and
Gordon E. Hoskins, as
treasurer

Dear Mr. Burton:

On June 6, 1989, you were notified that the Federal Election Commission found reason to believe that your clients violated 2 U.S.C. § 441a(f). On October 26, 1989, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe. The Commission further declined to take no further action in this matter with respect to your clients.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93040980376

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1990

Marc J. Scheineson, Esq.
Laxalt, Washington, Perito
& Dubuc
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Erol's Inc. and Erol Onaran

Dear Mr. Scheineson:

On June 1, 1989, the Federal Election Commission found reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f. On April 3, 1990, the Federal Election Commission further found that there is reason to believe Erol Onaran violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring Erol Onaran to appear and give sworn testimony on May 10, 1990, and to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Act. If you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Factual and Legal Analysis
Subpoena

9304098037 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2688
)

SUBPOENA

TO: Erol Onaran
c/o Marc J. Scheineson, Esq.
Laxalt, Washington, Perito
& Dubuc
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to appear for deposition with regard to certain contributions to the Political Action Committee of the Assembly of Turkish American Associations. Notice is hereby given that the deposition is to be taken on May 10, 1990, in the 6th Floor Conference Room, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

9304098037 8

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 9th day of April, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Erol Onaran MUR 2688

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission learned that Erol Onaran, the chief executive officer and director of Erol's Inc., authorized a $5,600 corporate contribution to the Political Action Committee of the Assembly of Turkish American Associations ("PACATAA").

On September 24, 1985, Erol Onaran made a $5,000 contribution to PACATAA. In October of 1985, Mr. Onaran authorized the purchase of a table at a fundraising dinner for United States Representative James Hansen sponsored by PACATAA. A corporate check for $5,600 ($700 per couple for eight couples) was issued the following month to PACATAA. According to Erol's Inc., "corporate checks were sent routinely for various charitable endeavors." Whenever tickets for a fundraising event were purchased, it was the practice of Erol's Inc. to invite some of its employees to attend the event as representatives of Erol's Inc. Erol's Inc. somehow and sometime later provided PACATAA with the names of eight employees who would be invited to attend.

On December 7, 1985, unaware of Mr. Onaran's previous $5,000 personal contribution to PACATAA, the corporation's tax accountant charged the $5,600 contribution to Mr. Onaran's personal account. Apparently, it was believed that this was sufficient to convert the prohibited contribution to a permissible one.

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On June 17, 1987, PACATAA refunded $700 of the $5,600 to Erol Onaran. Apparently, this amount represented the amount attributed to Erol Onaran for the fundraiser. As set forth above, Erol Onaran had already made the maximum permissible contribution to this committee.

On January 5, 1988, PACATAA, in response to a Commission inquiry, wrote a letter to Erol's Inc. requesting statements from the eight employees to verify that their contributions were not made for them by Erol Onaran or Erol's Inc. On January 26, 1988, an agent of Erol's Inc. wrote a letter back to PACATAA requesting a refund of that entity's $5,600 contribution.

A check dated June 28, 1988 from PACATAA to Erol's Inc. for the remaining $4,900 was returned to PACATAA for insufficient funds. On September 13, 1988, Erol Onaran made a $5,000 personal contribution to PACATAA so that PACATAA would have sufficient funds to refund the $4,900. On September 17, 1988, PACATAA refunded the $4,900 to Erol's Inc. Erol's Inc. has provided copies of checks and correspondence verifying that these transactions.

Erol's Inc. has attributed the above-described events to Erol Onaran. It stated that "[a]lthough he has been successful in business, Mr. Onaran is relatively naive, unsophisticated and inexperienced in legal, accounting and political matters."

Under 2 U.S.C. § 441b(a), it is unlawful for an officer of a corporation to consent to a contribution by that corporation in connection with a federal election. Therefore, based on the information set forth above, there is reason to believe Erol

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Onaran violated 2 U.S.C. § 441b(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1990

Erol Ozdemir, Treasurer
Political Action Committee
of the Assembly of Turkish
American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

On June 1, 1989, the Federal Election Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations and you, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c).

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring you to appear and give sworn testimony on May 11, 1990, and to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended. You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

If you have any questions regarding the subpoena, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Subpoena

93040980383

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2688
	)	

SUBPOENA

TO: Erol Ozdemir, Treasurer
Political Action Committee
of the Assembly of Turkish
American Associations
7401 Westlake Terrace, #114
Bethesda, MD 20817

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to appear for deposition with regard to certain contributions to the Political Action Committee of the Assembly of Turkish American Associations. Notice is hereby given that the deposition is to be taken on May 11, 1990, in the 6th Floor Conference Room, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

9304098038 4

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 9th day of April, 1990.

Lee Ann Elliott

Lee Ann Elliott, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

9304098038 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1990

Scott Blake Harris, Esq.
Williams & Connolly
839 Seventeenth Street, N.W.
Washington, D.C. 20006

RE: MUR 2688
Assembly of Turkish
American Associations

Dear Mr. Harris:

On June 1, 1989, the Federal Election Commission found reason to believe that the Assembly of Turkish American Associations violated 2 U.S.C. § 441b(a). At the request of your client, on April 3, 1990, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with

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a mutually satisfactory conciliation agreement, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

93040980387

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 1990

Marc J. Scheineson, Esq.
Laxalt, Washington, Perito
& Dubuc
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2688
Erol's Inc. and Erol Onaran

Dear Mr. Scheineson:

Pursuant to your April 17, 1990 conversation with Kenneth E. Kellner of this Office, the scheduled May 10, 1990 deposition of Erol Onaran has been postponed.

As was discussed with Mr. Kellner, you agreed to supply an affidavit from Yilmaz Turker in return for the postponement of Mr. Onaran's deposition. After review of Mr. Turker's affidavit and other information obtained during this investigation, this Office will contact you regarding rescheduling Mr. Onaran's deposition.

If you have any questions, please contact Mr. Kellner at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Jonathan A. Bernstein
Assistant General Counsel

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OGC 6063

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90 APR 30 AM 11:39

BEFORE THE FEDERAL ELECTION COMMISSION

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OFFICE OF GENERAL COUNSEL

90 APR 30 PM 3:11

In the Matter of Erol M. Onaran and Erol's Inc.	)	MUR 2688

AFFIDAVIT OF YILMAZ TURKER

COMMONWEALTH OF VIRGINIA COUNTY OF FAIRFAX	)	ss:

I, Yilmaz Turker, being duly sworn, hereby depose and say, upon personal knowledge:

1. I am the Secretary of Erol's Inc., in 1985 a D.C. Corporation, (the "Corporation") and am aware of the facts surrounding a $5,600 contribution by the Corporation to the Assembly of Turkish American Association Political Action Committee ("ATAA-PAC").

2. It was my interest, and one of my responsibilities in the Corporation, to act as liaison between the Turkish-American Community and the Corporation. We have several Turkish and Turkish-American employees. Calls from Turkish-American groups were routinely referred to me for a response.

3. In mid-to-late October 1985, I was solicited to participate in a fund raising dinner sponsored by ATAA-PAC for the benefit of Rep. James Hansen (R-UT). We had been supportive of a number of the Turkish association's activities in the past. I discussed the dinner with Erol telling him about the ATAA-PAC fund raiser and asked him if we could "take a table." He agreed to purchase a table for the cost of $5,600 ($350 a person x 16 seats). The invitation failed to mention a prohibition on corporate contributions, and nothing in my conversations with ATAA officers at that time indicated that only individual contributions would be accepted. I have never been involved in a political campaign nor was I aware of the requirements of the Federal election laws.

4. As was the general practice with other charitable events in which the Corporation chose to participate, we would

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purchase the tickets and then notify our employees that we had tickets available if they and/or their spouses wished to attend. Those tickets would either be held at the door in the name of the Corporation, or would be sent to me and distributed.

5. To the best of my recollection, I selected the names of approximately eight Turkish-American employees who I believed might be interested in attending. I wrote those names on the invitation response card which I returned with our corporate check to the PAC. As an officer of the Corporation, I personally signed a corporate check to ATAA-PAC dated November 6, 1985.

6. I was unaware at that time that Erol had previously made an individual contribution to ATAA-PAC of $5,000 in September 1985.

7. I cannot remember whether we were sent eight sets of tickets to the dinner, how I notified our employees of the opportunity to attend, or how many employees actually attended the dinner, if any. Neither Erol or I attended the dinner.

8. ATAA-PAC accepted the Corporation check. It was cashed and I heard nothing further about the matter until two years later in late 1987. In approximately December 1987, ATAA's new accountant, Erol Ozdemir, called me and told me that he was informed by the Federal Election Commission that it had not been legal for the PAC to accept corporate funds.

9. On January 5, 1988, following that conversation, Mr. Ozdemir sent me a letter attempting to recast this transaction as funds paid by individuals to the Corporation, and then paid by the Corporation to ATAA-PAC in one check for convenience. This was never the case, nor did Erol or I ever try to conceal the true nature of the corporate contribution in any way. Indeed, neither Erol, I, nor apparently officials of ATAA-PAC, knew that corporate contributions were prohibited at the time the contribution was made.

10. On December 7, 1985, our accountant, Mr. Robert H. Medford, CPA, shifted the $5,600 corporate contribution to Erol's personal account in the Subchapter S Corporation to convert it to an individual contribution. He was also unaware that Erol had already contributed $5,000 to ATAA-PAC in 1985. He later requested a refund of $5,600, concluding that a double payment had been made.

11. Finally, as the records we furnished demonstrate, ATAA-PAC refunded $700 representing the amount of the Hansen contribution allocated by ATAA-PAC to Erol in an effort to resolve the contribution limit issue. It later attempted to refund the remaining $4,900, but its check was dishonored for insufficient funds. Finally, in September 1988, Erol

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contributed an additional $5,000 personally to ATAA-PAC so that it would have sufficient funds to refund the $4,900 remaining of the corporate contribution.

12. Neither Erol, myself, nor the Corporation, to my knowledge, has ever received the $5,600 which I only recently became aware was returned to ATAA-PAC on June 23, 1989 by the Hansen Campaign.

Yilmaz Turker

Yilmaz Turker

Subscribed and sworn to before me, a Notary Public, this 25th day of April, 1990.

Gloria R. Davies

My Commission Expires:

May 30, 1993

93040980391

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 2, 1990

Erol Ozdemir
9920 Shelburne Terrace
Suite 208
Gaithersburg, MD 20878

Re: MUR 2688

Dear Mr. Ozdemir:

This is to confirm that in response to your request, your deposition previously scheduled to take place at 10 a.m. on May 11, 1990 has been rescheduled to May 18, 1990 at the same time and place.

If you have any questions relating to this matter, please contact Kenneth E. Kellner at 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Jonathan Bernstein

BY: Jonathan A. Bernstein
Assistant General Counsel

9304098039 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 16, 1990

Erol Ozdemir
9920 Shelburne Terrace
Suite 208
Gaithersburg, MD 20878

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

This is to inform you that your deposition scheduled for Friday, May 18, 1990 at 10:00 a.m. has been rescheduled until Friday, May 25, 1990 at 10:00 a.m.

Please call this Office upon receipt of this letter to confirm your appearance on May 25. Should you have any questions, please contact Kenneth E. Kellner, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Jonathan Bernstein

BY: Jonathan A. Bernstein
Assistant General Counsel

9304098039 3

06-C 6246

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2688

NAME OF COUNSEL: Paul E. Sullivan

ADDRESS: Wunder, Ryan, Cannon & Thelen
1615 L Street, NW, Suite 650
Washington, DC 20036

TELEPHONE: 202/659-3005

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 MAY 16 AM 11:19

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.

5/15/90
Date

Erol Ozdemir
Signature

RESPONDENT'S NAME: Erol Ozdemir, Treasurer

ADDRESS: Political Action Committe on the Assembly of Turkish-American Associations
9920 Shelburne Terrace, Suite 208
Gaithersburg, MD 20878

HOME PHONE:

BUSINESS PHONE: 301/948-3914

93040980394

OGC 6489

TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- -x
:
IN THE MATTER OF: :
:
M U R 2688 :
:
- -x

RECEIVED
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OFFICE OF GENERAL COUNSEL
90 JUN -8 PM 3:13

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DEPOSITION OF EROL OZDEMIR

Washington, D. C.

Thursday, May 24, 1990

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UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- -x
:
IN THE MATTER OF :
:
M U R 2688 :
:
- -x

DEPOSITION OF EROL OZDEMIR

Washington, D. C.

Thursday, May 24, 1990

Deposition of EROL OZDEMIR, called for examination pursuant to notice of deposition, at the Federal Election Commission, 999 E Street, N.W., Sixth Floor, at 9:00 a.m. before RONALD J. WILSON, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

KENNETH E. KELLNER, ESQ.
JONATHAN A. BERNSTEIN, ESQ.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463
On behalf of Federal Election Commission.

PAUL E. SULLIVAN, ESQ.
Wunder, Ryan, Cannon & Thelen
1615 L Street, N.W.
Suite 650
Washington, D. C. 20036
On behalf of the Deponent.

ALSO PRESENT: MICHAEL TROY

9304098 0396

CONTENTS

WITNESS	EXAMINATION
Erol Ozdemir	
by Mr. Kellner	3

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9304098 0397

1 P R O C E E D I N G S

2 Whereupon,

3 EROL OZDEMIR

4 was called as a witness and, having first been duly sworn,

5 was examined and testified as follows:

6 BY MR. KELLNER:

7 Q Would you please state your full name.

8 A Erol Ozdemir.

9 Q Do you know you have a right -- do you have

10 counsel with you today at this deposition?

11 A Yes.

12 Q Do you have counsel with you?

13 A Yes, I do.

14 MR. KELLNER: Would you identify your counsel.

15 THE WITNESS: Paul Sullivan.

16 MR. KELLNER: Mr. Sullivan, do you represent any

17 other Respondents in this matter?

18 MR. SULLIVAN: No, I do not.

19 MR. KELLNER: Are you representing the witness

20 in his personal capacity?

21 MR. SULLIVAN: In the capacity of treasurer of

22 the PAC and the interest of the PAC itself.

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1 BY MR. KELLNER:

2 Q My name is Kenneth Killner, and I am

3 representing the FEC. With me is Jonathan Bernstein,

4 Assistant General Counsel.

5 This deposition is being taken pursuant to a

6 Federal Election Commission subpoena issued in connection

7 with an investigation under Section 437-G of Title 2 of

8 the United States Code. The statute provides that the

9 confidentiality of this proceeding must be mantained until

10 the Commission closes the file on this matter.

11 Do you understand this matter must remain

12 confidential?

13 A I do.

14 Q This investigation is designated Matter Under

15 Review 2688.

16 Have you ever had your deposition taken before?

17 A Yes.

18 Q In what context?

19 A Another legal matter.

20 Q Even though you may have been through this

21 before I will explain what will be going on here. I will

22 be asking you questions seeking information regarding this

9304098 0399

1 matter. The information may not be limited to your
2 actions but may include your knowledge of the actions of
3 others.
4 You should treat this as if you were in front of
5 a court of law, in front of a judge or jury, and the
6 testimony has the same effect as though you were in front
7 of a judge or jury and you are under oath.
8 The court reporter will be taking down
9 everything that you say and will prepare a transcript.
10 You have an opportunity to read the transcript and see if
11 it conforms with your recollection of what took place
12 today. You should read the transcript and sign and return
13 it to us. Also, it is very important that you answer each
14 question in words because the court reporter cannot record
15 nods or words that are not spoken. Do you understand?
16 A Sure.
17 Q If you don't understand or hear a question, let
18 me know and I will repeat it or rephrase it. If you give
19 an answer, it will be understood that you understood the
20 question and answered fully and completely. If you give
21 an answer that you later realize is incomplete or
22 inaccurate, let me know and you can modify or add to the

9304098 0400

1 answer. If you need to take a break, let me know and we
2 will take a break.
3 What documents did you review in preparation for
4 this deposition?
5 A Basically I reviewed my correspondence to you
6 and FEC reports, some of the FEC reports that have been
7 made.
8 Q Anything else?
9 A Correspondence from you to me.
10 Q What is your current address?
11 A 9920 Shelburne Terrace, Number 208,
12 Gaithersburg, Maryland 20878.
13 Q How long have you lived there?
14 A Since December. December 1989.
15 Q What is the address of the Political Action
16 Committee, Assembly of Turkish American Associations?
17 A We use the same address.
18 Q I will be referring to the Political Action
19 Committee of the Assembly of Turkish American Associations
20 as "the PAC" or "the committee" from time to time.
21 A Sure.
22 Q Where did you live before that address?

9304098 0401

A 7401 Westlake Terrace, Bethesda, Maryland.

Q Have you and the committee always shared the same address?

A Not always.

Q When did you not share the same address?

A The exact date -- I don't remember the exact date, we changed the address.

Q What is your educational background?

A I have an undergraduate degree from the University of Maryland and I have a CPA license and I have a master's degree from the University of Baltimore.

Q Where are you currently employed?

A I work for myself.

Q And is the place of business the address you gave us earlier?

A Yes.

Q What is your title? Accountant?

A Yes. CPA.

Q Is the committee a client of yours?

A No, it is not.

Q What is your relationship with the committee?

A I am a volunteer basically for the committee due

9304098 0402

1 to my Turkish background.

2 Q How did you come to be involved with the

3 committee?

4 A I guess due to my professional qualifications

5 the Assembly made a phone call to me and asked me to serve

6 as treasurer of the committee. That is how I became

7 involved.

8 Q By "Assembly," do you mean the Assembly of

9 Turkish American Associations?

10 A Yes.

11 Q Do you have any employees?

12 A Yes.

13 Q How many employees?

14 A Two.

15 MR. SULLIVAN: Excuse me. Are you speaking of

16 employees of PAC or of the personnel --

17 MR. KELLNER: Employees of his own personnel?

18 Is that what you meant?

19 THE WITNESS: Yes. That is what I answered.

20 BY MR. KELLNER:

21 Q Do your employees do any work for the committee?

22 A No.

9304098 0403

1 Q Does the committee have any employees?

2 A No.

3 Q When did the Assembly of Turkish American

4 Associations first contact you to work for the committee?

5 A April 16, 1987 or April 17, 1987.

6 Q What were the circumstances surrounding that

7 call?

8 A Basically, the committee was undergoing -- there

9 was some late filed reports and they were trying to

10 resolve that situation and retained counsel to resolve

11 that, you know, a new treasurer should be found. I was

12 somewhat qualified to deal with government filings, and

13 that is why I was called.

14 Q How were they referred to you?

15 A Pardon me?

16 Q How did they get your name to call?

17 A How did they get my name?

18 Q Yes.

19 A Well, it is a small community. You know, just

20 being a small community, people know about each other.

21 Q Were you involved with the Assembly before?

22 A Yes.

9304098 0404

1 Q When did you first become involved with the
2 Assembly of Turkish American Associations?
3 A A very long time ago. Maybe 1980, '81.
4 Q Did you ever work for them?
5 A No.
6 Q Did you ever volunteer for them?
7 A Actually I worked for them one time. I just
8 helped them out with some of their records for a couple
9 hours one time. That was my first involvement.
10 Q Prior to April of 1987, what was your
11 involvement with the committee?
12 A None.
13 Q None whatever?
14 A None whatever. I didn't even know it existed.
15 Q The first time you heard of the committee is
16 when you received that phone call?
17 A Actually, I heard of it maybe a month before
18 from a CPA friend of mine who is Turkish.
19 Q How did it come up in discussion?
20 A He mentioned to me they were looking for a
21 treasurer and my name came up.
22 Q And did you volunteer to become treasurer?

9304098 0405

A Yes, I did.

Q Are you paid at all by the committee?

A No.

Q Have you ever been?

A No.

Q How was the committee operated? Who is in charge, makes decisions, things like that?

A Presently?

Q Yes.

A Presently the chairman's name is Asil Gezen.

Q Anyone else?

A Yes. There is two other board members. Do you want the names?

Q Give them, please.

A B-o-r-a, Bakiouglu, B-a-k-i-o-u-g-l-u. And also Vacit, V-a-c-i-t, last name O-z-b-e-r-k-m-a-n.

Q So there are three board members?

A I am a board member, so that makes four.

Q Are there any others?

A Of the board members, no.

Q Is there a secretary?

A Secretary as in --

9304098004006

Q Well --

A How do you mean?

Q Typing?

A No.

Q Is there anyone else who makes decisions or controls operations at the committee?

A No.

Q How long has the committee been operated by this board?

A This board has just been convened, maybe a month and a half or two months.

Q How was the committee operated before then?

A Before then, the only board members are Asil Gezen and myself.

Q How did the change come about?

A Which change?

Q The adding of the extra board members.

A Well, the committee has been inactive and has been trying to get board members and it finally happened. I am not sure I understood the nature of the question actually.

Q Okay. How was the committee operated when you

9304098 0407

1 first became involved with it?

2 MR. SULLIVAN: Excuse me. For clarification, is

3 this back in April 1987?

4 MR. KELLNER: Yes.

5 BY MR. KELLNER:

6 Q When you first became involved with the

7 committee, who controlled the operations of the

8 committee?

9 A The board controls the operations of the

10 committee and had a board at the time. What do you mean

11 by "control the operation"?

12 Q How was the committee run?

13 A Basically there was a board of five people, and

14 you needed to have the board make decisions. It was a

15 majority vote.

16 Q Who was the treasurer prior to your arrival at

17 the subcommittee?

18 A Bulent Atalay. B-u-l-e-n-t, A-t-a-l-a-y.

19 Q Was he a member of the board?

20 A Prior to my being the treasurer I believe he was

21 a member of the board as a treasurer.

22 Q When did you actually become treasurer of the

9304098 0408

1 committee?

2 A I believe the statement of organization lists

3 April 30th, 1987.

4 Q You replaced Mr. Atalay?

5 A Yes.

6 Q Was he involved in the decision to have you

7 replace him?

8 A I don't know.

9 Q Have you met Mr. Atalay?

10 A No.

11 Q Have you ever spoken to Mr. Atalay?

12 A No.

13 Q Did you have any political experience or

14 experiences as a political treasurer prior to your

15 becoming treasurer of the committee?

16 A No.

17 Q How did you learn your role as treasurer?

18 A I read through the literature for -- of the FEC

19 and asked questions of the counsel that we had at the

20 time.

21 Q Did anyone at the committee explain to you about

22 the operations of the committee?

9304098 0409

A No.

Q Did anyone at the Assembly Association, Turkish American Association, explain to you about the committee?

A Yes.

Q What did they tell you?

A Basically, when I got involved in April they explained the situation to me, that there were problems with late filed reports and they were trying to clear that matter up with the FEC.

Q Did they say anything else?

A No.

Q Who did you speak to at the Assembly?

A I spoke to Alp -- wait a minute. Tarhan, T-a-r-h-a-n, last name is D-a-n-i-s-m-a-n. I spoke with him. I spoke with Gunchow, last name is C-a-g-a-l. That was basically it, I believe.

Q Did you have meetings with them?

A Yes.

Q Why did you agree to become treasurer?

A I don't know. I agreed to become treasurer because I was told I would not be implicated in any prior, you know, happenings of the PAC with the FEC. That is why

9304098041 0

I agreed to become treasurer and to help out, to straighten out the committee, help them to file their reports on time and correctly, as best as I could, so they would not have these types of problems again.

Q What were some of your concerns about past activities?

A Being named on any documents.

Q What activity of the committee were you concerned about?

A Late filed reports.

Q Anything else?

A No.

Q When you became involved with the committee, what was the committee's procedure for accepting contributions?

A After I became involved?

Q Well, at the time you became involved what was the committee's procedure at that time?

A I don't know what the committee's procedure was.

Q Did you ask anyone?

A I am not exactly sure about the question.

9304098041 1

1 Q Well, actually I want to find out how the
2 committee accepted contributions, if you know, prior to
3 the time you became treasurer.
4 A I really don't have -- I was not there so I
5 don't have any direct knowledge of how they accepted
6 contributions.
7 Q Did anyone tell you about the process since you
8 now became more involved with the committee?
9 A I am still unclear as to what you mean by the
10 procedure for accepting contributions.
11 Q Well, how would the committee seek
12 contributions? Once they received the contribution, what
13 would they do with it? Would they enter it in a journal
14 or deposit it? What is the process?
15 MR. SULLIVAN: Can you clarify? Again are we
16 speaking of the time period prior to the time I became
17 treasurer?
18 MR. KELLNER: Yes.
19 THE WITNESS: I believe in looking back on some
20 of the documents that were there, they would write down
21 the contribution that they would receive in a ledger.
22

9304098041 2

BY MR. KELLNER:

Q Who would write it down?

A I really don't know who wrote it down.

Q What would happen to the check?

A The check would get deposited.

Q Okay. Do you know who would deposit it?

A Let me see. There were two girls working, I believe, at the Assembly office and one of those two would deposit the check.

Q Do you know her name, which one would deposit it, or their names?

A Joan Weeks may have been one of them but I am not sure. There was another girl and I don't recall her name. I am not sure exactly when one began and the other started and the other ended or whatever.

Q Prior to your becoming treasurer, how did the committee make contributions?

A I don't know.

Q From looking at the committee's past records, did you devise any theory as to how the committee made contributions?

A Do you mean what rationale they used?

9304098041 3

Q No, the procedure or process they used in terms of writing out a check and entering it into a ledger.

MR. SULLIVAN: You are speaking of the accounting procedures?

MR. KELLNER: Yes.

THE WITNESS: I am not sure I really can recall even the documents associated with that, if there were any.

BY MR. KELLNER:

Q Well, who made the decisions as to who to make the contribution to?

A Again, I don't know. I could only say that the board, you know, would have made that decision.

Q In April of 1987, right after you became treasurer at that time, who would make the decisions as to who to make contributions to?

A After I became treasurer?

Q Yes.

A I would have -- basically we were inactive. I am not even sure what contributions you are talking about.

Q Just in general, who decided who to give money to and how much?

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A I would have a conversation with the chairman and at that time there was another chairman, other than Asil Gezen, and if we made any contribution we had a conversation and had a board meeting on the phone and voted on it.

Q And after your arrival at the committee how would the committee raise funds?

A After my arrival there was limited activity. We did send out one fundraising letter since I have been there to raise funds and also, you know, we made some phone calls and asked people to contribute.

Q How long did you remain treasurer?

A I am not really sure.

Q But there was a time period after you when someone else was treasurer; is that right?

A Right, yes. And I don't recall the exact date that that person, Alp, A-l-p, K-a-r-a-h-a-s-a-n, became treasurer.

Q Why was there a new treasurer appointed?

A At that time I decided I didn't want to be the treasurer because of the dealings with the FEC and the reports that were coming out regarding late filed reports

9304098041 5

1 naming me as treasurer which I objected to, so I
2 resigned.
3 Q What other dealings with the FEC were you
4 concerned about?
5 A What do you mean?
6 Q You mentioned your concern with late filing of
7 reports. Was there anything else?
8 A No.
9 Q Did you remain associated with the committee
10 after that?
11 A Yes, I did. I was board member.
12 Q And what were your responsibilities as a board
13 member?
14 A I was still helping -- I think we had a position
15 as assistant treasurer so I was still helping to file
16 reports.
17 Q And Mr. Karahasan passed away?
18 A Yes, he did.
19 Q And what became the responsibilities at the
20 committee after that?
21 A After he passed?
22 Q Yes.

9304098041 6

A My responsibilities at that point were to ensure that the reports were filed.

Q Did you decide to become treasurer of the committee again?

A No.

Q What were you doing for the committee?

A Filing the reports.

Q Were you aware that the committee was subject to an audit by the FEC?

A I was involved in that audit as far as, you know, presenting materials to the audit committee.

Q Were you treasurer at that time?

A When the audit began I was treasurer.

Q Later you resigned?

A Right.

Q And who represented the committee at meetings with the Commission employees involving the audit?

A I did.

Q Was there anyone else?

A No.

Q What were some of the problems that arose as a result of the audit?

9304098 0417

1 MR. SULLIVAN: Problems? Could you clarify,
2 please?
3 BY MR. KELLNER:
4 Q What were some of the concerns of the Commission
5 that were raised by the audit?
6 MR. SULLIVAN: Concerns of the Commission?
7 MR. KELLNER: Yes.
8 MR. SULLIVAN: What were the concerns of the FEC
9 as a result of the audit?
10 MR. KELLNER: Yes.
11 THE WITNESS: Do you mean as the FEC, the audit
12 committee, related to me per their letter, their
13 correspondence, those concerns?
14 BY MR. KELLNER:
15 Q I will move on to -- did the Commission identify
16 the receipt of corporate contributions by the committee?
17 A I believe they did.
18 Q Was one of the corporate contributions
19 identified from Erol's, Inc.?
20 A That is one of the issues they brought up.
21 Q What do you know about the receipt of the
22 Erol's, Inc. check by the committee?

9304098041 8

A Well, it was done before I became treasurer and I have no direct knowledge of what transpired. It is somewhat confusing. It is a confusing transaction. That is all I know.

Q Tell me everything that you know about it.

A Everything that I know about about it. Basically, there was a fundraiser for James Hansen, and he has been very supportive of the Turkish American community and Turkish Americans wanted to show their appreciation in support of Jim Hansen and tried to organize people to attend his fundraiser and contribute money.

Q What was the purpose -- did you say fundraiser?

A Yes.

Q What is the purpose of that?

A The purpose of the fundraising was to support Jim Hansen.

Q To raise funds for his committee?

A I believe so.

Q What else do you know about the check from Erol's, Inc.?

A I think the check was for $5600.

Q What was the purpose of the check?

93040980419

A The purpose of the check, I am not real clear of the specific purpose of the check. Basically, it was to support a table for Jim Hansen's committee at the fundraiser.

Q What sought or who from the committee solicited the money from Erol's, Inc.?

A I don't think I know.

Q How was the $5600 check from Erol's, Inc., reported in FEC reports?

A I don't recall the exact report. Again, I was not involved in that report. That was a report that I didn't file.

Q Right. I want to see what you know about it.

A Okay.

Q I will show you a two-page report filed by the committee with the Commission. The report lists eight $700 contributions from employees of Erol's, Inc. I will have the reporter mark that as an FEC Exhibit 1.

(FEC Exhibit 1 identified.)

MR. SULLIVAN: I didn't hear you. Did you identify what report this was from?

MR. KELLNER: This is from the committee's 1985

9304098 0420

1 year end report. It is on the public record downstairs.

2 MR. SULLIVAN: It is not an addendum?

3 MR. KELLNER: I believe this is -- I believe

4 this is from a report that was marked on the front page as

5 an amendment.

6 MR. SULLIVAN: Do you know when it was filed as

7 an amendment?

8 MR. KELLNER: I can get that for you during the

9 break.

10 MR. SULLIVAN: The reason for the question is to

11 determine whether or not this was an amendment filed

12 during the time of Mr. Ozdemir's tenure as treasurer.

13 MR. KELLNER: This report was signed by

14 Mr. Atalay. I am trying to refresh the witness'

15 recollection and see what he knows about it.

16 THE WITNESS: Do you have a copy of the original

17 report?

18 BY MR. KELLNER:

19 Q Would that help you?

20 A I don't know. It is not important.

21 Q At this time, do you know why the contribution

22 from Erol's would have been reported as funds from several

9304098 0421

1 individuals?

2 MR. SULLIVAN: I object to that question. I

3 don't think there has been any foundation laid in fact

4 that contribution was -- consisted of these seven

5 individuals.

6 MR. KELLNER: Okay.

7 MR. SULLIVAN: Do you want to rephrase the

8 question and show a nexus?

9 BY MR. KELLNER:

10 Q Do you know how the contribution was reported by

11 FEC reports, the check from Erol's, Inc.?

12 A It seems to me, given this document in front of

13 me right now, there are eight contributions of $700 each.

14 Q Prior to my showing you that, did you have any

15 idea how the committee had reported that contribution on

16 the FEC reports?

17 A Well, I believe I have seen this before. So I

18 think this is the way it was reported.

19 Q Do you know why it was reported this way?

20 MR. SULLIVAN: Excuse me. I have to object

21 again. I don't think there has been any foundation laid

22 that the Erol's check of -- $5600 corporate check from

9304098 0422

1 what I understand was -- a single contribution of $5600 is
2 what the allegation is, leads to the seven people here.
3 Is there some other evidence as a foundation
4 that you could proffer for that?
5 MR. KELLNER: I will ask the reporter to mark
6 this two-page document as FEC Exhibit 2 and show it to the
7 witness and counsel and ask them to look at it.
8 (FEC Exhibit 2 identified.)
9 MR. SULLIVAN: Give me a minute?
10 MR. KELLNER: Yes.
11 (Pause.)
12 MR. SULLIVAN: Thank you.
13 BY MR. KELLNER:
14 Q Mr. Ozdemir, do you recognize Exhibit 2?
15 A Yes.
16 Q What is it?
17 A Exhibit Number 2 is a letter written from me to
18 Mr. Yilmaz Turker of Erol's, Inc. on January 5, 1988.
19 Q What was the purpose of this letter?
20 A The purpose of the letter was to try to clarify
21 or figure out the $5600 contribution.
22 Q Did you examine reports filed by the committee

9304098 0423

1 with the Commission prior to writing this letter?

2 A Prior to writing this letter? I don't exactly

3 recall. I may have seen -- to my recollection, I believe

4 I have seen this report but until just now I was not aware

5 it was an amended report. So I think this is the only

6 report that I have seen concerning this transaction.

7 Q And in the letter, Exhibit 2, you state in the

8 letter, it seems a check was made out for $5600 for the

9 sake of convenience. What is the basis for your stating

10 that?

11 A My basis for stating that is this report

12 indicates there is eight checks for $700 each and I

13 believe this is how this transaction was intended but I

14 don't think this is how this transaction was done.

15 Q Why do you think this is how the transaction was

16 intended?

17 A Because that is what is on the report. My

18 belief about this matter is that these individuals were

19 asked to go to dinner for Jim Hansen's fundraising dinner

20 or event, or whatever, and were asked to contribute money

21 for that and somehow it was just made out in the amount of

22 $5600.

9304098 0424

1 Q Why do you think that?

2 A The reason I think that is because this report

3 was filed listing these people and I believe these people

4 went. I am not sure about that either.

5 Q What other documents did you review to reach

6 that conclusion?

7 A There might have been another letter from Erol's

8 in response to this letter. And I think that is about

9 it. Plus, you know, the matters that were brought up by

10 the audit committee and documents presented to me by the

11 audit committee.

12 Q What documents?

13 A Just requests for information and I don't recall

14 all of the documents.

15 Q Who did you speak to regarding this matter?

16 A On this matter I spoke to Yilmaz Turker, I spoke

17 to Gunchow, and I have spoken to other people but their

18 knowledge was very limited.

19 Q When did you speak to Yilmaz Tucker?

20 A Somewhere around this date of January 5, 1988.

21 Subsequent -- first I talked to him after the audit

22 committee brought this up.

9304098 0425

Q What did you ask him?

A I believe I asked him for copies of these checks.

Q What did he tell you?

A He told me he would look into it.

Q Did he tell you anything else?

A On that conversation or -- I mean I had a couple conversations with him, naturally.

Q When was the very first time you spoke to him?

A Again, I don't recall the exact date. It was sometime after the audit committee brought this matter up and probably before January 5, 1988.

Q The audit committee, you mean the FEC auditors?

A Yes.

Q What did you ask him in that phone call?

A You know, I don't recall the phone call. I know I was trying to clarify this matter for the audit committee.

Q What did he tell you in that phone call?

A In that phone call he said he would look into it. He didn't really give me any information on the first phone call, I am sure. Actually, he was confused. There

9304098 0426

1 was another letter, I am starting to remember, there was
2 another letter and there was another contribution, I
3 believe, Erol O-n-a-r-a-n made another contribution in --
4 previously in 19 -- not 1987, I guess 1985 or 1986 -- and
5 so there was some confusion. They seemed to think these
6 were both the same.
7 Q Okay. When did you speak to him next?
8 A I really don't know. I don't have dates for
9 those conversations.
10 Q But, later on you spoke to him and what was the
11 nature of your discussion?
12 A Well, I think I might have called him once or
13 twice to ask him how it was, the information was coming
14 along. Finally, I think he wrote me a letter, or his vice
15 president wrote me a letter trying to explain how this
16 transpired.
17 Q Did he tell you anything else?
18 A Yilmaz Tucker? No. He just told me it was a
19 bit confusing.
20 Q What was the explanation you received?
21 A From the vice president?
22 Q Yes.

9304098 0427

A The explanation I received basically was that there were two checks involved and, I think, Erol Onaran had committed to make a contribution of I think $5000 to the PAC and somehow the contribution was made -- it was unknown to him it was made and he told someone to make sure that that contribution was made, and it was made again, I guess.

Q So the information you received was that the second contribution was a mistake or the first contribution was a mistake?

A I think the second contribution was a mistake.

Q What did you think of that explanation?

A What did I think of it?

Q Yes.

A What do you mean?

Q Did you think it was accurate?

A His explanation?

Q Yes.

A You know, that is his explanation. It seemed it was accurate to me. You mean -- okay.

Q What did you do after receiving that letter?

MR. SULLIVAN: Which letter?

9304098 0428

BY MR. KELLNER:

Q The letter of explanation from the vice president.

A I incorporated that into my response to the audit report, which was the purpose of all these conversations that I had with Mr. Turker.

Q When you heard that response, did you still believe that the check was made out for $5600 for the sake of convenience?

A At that time? I am just speculating, you know. Because I real -- it is a very confusing transaction and I am speculating at that time it was either made out for the sake of convenience or it was just, you know -- I really don't know.

Q Okay. How did you attempt to correct the situation?

A Actually my speculation here that this was made for the sake of convenience was prior to my receipt of the letter that we are discussing. So I really don't know. I'm sorry, what is the question?

Q How did you attempt to correct the situation?

A I refunded the money back to -- I forget who I

9304098 0429

1 refunded it back to but I made a refund of the money.

2 Q How did you refund it?

3 A I wrote a check. I think I wrote a check for a

4 $4800 refund. The check was a PAC check.

5 Q I am going to put another document in front of

6 you and have this marked as FEC Exhibit 3.

7 (FEC Exhibit 3 identified.)

8 BY MR. KELLNER:

9 Q Do you recognize Exhibit 3?

10 A Yes, I do.

11 Q What is it?

12 A It is a letter written to me, I mean from me to

13 Mr. Yilmaz Turker on June 28, 1988 on PAC stationary.

14 Q Why did you write this letter?

15 A Why did I write this letter? This is the letter

16 regarding refunding the $4900 back to Erol's, Inc.

17 Q Why was the refund in the amount of $4900?

18 A It says here "the PAC had previously refunded

19 $700 of the original $5600 check dated November 6, 1985

20 believing it was an excess personal contribution by Erol

21 Onaran."

22 Q Was it an excess personal contribution by Erol

9304098 0430

1 Onaran?

2 A To tell you the truth, I really don't know. I

3 think that for this report that you have given me, FEC

4 Exhibit 1, there is $700 from Erol Onaran, which is what I

5 am referring to here, and I think that the way that this

6 happened that $700 was -- he already made a contribution

7 of $5000 for the year so that is how come we believed it

8 was an excess contribution and that is why we refunded it,

9 or that is why the PAC did that. I was not involved in

10 refunding the $700 personally.

11 Q The basis of your belief that the $5600 check

12 from Erol's represented individual contributions from

13 eight individuals, was that basis for your belief drawn

14 entirely from your view of FEC, reports filed with the

15 FEC?

16 A Can you repeat the question?

17 Q Well, you refunded an apparent excessive

18 contribution to Erol Onaran and that was one of the eight

19 contributions of $700 reported on the FEC report totaling

20 $5600.

21 Was it from looking at the report that you

22 believe that the $5600 check was made up of these

9304098 0431

1 individual contributions?

2 A Basically, I followed the advice of the audit

3 committee and that is what they came up with. And in

4 order to make the FEC happy I refunded this money because

5 it is a very confusing transaction and I relied on these

6 reports for that too.

7 Q On the letter, FEC Exhibit 2, you indicate that

8 you believe the check from Erol's, Inc., represented funds

9 from eight different individuals.

10 MR. SULLIVAN: Excuse me, counsel. May I have a

11 moment?

12 MR. KELLNER: Yes.

13 (Pause.)

14 BY MR. KELLNER:

15 Q After conferring with counsel do you wish to add

16 to your response?

17 A Yes. I thought I mentioned this, but this

18 letter of January 5, 1988 that you are referring to,

19 Exhibit 2, all this is going on during the audit of the

20 PAC by the FEC. And all my correspondence here is a

21 result of that PAC audit by the FEC and trying to clear up

22 this contribution and to, you know, correct whatever

9304098 0432

needed to be corrected per the audit committee's recommendation because I was working with them to try to clean everything up.

Q Okay. Then --

A Basically, I followed the advice of the audit committee in refunding this check.

Q Okay. How did you draw the conclusion that this check represented funds from eight individuals?

A Well, the audit committee brought that to my attention and told me that is what seems to have transpired and I saw this report here listing it in this manner.

Q Well, the FEC auditors wouldn't have had any knowledge as to what the check from Erol's represented. What is the basis for your belief?

A My basis for that belief is, I mean this did come up during the audit. My basis for that belief, I guess, is this report right here.

Q Did you talk to anyone who told you that is what the check represented prior to your mailing of the letter which is Exhibit Number 2?

A Not really. Basically I was trying to clarify

9304098 0433

1 this on my own. I might -- I think I do recall a
2 conversation I had with somebody who, I think, was not
3 even involved and they had a conversation with somebody to
4 try to figure this out. I believe that these people were
5 supposed to attend the fundraiser.
6 Q What conversations did you have with people
7 about this?
8 A Let me see. With Yilmaz Turker, I had a
9 conversation and with Gunchow C-a-g-a-l.
10 Q What did Gunchow tell you about this?
11 A I don't exactly know exactly what he told me
12 about it. What he told me I believe was that the PAC was
13 trying to organize some people to attend Jim Hansen's
14 fundraiser and that they had a conversation maybe with
15 Erol Onaran or Yilmaz Turker, but I am not sure exactly
16 who they had a conversation with, and they were trying to
17 organize some people together there and possibly, I think,
18 these people were the ones they were trying to organize
19 together.
20 Q How did he know that?
21 A I don't think he was involved on these dates
22 either and I think he probably knew that from talking to

93040980434

1 some other people. I don't know exactly who he talked to
2 about that.
3 Q Did you ever speak to Mr. Onaran about this?
4 A No.
5 Q Have you ever spoken to him?
6 A I don't believe so. No.
7 Q Did Mr. Turker tell you that the check from
8 Erol's represented funds from eight individuals?
9 A Mr. Turker, I think, was unclear exactly what
10 was, you know, what was supposed to have happened here.
11 Q What did he tell you mainly, what may have
12 transpired?
13 A Pardon?
14 Q What did he tell you may have transpired?
15 A Basically, that this check was written for the
16 fundraiser and these individuals went to it and these
17 individuals were supposed to attend the fundraiser.
18 Q You said he was unclear, but did he tell you
19 that the Erol's check represented funds from eight
20 individuals?
21 A No, I don't believe he told me that. I mean I
22 really -- I don't recall exactly what he told me.

9304098 0435

1 MR. KELLNER: We will take a short break and
2 come back in five minutes.
3 (Recess.)
4 MR. KELLNER: On the record.
5 BY MR. KELLNER:
6 Q Mr. Ozdemir, after the break is there anything
7 you would like to add or modify any of your answers?
8 A Yes. I believe I have a headache.
9 Q You didn't state that earlier.
10 A No, I have a headache now.
11 Q How come?
12 A All this started around 9:30, I guess. This
13 deposition has given me a headache. What is the last
14 question that we had, the last question you asked me?
15 MR. KELLNER: I will ask the reporter to read
16 back the last question.
17 (The reporter read the record as requested.)
18 BY MR. KELLNER:
19 Q I am going to try to exhaust your memory the
20 best that I can what you know about a transaction
21 involving Erol's, Inc.
22 Who solicited the funds from Erol's, Inc., for

9304098 0436

1 the fundraiser for Hansen?

2 A I don't know.

3 Q Do you have any idea?

4 A I could guess that the board members at the time

5 made the solicitation consisting of the treasurer at the

6 time who was, Bulent, B-u-l-e-n-t, A-t-a-l-a-y, and I

7 don't recall the other names, there were two other board

8 members and I don't recall who they are.

9 Q Anyone else who could have made this

10 solicitation?

11 A Anyone else?

12 Q Yes.

13 A I don't know. I don't know who made the

14 solicitation. I am speculating.

15 Q I believe earlier you mentioned there were five

16 board members.

17 A Yes. When I became treasurer we revised the

18 board, based on the recommendation of the legal counsel at

19 the time, from three members to five board members to

20 include an assistant treasurer so if the treasurer was

21 unable to file an order or answer the FEC in a timely

22 manner because sometimes FEC requires 15 days to answer,

9304098 0437

1 it was recommended we have an assistant treasurer so we
2 expanded the board to five members at that time based on
3 that recommendation.
4 Q So it was expanded to five after you became
5 involved with the committee?
6 A Right.
7 Q Was there anyone at the Assembly of Turkish
8 American Association that may have been involved in the
9 solicitation of funds from Erol's, Inc.?
10 A I don't know. I think -- well, I don't know.
11 Q Is there any individual that you may think may
12 have been involved or whose position it would have been to
13 seek such contributions?
14 A No. I don't think so.
15 Q Who is the liaison between the committee and the
16 Jim Hansen Committee?
17 A I don't know.
18 MR. SULLIVAN: Clarify what you mean by
19 "liaison."
20 MR. KELLNER: The contact person, the person who
21 kept the Jim Hansen --
22 MR. SULLIVAN: For this particular fundraising

9304098 0438

event?

MR. KELLNER: Or prior to that.

MR. SULLIVAN: The fundraising for Jim Hansen --

MR. KELLNER: Yes.

BY MR. KELLNER:

Q Do you know who worked with Jim Hansen on this?

A No. Sometimes the secretary at the Assembly would field phone calls and whatnot and maybe relay a phone call to somebody on the board. That is about all that I can speculate as to.

Q You mean a corporate secretary?

A The secretary for the Assembly who was -- I believe, they had a secretary at that time. Maybe it was a volunteer. Or maybe it was a volunteer, maybe PAC had a volunteer in the office, too, but I am not sure.

Q I will show you another document one page long and have the reporter mark it as FEC Exhibit 4.

(FEC Exhibit 4 identified.)

BY MR. KELLNER:

Q Have you had a chance to look at Exhibit 4?

A Yes.

Q Do you recognize it?

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A Yes, I do.

Q What is it?

A It is a letter that I wrote on June 27, 1988 to Congressman Jim Hansen on PAC stationery requesting that his committee refund $4900 to the PAC in accordance with recommendation by the Federal Election Commission resulting from their audit of the committee.

Q Okay. Why did you seek a refund in the amount of $4900?

A Because that is what the audit committee recommended that I do.

Q By "audit committee" --

A The FEC audit committee.

Q What did the auditors from the FEC tell you exactly?

A That this was an incorrect contribution and that I should seek a refund to correct it.

Q And which contribution were they referring to?

A This says "this refund results from a refund of -- a contribution of $5600 made to your committee on November 12, 1985, which has been deemed a prohibited contribution."

9304098 0440

Q Who made that contribution?

A Who made the contribution of $5600?

Q Yes.

MR. SULLIVAN: Excuse me for a moment.

(Pause.)

THE WITNESS: The FEC wrote me a letter or the audit committee wrote me a letter telling me -- they specifically stated who the contribution was from, I believe.

MR. KELLNER: Okay.

MR. SULLIVAN: Counsel, wasn't there an audit report that this refund recommendation was based on that would be in your records?

MR. KELLNER: There might be but I would still like the witness to answer the question?

BY MR. KELLNER:

Q Do you recall the question?

A What is the question?

MR. KELLNER: Could I ask the reporter to read back the question.

(The reporter read the record as requested.)

THE WITNESS: I think the contribution of $5600

9304098 0441

1 was a check the committee received November 12, 1985,
2 written on Erol's, Inc., check.
3 BY MR. KELLNER:
4 Q Did the committee write a check to the Hansen
5 Committee?
6 A I don't know for sure. I believe they wrote a
7 check to the Hansen Committee.
8 Q Why did you think this contribution was
9 incorrect?
10 A I was basically complying with the audit
11 committee's recommendation. I just pretty much went along
12 with that.
13 Q Did you think the contribution was prohibited?
14 A Well, it didn't seem -- there was a lot of
15 confusion regarding the contribution and I was told that
16 it was on a corporate check and that just seemed to be a
17 big problem so I refunded the money because you are not
18 allowed to receive corporate contributions.
19 Q How about the funds which were directed to the
20 Hansen committee which Exhibit 4 refers to?
21 A Yes.
22 Q Did you feel that those funds were given

9304098 0442

1 improperly?

2 A My feeling is that the way this transaction

3 transpired, it was not done within, you know, it was not

4 technically correct the way it was done.

5 Q What would have made it technically correct?

6 A I don't know. It is too confusing for me. I

7 believe technically to be correct these individuals should

8 have all written a check on their personal accounts either

9 to the PAC or to Jim Hansen.

10 Q At the point you wrote the letter, which is

11 Exhibit Number 4, did you continue to believe that the

12 funds from Erol's, Inc. represented individual

13 contributions from eight individuals?

14 A At this -- at the time I wrote the letter did I

15 believe these represented eight contributions from

16 individuals?

17 Q Yes.

18 A I think I was under the belief that is what was

19 supposed to have transpired. At some point I believed

20 that these individuals, or I was speculating, due to all

21 the documents and everything that I have in front of me

22 and everything that I heard from everybody, that these

9304098 0443

1 individuals were supposed to possibly reimburse Erol for
2 these moneys.
3 Q Why did you think that?
4 A The reason I thought that was because it was
5 reported in this fashion on this report, as contributions
6 from these individuals and there was a table at the
7 fundraiser that I believe they attended and they were
8 supposed to make a contribution, I am speculating, that is
9 why they attended the fundraiser.
10 Q Your speculation is based upon your view of
11 reports filed by the committee with the Commission?
12 A That, and -- yes, basically, and whatever other
13 things came up in the audit that I was presented with.
14 Q Do you recall what other things you were
15 presented with that may have given you that impression?
16 A I think there was a notation on our receipts
17 ledger when we received moneys and I think the notation on
18 this was Erol's, Inc., and I think that was the check for
19 $5600.
20 Q What documents are you referring to?
21 A Some documentation that I think we gave to the
22 audit committee.

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1 Q Do you mean --

2 A Like a receipt journal, you know?

3 Q Yes. And it said -- what did it say exactly?

4 A Erol's, Inc.

5 Q Did it say anything else?

6 A $5600, I believe.

7 Q Okay.

8 A You know, that is all that I can really recall.

9 Q And how did you draw the conclusion those were

10 funds from eight individuals?

11 A Well, I think these numbers add up to $5600 and

12 it was the same day.

13 Q You are referring to the FEC report, the report

14 filed with the FEC by the committee?

15 A Yes. The numbers on this report reflect eight

16 individuals at $700 each.

17 Q You are looking at Exhibit 1?

18 A Exhibit 1, yes.

19 Q Looking at Exhibit Number 4 again, why did you

20 request a refund in the amount of $4900?

21 A As opposed to $5600?

22 Q Yes.

9304098 0445

1 A We previously refunded $700 back to Erol Onaran,
2 so that is why I requested a refund of $4900.
3 MR. SULLIVAN: May I have a moment?
4 (Pause.)
5 THE WITNESS: That was the rationale that --
6 that is behind what the audit committee recommended to me
7 to do because all this is a result of the audit
8 committee's findings which I was basically following the
9 recommendations.
10 BY MR. KELLNER:
11 Q Auditors from the Commission requested that you
12 seek a refund in the amount of $4900?
13 A Yes.
14 Q Not $5600?
15 A I believe it was $4900.
16 Q If the $5600 contribution was improper, why
17 would you seek refunds of only $4900 of it?
18 A Again, I believe the other $700 was already
19 refunded.
20 Q But the committee refunded $700 to Erol's?
21 A Yes.
22 Q They never received that money from the Hansen

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1 Committee, did they?

2 A I don't know. I mean that refund was done

3 before. That refund was done before I was treasurer so I

4 guess -- I assumed that is what transpired. Maybe it

5 didn't. I don't know. And I would -- I think that I am

6 making that assumption based on just following the audit

7 committee's recommendation. I believe they told me to

8 obtain a refund of $4900.

9 Q When did you mail Exhibit 4?

10 A Exhibit 4? June 27, 1988. It says June 27,

11 1988.

12 Q Repeat the answer.

13 A The date of the letter is June 27, 1988.

14 Q Do you recall when you mailed it?

15 A Probably June 27 or June 28, 1988. Around that

16 time.

17 Q Is there any reason that you know of why there

18 may have been a delay in, or there may have been a

19 possible delay in the Hansen Committee's receipt of that

20 letter from you?

21 A In the receipt of the letter?

22 Q Yes.

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A No.

MR. KELLNER: Would you repeat the question that I asked before this one.

(The reporter read the record as requested.)

BY MR. KELLNER:

Q You stated earlier you refunded $4900 to Erol's, Inc.?

A Yes.

Q What was the source of funds for that refund?

A What was the source of funds for that refund?

Q Yes.

MR. SULLIVAN: Excuse me, a point of clarification. Are you asking what account was the check drawn on?

MR. KELLNER: No. I am asking where the money came from.

THE WITNESS: I believe it, we got -- let me see; $4900. I think we received another contribution from Erol for 1988.

BY MR. KELLNER:

Q In what amount?

A Probably $5000.

9304098 0448

1 Q After that you wrote a check for $4900?

2 A I believe so. Actually I wrote a check for

3 $4900 before that and I was supposed to get money which I

4 didn't get and my check bounced.

5 Q Where were you expecting money from?

6 A I asked several people for money.

7 Q And you wrote a check to Erol's, Inc.,

8 anticipating that money?

9 A Yes.

10 Q And what happened when that money didn't

11 arrive?

12 A The check bounced.

13 Q And it was returned to you?

14 A Yes.

15 Q Were you expecting funds from Erol Onaran?

16 A I was. He usually contributes, I think, $5000 a

17 year. That was the pattern.

18 Q But prior to your check being returned to you

19 for insufficient funds you said you were expecting, you

20 asked a number of individuals for money. Was he one of

21 them?

22 A I think we had asked him for money and we asked

9304098 0449

1 him for a while for money.

2 Q Who would do the asking?

3 A Who would do the asking?

4 Q Yes.

5 A I would ask people -- let me see, who was on the

6 board at the time?

7 (Pause.)

8 THE WITNESS: Asman Saur, who was chairman. He

9 asked people for money. I talked to people in the

10 Assembly. I told them they need money.

11 BY MR. KELLNER:

12 Q Did you ever ask Erol Onaran personally?

13 A No.

14 Q Did anyone from the committee have personal

15 contact with Erol Onaran?

16 A At that time?

17 Q At any time.

18 A At any time? Well, you know, before I got there

19 -- I would speculate that they did.

20 Q Why would you speculate that that was the case?

21 A Because he made two contributions. I mean he

22 made contributions previously.

9304098 0450

1 Q Since your arrival at the committee have -- do
2 you know of any personal contact with Mr. Onaran?
3 A I don't think there has been any contact with
4 him. At least, there hasn't been any by me. I cannot
5 speak for people who are on the board. I mean, I don't
6 know of any times that they had contact with him.
7 Q You mentioned Mr. Onaran made a $5000
8 contribution to the committee that enabled you to refund
9 the contribution from Erol's, Inc.; is that correct?
10 A Yes.
11 Q Who are the individuals involved in getting that
12 contribution from Erol Onaran?
13 A Well, I related to Mr. Turker that we needed
14 money, that we had no money and since he contributed $5000
15 a year I told him we needed more money.
16 Q Why did you ask Mr. Turker and not Mr. Onaran?
17 A Mr. Turker is the vice president of Erol's and
18 is a very close friend of Erol and that is why I talked to
19 him because he has access to him, where I don't.
20 Q You called Mr. -- did you call Mr. Turker at
21 home or did you call him at his place of employment?
22 A I called him at both places.

9304098 0451

Q And you discussed contributions to the PAC in both places?

A Yes.

Q Okay.

MR. KELLNER: We will take another short break, around five minutes.

(Recess.)

MR. KELLNER: On the record.

BY MR. KELLNER:

Q As discussed with counsel off the record, I will add as Exhibit 5 a copy of an amended 1985 year end report covering the period July 1, 1985 until 12-31-85, filed with the Commission by the Political Action Committee, Assembly of Turkish American Associations, the first page of the report and a two-page excerpt from the report which we previously included as Exhibit Number 1.

(FEC Exhibit 5 identified.)

MR. KELLNER: That is page 2 and 3 of schedule A.

BY MR. KELLNER:

Q Mr. Ozdemir, I will show you another document and mark it as FEC Exhibit 6.

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(FEC Exhibit 6 identified.)

MR. SULLIVAN: Okay.

BY MR. KELLNER:

Q Have you had a chance to look at that?

A Exhibit Number 6, yes, I am looking at it right now.

Q Do you recognize it?

A No, I don't think I recognize it.

Q Do you recall --

A Do I recognize it and have I seen it before?

Q Yes.

A I don't know that I have seen this one before. I don't think so.

Q It is not signed by you?

A No. It is not signed by me. It is signed by Bulent Atalay.

Q Do you know why this letter was sent?

A I have no knowledge of this letter at all. It seems by reading it, it seems there is -- it is self-explanatory.

Q When did you become treasurer of the committee?

A I became treasurer of the committee on April 30,

9304098 0453

1 1987 or around thereabouts.

2 Q When were you first contacted by the committee

3 about becoming treasurer?

4 A April 16 or 17th.

5 Q Why do the dates stand out in your mind?

6 A The dates stand out in my mind because 16th or

7 17th was the first day after my tax season. I am a CPA

8 and I work for a public accounting firm and it was very

9 humorous to me that I had a phone call on the day

10 immediately after tax season to be asked to become

11 treasurer and it was, it was -- there was a time

12 consideration involved on Mr. Tarhan, T-a-r-h-a-n,

13 D-a-n-i-s-m-a-n's part.

14 Q Why do you think it was humorous?

15 A Because it was the day after tax season.

16 Obviously he was waiting to call me.

17 Q What things did you discuss during that phone

18 call?

19 A He told me that he heard about me and heard good

20 things about me and that I was somewhat active in the past

21 and he would like me to be the treasurer of the PAC and I

22 believe in that conversation he discussed the problems

9304098 0454

they were having with the PAC, that they had late-filed reports and they wanted to get everything straightened out.

Q Did you discuss any problem of a contribution from Erol's?

A No.

Q Or did you discuss any problem about an excessive contribution to the Hansen Committee?

A No. The first time that this problem with Erol's came up was during the audit. That is the first time anybody really discussed it.

Q I show you one more document and have the reporter mark it as FEC Exhibit 7. It is three pages long. I am going to ask you to look at that.

(FEC Exhibit 7 identified.)

BY MR. KELLNER:

Q Have you had a chance to look at it?

A I am still looking at it. Okay.

Q Have you seen this letter before?

A No. I have never seen this letter.

Q Exhibit 7 is dated April 7, 1987?

A Yes.

9304098 0455

1 Q And you stated you were contacted by the
2 Assembly of Turkish American Associations on the 16th.
3 Was this letter ever brought to your attention?
4 A No.
5 Q No one discussed this letter with you?
6 A No one has ever shown this letter to me.
7 Q Did anyone discuss possible problems with the
8 contribution to the Hansen Committee?
9 A No.
10 Q What do you think may have happened to this
11 letter?
12 A I have no idea.
13 Q After you received -- step back. Did you
14 receive a notice of findings made by the FEC regarding
15 this matter?
16 A Notice of findings?
17 MR. SULLIVAN: Are you speaking of the MUR or
18 the audit?
19 MR. KELLNER: The MUR.
20 MR. SULLIVAN: Relevant to the reason to believe
21 findings?
22 MR. KELLNER: Yes.

9304098 0456

1 BY MR. KELLNER:

2 Q Did you receive notice of reason to believe

3 findings from the Commission?

4 A I believe so.

5 Q After you received that notice did you attempt

6 to contact Mr. Atalay?

7 A No, I never contacted Mr. Atalay.

8 Q Did you try to?

9 A No.

10 Q Do you know where he is now?

11 A No. I think he is in Virginia but I don't know.

12 Q Is he associated with the Assembly of Turkish

13 American Associations?

14 A No, not to my knowledge.

15 Q Did he leave the committee on good terms?

16 A On good terms with who?

17 Q With the committee.

18 A I don't know.

19 Q Did his name ever come up?

20 A Yes, his name came up.

21 Q In what context?

22 A In the context that he did not file reports on

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1 time.

2 Q Anything else?

3 A Well, after the audit his name came up in the

4 context that there was some problems with some of the

5 filings.

6 Q Did you ever give any thought to contacting him?

7 A Yes, I have.

8 Q Why didn't you?

9 A Well, basically I don't think Mr. Atalay would

10 be able to help me out with too much of these matters. I

11 don't think he was very much aware of what was going on,

12 to tell you the truth.

13 Q Why do you say that?

14 A Reports were not filed or filed late. You know,

15 it seems that, you know, the audit committee came out with

16 a few things that were not done correctly. That is why I

17 think that.

18 Q I will draw your attention to Exhibit 4 again.

19 After you mailed Exhibit 4 what contacts did you have with

20 the Hansen Committee?

21 A After I mailed this, I called them up at some

22 point and talked to somebody that -- I forget who I talked

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1 to, Jim Barker, his name sounds familiar, and I told them
2 that we didn't receive any money back from them and we
3 were going through the audit and they didn't believe --
4 they questioned whether or not, when I explained to them
5 what the audit committee had told me that there was a
6 problem with the contribution, they questioned whether or
7 not that was accurate. So I told them I would send him
8 this letter again and I sent the letter and that we need
9 to get this money.
10 Q What did he say to you or --
11 A He said he would look into it and if that is the
12 case -- we had one more conversation on the phone and I
13 think at that point he accepted that he had to refund the
14 money.
15 Q When was the later conversation?
16 A I don't recall the exact date but it was, I
17 believe, close to the time we had our -- the money came
18 back to us.
19 Q Who did you speak to there?
20 A I don't remember. I know I have written his
21 name down somewhere.
22 Q Did you take notes of the phone conversations?

9304098 0459

A I don't know. But I know I have the name somewhere or I think I have the name somewhere.

Q Can you provide us with that, with the name of who you spoke to at the Hansen Committee?

A Sure.

Q Now, do you recall who you spoke to the first time?

A At the Hansen committee?

Q Yes.

A I don't know. The name Jim Barker rings a bell but I am not positive.

Q If I read you some names do you think you may recognize them?

A I might.

Q Peter Jenks?

A I don't think so.

Q June Fisher?

A I don't think so. That is a woman. I didn't speak to a woman.

Q Was it the same person you spoke to the second time?

A I believe so.

9304098 0460

1 Q Are you sure?

2 A I don't know. I may have spoken to two

3 different people.

4 Q Who is Ferda G-u-m-a-s-t-a-s?

5 A I believe she -- I don't exactly know who she

6 was. She worked in the office and I think she handled --

7 she was the one that handled some of the PAC matters and

8 made deposits to the bank.

9 Q Who did she work for?

10 A I think she was a volunteer.

11 Q Does she still volunteer there?

12 A I never met her.

13 Q Who did she volunteer for?

14 A Who did she volunteer for?

15 Q Yes.

16 A I don't know.

17 MR. BERNSTEIN: Off the record.

18 (Discussion off the record.)

19 MR. KELLNER: On the record.

20 BY MR. KELLNER:

21 Q Earlier you stated that June Fisher was someone

22 who worked -- one or two people who worked at the

9304098 0461

1 committee who deposited checks for the PAC. Do you recall
2 if Ferda Gumastas was the other person?
3 A I believe she was the other person.
4 MR. SULLIVAN: Can we indicate during what time
5 period we are talking about?
6 THE WITNESS: This is -- all this is previous to
7 the time that I became treasurer.
8 BY MR. KELLNER:
9 Q Is that what your earlier testimony went to as
10 well?
11 A What earlier testimony?
12 Q You said there were two people who deposited
13 checks for the committee?
14 A Yes. That was my earlier testimony also. It
15 was all previous to when I became treasurer.
16 Q Okay. When did you decide to seek legal counsel
17 in this matter?
18 A Let me see. There was legal counsel involved
19 when I became treasurer and then I think I decided to seek
20 legal counsel after I received your letter for a
21 deposition, today's deposition.
22 Q I would like to exhaust your recollection as

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1 best as I can regarding the conversations that you had
2 with the Hansen committee.
3 What were the concerns that you related to the
4 Hansen Committee when you first spoke to them?
5 A I told them that the audit subcommittee had told
6 me we had received a corporate contribution or
7 contribution that violated some other provisions, and
8 whatever the result of all that was that we could not
9 contribute that money to Jim Hansen's committee and
10 regretfully I had to ask them to return that money to us.
11 Q And what did they express to you?
12 A I was told that -- basically, the person I
13 talked to didn't believe what I was saying. He seemed to
14 think that the contribution was okay, that they didn't
15 have to refund it and I don't think he clearly understood
16 what I was relating to him. So I followed up on that
17 conversation at a later date and then he understood what I
18 was talking about.
19 Q Was there ever a suggestion from the Hansen
20 Committee that their decision to refund the money would
21 depend upon a final audit being issued by the Commission?
22 A I don't believe so.

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Q I would like to try to summarize some of the things you told us and you can tell us if it is an accurate summary of your testimony.

You stated that you believed that the check from Erol's, Inc. for $5600 represented contributions from eight separate individuals on the basis of reports filed by the committee with the Commission and from reviewing the receipts journal of the committee; is that correct?

A Yes.

Q Was there any other source of your belief?

A The only other source --

MR. SULLIVAN: Excuse me.

(Pause.)

BY MR. KELLNER:

Q After consulting with counsel, can you answer the question?

A Yes. I think you need to review everything that I said because we talked about a lot of things and said a lot of things here. And with regard to this answer, you need to go back to my testimony to read that.

And the only other thing that I can add is I did have a conversation with Yilmaz Turker and he seemed to

9304098 0464

1 recollect that this event was held and these people were
2 supposed to go to this event, and that is about it.
3 Q Did he say that they had agreed to contribute
4 funds toward the event?
5 A Not really.
6 Q Did he say he asked them for funds for the event
7 or they were asked to make contributions to the event?
8 A I don't know if he knew. I really don't know.
9 Q Did he say those individuals owed the money,
10 owed the corporation money?
11 A No, he did not say that.
12 MR. SULLIVAN: By "the corporation," you mean
13 Erol's?
14 MR. KELLNER: Yes, Erol's, Inc.
15 THE WITNESS: I believe I asked him if they owed
16 money or if they had paid money or reimbursed these moneys
17 and he said no, that that had not happened to his
18 knowledge.
19 BY MR. KELLNER:
20 Q Now, did you discuss the Commission's findings
21 with anyone other than counsel, other than persons you
22 previously mentioned?

9304098 0465

A Which Commission findings?

Q The Commission has reason to believe findings?

A The reason to believe findings? I talked to -- I have not talked about all of the findings to anyone, to any one particular person.

Q Who did you discuss them with?

A I mentioned to Gunchow Cagal, Harun, Kazaz, H-a-r-u-n, K-a-z-a-z, to T-u-n-c-i-i-s-k-i-r, I mentioned to them we had received a letter from the FEC but did not discuss in detail the contents of the letter.

Q What did those individuals tell you?

A They told me that they had received a letter from the FEC regarding the Assembly's participation in these events.

Q Is there anything else you would like to add to the answers you gave here today?

A I would just like to emphasize that, you know, these two years all these reports were filed before I was treasurer of the PAC and basically I tried to reply -- the audit occurred after I was treasurer and basically tried to be as helpful and responsible to the audit committee as I could.

9304098004466

A lot of these things were not clear and I tried to respond the best I could and I am very upset about having my name appear on these documents naming me as treasurer violating these laws which all occurred before my time.

Q Anything else?

A That is it.

Q Have you given full and complete testimony in response to the questions directed at you today?

A Yes, I have.

Q I would like to thank you for being here and I think we can adjourn this deposition. Like I said before, you should read the transcript and make sure it coincides with your recollection of what took place here. You should read it and sign it and return it to us. I would remind you this matter must remain confidential until the Commission closes its file.

A "Confidential," you mean what?

Q This matter should not be discussed with anyone other than counsel.

A Okay.

Q Do you understand that?

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1 A Yes.

2 (Whereupon, at 12:05 p.m., the deposition was

3 concluded.)

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6 EROL OZDEMIR

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CERTIFICATE OF NOTARY PUBLIC & REPORTER

I, RONALD J. WILSON, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken in shorthand and thereafter reduced to typewriting by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Notary Public in and for the
District of Columbia

My Commission Expires MARCH 14, 1991

9304098 0469

DEPOSITION EXHIBIT FEC 1

SCHEDULE A

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

Political Action Committee of the Assembly of Turkish American Associations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
A. Vasil Y. Ozberkmen, M.D. 6308 Stoneham Lane McLean, VA 22101	Self employed / M.D	10-7-85	$250.00 B.A.
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 350.00		
B. ATAA 2010 Massachusetts Ave., N.W. Washington, D.C. 20036	N/A	7-10-85	$1,000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 1,000.00		
C. Yilmaz Turker 8819 Southwick Dr. St. Fairfax, Va 22031	Erol's Video / General Manager of the Purchasing Dept.	11-12-85	$700.00 B.A.
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 700.00		
D. Nilgun Floyd 1021 Pelham St. Alexandria, Va 22304	Erol's Video	11.12.85	$700.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 700.00		
E. Yavuz Somer 1207 West Grove Blvd. Alexandria, Va 22307	Erol's Video	11.12.85	$700.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 700.00		
F. Erol Onorat 7921 Woodroof Ct. Springfield, Va 22151	Erol's Video / Self employed	11-12-85	$700.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 5,700.00		
G. Sukran De Lorme 5311 Hargate St. Springfield, Va 22151	Erol's Video	11-12-85	$700.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$ 700.00		

SUBTOTAL of Receipts This Page (optional) .....

TOTAL This Period (last page this line number only) .....

SCHEDULE A

ITEMIZED RECEIPTS

[redacted]

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Name of Committee (in Full)
Political Action Committee of the Assembly of Turkish American Associations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
A. Hatice Sherman 1702 Burning Tree Dr. Vienna, Va 22180 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Occupation Aggregate Year-to-Date—$ 700.	11-12-85	$ 700.
B. Deniz Ozturk 1020 N. Stafford St. Unit 201 Arlington, Va 22201 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Occupation Aggregate Year-to-Date—$ 700.	11-12-85	$ 700.
C. Nevin Belendir 6143 Bordu Ave. Springfield, Va 22152 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Occupation Aggregate Year-to-Date—$ 700.	11-12-85	$ 700.
D. Alp Karahasan 12201 Benson Branch Rd Ellicott City, MD 21043 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Self employed Occupation Physician Aggregate Year-to-Date—$ 1000	7-10-85	$ 1,000
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date—$	Date (month, day, year)	Amount of Each Receipt This Period
SUBTOTAL of Receipts This Page (optional)			$ 3,100
TOTAL This page (optional)			$ 21,700

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PAC-ATAA

January 5, 1988

Mr. Yilmaz Turker
Erol's Inc
6621 Electronic Drive
Springfield, VA 22151

Re: PAC-ATAA

Dear Mr. Turker:

Thank you for your response to my request concerning the contribution by employees of Erol's, Inc. to PAC-ATAA. The contribution by Erol Onaran of $5,000.00 on September 26, 1985 was correctly reported by the PAC, however, it is another contributions which we need to clarify for the Federal Election Commission. It seems a contribution was made by several employees of Erol's, Inc. on or before November 18, 1985 and such contribution were aggregated and sent in one lump sum of $5,600.00 It seems that this group attended a fund raising dinner in Washington, D.C. for Jim Hansen on October 18, 1985 for which the tickets were $700 per couple. In order to satisfy the FEC, we need to provide them with a copy, back and front, of such check as they are concerned it is a corporate check. Their concern lies in the fact that corporate contributions or contributions made by an individual on behalf of others is illegal. Therefore, they have also requested statements from such individuals to the effect that the contributions were not made for them by Erol Onaran or Erol's Inc. but rather that the contributions were their own. As we discussed on the phone, it seems that a check was made out for $5,600.00 for the sake of convenience but again, we need to substantiate this for the FEC. These individuals are:

Erol Onaran	$700.00
Yilmaz Turker	700.00
Nilgun Floyd	700.00
Yavuz Somen	700.00
Sukran De Lorne	700.00
Batice Shermat	700.00
Deniz Ozturk	700.00
Mevin Belinder	700.00
Total	$5,600.00

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N W • WASHINGTON, DC 20036 • (202) 293-4670

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PAC-ATAA

Your prompt response would be greatly appreciated as time is of the essence for us to avoid having this included in an interim report of the FEC which would be a matter of public record.

Again, I apologize for the inconvenience to you and I am grateful to you for your contributions and support. If you have any questions with respect to the above, please feel free to contact me at (W) 657-1910 or (H) 469-4804.

Respectfully,

Erol Ozdemir

Erol Ozdemir, CPA, MST
PAC Board Member

EO:bo

93040980473

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 293-4670

PAC-ATAA

Exhibit "D"

DEPOSITION EXHIBIT 53

June 28, 1988

Mr. Yilmaz Turker
Erol's Inc.
6621 Electronic Drive
Springfield, Va 22151

Sayın Bay Turker:

Per our earlier conversations and correspondence, enclosed is a check for $4900 which represents the amount that PAC-ATAA must refund to Erol's Inc. since this contribution was made on a corporate account. The PAC had previously refunded $700 of the original $5600 check dated November 6, 1985 believing it was an excess personal contribution by Erol Onaran. Thank you for your assistance in unraveling this transaction and your continued support for PAC-ATAA.

Hurmetlerimle,

Erol Ozdemir
Treasurer

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SEP 2 0 1988

PAC-ATAA

June 27, 1988

Congressman James Hansen
Hansen Re-election Committee
60 South 200 West
PO Box 654
Farmington, Utah 84025

Dear Congressman Hansen:

It is with great embarrassment that I must request that your committee refund $4900 to PAC-ATAA however I am required to do so by the Federal Election Commission in accordance with their recomendation resulting from their audit of our committee. This refund results from a contribution of $5600 made to your committee on November 12, 1985 which has been deemed a prohibited contribution.

Again, I apoligize for this inconvenience on behalf of the committee and we hope to make it back up to you as we appreciate the support you have shown for the Turkish-American community and the mutually beneficial interests of Turkey and the United States.

Sincerely,

Erol Ozdemir

Erol Ozdemir, CPA, MSE
Chairman, Treasurer

202-657-7110
301-468-4847

9304009 0475

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE N.W. • WASHINGTON DC 20036 • (202) 293-4670

DEPOSITION EXHIBIT
FEC 5

[illegible]

1. Name of Committee (In Full) [illegible]

[illegible]

Address (Number and Street)

2010 Massachusetts Ave NW

City, State and ZIP Code

Washington DC 20036

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C [illegible]

3. ☒ This committee qualified as a multicandidate committee during this Reporting Period on Nov. 30, 1985

4. ☐ April 15 Quarterly Report ☐ [illegible]
☐ July 15 Quarterly Report ☐ [illegible]
☐ July 31 Mid-Year Report (Non-Election Year) [illegible]
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

Did this Report Amend a Previous Report?
☒ YES ☐ NO

SUMMARY

	Column A This Period	Column B [illegible]
5. Covering Period 7-1-86 through 12-31-86		
6. (a) Cash on hand January 1, 19 86		$ [illegible]
(b) Cash on Hand on Beginning of Reporting Period	$ 0	
(c) Total Receipts (From Line 19)	$ 35,775	$ 35,775
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 35,775	$ 35,775
7. Total Disbursements (From Line 29)	$ 35,996	$ 35,996
8. Cash on Hand on Close of Reporting Period (subtract Line 7 from Line 6(d))	$ (779)	$ (779)
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$	

I certify that I have examined this report and to the best of my knowledge and belief it is true, correct and complete.

Robert Atsley
Type or Print Name of Treasurer

Robert Atsley
Signature of Treasurer

3/1/87
Date

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463
Toll Free 800-424-9530
Local 202-376-3120

NOTE: Submission of false, fraudulent, or misleading information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3b are obsolete and should no longer be used.

FEC FORM 3X (3/80)

SCHEDULE A

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Name of Committee (in Full)
Political Action Committee of the Assembly of Turkish American Associations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
A. Vecit Y. Ozbertman, M.D. 6308 Stoneham Lane McLean, VA 22101 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Self employed H.D Aggregate Year-to-Date-$ [illegible]	10-7-85	$ [illegible] T.A.
B. ATAA 2010 Massachusetts Ave., N.W. Washington, D.C. 20036 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	N/A Aggregate Year-to-Date-$ 1,000.00	7-10-85	$1,000.00
C. Yilmaz Turker 8819 Southwick Dr. St. Fairfax, Va 22031 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ [illegible]	11-12-85	$ [illegible] T.A.
D. Nilgun Floyd 1021 Pelham St. Alexandria, Va 22304 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.00	11-12-85	$ 700.00
E. Yavuz Somen 1207 West Grove Blvd. Alexandria, Va 22307 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.00	11-12-85	$ 700.00
F. Erol Onaran 7921 Woodroof Ct. Springfield, Va 22151 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Self employed Aggregate Year-to-Date-$ 3,700.00	11-12-85	$ 700.00
G. Sukran De Lorme 5311 Hargate St. Springfield, Va 22151 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.00	11-12-85	$ 700.00

SUBTOTAL of Receipts This Page (optional) $ [illegible]

TOTAL This Period (last page this line number only) $

SCHEDULE A

ITEMIZED RECEIPTS

[redacted]

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Political Action Committee of the Assembly of Turkish American Associations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt This Period
A. Hatice Shermak 1702 Burning Tree Dr. Vienna, Va 22180 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.	11-12-85	$700.
B. Deniz Ozturk 1020 N. Stafford St. Unit 201 Arlington, Va 22201 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.	11-12-85	$700.
C. Nevin Betendir 6143 Bardu Ave. Springfield, Va 22152 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Erol's Video Aggregate Year-to-Date-$ 700.	11-12-85	$700.
D. Alp Karahasan 12201 Benson Branch Rd Ellicott City, MD 21043 Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Self employed Occupation: Physician Aggregate Year-to-Date-$ 1000	7-10-85	$1,000
E. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date-$	Date (month, day, year)	Amount of Each Receipt This Period
F. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date-$	Date (month, day, year)	Amount of Each Receipt This Period
G. Full Name, Mailing Address and ZIP Code Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Name of Employer Occupation Aggregate Year-to-Date-$	Date (month, day, year)	Amount of Each Receipt This Period

SUBTOTAL of Receipts This Page (optional) ..... $3,100.

TOTAL ... Forward (with page this line number only) ..... $21,700.

MAR 2 7 1987

PAC-ATAA

February 17,1987

Jim Hansen Committee
P.O. Box 654
Farmington, UT 84025

Dear Sir:

Recent examination of our accounts and FEC reports indicates that we had contributed to your committee $1,050 on 10-8-85. A $50 excess contribution had already been refunded to us since our PAC had become a multicandidate committee. Prior to 11-30-85 our PAC could not contribute more than $1,000 to any candidate or committee.

By the same legal contribution limitations, our check dated 11-12-85 for $5,600 fully exceeds our limit. It is with regret and embarrasment that I ask your committee to refund the afore mentioned sum. I apologize for the inconvenience it may cause.

Sincerely,

Bulent Atalay

Bulent Atalay
Treasurer

POLITICAL ACTION COMMITTEE OF THE ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
2010 MASSACHUSETTS AVE. N.W. • WASHINGTON, DC 20036 • (202) 293-4578

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JIM HANSEN
CONGRESS

April 7, 1987

Mr. Bulent Atalay
Treasurer
PAC-ATAA
2010 Massachusetts Ave. N.W.
Washington, D.C. 20036

Dear Mr. Atalay:

In reference to your letter dated February 17, 1987 (we received it March 27, 1987), I would like to respond to your concerns.

Your contribution of $5,600 consisted of eight $700 earmarked contributions to the Jim Hansen Committee (see FEC Rule 110.6 - Earmarked Contributions). Consequently, the $5,600 is within legal contribution limits despite the fact that you were not a multicandidate PAC at the time.

I have attached the appropriate pages of our 1985 Year End FEC Report that shows the names and addresses of those who gave the earmarked donations. Our original contacts on this matter were Ferda Gumustas from your organization and Gary Hymel.

Please contact me if you have any further questions or desire any further information.

Sincerely,

Peter H. Jenks
Finance Director

cc: Jim Barker

9304094480

Jim Hansen Committee
P.O. Box 654
Farmington, Utah 84025
(801) 451-8500
Paid for by the Jim Hansen Committee

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Name of Committee: Jim Hansen Committee

Ralph . Ropp
EMPLOYER:
OCCUPATION:

3403 Prince William Dr.
Fairfax, VA 22031

Date	Amount
10/11/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Heath Lowry
EMPLOYER:
OCCUPATION:

3609 N. Delaware St.
Arlington, VR 22207

Date	Amount
10/11/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Engin I Holmstrom
EMPLOYER:
OCCUPATION:

138 Grafton St.
Chevy Chase, MD 20815

Date	Amount
10/16/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

John Val Browning
EMPLOYER: Breckinridge Minerals
OCCUPATION: President

6182 S. 2855 East
Ogden, UT 84403

Date	Amount
11/25/85	1,000.00

RECEIPT FOR: Primary AGGREGATE YTD: 1,000.00

Yilmaz Turker
EMPLOYER: Erol Inc.
OCCUPATION: Purchases

8819 Southwick St. Earmarked Thru
Fairfax, VA PAC - ATAA

Date	Amount
11/18/85	700.00
(MEMO) 11/18/85	0.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Nilgun Floyd
EMPLOYER: Erol's Inc
OCCUPATION: Executive

1021 Pelham Earmarked thru
Alexandria, VA 22308 PAC - ATAA

Date	Amount
(MEMO) 11/18/85	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

PAGE SUBTOTAL = 4,500.00

Line No. 11A

nformation copied from such Reports or Statements may not be sold or , by any person for the purpose of soliciting contributions or for mercial purposes, other than using the name and address of any political mmittee to solicit contributions from such committee.

Name of Committee: Jim Hansen Committee

Wavuz Somen
EMPLOYER: Erol's
OCCUPATION: Executive
1207 wEST gRAVE bLVD. Earmarked thru
Alexandria, VA 22307 PAC - ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Erol Onaran
EMPLOYER: Erol's Inc
OCCUPATION: Executive
6621 Electronic Dr. Earmarked thru
Springfield, VA 22151 PAC - ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Sukran DeLorne
EMPLOYER: Erol's Inc,
OCCUPATION: Executive
5511 Margate Earmarked thru
Springfield, VA 22151 PAC - ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Patice Shermat
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
1702 Burning Tree Dr. Earmarked thru
Vienna, VA 22180 PAC - ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Deuiz Ozturk
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
1020 N. Stafford St.,Unit 201
Arlington, VA 22201 Earmarked thru
PAC ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

Nevin Belendir
EMPLOYER: Erol's Inc.
OCCUPATION: Executive
6143 Bardu Ave Earmarked thru
Springfield, VA 22152 PAC - ATAA

Date	Amount
11/18/85 (MEMO)	700.00

RECEIPT FOR: Primary AGGREGATE YTD: 700.00

PAGE SUBTOTAL = 4,200.00 LINE TOTAL = 11,500.00

06C6670

LAW OFFICES
WUNDER, RYAN, CANNON & THELEN
1615 L STREET, N.W., SUITE 650
WASHINGTON, D. C. 20036
(202) 659-3005
FACSIMILE: (202) 659-3010

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 JUN 21 AM 11:08

June 19, 1990

Ken Kellner, Esquire
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 2688

Dear Mr. Kellner:

During the deposition of Mr. Erol Ozdemir on May 24, 1990, you requested that Mr. Ozdemir review his records in an attempt to determine with whom he spoke at Mr. Hansen's office regarding the $4,900 refund.

Mr. Ozdemir has completed an initial review of his records and it indicates that he spoke with a Mr. Jim Barker in Mr. Hansen's office regarding a $4,900 refund.

Mr. Ozdemir has informed me that there are no other names which he has come across in his records regarding this particular transaction. Please be assurred, should any further pertinent information regarding the transaction come to the attention of Mr. Ozdemir, it will be forwarded to you pursuant to the request made at the deposition.

Thank you for your attention to this matter.

Very truly yours,

Paul E. Sullivan

Paul E. Sullivan

cc: Erol Ozdemir
Jonathan Bernstein, Esq.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 JUN 21 PM 4:46

93040980483

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
90 AUG -9 PM 3:58

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE
AUG 21 1990
EXECUTIVE SESSION

In the Matter of	)	
	)	
Assembly of Turkish American Associations	)	MUR 2688
Badham Congressional Committee and Robert W. Krone, as treasurer,	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 1, 1989, the Commission found reason to believe that the Assembly of Turkish American Associations ("ATAA") violated 2 U.S.C. § 441b(a), and that the Badham Congressional Committee and Robert W. Krone, as treasurer violated 2 U.S.C. § 441a(f). On January 17, 1990, this Office forwarded a brief regarding probable cause to the Badham Committee, and on April 3, 1990, the Commission determined to enter into conciliation with the ATAA. This report recommends acceptance of a conciliation agreement with ATAA and as well contains a recommendation on probable cause with regard to the Badham Committee.

II. ANALYSIS

A. Badham Committee

This Office's analysis of the Badham Committee's liability in this matter is contained in the General Counsel's Brief signed January 16, 1990. Counsel for the Badham Committee has submitted a response (Attachment 1) supporting this Office's recommendation. For the reasons stated in the Brief, this

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Office recommends the Commission find no probable cause to believe the Badham Congressional Committee and Robert W. Krone, as treasurer violated 2 U.S.C. § 441a(f).

B. ATAA

This Respondent has submitted a signed conciliation agreement

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This Office recommends the Commission accept this conciliation agreement in settlement of this matter as to ATAA.

IV. **RECOMMENDATIONS**

1. Accept the conciliation agreement with the Assembly of Turkish American Associations prior to a finding of probable cause to believe and close the file as to this respondent.

9304098048 6

2. Find no probable cause to believe the Badham Congressional Committee and Robert W. Krone, as treasurer violated 2 U.S.C. § 441a(f).

3. Approve the appropriate letters.

8/9/90
Date

Lawrence M. Noble
General Counsel

Attachments
1. Badham Committee Response to General Counsel's Brief
2. ATAA Signed Conciliation Agreement and Partial Civil Penalty Payment
3. PACATAA Amended Statement of Organization
4. RFAI to PACATAA re Termination

Staff assigned: Mary Mastrobattista
Jonathan Bernstein

93040980487

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Assembly of Turkish American Associations;	)	MUR 2688
Badham Congressional Committee and	)	
Robert W. Krone, as treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 21, 1990, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2688:

1. Accept the conciliation agreement with the Assembly of Turkish American Associations prior to a finding of probable cause to believe and close the file as to this respondent.

2. Find no probable cause to believe the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f) and close the file as to the respondent.

3. Approve the appropriate letters as recommended in the General Counsel's report dated August 9, 1990.

Commissioners Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Aikens was not present.

Attest:

8-27-90
Date

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

93040980488

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 6, 1990

Scott Blake Harris, Esq.
Williams & Connolly
839 Seventeenth Street, N.W.
Washington, D.C. 20006

RE: MUR 2688
Assembly of Turkish
American Associations

Dear Mr. Harris:

On August 21, 1990, the Federal Election Commission accepted the signed conciliation agreement and partial civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your client.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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 has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

93040980489

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the second installment of $750.00 is due on September 15, 1990, in accordance with the terms of the conciliation agreement. If you have any questions, please contact Mary Mastrobattista, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

93040980490

OGC 7188

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 AUG -6 AM 10:23

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Assembly of Turkish American Associations	)	MUR 2688
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Assembly of Turkish American Associations ("Respondent") violated 2 U.S.C. § 441b(a).

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

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

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

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

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

1. The Political Action Committee of the Assembly of Turkish American Associations ("PACATAA") is a political committee within the meaning of 2 U.S.C. § 431(4).

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2. PACATAA's connected organization, the Assembly of Turkish American Associations, made three transfers totaling $6,100 to PACATAA. Two of the transfers, totaling $6,000, were for the reimbursement of administrative expenses which were not incurred within 30 days preceding the transfers. The remaining $100 transfer was a donation to the Assembly of Turkish American Associations that was inadvertently deposited into PACATAA's account. All the transfers have been refunded by PACATAA to the Assembly of Turkish American Associations.*/

3. The Assembly of Turkish American Associations is a corporation organized under the laws of the District of Columbia.

4. Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election or for a political committee to knowingly accept or receive a contribution from any corporation. Furthermore, this Section makes it unlawful for an officer of a corporation to consent to such a contribution or expenditure.

5. Under 2 U.S.C. § 441b(b)(2)(C), the term "contribution or expenditure" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership

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*/ After the time of these transactions, PACATAA filed an amended statement of organization notifying the Commission of a change in its status from a separate segregated fund to an unconnected political committee. Because it is unnecessary to resolution of this matter, the Commission renders no opinion about the effectiveness of this attempted change in status.

9304098049 2

organization, cooperative, or corporation without capital stock.

6. Under 11 C.F.R. § 114.5(b)(3), if the separate segregated fund pays any solicitation or other administration expenses from its own account which could have been paid by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 days after payment by the separate segregated fund.

V. The Assembly of Turkish American Associations transferred $6,100 to the Political Action Committee of the Assembly of Turkish American Associations for administrative expenses not incurred within 30 days preceding the transfers in violation of 2 U.S.C. § 441b(a).

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars ($1,500), pursuant to 2 U.S.C. § 437g(a)(5)(A). Of this amount, Seven Hundred and Fifty Dollars shall be paid no later than 15 June 1990, and Seven Hundred and Fifty Dollars shall be paid no later than 15 September 1990.

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

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

9304098049 3

approved the entire agreement.

IX. Respondent shall comply with and implement the requirements contained in this agreement and to so notify the Commission, by the dates set forth above.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Date 9/5/90

FOR THE RESPONDENTS:

Mr. Ali Sevin
President

7/31/90
Date

93040980494

WILLIAMS & CONNOLLY
1000 HILL BUILDING
WASHINGTON, D.C. 20006
ATTORNEYS AT LAW

0781

15-55
510

AMERICAN SECURITY BANK, N.A.
900 F STREET, NORTHWEST
WASHINGTON, D.C.

PAY 750.00 DOLLARS

NUMBER	DATE	TO THE ORDER OF	GROSS	DISCOUNT	NET AMOUNT OF CHECK
0781	10-15-90	Federal Election Commission			750.00

Richard Kiger

930409804 95

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 6, 1990

Darryl R. Wold, Esq.
3151 Airway Avenue, Suite M-1
Costa Mesa, CA 92626

RE: MUR 2688
Badham Congressional
Committee and
Robert W. Krone, as
treasurer

Dear Mr. Wold:

This is to advise you that on August 21, 1990, the Federal Election Commission found that there is no probable cause to believe the Badham Congressional Committee and Robert W. Krone, as treasurer, violated 2 U.S.C. § 441a(f). Accordingly, the file in this matter has been closed as it pertains to your client.

The file will be made part of the public record within 30 days after it has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

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 has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

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

Sincerely,

Lawrence M. Noble
General Counsel

93040980497

OGC 7854

LAW OFFICES
WILLIAMS & CONNOLLY
839 SEVENTEENTH STREET, N.W.
WASHINGTON, D.C. 20006
(202) 331-5000

EDWARD BENNETT WILLIAMS (1920-1988)
PAUL R. CONNOLLY (1922-1978)

VINCENT J. FULLER
RAYMOND W. BERGAN
JEREMIAH C. COLLINS
ROBERT L. WEINBERG
DAVID POVICH
STEVEN M. UMIN
JOHN W. VARDAMAN, JR.
PAUL MARTIN WOLFF
J. ALAN GALBRAITH
JOHN G. KESTER
WILLIAM E. McDANIELS
BRENDAN V. SULLIVAN, JR.
AUBREY M. DANIEL, III
RICHARD M. COOPER
GERALD A. FEFFER
ROBERT P. WATKINS
JERRY L. SHULMAN
LAWRENCE LUCCHINO
LEWIS H. FERGUSON, III
ROBERT B. BARNETT
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JOHN J. BUCKLEY, JR.
DOUGLAS R. MARVIN
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BARRY S. SIMON
KEVIN T. BAINE
STEPHEN L. URBANCZYK
PHILIP J. WARD
ELLEN SEGAL HUVELLE
FREDERICK WHITTEN PETERS
PETER J. KAHN
JUDITH A. MILLER
LON S. BABBY
SCOTT BLAKE HARRIS
MICHAEL S. SUNDERMEYER
JAMES T. FULLER, III
DAVID D. AUFHAUSER
BRUCE R. GENDERSON
CAROLYN H. WILLIAMS
F. LANE HEARD, III
STEVEN R. KUNEY
ROBERT S. LITT
GERSON A. ZWEIFACH
SARAH HELENE DUGGIN
PAUL MOGIN
DANIELA WINKLER
JEFFREY B. KINDLER
HOWARD W. GUTMAN
NANCY F. PREISS
RICHARD S. HOFFMAN
PAULA MICHELE ELLISON

September 11, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 SEP 13 AM 11:34

Mary Mastrobattista, Esq.
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2688

Dear Ms. Battista:

Enclosed please find the payment due from the Assembly of Turkish American Associations pursuant to the Conciliation Agreement entered into with the Federal Election Commission. If you have any questions, please do not hesitate to call.

Sincerely yours,

Scott Harris

Scott Blake Harris

Enclosure

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90 SEP 12 AM 10:23

9304098049 9

ASSEMBLY OF TURKISH AMERICAN ASSOCIATIONS
1522 CONNECTICUT AVENUE, N.W., 3RD FLOOR
WASHINGTON, DC 20036

FIRST AMERICAN BANK, N.A.
WASHINGTON, DC 20005
15-4/540

3112

CHECK NO.
00003112

** SEVEN HUNDRED FIFTY DOLLARS AND 00/CENTS **

DATE	AMOUNT
08/31/90	750.00

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION

NOT VALID AFTER 90 DAYS
TWO SIGNATURES REQUIRED

Tamer Ertuzun, M.D.

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

91 JAN 22 AM 4:16

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
Erol's Inc.	)	MUR 2688
Erol Onaran	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 1, 1989, the Commission found reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f in connection with a $5600 contribution to the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and Erol Ozdemir, as treasurer. On April 3, 1990, the Commission found reason to believe that Erol Onaran violated 2 U.S.C. § 441b(a).

Counsel for Erol Onaran and Erol's Inc. previously requested pre-probable cause conciliation. On August 17, 1989, the Commission denied counsel's request to enter into pre-probable cause conciliation because of the need for further investigation. Based upon the completion of the investigation into this matter, this Office recommends that the Commission enter into pre-probable cause conciliation with Erol's Inc. and Erol Onaran at this time.[1]

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1. Counsel for Erol's Inc. has notified this Office that the corporation is in the process of being sold to Blockbuster Entertainment Corp. Counsel stated that he expects the sale to be completed very soon. Once the sale is completed, Erol's Inc. will no longer exist as a separate corporate entity. Counsel has represented that the liability of Erol's Inc. in this matter has been fully disclosed to the purchaser.

II. ANALYSIS

On November 6, 1985, a contribution was made from Erol's Inc. to PAC-ATAA in the amount of $5600. This contribution was drawn on a corporate check from Erol's Inc. and was signed by Yilmaz Turker, Secretary of Erol's Inc. The $5600 contribution was reported by PAC-ATAA on November 12, 1985 as eight contributions in the amount of $700 each from eight individuals. Each of the eight individuals listed as a contributor on the PAC-ATAA report was an employee of Erol's Inc. On November 12, 1985, PAC-ATAA reported a $5600 contribution to the Jim Hansen Committee. On November 18, 1985, the Jim Hansen Committee reported receipt of eight $700 contributions earmarked through PAC-ATAA from these eight individuals.

On June 17, 1987, PAC-ATAA refunded $700 of the $5600 contribution to Erol Onaran, one of the eight individuals reported as having made a contribution. Apparently PAC-ATAA refunded this amount to Erol Onaran because Mr. Onaran had already made a $5000 personal contribution to PAC-ATAA on September 26, 1985. On September 17, 1988, PAC-ATAA refunded the remaining $4900 to Erol's Inc.

Under 2 U.S.C. § 441b(a), it is unlawful for a corporation to make a contribution in connection with a federal election or for a corporate officer to consent to such a contribution. The evidence reviewed in this matter indicates that Erol's Inc. made a prohibited corporate contribution to PAC-ATAA and that Erol Onaran, Chief Executive Officer and Chairman of the Board

9304098050 1

of Directors of Erol's Inc., consented to the prohibited corporate contribution. The response received from counsel for Erol's Inc. and Erol Onaran admits that Erol Onaran authorized a corporate check to be issued to PAC-ATAA on November 6, 1985 in the amount of $5600. It appears that the $5600 contribution represented the cost to purchase a table at a fundraising dinner sponsored by PAC-ATAA for Congressman Jim Hansen.

Under 2 U.S.C. § 441f, it is unlawful for a person to contribute to a political committee in the name of another person. The term "person" is defined under the Act to include corporations. 2 U.S.C. § 431(11). The Commission based its initial finding that there was reason to believe Erol's Inc. violated 2 U.S.C. § 441f upon correspondence from Erol Ozdemir, the acting Treasurer of PAC-ATAA. According to Mr. Ozdemir, at the time the $5600 contribution was received by PAC-ATAA, PAC-ATAA officials were under the impression that the $5600 check from Erol's Inc. represented the funds of eight individual employees who would be attending the fundraising dinner. Therefore, PAC-ATAA reported receipt of eight $700 individual contributions. During the deposition of Erol Ozdemir conducted by this Office, Mr. Ozdemir was unable to offer any further explanation as to why PAC-ATAA reported receipt of the $5600 corporate contribution as eight individual contributions. Further investigation into this matter has revealed, however, that PAC-ATAA officials were mistaken in their impression that the $5600 contribution represented the funds of eight individual contributors.

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During the course of the investigation, it became apparent that Yilmaz Turker, Secretary of Erol's Inc., was the person who was most knowledgeable about the contribution made to PAC-ATAA. Accordingly, in lieu of deposing Erol Onaran as previously authorized by the Commission, this Office received a written affidavit from Mr. Turker and subsequently interviewed Mr. Turker at length regarding the $5600 contribution. According to Mr. Turker's affidavit and interview, Mr. Turker was solicited to participate in the fund raising dinner for Congressman Jim Hansen sponsored by PAC-ATAA. Mr. Turker discussed the matter with Erol Onaran, who authorized the purchase of one table at the fundraising diner for $5600 (16 seats @ $350 per person). Erol's Inc. issued a check in the amount of $5600 to PAC-ATAA and Mr. Turker forwarded the check to PAC-ATAA along with the names of eight employees who might be interested in attending the dinner.

Although Erol's Inc. did provide PAC-ATAA with a list of the names of eight employees who were invited to attend the fundraising dinner for Congressman Jim Hansen, it appears that Erol's Inc. did not represent to PAC-ATAA or the Jim Hansen Committee that the $5600 contribution represented eight $700 contributions from eight individual contributors. In response to the Commission's reason to believe notification and in subsequent discussions, counsel for Erol Onaran and Erol's Inc. strongly contested the attempts by PAC-ATAA officials to recast the corporate contribution in terms of contributions made by eight employees. Counsel stated that Erol's Inc. received no

9304098050 3

reimbursement from any of the eight individuals who were reported as contributors. Counsel further stated that the eight individuals were invited to the fundraising dinner at no charge, and had no knowledge that the contribution made by Erol's Inc. was allocated in their names by PAC-ATAA. Based upon the submissions by Erol's Inc. and our discussions with Yilmaz Turker, we find this account of the circumstances surrounding the $5600 contribution to PAC-ATAA to be credible. Accordingly, this Office recommends that the Commission take no further action against Erol's Inc. with respect to the Section 441f finding.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

Attached for Commission approval is a conciliation agreement for Erol Onaran

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IV. RECOMMENDATIONS

1. Enter into conciliation with Erol's Inc. and Erol Onaran prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreements and the appropriate letters.

Lawrence M. Noble
General Counsel

1/22/91
Date

BY: LGL
Lois G. Lerner
Associate General Counsel

Attachments
1. Request for conciliation
2. Affidavit of Yilmaz Turker
3. Proposed Conciliation Agreements

Staff assigned: Mary P. Mastrobattista

93040980505

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2688
Erol's Inc.;	)	
Erol Onaran.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 25, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 2688:

1. Enter into conciliation with Erol's Inc. and Erol Onaran prior to a finding of probable cause to believe.

2. Approve the proposed conciliation agreements and the appropriate letters, as recommended in the General Counsel's Report dated January 22, 1991.

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

Attest:

Jan. 25, 1991
Date

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

Received in the Secretariat:	Tues.,	January 22, 1991	4:00 a.m.
Circulated to the Commission:	Wed.,	January 23, 1991	11:00 a.m.
Deadline for vote:	Fri.,	January 25, 1991	11:00 a.m.

dh

93040980506

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 31, 1991

Marc J. Scheineson, Esq.
Washington, Perito & Dubuc
1120 Connecticut Ave., N.W.
Washington, D.C. 20036

RE: MUR 2688
Erol's Inc. and Erol Onaran

Dear Mr. Scheineson:

On June 1, 1989, the Federal Election Commission found reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f. On April 3, 1990, the Commission found reason to believe that Erol Onaran violated 2 U.S.C. § 441b(a). At your request, on January 25, 1991, the Commission determined to enter into negotiations directed towards reaching conciliation agreements in settlement of this matter prior to a finding of probable cause to believe.

Enclosed are two conciliation agreements that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreements, please sign and return them, along with the civil penalty for each, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreements, or if you wish to arrange a meeting in connection with mutually satisfactory conciliation agreements, please

93040980507

contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
Conciliation Agreements

93040980508

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

91 MAR 12 PM 4:41

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 2688
Erol Onaran	)	
	)	
Erol's Inc.	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

On June 1, 1989, the Commission found reason to believe that Erol's Inc. violated 2 U.S.C. §§ 441b(a) and 441f in connection with a $5600 contribution to the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and Erol Ozdemir, as treasurer. On April 3, 1990, the Commission found reason to believe that Erol Onaran violated 2 U.S.C. § 441b(a).

On January 25, 1991, the Commission determined to enter into conciliation with Erol's Inc. and Erol Onaran prior to a finding of probable cause to believe.[1] This Report recommends acceptance of conciliation agreements with Erol's Inc. and Erol Onaran.

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1. The General Counsel's Report dated January 22, 1991, also recommended that the Commission take no further action against Erol's Inc. with respect to its finding that there was reason to believe that Erol's Inc. violated 2 U.S.C. § 441f. However, this recommendation was inadvertently omitted from the Recommendation section of the General Counsel's Report. Accordingly, this Report contains a recommendation that the Commission take no further action against Erol's Inc. with respect to the June 1, 1989 reason to believe finding that Erol's Inc. violated 2 U.S.C. § 441f.

II. ANALYSIS

A. Erol Onaran

Attached is a conciliation agreement which has been signed by Erol Onaran.

A check in the amount of $1500 for the civil penalty was received along with the signed conciliation agreement. This Office recommends that the Commission accept the attached conciliation agreement with Erol Onaran and close the file as to this Respondent.

B. Erol's Inc.

Also attached is a conciliation agreement which has been signed by Erol Onaran as Chief Executive Officer of Erol's Inc.

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A check in the amount of $1500 for the civil penalty was received with the signed conciliation agreement. This Office recommends that the Commission accept the attached conciliation agreement with Erol's Inc. and close the file as to this Respondent.

III. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with Erol Onaran and close the file as to this Respondent.

2. Take no further action against Erol's Inc. with respect to the June 1, 1989 reason to believe finding that Erol's Inc. violated 2 U.S.C. § 441f.

3. Accept the attached conciliation agreement with Erol's Inc. and close the file as to this Respondent.

4. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 3/12/91

BY: Lois G. Lerner
Associate General Counsel

Attachment
1. Conciliation Agreements and photocopies of civil penalty checks (2)

Staff Assigned: Mary P. Mastrobattista

93040980511

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Erol Onaran;	)	MUR 2688
Erol's Inc.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 15, 1991, the Commission decided by a vote of 5-0 to take the following actions in MUR 2688:

1. Accept the conciliation agreement with Erol Onaran and close the file as to this Respondent, as recommended in the General Counsel's Report dated March 12, 1991.

2. Take no further action against Erol's Inc. with respect to the June 1, 1989 reason to believe finding that Erol's Inc. violated 2 U.S.C. § 441f.

3. Accept the conciliation agreement with Erol's Inc. and close the file as to this Respondent, as recommended in the General Counsel's Report dated March 12, 1991.

(Continued)

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4. Approve the appropriate letters, as recommended in the General Counsel's Report dated March 12, 1991.

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry, voted affirmatively for the decision; Commissioner Thomas did not cast a vote.

Attest:

3-15-91
Date

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

Received in the Secretariat: Tues., Mar. 12, 1991 4:41 p.m.
Circulated to the Commission: Wed., Mar. 13, 1991 11:00 a.m.
Deadline for vote: Fri., Mar. 15, 1991 11:00 a.m.

dr

9304098051 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 20, 1991

Marc J. Scheineson
Washington, Perito & Dubuc
1120 Connecticut Ave., N.W.
Washington, D.C. 20036

RE: MUR 2688
Erol's Inc.
Erol Onaran

Dear Mr. Scheineson:

On March 15, 1991, the Federal Election Commission accepted the signed conciliation agreements and civil penalties submitted on behalf of Erol's Inc. and Erol Onaran in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your clients.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreements, however, will become a part of the public record.

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 has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Enclosed you will find two copies of the fully executed conciliation agreements for your files. If you have any

93040980514

questions, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreements

93040980515

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Erol Onaran	)	MUR 2688
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Erol Onaran ("Respondent") violated 2 U.S.C. § 441b(a).

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

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

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

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

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

1. Respondent is an individual and is the Chief Executive Officer and Chairman of the Board of Directors of Erol's Inc.

2. Erol's Inc. is a corporation organized under the laws of Delaware.

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3. The Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") is a political committee within the meaning of 2 U.S.C. § 431(4).

4. On November 6, 1985, Erol's Inc. made a $5600 contribution to PAC-ATAA.

5. Respondent consented to the $5600 contribution from Erol's Inc. to PAC-ATAA.

6. On June 17, 1987, PAC-ATAA refunded $700 of the $5600 to Erol Onaran. The $700 refund represented the portion of the $5600 contribution which PAC-ATAA reported as received from Erol Onaran. On September 17, 1988, PAC-ATAA refunded the remaining $4,900 to Erol's Inc.

7. Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election, or for an officer or director of a corporation to consent to such a contribution. For the purposes of Section 441b(a), the term "contribution" includes any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate. 2 U.S.C. § 441b(b)(2).

V. Respondent consented to a $5,600 contribution from Erol's Inc. to PAC-ATAA in violation of 2 U.S.C. § 441b(a). Respondent contends that the violation was not knowing and willful.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars ($1500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

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

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: _____ 3/20/91
Lois G. Lerner
Associate General Counsel
Date

FOR THE RESPONDENT:

EROL ONARAN
Cal
(Name)
(Position)

FEB-27-1991
Date

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3773

EROL ONARAN

2-27 1991

PAY TO THE ORDER OF Federal Election Committee $ 1,500.00

One Thousand Five Hundred and 00/100 DOLLARS

1ST AMERICAN BANK
FIRST AMERICAN BANK OF VIRGINIA
McLEAN VIRGINIA 22102

MEMO

Erol

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Mastrobattista

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Erol's Inc.	)	MUR 2688
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Erol's Inc. ("Respondent") violated 2 U.S.C. § 441b(a).

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

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

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

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

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

1. Respondent is a corporation organized under the laws of the Delaware.

2. The Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") is a political

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committee within the meaning of 2 U.S.C. § 431(4).

3. On November 6, 1985, Respondent made a $5600 contribution to PAC-ATAA. PAC-ATAA reported the $5600 contribution as eight individual contributions in the amount of $700 each.

4. On June 17, 1987, PAC-ATAA refunded $700 of the $5600 to Erol Onaran. The $700 refund represented the portion of the $5600 contribution which PAC-ATAA reported as received from Erol Onaran. On September 17, 1988, PAC-ATAA refunded the remaining $4,900 to Erol's Inc.

5. Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election. For the purposes of Section 441b(a), the term "contribution" includes any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate. 2 U.S.C. § 441b(b)(2).

V. Respondent made a $5,600 contribution to PAC-ATAA in violation of 2 U.S.C. § 441b(a). Respondent contends that the violation was not knowing and willful.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars ($1500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement

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or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: _____ Date 3/20/91
Lois G. Lerner
Associate General Counsel

FOR THE RESPONDENT:

EROL ONARAN CEO
(Name)
(Position)

FEB-27-91
Date

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EROL'S INC. 6621 ELECTRONIC DRIVE • SPRINGFIELD, VA 22151 VENDOR CHECK NO.

APPROVAL CODE	INVOICE DATE	INVOICE NUMBER	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
illiams	2/27/91	FEC MUR 2688	$1,500.00		$1,500.00

DETACH AND RETAIN THIS STATEMENT *The attached check is in payment of items described above. If incorrect, please notify us promptly*

EROL'S INC.
6621 ELECTRONIC DRIVE
SPRINGFIELD, VA 22151

68-589
514

SIGNET BANK
McLEAN, VIRGINIA

NO. 218486

February 27, 1991

PAY One Thousand Five Hundred Dollars and No Cents

PAY**$1,500.00********

TO THE ORDER OF Federal Election Committee

R C Williams
AUTHORIZED SIGNATURE

⑈218486⑈ ⑆051400⑆ 93⑈

RECEIVED
F.E.C.
SECRETARIAT

91 OCT 16 PM 12:45

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer	)	MUR 2688
Jim Hansen Committee and Gordon E. Hoskins, as treasurer	)	**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 1, 1989, the Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c). On that same date, the Commission also found reason to believe that the Jim Hansen Committee ("Hansen Committee"), and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f).

Both PAC-ATAA and the Hansen Committee previously requested pre-probable cause conciliation. On August 17, 1989, the Commission denied PAC-ATAA's request to enter into pre-probable cause conciliation because of the need for further investigation. The Commission denied the Hansen Committee's request to enter into pre-probable cause conciliation on April 3, 1990.[1] Based upon the completion of the investigation into this matter, this Office now recommends that the Commission

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1. The Commission subsequently has closed the file with respect to the Assembly of Turkish American Associations, the Badham Congressional Committee and Robert W. Krone, as treasurer, Erol's, Inc. and Erol Onaran.

enter into pre-probable cause conciliation with PAC-ATAA and the Hansen Committee.

II. ANALYSIS

A. Failure to File an Amended Statement of Organization

PAC-ATAA registered with the Commission on May 30, 1985, naming Bulent Atalay as its treasurer.[2] PAC-ATAA's original statement of organization listed the Assembly of Turkish American Associations ("the Assembly") as its connected organization. On April 30, 1987, PAC-ATAA filed an amended statement of organization listing Erol Ozdemir as its treasurer, and on November 20, 1987, PAC-ATAA filed another amended statement of organization listing Alp Karahansan as its treasurer.

On February 2, 1988, the Commission received a letter signed by Mr. Ozdemir stating that Alp Karahansan had passed away on January 28, 1988 and that PAC-ATAA's assistant treasurer had recently resigned. Mr. Ozdemir stated that he would address any issues or correspondence involving PAC-ATAA until the appointment of a new treasurer. On February 3, 1990, PAC-ATAA filed an amended statement of organization naming Mr. Ozdemir as its acting treasurer and on September 20, 1990, PAC-ATAA filed an amended statement of organization naming Mr. Ozdemir as its treasurer.

Under 2 U.S.C. § 433(c), any change in information previously submitted in a statement of organization shall be

2. According to its 1991 Mid Year Report, PAC-ATAA had a cash on hand balance of $185 as of June 30, 1991.

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reported in accordance with section 432(g) of the Act no later than ten days after the date of the change. 11 C.F.R. § 102.2(a)(2) provides that any change in the information previously filed in the statement of organization shall be reported no later than ten days following the date of the change by filing an amended statement of organization or by filing a letter noting the change.

In response to the Commission's reason to believe notification, Mr. Ozdemir stated that he gave notice to the Commission by letter within ten days of Alp Karahansan's death. Mr. Ozdemir asserted that his letter of February 2, 1988 complies with 2 U.S.C. § 433(c), in that a letter will suffice to notify the Commission of any change. This letter, however, did not notify the Commission of the name of PAC-ATAA's new treasurer. PAC-ATAA did not file an amended statement of organization designating a new treasurer until two years later. Apparently, Mr. Ozdemir was reluctant to assume the role of treasurer for PAC-ATAA at that time because of the possibility of an enforcement action against PAC-ATAA by the Commission. Since that time, however, Mr. Ozdemir has filed all reports as PAC-ATAA's treasurer, and has signed all correspondence on behalf of PAC-ATAA.

The foregoing supports the Commission's finding of reason to believe that PAC-ATAA violated 2 U.S.C. § 433(c) by failing to report a change in information previously submitted in a statement of organization within ten days.

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B. Acceptance of Corporate Contributions

1. The Assembly of Turkish American Associations

As stated earlier, PAC-ATAA's original statement of organization listed the Assembly of Turkish American Associations ("the Assembly") as its connected organization. PAC-ATAA received the following transfers from the Assembly in 1985 and 1986, totaling $6,100:

Date of Deposit	Amount
06-20-85	$1,000
11-14-85	$ 100
01-06-86	$5,000
Total	$6,100

The Assembly is a corporation organized under the laws of the District of Columbia.

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with a federal election. Under 2 U.S.C. § 441b(b)(2)(C), the term "contribution" shall not include the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock. 11 C.F.R. § 114.4(b)(3) provides that if the separate segregated fund pays any solicitation or other administrative expense from its own account, which expense could be paid for as an administrative expense by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than 30 calendar days after the expense was paid by the separate segregated fund.

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In response to the Commission's reason to believe notification, the Assembly stated that two transfers totaling $6,000 were for the reimbursement of administrative expenses which were not incurred within 30 days preceding the transfers. The Assembly further stated that the transfer of funds were unofficial loans in nature and were given to PAC-ATAA at its infant stage to cover administrative expenses, with the understanding that the loans would be repaid as soon as PAC-ATAA was able to raise funds. With respect to the remaining $100 transfer, the Assembly stated that this transfer represented a donation to the Assembly, which was inadvertently deposited into PAC-ATAA's account.

PAC-ATAA's response to the Commission's reason to believe notification was consistent with that of the Assembly. In PAC-ATAA's response, Mr. Ozdemir stated that PAC-ATAA officials were not aware of the requirement that expenses need to be incurred within a 30 day time period and were further under the impression that receiving the monies as a loan was proper. PAC-ATAA refunded $6,000 to the Assembly on June 17, 1987. The remaining $100 was refunded by PAC-ATAA on August 23, 1988.

From the information received thus far, it appears that PAC-ATAA received $6,000 in transfers from the Assembly for administrative expenses not incurred within 30 days preceding the transfers. Furthermore, PAC-ATAA received an additional $100 transfer from the Assembly. Therefore, PAC-ATAA accepted a

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total of $6,100 in contributions from the Assembly in violation of 2 U.S.C. § 441b(a).[3]

2. Contributions from Other Corporations

In addition to the contributions received from the Assembly, PAC-ATAA accepted contributions totaling $6,075 from six businesses which were identified by the Audit staff as corporations. These six corporate contributions are as follows:

Contributor	Date	Amount
Marlboro Motor Lodge, Inc.	09-26-85	$ 100
The Precious Gem	09-21-85	$ 250
Cay Export-Import	10-19-85	$ 50
Erol's Inc.	11-06-85	$5,600
Evansville Metal Products, Inc.	1985	$ 50
Kemor Food, Inc.	1985	$ 25
	Total	$6,075

In response to the Interim Audit Report, Mr. Ozdemir stated that these corporate contributions were not refunded because PAC-ATAA had verified (verbally) that the contributions represented individual funds, even though the contributions were made on corporate checks. Mr. Ozdemir stated that in each of these instances, the corporation owed the individual money. Instead of writing a check to the individual, the corporation wrote the check directly to PAC-ATAA.

In response to the Commission's reason to believe notification, Mr. Ozdemir stated that PAC-ATAA officials made "best faith efforts" to ascertain whether these corporate

3. On August 21, 1990, the Commission accepted a signed conciliation agreement from the Assembly containing an admission of a violation of 2 U.S.C. § 441b(a) and requiring the payment of a $1,500 civil penalty, and closed the file as to this Respondent.

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contributions were legal. Mr. Ozdemir explained that PAC-ATAA wrote a letter to these contributors asking each to notify PAC-ATAA if its contribution was made with corporate funds. Mr. Ozdemir was unable to locate copies of any of these letters. According to Mr. Ozdemir, PAC-ATAA did not receive a response from any of these businesses and therefore assumed that these contributions were lawful. Mr. Ozdemir further stated that the contributions from Evansville Metal Products, Inc. and Kemor Food, Inc. did not appear on his copy of PAC-ATAA's 1985 report.

Furthermore, PAC-ATAA's response to the Commission's reason to believe notification indicated that PAC-ATAA received an additional corporate contribution which was not previously identified by the Audit staff. PAC-ATAA submitted as part of its response a copy of a contribution check from CJ Laser to PAC-ATAA dated October 29, 1985, in the amount of $100. PAC-ATAA also submitted with its response a letter dated December 3, 1986, from Nilesen Gokay, Vice President of the CJ Laser Corporation. In this letter, Mr. Gokay stated that the contribution made to PAC-ATAA was from CJ Laser Corporation, a privately owned corporation. PAC-ATAA refunded the $100 contribution to CJ Laser Corporation on January 19, 1987.

Based upon the foregoing, it appears that PAC-ATAA received corporate contributions from Marlboro Motor Lodge, Inc., the Precious Gem, Cay Export-Import, Evansville Metal Products, Inc. Kemor Food, Inc., and CJ Laser Corporation totaling $575, in violation of 2 U.S.C. § 441b(a).

With respect to the $5,600 contribution from Erol's Inc.,

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the investigation into this matter has revealed that the contribution was written on a corporate check and was signed by Yilmaz Turker, Secretary of Erol's Inc. The check was dated November 6, 1985 and was reported as received by PAC-ATAA on November 12, 1985. PAC-ATAA reported the $5,600 contribution from Erol's Inc. as eight contributions in the amount of $700 each from eight individuals. Each of the eight individuals listed as a contributor on PAC-ATAA's report was an employee of Erol's Inc. On November 12, 1985, PAC-ATAA reported making a $5,600 contribution to the Hansen Committee. The Hansen Committee, in turn, reported receipt of eight $700 contributions earmarked through PAC-ATAA from these eight individuals. PAC-ATAA's contribution to the Hansen Committee and the Hansen Committee's receipt thereof will be discussed in detail later in this Report.

On June 17, 1987, PAC-ATAA refunded $700 of the $5,600 contribution to Erol Onaran, one of the eight individuals reported as having made a contribution. PAC-ATAA refunded the remaining $4,900 to Erol's Inc. on September 17, 1988.

According to counsel for Erol Onaran and Erol's Inc., who were both named as Respondents in this matter, Erol Onaran authorized a corporate check to be issued to PAC-ATAA in the amount of $5,600 to purchase a table at a fundraising dinner for Congressman Jim Hansen. According to Mr. Ozdemir, at the time the $5,600 contribution was received by PAC-ATAA, PAC-ATAA officials were under the impression that the $5,600 check from Erol's Inc. represented the funds of eight individual employees

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who would be attending the fundraising dinner. During an interview conducted by this Office, Yilmaz Turker stated that he forwarded the contribution check to PAC-ATAA along with a list of the names of eight employees who might be interested in attending the dinner. There is no evidence, however, which indicates that Erol's Inc. represented to PAC-ATAA that the $5,600 contribution represented eight $700 contributions from eight individual contributors. Nevertheless, PAC-ATAA reported receipt of eight $700 individual contributions.

From the information received thus far, it appears that PAC-ATAA received a corporate contribution from Erol's Inc. in the amount of $5,600 which PAC-ATAA incorrectly reported as eight individual contributions in the amount of $700 each.[4] There is no evidence which indicates that Erol's Inc. was reimbursed by the individuals who were named as contributors. Therefore, this Office recommends that the Commission take no further action against PAC-ATAA with respect to the section 441f finding. The evidence does support the Commission's finding of reason to believe that PAC-ATAA violated 2 U.S.C. § 441b(a) by accepting a corporate contribution from Erol's Inc.[5]

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4. To date, the Commission has not made reason to believe findings against PAC-ATAA for reporting violations. This Office does not recommend that the Commission pursue PAC-ATAA for reporting violations at this time.

5. On March 15, 1991, the Commission voted to take no further action against Erol's Inc. with respect to the finding of reason to believe that Erol's Inc. violated 2 U.S.C. § 441f. On that same date, the Commission accepted conciliation agreements with Erol's Inc. and Erol Onaran and closed the file as to these Respondents. Both conciliation agreements contained admissions of a violation of 2 U.S.C. § 441b(a) and required payment of

C. Making of Excessive Contributions

1. The Badham Congressional Committee

PAC-ATAA reported making a $3,000 contribution to the Badham Congressional Committee (the "Badham Committee") on November 25, 1985. PAC-ATAA did not obtain multicandidate status until November 30, 1985. Therefore, it appeared that PAC-ATAA made an excessive contribution to the Badham Committee in the amount of $2,000, in violation of 2 U.S.C. § 441a(a)(1)(A). The Badham Committee refunded $2,000 to PAC-ATAA on April 25, 1986 after being contacted by the Audit Division.

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized committees with respect to any election for federal office which, in the aggregate, exceed $1,000. The term person includes a political committee. 2 U.S.C. § 431(11). Under 2 U.S.C. § 441a(a)(2)(A), it is unlawful for a multicandidate political committee to make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $5,000. Under 2 U.S.C. § 441a(a)(4), a multicandidate political committee is a political committee which has been registered with the Commission for at least six months, has received contributions from more than 50 persons, and has made contributions to five or more candidates for federal office.

(Footnote 5 continued from previous page)
civil penalties in the amount of $1,500.

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PAC-ATAA contends that the $3,000 contribution was not actually delivered to the Badham Committee until November 30, 1985, the date on which PAC-ATAA obtained multicandidate status. Therefore, PAC-ATAA contends that the $3,000 contribution to the Badham Committee did not result in a violation of section 441a(a)(1)(A) of the Act. In the Badham Committee's response to the Commission's reason to believe notification, the Badham Committee also asserted that no violation of the Act occurred because the contribution was received by the Badham Committee on November 30, 1985. Although the check from PAC-ATAA to the Badham Committee was dated November 25, 1985, it appears that the check was not delivered to the Badham Committee until five days later. Apparently, the check was written on November 25, 1985 so that it could be mailed to California in time to be delivered to Mr. Badham on November 30, 1985.

Robert Badham recalled receiving the check on November 30, 1985 because he was the honored guest and speaker at a dinner sponsored by PAC-ATAA on that date in Irvine, California. The Badham Committee submitted a personal calendar maintained by Mrs. Badham in support of this contention which contained the following entry for November 30, 1985: "Turkish dinner, Registry, 7:30". The Badham Committee also submitted a copy of the deposit slip for the PAC-ATAA check dated December 10, 1985 and a copy of a December 3, 1985 memorandum to the Badham Committee's treasurer. Attached to this memorandum were six contribution checks, including the contribution check from PAC-ATAA. The memorandum stated that these checks were handed

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to Mr. Badham at an event on November 30.

Based upon the foregoing, it does not appear that PAC-ATAA violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Badham Committee.[6]

2. The Hansen Committee

As noted above, PAC-ATAA made a $5,600 contribution to the Hansen Committee after receiving the $5,600 contribution from Erol's Inc.[7] This contribution was drawn on a PAC-ATAA check in the amount of $5,600 dated November 12, 1985. The Hansen Committee received PAC-ATAA's check on November 18, 1985, and deposited it on that same date. The Hansen Committee reported receipt of the $5,600 contribution as eight individual contributions in the amount of $700 each, earmarked through PAC-ATAA. In a memo attached to its 1985 Year End Report, the Hansen Committee stated that the $5,600 check from PAC-ATAA "represented 8 individuals purchasing 2 tickets each to our Washington, D.C. Fund-Raising Event of October 8, 1985. Tickets were $350 each; thus each donation was $700." The eight individuals who were reported by the Hansen Committee as each having made a $700 contribution to the Committee were the same eight individuals who were reported by PAC-ATAA as having made a contribution.

PAC-ATAA did not report the $5,600 contribution to the

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6. On August 21, 1990, the Commission found no probable cause to believe that the Badham Committee violated 2 U.S.C. § 441a(f), and closed the file as to this Respondent.

7. According to its 1991 Mid Year Report, the Hansen Committee had a cash on hand balance of $20,158.24 as of June 30, 1991.

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Hansen Committee as an earmarked contribution from eight individuals. Rather, PAC-ATAA reported the $5,600 contribution as a direct contribution from PAC-ATAA to the Hansen Committee. In response to the Interim Audit Report, Mr. Ozdemir stated that the $5,600 contribution was "not necessarily an earmarked contribution as it was at [PAC-ATAA's] discretion to use the funds as they pleased and [PAC-ATAA] initiated the solicitation of the funds."

In response to the Commission's reason to believe notification, the Hansen Committee contends that it properly reported the $5,600 contribution as an earmarked contribution from eight individuals. In support of this position, the Hansen Committee stated that the names of these eight individuals, along with their place of employment, were submitted to the Hansen Committee along with the contribution check. The Hansen Committee further stated that it was told by PAC-ATAA that the contribution consisted of earmarked contributions from eight individuals at $700 each. The Hansen Committee also stated that PAC-ATAA informed the Hansen Committee that PAC-ATAA received checks from each individual.

Although the Hansen Committee has taken the position that the $5,600 contribution from PAC-ATAA was an earmarked contribution from eight individuals, PAC-ATAA did not treat the contribution as such. Under 2 U.S.C. § 441a(a)(8), the intermediary or conduit of earmarked funds shall report the original source and the intended recipient of such funds to the Commission and to the intended recipient. PAC-ATAA did not

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report the contribution to the Commission and to the Hansen Committee as an earmarked contribution as would be required by 2 U.S.C. § 441a(a)(8). As stated earlier, PAC-ATAA reported the contribution to the Commission as a direct contribution from PAC-ATAA to the Hansen Committee in the amount of $5,600.

Furthermore, the only evidence which the Hansen Committee produced in support of its position that the contribution was an earmarked contribution from eight individuals, as opposed to a direct contribution from PAC-ATAA, was eight contributor information cards.[8] The Hansen Committee's response indicated that it received the contributor information cards from PAC-ATAA, but was unclear as to when the Committee received the contributor information cards from PAC-ATAA. The Hansen Committee did state in its response that the Administrative Assistant for Congressman Hansen called PAC-ATAA on December 12, 1985, to get the home addresses of the eight individuals "for reporting purposes."

As noted, the $5,600 was not earmarked contributions from eight individuals, but was a contribution which PAC-ATAA made to

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8. The precise origin of the contributor information cards is unclear. It is improbable that these contributor information cards were filled out by the individuals named as contributors, as all eight cards appear to have been typed on the same typewriter (four in upper case; four in lower case). One possible explanation is that the contributor information cards were forwarded to PAC-ATAA from Yilmaz Turker, the secretary of Erol's Inc. Another possible explanation is that the Hansen Committee requested and received the contributor information cards from PAC-ATAA subsequent to the Committee's receipt of the $5,600 contribution check, in an effort to support the Committee's position that the $5,600 check from PAC-ATAA represented eight individual contributions of $700 each.

the Hansen Committee. PAC-ATAA did not obtain multicandidate status until November 30, 1985. PAC-ATAA previously had made a $1,050 contribution to the Hansen Committee on October 8, 1985, $50 of which was later refunded by the Hansen Committee. Therefore, PAC-ATAA made an excessive contribution to the Hansen Committee totaling $5,600. The Hansen Committee finally refunded the excessive $5,600 contribution on June 23, 1989, more than two years after PAC-ATAA initially requested a refund. It appears that PAC-ATAA initially requested a refund of the $5,600 contribution from the Hansen Committee by letter dated February 17, 1987. This letter was stamped as received by the Hansen Committee on March 27, 1987. By letter dated April 7, 1987, the Hansen Committee responded to PAC-ATAA's request for a refund by declining to refund the contribution. In this letter, the Hansen Committee stated that the $5,600 contribution was "within the legal limits" despite the fact that PAC-ATAA was not a multicandidate committee, because the contribution consisted of eight $700 earmarked contributions.

By letter dated June 27, 1988, PAC-ATAA again wrote to the Hansen Committee requesting a refund of $4,900. This letter was stamped as received by the Hansen Committee on September 20, 1988. In response to Commission's reason to believe notification, the Hansen Committee stated that Congressman Hansen's Administrative Assistant called Mr. Ozdemir regarding this letter, and it was determined to wait until the Commission audit of PAC-ATAA was completed before refunding the contribution.

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During his deposition with this Office, Mr. Ozdemir denied that the Hansen Committee's decision to refund the contribution was dependent upon the final audit. (Attachment 1, page 3). Mr. Ozdemir further testified that he called the Hansen Committee after he mailed the letter dated June 27, 1988 to the Hansen Committee. Mr. Ozdemir gave the following account of this conversation regarding PAC-ATAA's request for a refund:

> A: I told [the Hansen Committee] that the audit subcommittee had told me we had received a corporate contribution or contribution that violated some other provisions, and whatever the result of all that was that we could not contribute that money to Jim Hansen's committee and regretfully I had to ask them to return that money to us.
>
> Q: And what did they express to you?
>
> A: I was told that -- basically, the person I talked to didn't believe what I was saying. He seemed to think that the contribution was okay, that they didn't have to refund it and I don't think he clearly understood what I was relating to him. So I followed up on that conversation at a later date and then he understood what I was talking about.

(Attachment 1, page 3).[9] The final conversation referred to by

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9. Earlier in the deposition, Erol Ozdemir testified to the following events after he mailed the June 27, 1988 letter to the Hansen Committee:

> After I mailed this, I called them up at some point and talked to somebody that -- I forget who I talked to, Jim Barker, his name sounds familiar, and I told them that we didn't receive any money back from them and we were going through the audit and they didn't believe -- they questioned whether or not, when I explained to them what the audit committee had told me that there was a problem with the contribution, they questioned whether or not that was accurate. So I told them I would send him this letter again and I sent the letter and that we need to get this money.

(Attachment 1, pages 1-2).

Mr. Ozdemir apparently preceded the refund of the contribution on June 23, 1989, a year after PAC-ATAA's second and unambiguous request for a refund. The Hansen Committee asserted in its supplemental response that it was unable to make an informed decision that the contribution should be refunded until the Committee received the reason to believe notification from the Commission. Prior to receipt of the reason to believe notification, however, the Hansen Committee had received two written requests for a refund from PAC-ATAA, and had discussed the request for a refund by telephone on two occasions. During this time, the Hansen Committee made no efforts to determine the legality of the receipt from PAC-ATAA. The testimony by Mr. Ozdemir indicates that the Hansen Committee kept the money notwithstanding PAC-ATAA's requests for a refund and substantial indication of impropriety in the making of the contribution.

In summary, the evidence supports the Commission's finding that the Hansen Committee violated 2 U.S.C. § 441a(f) by receiving an excessive contribution from PAC-ATAA.[10] In

---

10. The Commission's reason to believe findings in this matter against the Hansen Committee were based upon a violation of section 441a(f) of the Act, for receipt of an excessive contribution from PAC-ATAA. The source of the excessive contribution which the Hansen Committee received from PAC-ATAA was the $5,600 corporate contribution which PAC-ATAA had received from Erol's Inc. PAC-ATAA received the $5,600 contribution from Erol's Inc. on November 12, 1985, and reported making a $5,600 contribution to the Hansen Committee that same date. In view of the timing of the transaction, it could be argued that PAC-ATAA transmitted an earmarked corporate contribution from Erol's Inc. to the Hansen Committee. PAC-ATAA, however, has never represented the contribution as an earmarked contribution. Further, there is no evidence of the Hansen committee's knowledge that the contribution was from corporate funds. Therefore, this Office does not recommend that the Commission make reason to believe

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addition, the evidence also supports the Commission's find of reason to believe that PAC-ATAA made an excessive contribution to the Hansen Committee totaling $5600, in violation of 2 U.S.C. § 441a(a)(1)(A).

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

Attached for Commission approval is a conciliation agreement for PAC-ATAA

9304098054 2

(Footnote 10 continued from previous page)
findings against the Hansen Committee on the basis of a violation of 2 U.S.C. § 441b(a).

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IV. **RECOMMENDATIONS**

1. Take no further action against PAC-ATAA with respect to the June 1, 1989 reason to believe finding that PAC-ATAA violated 2 U.S.C. § 441f.

2. Enter into conciliation with the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, and the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, prior to a finding of probable cause to believe.

3. Approve the attached proposed conciliation agreements and the appropriate letters.

Lawrence M. Noble
General Counsel

10/15/91
Date

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachments
1. Excerpts from deposition of Erol Ozdemir
2. Proposed Conciliation Agreements

Staff assigned: Mary P. Mastrobattista

93040980544

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /DONNA ROACH DR
COMMISSION SECRETARY

DATE: OCTOBER 18, 1991

SUBJECT: MUR 2688 - GENERAL COUNSEL'S REPORT DATED OCTOBER 15, 1991.

The above-captioned document was circulated to the Commission on WEDNESDAY, OCTOBER 16, 1991 at 4:00 P.M.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for TUESDAY, OCTOBER 29, 1991.

Please notify us who will represent your Division before the Commission on this matter.

93040980545

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2688
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer;	)	
Jim Hansen Committee and Gordon E. Hoskins, as treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 29, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2688:

1. Take no further action against PAC-ATAA with respect to the June 1, 1989 reason to believe finding that PAC-ATAA violated 2 U.S.C. §§ 441f.

2. Enter into conciliation with the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, and the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, prior to a finding of probable cause to believe.

(continued)

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3. Approve the proposed conciliation agreements and the appropriate letters as recommended in the General Counsel's report dated October 15, 1991

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

Attest:

10-30-91
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1991

Erol Ozdemir, Treasurer
Political Action Committee of the Assembly
of Turkish American Associations
9920 Shelburne Terrace
Suite 208
Gaithersburg, Md. 20878

RE: MUR 2688
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

On June 1, 1989, the Federal Election Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and you, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c). On August 17, 1989, the Commission denied your request to enter into pre-probable cause conciliation because of the need to complete the investigation into this matter. On October 29, 1991, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. The Commission also determined, on that same date, to take no further action against PAC-ATAA and you, as treasurer, with respect to the June 1, 1989 finding of reason to believe that PAC-ATAA and you, as treasurer, violated 2 U.S.C. § 441f.

Enclosed is a conciliation agreement that the Commission has approved in settlement of the remaining issues in this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection

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with a mutually satisfactory conciliation agreement, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1991

H. Dickson Burton, Esq.
Watkiss & Campbell
310 South Main Street
Salt Lake City, Utah 84101-2171

RE: MUR 2688
Jim Hansen Committee and
Gordon E. Hoskins, as treasurer

Dear Mr. Burton:

On June 1, 1989, the Federal Election Commission found reason to believe that the Jim Hansen Committee and Gordon E. Hoskins, as treasurer, violated 2 U.S.C. § 441a(f). On April 3, 1990 the Commission denied your request to enter into pre-probable cause conciliation because of the need to complete the investigation into this matter. On October 29, 1991, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

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RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 NOV 19 AM 10:46

Ozdemir & Co, PC

9920 Shelburne Terrace
Suite 208
Gaithersburg, MD 20878

301.948.3914

MUR 2688

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

91 NOV 19 PM 3:21

November 14, 1991

Federal Election Commission
Mary Mastrobattista
Washington, DC 20463

Re:PAC-ATAA

Dear Ms Mastrobattista:

Per our conversation I object strongly to the use of my name as having violated anything. When I first became the Treasurer of the PAC in April, 1987 I did so with the understanding & the condition that I would not be associated in any way with any of the problems preceding me. The attorney's representing the PAC had reached an agreement with the FEC regarding prior PAC violations & such agreement included the resignation of the Treasurer who was responsible for these violations & the appointment of a new Treasurer who would responsibly handle the reporting requirenments in the future. If the PAC took these positive steps the FEC was to take this into consideration in it's disposition of this matter. I accepted this position with assurance by the FEC that my name would not be associated with these prior violations, however, that is not the case.

These findings are a matter of public record & as such are available to anyone. Should I ever be involved in a legal suit, either professional or otherwise, even if such suit is without merit, such misleading information could unjustly damage me or have other adverse consequences for me. I am a practicing certified public accountant & I cannot afford to have my name as being mentioned with having violated any laws, particularly if I was not even involved with such violations when they occured. I demand that all uses of my name as having violated anything in any public records dating to April, 1987 be removed.

Furthermore, I think that under these circumstances, i.e. where the FEC encouraged the resignation of the former Treasurer

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& my acceptance as the Treasurer under my conditions, that it is highly inappropriate & hypocritical of the FEC to charge me with not having informed the FEC of any change in organization. I resigned as the Treasurer due to the fact that my name was being associated with violations in the first place. The FEC is responsible for this situation & should not charge others for a violation of the law when it has created the circumstances leading to the violations of the law.

It seems that due to the above no agreement will be reached within 30 days & you should therefore give this process more time, unless the FEC honors it's original agreement.

Sincerely,

Erol Ozdemir

Erol Ozdemir

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 9, 1991

H. Dickson Burton, Esq.
Watkiss & Campbell
310 South Main Street
Salt Lake City, Utah 84101-2171

RE: MUR 2688
Jim Hansen Committee and
Gordon E. Hoskins, as treasurer

Dear Mr. Burton:

By letter dated November 6, 1991, this Office forwarded to you a proposed conciliation agreement that the Commission has approved in settlement of your clients' liability in this matter. Pursuant to your telephone conversation with Mary P. Mastrobattista of this Office, it is my understanding that you are now in the process of negotiations directed towards reaching a settlement prior to a finding of probable cause to believe. In an effort to further the negotiation process, I am writing to explain the reasoning behind the Commission's determination to approve the proposed conciliation agreement.

The investigation into this matter has revealed that the Jim Hansen Committee ("the Committee") and Gordon E. Hoskins, as treasurer, accepted a $5,600 excessive contribution from the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") in violation of 2 U.S.C. § 441a(f). The contribution was issued on a PAC-ATAA check payable to the Committee dated November 12, 1985. The investigation has disclosed that the $5,600 contribution made to the Committee was from PAC-ATAA and did not represent the funds of any individuals.

PAC-ATAA first requested a refund from the Committee by letter dated February 18, 1987, and stamped as received by the Committee on March 27, 1987. PAC-ATAA again requested a refund from the Committee by letter dated June 27, 1988, and stamped as received by the Committee on September 20, 1988. The Committee did not refund the excessive contribution until June 23, 1989, after receipt of the Commission's reason to believe notification. Please note that the Commission considers very seriously the Committee's failure to refund the contribution in

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this matter until over two years after PAC-ATAA's initial request for a refund. The Commission has held that when a recipient Committee acquires information revealing the unlawful nature of a contribution previously accepted, the Committee has a duty to refund the contribution within a reasonable time. See A.O. 1984-52. The investigation into this matter has revealed that the Committee refused to refund the contribution despite two written requests for a refund and several telephone conversations from PAC-ATAA officials indicating that the contribution was unlawful. The Committee's delay in making the refund to PAC-ATAA was one factor which the Commission considered in making the determination to approve the proposed conciliation agreement

As discussed during your telephone conversation with Ms. Mastrobattista, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) remain in effect until the entire matter is closed. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved, at which time the Commission will notify you. After this matter has been placed on the public record, you may wish to review the entire file.

I trust that the above explanation will assist in the resolution of this matter through pre-probable cause conciliation. Should you have any questions, please contact Mary P. Mastrobattista at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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RECEIVED
F.E.C.
SECRETARIAT

91 DEC -9 AM 11: 14

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer	)	MUR 2688

GENERAL COUNSEL'S REPORT

On June 1, 1989, the Commission found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c). The Commission denied PAC-ATAA's request to enter into pre-probable cause conciliation on August 17, 1989, because of the need for further investigation. On October 29, 1991, the Commission determined to enter into conciliation with PAC-ATAA prior to a finding of probable cause to believe. On that same date, the Commission also determined to take no further action against PAC-ATAA with respect to the finding of reason to believe that PAC-ATAA violated 2 U.S.C. § 441f.

By letter dated November 14, 1991, Erol Ozdemir responded to the notification of the Commission's determination to enter into pre-probable cause conciliation and proposed conciliation agreement. In his response, Erol Ozdemir requested an extension to the 30 day period for pre-probable cause conciliation. Through subsequent telephone conversations with this Office, it was determined that a fifteen day extension to the period for pre-probable cause conciliation may result in the resolution of

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this matter. Therefore, this Office has approved an extension to the 30 day period for pre-probable cause conciliation until December 27, 1991.

Lawrence M. Noble
General Counsel

12/9/91
Date

BY: [signature]
Lois G. Lerner
Associate General Counsel

Staff assigned: Mary P. Mastrobattista

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 9, 1991

Erol Ozdemir, Treasurer
Political Action Committee of the
Assembly of Turkish American Associations
9920 Shelburne Terrace
Suite 208
Gaithersburg, Md. 20878

RE: MUR 2688
Political Action Committee of the
Assembly of Turkish American
Associations and Erol Ozdemir,
as treasurer

Dear Mr. Ozdemir:

This is in response to your letter dated November 14, 1991, which we received on November 19, 1991, requesting an extension of time to negotiate a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. After considering the circumstances as presented in your letter and in subsequent telephone conversations with Mary P. Mastrobattista of this Office, I have granted the requested extension. Accordingly, the 30 day period for pre-probable cause conciliation is extended until December 27, 1991.

If you have any questions, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 3, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Erol Ozdemir, Treasurer
Political Action Committee of the
Assembly of Turkish American Associations
9920 Shelburne Terrace
Suite 208
Gaithersburg, Md. 20878

RE: MUR 2688
Political Action Committee of the
Assembly of Turkish American
Associations and Erol Ozdemir,
as treasurer

Dear Mr. Ozdemir:

On November 6, 1991, you were notified that, at your request, the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

On November 19, 1991, you requested an extension of the 30 day period for pre-probable cause conciliation. By letter dated December 9, 1991, you were notified that the period for pre-probable cause conciliation was extended until December 27, 1991. To date, you have not responded to the proposed agreement. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Should you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista

Mary P. Mastrobattista
Attorney

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	**SENSITIVE**
	)	
Political Action Committee of the	)	
Assembly of Turkish American	)	MUR 2688
Associations and Erol Ozdemir,	)	
as treasurer	)	
Jim Hansen Committee and	)	
June Fisher, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On October 29, 1991, the Commission determined to enter into pre-probable cause conciliation with the Political Action Committee of the Assembly of Turkish American Associations ("PAC-ATAA") and Erol Ozdemir, as treasurer, and the Jim Hansen Committee (the "Hansen Committee") and Gordon E. Hoskins, as treasurer.[1]

II. ANALYSIS

1. Gordon E. Hoskins resigned as treasurer of the Hansen Committee. June Fisher is the current treasurer.

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B. PAC-ATAA

Erol Ozdemir, treasurer of PAC-ATAA, submitted a written response to the Commission's proposed conciliation agreement. At the conclusion of this response, Erol Ozdemir proposed changes to the proposed conciliation agreement approved by the Commission.

For the reasons that follow, this Office recommends that the Commission take no further action and close the file as to Mr. Ozdemir and PAC-ATAA.

In his response to the Commission, Erol Ozdemir gave the

following description of the current status of PAC-ATAA:

> PAC-ATAA is now defunct, & has been, except for the purposes of this investigation. The PAC does not have a board, nor any money & does not conduct any activity, except to respond to the FEC.

(Attachment 2, page 1). Erol Ozdemir also stated that PAC-ATAA "has no plans to operate in the future", and that he intended to file the 1991 Year End Report as a termination report. (Attachment 2, pages 1-2).

On February 2, 1992, Erol Ozdemir filed the 1991 Year End Report for PAC-ATAA as PAC-ATAA's termination report. On February 14, 1992, RAD wrote to Erol Ozdemir stating that PAC-ATAA's filing of the 1991 Year End Report had been accepted as a valid termination under 2 U.S.C. § 433(d) and 11 C.F.R. § 102.3. (Attachment 3). Although it is the Commission's policy to deny a committee's request to terminate while that committee is a respondent in an ongoing enforcement matter, RAD inadvertently issued the letter without prior notification to this Office.

This Office now recommends that the Commission take no further action against PAC-ATAA and Erol Ozdemir, as treasurer, and close the file as to these respondents. As a threshold matter, PAC-ATAA appears to be defunct. A review of reports filed by PAC-ATAA for 1990 and 1991 reveals minimal financial

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activity for the past two years.[3] In addition, Erol Ozdemir was not the treasurer at the time of the events giving rise to the violations at issue in this matter, and has been cooperative throughout the course of this investigation. Moreover, Erol Ozdemir has been notified that PAC-ATAA's filing of the 1991 Year End Report was accepted as a valid termination.

III. RECOMMENDATIONS

1.

2. Take no further action against the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, and close the file as to these respondents.

3. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

4/29/92
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments

1.
2. Response of PAC-ATAA
3. Letter from RAD to Erol Ozdemir dated February 14, 1992

Staff Assigned: Mary P. Mastrobattista

3. In 1990, PAC-ATAA reported $5,025 in receipts and $13,058 in disbursements. At the end of 1990, PAC-ATAA reported a cash on hand balance of $1,892. In 1991, PAC-ATAA had no receipts and made disbursements totaling $1,892 in operating expenses. PAC-ATAA made no contributions in 1991.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /DONNA ROACH DR
COMMISSION SECRETARY

DATE: MAY 5, 1992

SUBJECT: MUR 2688 - GENERAL COUNSEL'S REPORT DATED APRIL 29, 1992.

The above-captioned document was circulated to the Commission on THURSDAY, APRIL 30, 1992 4:00 P.M. .

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	XXX
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for TUESDAY, MAY 12, 1992 .

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2688
Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer;	)	
Jim Hansen Committee and June Fisher, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 12, 1992, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 2688:

1.

2. Take no further action against the Political Action Committee of the Assembly of Turkish American Associations and Erol Ozdemir, as treasurer, and close the file as to these respondents.

3. Approve the appropriate letters as recommended in the General Counsel's report dated April 29, 1992.

Commissioners Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioners Aikens and McDonald were not present.

Attest:

5-12-92
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 1992

Erol Ozdemir, Treasurer
Political Action Committee of the
Assembly of Turkish American Associations
9920 Shelburne Terrace
Suite 208
Gaithersburg, MD 20878

RE: MUR 2688
Political Action Committee of the
Assembly of Turkish American
Associations and Erol Ozdemir,
as treasurer

Dear Mr. Ozdemir:

On June 6, 1989, you were notified that the Federal Election Commission ("the Commission") found reason to believe that the Political Action Committee of the Assembly of Turkish American Associations ("the Committee") and Erol Ozdemir, as treasurer, violated 2 U.S.C. §§ 441b(a), 441f, 441a(a)(1)(A) and 433(c). On November 6, 1991, you were notified that the Commission determined to take no further action against the Committee and you, as treasurer, with respect to the June 1, 1989 finding of reason to believe that the Committee and you, as treasurer, violated 2 U.S.C. § 441f.

After considering the circumstances of the matter, the Commission determined on May 12, 1992, to take no further action against the Committee and you, as treasurer, with respect to the remaining reason to believe findings and closed the file as it pertains to the Committee and you, as treasurer. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

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. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be

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submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista

Mary P. Mastrobattista
Attorney

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JIM
HANSEN
U.S. CONGRESS

June 4, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JUN -8 PM 4:50

Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR 2688
Jim Hansen Committee and June Fisher, as Treasurer

Dear Ms. Mastrobattista:

Please consider this official notification of the designation of Sue E. Wadel as new counsel in the above captioned matter. All files are being transferred to her immediately. Please direct all future communications and documents to her at the following address: Office of the General Counsel, National Republican Congressional Committee, 320 First Street, S.E., Washington, D.C. 20003; (202) 479-7025.

Sincerely,

James V. Hansen

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
Jun 8 9 30 AM '92

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60 South 200 West
P.O. Box 654
Farmington, Utah 84025
(801) 451-6500

Paid for by the Jim Hansen Committee
Contributions are not deductible as charitable contributions for Federal income tax purposes.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 22, 1992

Sue E. Wadel, Esq.
National Republican Congressional Committee
320 First Street, S.E.
Washington, D.C. 20003

RE: MUR 2688
Jim Hansen Committee and
June Fisher, as treasurer

Dear Ms. Wadel:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on June 1, 1989, the Federal Election Commission found reason to believe that the Jim Hansen Committee and its treasurer violated 2 U.S.C. § 441a(f), and instituted an investigation in 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.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten 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 the 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 whether there is 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 for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Brief

9304098057 4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Jim Hansen Committee and June Fisher, as treasurer	)))	MUR 2688

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On June 1, 1989, the Federal Election Commission ("the Commission") found reason to believe the Jim Hansen Committee ("the Hansen Committee") and its treasurer violated 2 U.S.C. § 441a(f).

II. ANALYSIS

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $1,000. The term "person" includes a political committee. 2 U.S.C. § 431(11). Further, under 2 U.S.C. § 441a(a)(2)(A), no multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed $5,000. 2 U.S.C. § 441a(a)(4) defines a "multicandidate political committee" as a political committee which has been registered under section 433 of the Act for a period of not less than six months, which has received contributions from more than 50 persons, and except for any state political party organization, has made contributions to five or more candidates for federal office.

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2 U.S.C. § 441a(f) provides that it is unlawful for an officer or employee of a political committee to accept knowingly a contribution made for the benefit or use of a candidate in violation of the limitations imposed on contributions under 2 U.S.C. § 441a. A "knowing" violation of 2 U.S.C. § 441a(f) requires only that the recipient committee have knowledge of receipt of the contribution at issue, and not that the recipient committee intended to accept a contribution exceeding the limitations in violation of the law. See FEC v. John Dramesi for Congress Committee, 640 F. Supp. 985, 987 (D.N.J. 1986) ("knowing" standard of 2 U.S.C. § 441a(f) "does not require knowledge that one is violating a law, but merely requires an intent to act.")

Under 2 U.S.C. § 441a(a)(8), contributions which are in any way earmarked or otherwise directed through an intermediary or conduit by a person shall be treated as contributions from such person to the candidate. 2 U.S.C. § 441a(a)(8) also states that the intermediary or conduit of an earmarked contribution shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

On November 6, 1985, Erol's Inc. made a $5,600 contribution to the Political Action Committee of the Assembly of Turkish American Associations (" PAC-ATAA"). This contribution was written on a corporate check and was signed by the Secretary of Erol's Inc. The contribution was reported as received by

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PAC-ATAA on November 12, 1985.[1] On that same day, PAC-ATAA made a $5,600 contribution drawn on a PAC-ATAA checking account to the Hansen Committee. The Hansen Committee received PAC-ATAA's check on November 18, 1985. PAC-ATAA reported the $5,600 contribution as a direct contribution from PAC-ATAA to the Hansen Committee. The Hansen Committee, however, did not report the contribution as a $5,600 contribution from PAC-ATAA. Rather, the Hansen Committee reported receipt of eight individual contributions in the amount of $700 each, earmarked through PAC-ATAA. In a memo attached to its 1985 Year End Report, the Hansen Committee stated that the $5,600 check from PAC-ATAA "represented 8 individuals purchasing 2 tickets each to our Washington, D.C. Fund-Raising Event of October 8, 1985. Tickets were $350 each; thus each donation was $700." The eight individuals who were reported by the Hansen Committee as each having made a $700 contribution to the Committee were employees of Erol's Inc.

An earmarked contribution is one that the contributor directs to a candidate or his authorized committee through an intermediary or conduit. The contributor in this matter was a corporation. There is no evidence that Erol's Inc. designated the $5,600 contribution as an earmarked contribution through PAC-ATAA to the Hansen Committee. Thus, the $5,600 contribution received by the Hansen Committee from PAC-ATAA was not an

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1. PAC-ATAA reported the $5,600 contribution from Erol's Inc. as eight individual contributions each in the amount of $700. Each of the eight individuals listed as a contributor was an employee of Erol's Inc.

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earmarked contribution. In addition, PAC-ATAA did not report the $5,600 contribution as an earmarked contribution on its financial disclosure reports as required by 2 U.S.C. § 441a(a)(8). PAC-ATAA reported the $5,600 contribution to the Hansen Committee as a direct contribution from PAC-ATAA. Furthermore, there is no evidence which indicates that PAC-ATAA reported the contribution to the Hansen Committee as an earmarked contribution at the time it was made, as required by 11 C.F.R. § 110.6(c)(1). Under the Commission's regulation, the conduit's report to the intended recipient shall include: (1) the name and mailing address of the contributor, and if the contribution exceeds $200, the contributor's occupation and the name of his or her employer; (2) the amount of the contribution, the date received by the conduit, and the intended recipient as designated by the contributor; and (3) the date the contribution was passed on to the intended recipient, and whether the contribution was passed on in cash, by the contributor's check, or by the conduit's check. 11 C.F.R. § 110.6(c)(4) (1985). Moreover, the treasurer of PAC-ATAA stated that the contribution was "not necessarily an earmarked contribution as it was at [PAC-ATAA's] discretion to use the funds as they pleased and [PAC-ATAA] initiated the solicitation of the funds." Under 11 C.F.R. § 110.6(d)(2), if a conduit exercises any direction or control over the choice of the recipient candidate, the earmarked contribution shall be considered a contribution by both the original contributor and the conduit.

In response to the Commission's reason to believe

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notification, the Hansen Committee contended that it properly reported the $5,600 contribution as an earmarked contribution from eight individuals. The Hansen Committee stated that eight names accompanied by place of employment were submitted to the Hansen Committee along with the contribution check. The Hansen Committee further stated that it was told by PAC-ATAA that the contribution consisted of earmarked contributions from eight individuals at $700 each. The Hansen Committee has not produced evidence in support of this position, however, with the exception of the invitation response cards. The invitation response cards are generic and do not appear to be in connection with any specified event. The cards requested that contributors make checks payable to the "Hansen Re-election Committee." The eight cards produced by the Hansen Committee appear to have been typed on the same typewriter - four in upper case and four in lower case. The cards are in the names of eight employees of Erol's Inc. "Erol's Inc." is typed on each of the cards on the line designated for affiliation. The city, state and zip code on all eight cards is identical - Springfield, Virginia, 22151. This was the location of the offices of Erol's Inc. The cards are undated. The Hansen Committee has produced no evidence as to when the cards were completed, who completed the cards, who delivered the cards to the Hansen Committee or when the cards were received by the Hansen Committee. Thus, the precise origin of the invitation response cards is uncertain. Because the eight cards are virtually identical, it is improbable that the cards were completed by the individual employees. In any event,

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it is clear that these eight individuals did not contribute to the Hansen Committee because the $5,600 contribution was drawn on Erol's corporate checking account. There is no evidence that the eight individual employees reimbursed the corporation for the contribution.

As stated above, the $5,600 contribution was not an earmarked contribution from eight individuals, but was a direct contribution from PAC-ATAA to the Hansen Committee. PAC-ATAA did not obtain multicandidate status until November 30, 1985, twelve days after the Hansen Committee received PAC-ATAA's $5,600 contribution. PAC-ATAA previously had made a $1,050 contribution to the Hansen Committee on October 8, 1985, $50 of which was refunded by the Hansen Committee on January 10, 1986. Therefore, the entire $5,600 contribution received by the Hansen Committee from PAC-ATAA was an excessive contribution.

Furthermore, the Hansen Committee refused to refund the excessive contribution despite several requests from PAC-ATAA for a refund. PAC-ATAA initially requested a refund of the $5,600 excessive contribution from the Hansen Committee by letter dated February 17, 1987. This letter was stamped as received by the Hansen Committee on March 27, 1987. By letter dated April 7, 1987, the Hansen Committee denied PAC-ATAA's request for a refund. The Hansen Committee disputed that the $5,600 contribution was an excessive contribution even though PAC-ATAA was not a multicandidate committee. The Hansen Committee stated that the $5,600 contribution was "within the legal limits" because the contribution consisted of eight $700

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earmarked contributions.

By letter dated June 27, 1988, PAC-ATAA again wrote to the Hansen Committee requesting a refund of $4,900 of the $5,600 contribution. This letter was stamped as received by the Hansen Committee on September 20, 1988. The Hansen Committee never responded to this letter in writing. The Hansen Committee stated that Congressman Hansen's Administrative Assistant called the treasurer of PAC-ATAA regarding this letter. The Hansen Committee contended that "it was determined to wait until the audit was complete and to receive further information from PAC-ATAA or the FEC" before refunding the contribution. It is unclear what further information the Hansen Committee expected to receive from PAC-ATAA before acceding to the request to refund the contribution. Also, PAC-ATAA's treasurer denied that the Hansen Committee suggested that it was awaiting the results of the final audit before deciding whether to refund the contribution.

PAC-ATAA's treasurer testified that he called the Hansen Committee after he mailed the letter dated June 27, 1988 to the Hansen Committee. PAC-ATAA's treasurer testified that the Hansen Committee questioned his assertion that the $5,600 contribution was illegal and was required to be refunded. PAC-ATAA's treasurer stated that "the person I talked to didn't believe what I was saying. He seemed to think that the contribution was okay, that they didn't have to refund it."

Despite several requests for a refund by PAC-ATAA, the Hansen Committee made no further inquiry to determine the

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propriety of the contribution. No action was taken by the Hansen Committee until receipt of notification that the Commission found reason to believe the Hansen Committee violated 2 U.S.C. § 441a(f). Thus, the Hansen Committee did not refund the excessive contribution until June 23, 1989, over two years after PAC-ATAA initially requested a refund. The Commission has held that when a recipient committee acquires information revealing the unlawful nature of a contribution that it has previously accepted, the committee has a duty to make a refund within a reasonable time. See A.O. 1984-52. Prior to receipt of the reason to believe notification, the Hansen Committee received two written requests for a refund from PAC-ATAA and discussed the request with PAC-ATAA's treasurer by telephone on at least two occasions. During this time, the Hansen Committee neither refunded the money to PAC-ATAA nor made any effort to contact the individuals whom they incorrectly assert made the contributions. The Hansen Committee only refunded the excessive contribution when faced with the prospect of the Commission's enforcement process. Thus, the Hansen Committee failed to make a refund within a reasonable time after acquiring information indicating that the contribution was improper.

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For the reasons stated above, the Office of the General Counsel recommends that the Commission find probable cause to believe the Jim Hansen Committee and June Fisher, as treasurer, violated 2 U.S.C. § 441a(f).

II. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause to believe that the Jim Hansen Committee and June Fisher, as treasurer, violated 2 U.S.C. § 441a(f).

9/21/92
Date

Lawrence M. Noble
General Counsel

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SECRETARIAT

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jim Hansen Committee and	)	MUR 2688
June Fisher, as treasurer	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to the Jim Hansen Committee and June Fisher, as treasurer, based on the assessment of the information presently available.

Date 9/21/92

Lawrence M. Noble
General Counsel

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National Republican Congressional Committee

Guy Vander Jagt, M.C.
Chairman

Spencer Abraham
Co-Chairman

Tom Cole
Executive Director

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COMMISSION
MAIL ROOM

OCT 5 1 34 PM '92

September 29, 1992

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

92 OCT -5 PM 3:49

RE: MUR 2688
REQUEST FOR EXTENSION IN FILING
PROBABLE CAUSE RESPONSE

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Dear Mr. Noble:

I am in receipt of your recent letter and brief recommending a Probable Cause finding in the abovementioned matter. It is the intention of the Jim Hansen Committee to respond to the brief of the General Counsel.

The purpose of this letter is to ask for a 20 day extension for the purpose of filing the response. Given this is an election year and the Hansen Committee is involved in a re-election bid, the availability of all necessary parties to assist in the preparation of the response is limited. The 20 day extension should ensure a sufficient period of time to complete the response. The new due date for the response would become October 27, 1992.

Your cooperation in granting this request would be appreciated.

Sincerely,

Sue E. Wadel

Sue E. Wadel
Attorney for Respondent

SEW/m

cc: Jim Hansen Committee

320 First Street, S.E.
Washington, D.C. 20003
(202) 479-7020

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1992

Sue E. Wadel, Esq.
National Republican Congressional Committee
320 First Street, S.E.
Washington, D.C. 20003

RE: MUR 2688
Jim Hansen Committee and
June Fisher, as treasurer

Dear Ms. Wadel:

This is in response to your letter dated September 29, 1992, which we received on October 5, 1992, requesting an extension of twenty days to respond to the General Counsel's Brief. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on October 27, 1992.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista

Mary P. Mastrobattista
Attorney

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National Republican Congressional Committee

Guy Vander Jagt, M.C.
Chairman

Spencer Abraham
Co-Chairman

Tom Cole
Executive Director

October 27, 1992

Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

RE: MUR 2688
Jim Hansen Committee and
June Fisher, Treasurer

VIA FAX

Dear Ms. Mastrobattista:

The purpose of this letter is to request an extension of five days for purposes of filing the Answer to the Probable Cause brief of the General Counsel in the above entitled matter. The upcoming election has made completion of the brief more problematic than originally expected. Your approval of this short extension would be greatly appreciated.

Sincerely,

Sue E. Wadel

Sue E. Wadel
Attorney for Respondent

SEW/m

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Washington, D.C. 20003
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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1992

Sue E. Wadel, Esq.
National Republican Congressional Committee
320 First Street, S.E.
Washington, D.C. 20003

RE: MUR 2688
Jim Hansen Committee and
June Fisher, as treasurer

Dear Ms. Wadel:

This is in response to your letter dated October 27, 1992, which we received that same day requesting an additional extension of time to respond to the General Counsel's Brief. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on November 2, 1992.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista

Mary P. Mastrobattista
Attorney

93040980588

National Republican Congressional Committee

Guy Vander Jagt, M.C.
Chairman

Spencer Abraham
Co-Chairman

Tom Cole
Executive Director

November 2, 1992

Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

RE: MUR 2688
Jim Hansen Committee and
June Fisher, Treasurer

VIA FAX

Dear Ms. Mastrobattista:

The purpose of this letter is to request an extension until close of business on November 7, 1992 for purposes of filing the Answer to the Probable Cause brief of the General Counsel in the above entitled matter. The upcoming election has made final completion of the brief more problematic than originally expected. Your approval of this short extension would be greatly appreciated. Given the long history of this complaint, I hope that you will resond favorably to this request.

Sincerely,

Sue E. Wadel

Sue E. Wadel
Attorney for Respondent

SEW/m

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320 First Street, S.E.
Washington, D.C. 20003
(202) 479-7020

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1992

Sue E. Wadel, Esq.
National Republican Congressional Committee
320 First Street, S.E.
Washington, D.C. 20003

RE: MUR 2688
Jim Hansen Committee and
June Fisher, as treasurer

Dear Ms. Wadel:

This is in response to your letter dated November 2, 1992, requesting a third extension of time, until close of business on November 7, 1992, to respond to the General Counsel's Brief. Your letter was received by facsimile on the afternoon of November 2, 1992.

The Office of the General Counsel has granted the extension. However, this is the last such extension this Office is prepared to grant. Since November 7, 1992 is a Saturday, your brief is due by 10:00 a.m. on Monday, November 9, 1992. If your brief is not received by 10:00 a.m. on November 9, 1992, this Office is prepared to make a recommendation concerning probable cause to the Commission.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista

Mary P. Mastrobattista
Attorney

93040980590

OGC 7408

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)

Jim Hansen Committee and)
June Fisher, as treasurer) MUR 2688

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL
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RESPONSE TO GENERAL COUNSEL'S BRIEF

I. Statement of Purpose

The Office of the General Counsel has issued a Probable Cause Brief ("Brief") in the above entitled matter. The following is the Respondent's reply to that document.

II. Receipt of Earmarked Contributions

The Jim Hansen Committee ("Hansen Committee") received $5600 on November 12, 1985, from the Political Action Committee of Turkish American Associations ("PAC-ATAA"). PAC-ATAA, at the time of the contribution, did not qualify as a multi-candidate committee under the provisions of 2 U.S.C. 441a(a)(4).

The Hansen Committee reported the contributions as earmarked contributions received as a result of a fundraising event. The General Counsel relying upon the investigative tools of an audit of PAC-ATAA states its conclusion that the funds when contributed to the Hansen Committee were not intended to be eight individual earmarked contributions to PAC-ATAA. The funds were determined by the Commission, to be impermissible corporate funds issued by a check deposited to that account in the amount of $5600. Brief page 2. The General Counsel does not contend that the respondent had any knowledge of the actual source of these funds.

The Hansen Committee maintains and asserts its claims that the PAC-ATAA did represent to the Hansen Committee that the contributions were earmarked. In support of that claim, the Hansen Committee submits that it did report the contributions as eight earmarked contributions from individuals employed by Erol, Inc. on the 1985 Year-End Report.

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The Hansen Committee has provided copies of response cards which were used with regard to the earmarked contributions. The General Counsel at page 5 states that the Hansen Committee

> ". . .produced no evidence as to when the cards were completed, who completed the cards, who delivered the cards to the Hansen Committee or when the cards were received by the Hansen Committee. Thus, the precise origin of the response cards is uncertain. Because the eight cards are virtually identical, it is improbable that the cards were completed by the individual employees."

The response cards were used, according to the affidavit of June Fisher attached hereto, solely for the fundraising event. The affidavit also states that the cards were received "either with the check or shortly thereafter" by the Hanson Committee. See Exhibit A. All fundraising cards were identical as to the information requested on the cards to provide assurances of compliance with the FECA.

The General Counsel has asserted that since the cards are <u>completed</u> in an identical manner that fact makes it "improbable that the cards were completed by the individual employees." Respondents agree that it is highly improbable that the cards were made out by the individuals donors. The cards given to the recipient are not required to be completed by the original donors. If contributions are earmarked, 11 C.F.R. 110.6(c)(1) provides that the <u>conduit shall provide notice</u> to the recipient.

The notice of the intent to earmark is given by oral or written direction to the conduit. 11 C.F.R. 110.6(b). The fact that the cards were completed in identifical fashion by PAC-ATAA actually supports the Hansen Committee's claim PAC-ATAA represented these as earmarked contributions. Contrary to the General Counsel's assertion at Page 5 that the origins of the cards are unknown, the Hansen Committee responded through written interrogatories under oath that the cards were received as a result of the fundraising event. See Exhibit B.

III. <u>Requests for Refund</u>

Prior to the receipt of the $5600 contribution from PAC-ATAA, the Hansen Committee received aggregate contributions of $1050 from PAC-ATAA in 1985. The Hansen Committee refunded $50 on January 10, 1986 to PAC-ATAA noting in its letter:

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". . . your PAC is not a multi-candidate PAC. Under Federal Election Commission Regulations a PAC is limited to giving $1,000 per election cycle (Primary and General). A Multi-Candidate PAC may give $5,000 per cycle." See Exhibit C.

There is no question that both the Hansen Committee and PAC-ATAA were aware of the contribution limits of PAC-ATAA.

The Hansen Committee received two letters from PAC-ATAA requesting refunds in differing amounts. The first letter requested a refund of $5600 dated February 17, 1987, and the second dated June 27, 1988 requesting a request for a refund of $4900. See Exhibit D.

The Hansen Committee responded to PAC-ATAA with regard to the first request for a refund within eleven days. They informed PAC-ATAA that the contribution had been reported as eight individual earmarked contributions of $700 each from individuals in the employ of Erols, Inc. They cited that they believed the contributions were legal under the provisions of 11 C.F.R. 110.6 and that the overall $5,000 limits of multi-candidate political committee status were inapplicable in the circumstance.

The Hansen Committee referred PAC-ATAA back to the appropriate individuals of their own organization with whom they had contact regarding the initial earmarked contributions. They provided copies of the reports filed including the names of the individuals. The Hansen Committee also asked that PAC-ATAA respond to them if there were any further questions. PAC-ATAA did not respond to this communication. See Exhibit E.

On June 27, 1988, the second letter was received from PAC-ATAA requesting a contribution in the amount of $4900 based upon a recommendation purportedly made by the Federal Election Commission as a result of an audit of PAC-ATAA. The amount of $4900 was requested without legal explanation of the prohibited nature of the contribution. The introduction of a refund in the amount of $4900 was illogical both as to the manner in which the Hansen Committee had accepted and reported the earmarked contributions <u>and</u> the contribution limitations of PAC-ATAA as a non-qualified multi-candidate committee.

The confusion over this matter resulted in the Hansen Committee making a telephone contact to PAC-ATAA which is acknowledged by the General Counsel at page 7. The General Counsel states "[i]t is unclear what further information the Hansen Committee expected to receive from PAC-ATAA before

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acceding to the request to refund the contribution." The answer is that the Hansen Committee was seeking an explanation from which included the legal basis for the alleged prohibited nature of the contribution since that conclusion appeared patently inconsistent with its own documents and understandings.

IV. Conclusion

It is clear from the analysis of the General Counsel and review of the correspondence from PAC-ATTA, that PAC-ATTA has violated the provisions of the Act. The Hansen Committee has become the victim of a broader enforcement action of which they had no direct knowledge or the benefit of the information gleaned therefrom.

In retrospect and with the benefit of the investigative power of the Commission, the General Counsel maintains the Hansen Committee did not act within a reasonable period of time when it became apparent the contribution was impermissible.

From the perspective of the Hansen Committee as it attempted to respond to this matter, it was required to evaluate the following:

1. Representations by PAC-ATAA that the contributions were, in fact, earmarked contributions. It has response cards indicating individual donors for $700 each.

2. It responded promptly to the request for a refund with legal representations consistent with its reporting of the earmarked contributions, inviting a response if there were any questions, and did not receive any response from the PAC-ATTA until 16 months later.

3. It was again asked for a refund in an amount which is illogical and inconsistent with the Act and upon inquiry to the PAC-ATAA, apparently could not be explained.

The statute requires a committee to refund a contribution if it appears that the contribution has been received from an inpermissible source. The determination of whether a contribution has been received from an impermissible source is the responsibility of the Treasurer 11 C.F.R. 103.3(b). Further, if the Treasurer receives information which leads him or her to conclude that a contribution which appeared to be legal on its face when received was, in fact, made from impermissible funds, the Treasurer has a responsible to refund the contribution. Clearly the determination warranted is a factual determination to be made by the Treasurer based upon the information available to him or her at the time.

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The Treasurer of the Hansen Committee did refund the contribution when the Treasurer became aware of the legal basis upon which the contribution was impermissible. This was the first opportunity in which the Hansen Committee was given anything substantive upon which to weigh its own experience and documentation with regard to this matter to make a determination as to the impermissibility of the contribution. Clearly, the PAC-ATAA had not performed in such a manner as to give credibility to their claims.

Therefore, the Hansen Committee did not make a determination that the contribution was impermissible and therefore did not cross the threshold for refund of the contribution until such time as the notification of the enforcement action. That refund made on the advice of counsel as a result of the Commission enforcement action, was in an amount substantially different than requested by the June 1988 letter. The refund was made within a reasonable period of time consistent with the provisions of the Act.

V. Prayer for Relief

It is respectfully requested that the Commission reject the General Counsel's recommendation for a finding of probable cause in this matter.

Respectfully submitted,

On Behalf of the Respondent

Sue E. Wadel

Sue E. Wadel

Dated: November 9, 1992

93040980595

AFFIDAVIT

The invitation response cards referred to on page 5 of the Federal Election Commission's letter of September 22, 1992 to Ms. Sue Wadel re: MUR 2688 were received either with the check of $5,600.00 dated 11/12/85 or shortly thereafter by the Jim Hansen Committee in Farmington, UT. These earmarked contributions, along with additional information on each individual such as home address, employer, and occupation, were reported in the year-end FEC report dated 12/31/85. An accompanying memo detailing the transaction and rules compliance was included in the same FEC report.

The invitation response cards were used solely and exclusively for the October 8, 1985 fundraising event. Extra cards were discarded following the event, and have not been used since. As previously stated, the cards were received by the Jim Hansen Committee in a timely fashion following the October event.

June M. Fisher
JUNE M. FISHER
Treasurer, Jim Hansen Committee

STATE OF Utah

COUNTY OF Davis

On the 7th day of November, 1992, personally appeared before me JUNE M. FISHER, signer of the foregoing Affidavit, who duly acknowledged to me that she has read the foregoing and knows the contents thereof, that upon information and belief she believes the contents thereof to be true.

Steve Tumblin
NOTARY PUBLIC
Residing in Farmington, Utah

NOTARY PUBLIC
STEPHEN M. TUMBLIN
136 South Main, 84101
Salt Lake City, Utah

EXHIBIT A

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P

MUR # 2688

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM LOCATIONS.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2688

DATE FILMED 10/27/93 CAMERA NO. 2

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

✓ Microfilm

Public Reds

Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2688.

12/10/93

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THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS

FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.

2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.

3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.

4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.

5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

93043542045

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Sue E. Wadel, Esquire
National Republican Congressional
Committee
320 First Street, S.E.
Washington, D.C. 20003

DEC 10 1993

RE: MUR 2688
Jim Hansen Committee and
June Fisher, as treasurer

Dear Ms. Wadel:

On June 6, 1989, your clients, the Jim Hansen Committee and June Fisher, as treasurer, were notified that the Federal Election Commission had found reason to believe they violated 2 U.S.C. § 441a(f). On June 26, 1989, your clients submitted a response to the Commission's reason to believe finding. On September 22, 1992, this Office forwarded to you the General Counsel's probable cause brief. On November 9, 1992, you submitted a responsive brief.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Jim Hansen Committee and June Fisher, as treasurer. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

9304354204 6

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen White

Karen White

Date the Commission voted to close the file: DEC 09 1993

9304354204 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1992

Erol Ozdemir, Treasurer
9920 Shelburne Terrace
Suite 208
Gaithersburg, MD 20878

RE: MUR 2688
Political Action Committee
of the Assembly of Turkish
American Associations and
Erol Ozdemir, as treasurer

Dear Mr. Ozdemir:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen White

Karen White

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mark J. Scheineson, Esquire
Washington, Perito & Dubic
1120 Connecticut Avenue, N.W.
Suite 1000
Washington, D.C. 20036

DEC 1 8 1993

RE: MUR 2688
Erol's Inc. and Erol Onaran

Dear Mr. Scheineson:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen White

Karen White

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Scott Blake Harris, Esquire
Williams & Connolly
839 17th Street, N.W.
Washington, D.C. 20006

DEC 10 1993

RE: MUR 2688
Assembly of Turkish American Associations

Dear Mr. Harris:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen White

Karen White

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1992

Darryl R. Wold, Esquire
3151 Airway Avenue, Suite M-1
Costa Mesa, CA 92626

RE: MUR 2688
Badham Congressional
Committee and Robert W.
Krone, as treasurer

Dear Mr. Wold:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen White

Karen White

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