FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3031

DATE FILMED 11/20/91 CAMERA NO. 2

CAMERAMAN AS

9104087496 0

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 15 December 1989

ANALYST: Linda Tangney

I. COMMITTEE: Jo Ann Pepper Campaign Committee
(C00237016)
Fernando J. Solano, Treasurer
780 NE 69th Street, Suite 1519
Miami, FL 33138

II. RELEVANT STATUTE: 2 U.S.C. §434(b)(3)(E)
11 CFR §§100.7(a)(1) and 104.3(d)

III. BACKGROUND:

Failure to Properly Itemize Loans

The Jo Ann Pepper Campaign Committee ("the Committee") has failed to properly itemize loans totalling $24,848.93.

The 1989 12 Day Pre-Special Primary Report (6/15/89-7/12/89) disclosed a $4,821.06 loan from the candidate on Line 13(a) of the Detailed Summary Page (Attachment 2). Schedule C disclosed a $4,821.06 loan from Jo Ann Pepper, with an incurred date of June 30, 1989, a due date of December 31, 1989, and an interest rate of zero percent (0%) (Attachment 3). The 1989 12 Day Pre-Special Runoff Report (7/13/89-7/26/89) disclosed a $17,000 loan from the candidate on Line 13(a) and a $3,027.87 loan (other loans) on Line 13(b) of the Detailed Summary Page, for a total of $20,027.87 in loans received during the reporting period (Attachment 4).[1/] Schedule C disclosed a $5,000 loan from Jo Ann Pepper,

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1/ The Committee is required to file only two (2) reports in 1989 because the candidate only participated in the Special Primary Election held August 1, 1989 in the 18th Congressional District of Florida: the 1989 12 Day Pre-Special Primary Report (inception-7/12/89) and the 1989 Year End Report (7/13/89-12/31/89). The two (2) reports filed subsequent to the first report (the 12 Day Pre-Special Runoff Report (7/13/89-7/26/89) and the 12 Day Pre-Special General Report (7/27/89-8/15/89)) are considered to be voluntary filings by the Committee.

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with an incurred date of July 24, 1989, a due date of December 31, 1989, and an interest rate of eight percent (8%). Schedule C also disclosed a $12,000 loan from the Jo Ann Pepper Campaign Committee, with an incurred date of July 26, 1989, and a due date of December 31, 1989. Schedule C did not disclose an interest rate for this loan (Attachment 5). The Committee's report failed to disclose or identify the source of the $3,027.87 loan disclosed on Line 13(b) of the Detailed Summary Page. The Committee's report also failed to continuously disclose the $4,821.06 candidate loan itemized on the previous report.

The 1989 12 Day Pre-Special General Report disclosed $24,848.93 as the amount of outstanding debts and obligations owed by the Committee on Line 10 of the Summary Page (Attachment 6).[2/] Schedule C only disclosed the $5,000 and $12,000 candidate loans, and did not disclose the original source or complete terms of the loans (Attachment 7). Schedule C did not disclose the previous candidate loan of $4,821.06, and the other loan of $3,027.87.

A Request for Additional Information ("RFAI") was sent to the Committee on September 14, 1989 regarding the loan received during the 12 Day Pre-Special Primary reporting period.[3/] The RFAI requested that the Committee clarify if the loan was from the candidate's personal funds, or borrowed from a lending institution, and requested the complete terms of the loan (Attachment 8). An RFAI was sent to the Committee on September 12, 1989, regarding the loans received during the 12 Day Pre-Special Runoff reporting period. The RFAI requested that the Committee provide a Schedule A and C to support the ($3,027.87) amount on Line 13(b) of the Detailed Summary Page. The RFAI requested that the Committee clarify if the $12,000 and $5,000 loans were from the candidate's personal funds or borrowed from a lending institution, and requested the complete terms of the loans. The RFAI also requested the status of the $4,821 candidate loan disclosed on the Committee's previous report (Attachment 9).

2/ Ibid.

3/ This letter was originally mailed to the Committee on August 8, 1989, but was returned to the Commission because of a typographical error in the Committee's mailing address.

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An RFAI was sent to the Committee on September 26, 1989 regarding the missing loans on the 12 Day Pre-Special General Report. The RFAI requested that the Committee provide a Schedule C to support the $24,848 disclosed on Line 10 of the Summary Page, and informed the Committee that only $17,000 had been itemized on Schedule C (Attachment 10).

When no response was received to the September 12, 1989 and September 14, 1989 RFAIs, a Second Notice was sent on October 5, 1989 (Attachment 11). When no response was received to the September 26, 1989 RFAI, a Second Notice was sent to the Committee on October 19, 1989 (Attachment 12).

On November 14, 1989, a Reports Analysis Division ("RAD") analyst attempted to obtain telephone numbers for the treasurer, Fernando J. Solano, and the candidate, Jo Ann Pepper, but was informed by the long distance operator that their telephone numbers were unlisted. The long distance operator also stated that there was no listing for the Jo Ann Pepper Campaign Committee (Attachment 13).

To date, no response has been received.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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ATTACHMENT 1

FEDERAL ELECTION COMMISSION
1989-1990
CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)

DATE 16NOV89

CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS PRIMARY	RECEIPTS GENERAL	DISBURSEMENTS PRIMARY	DISBURSEMENTS GENERAL	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
							TYPE OF FILER		
PEPPER, JO ANN	HOUSE 18	DEMOCRATIC PARTY			FLORIDA		1990 ELECTION	ID#	H0FL18090
1. STATEMENT OF CANDIDATE									
1989 STATEMENT OF CANDIDATE							21JUN89	1	89HSE/379/2554
2. PRINCIPAL CAMPAIGN COMMITTEE									
JO ANN PEPPER CAMPAIGN COMMITTEE							ID #C00237016 HOUSE		
1989 STATEMENT OF ORGANIZATION							21JUN89	1	89HSE/379/2555
48 HOUR CONTRIBUTION NOTICE							20JUL89	1	89HSE/380/0844
48 HOUR CONTRIBUTION NOTICE							20JUL89	1	89HSE/380/0843
48 HOUR CONTRIBUTION NOTICE							21JUL89	1	89HSE/380/1566
48 HOUR CONTRIBUTION NOTICE							24JUL89	1	89HSE/380/1969
48 HOUR CONTRIBUTION NOTICE							26JUL89	1	89HSE/380/2958
48 HOUR CONTRIBUTION NOTICE							1AUG89	1	89HSE/382/1997
48 HOUR CONTRIBUTION NOTICE							2AUG89	1	89HSE/382/2552
PRE-SPECIAL				33,246		33,020	15JUN89 -12JUL89	15	89HSE/380/0641
REQUEST FOR ADDITIONAL INFORMATION							15JUN89 -12JUL89	2	89FEC/606/4057
REQUEST FOR ADDITIONAL INFORMATION 2ND							15JUN89 -12JUL89	5	89FEC/611/0172
REQUEST FOR ADDITIONAL INFORMATION							13JUL89 -26JUL89	2	89FEC/609/1187
REQUEST FOR ADDITIONAL INFORMATION 2ND							13JUL89 -26JUL89	5	89FEC/611/0167
PRE-RUN-OFF				31,259		28,378	13JUL89 -26JUL89	12	89HSE/384/0158
PRE-SPECIAL				6,488		8,537	27JUL89 -15AUG89	9	89HSE/384/2339
REQUEST FOR ADDITIONAL INFORMATION							27JUL89 -15AUG89	1	89FEC/610/2947
REQUEST FOR ADDITIONAL INFORMATION 2ND							27JUL89 -15AUG89	2	89FEC/613/0572
TOTAL			0	70,993	0	69,935		61	TOTAL PAGES

3. AUTHORIZED COMMITTEES
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN

9104037491 0

ALL REPORTS HAVE BEEN REVIEWED.

ENDING CASH-ON-HAND AS OF 8/15/89: $1057

OUTSTANDING DEBTS OWED BY THE COMMITTEE AS OF 8/15/89: $24,848

ATTACHMENT 2

1989 12 DAY PRE-SPECIAL REPORT (Primary)

DETAILED SUMMARY PAGE

of Receipts and Disbursements

(Page 2 FEC FORM 3)

Name of Committee (in full): Jo Ann Pepper Campaign Committee

Report Covering the Period: From 6/15/89 to 7/12/89

I. RECEIPTS	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date	
11 CONTRIBUTIONS (other than loans) FROM			
(a) Individuals Persons Other Than Political Committees			
(i) Itemized (use Schedule A)	25810.		
(ii) Unitemized	2615.		
(iii) Total of contributions from individuals	28425.	28425.	11
(b) Political Party Committees	-0-	-0-	
(c) Other Political Committees (such as PACs)	-0-	-0-	
(d) The Candidate	-0-	-0-	
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))	28425.	28425.	11
12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES	-0-	-0-	12
13 LOANS			
(a) Made or Guaranteed by the Candidate	4821.06	LT 4821.06	13
(b) All Other Loans	-0-	-0-	13
(c) TOTAL LOANS (add 13(a) and (b))	4821.06	4821.06	13
14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)	-0-	-0-	14
15 OTHER RECEIPTS (Dividends, Interest, etc.)	-0-	-0-	15
16 TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	33246.06	33246.06	16
II. DISBURSEMENTS			
17 OPERATING EXPENDITURES	33020.06	33020.06	17
18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES	-0-	-0-	18
19 LOAN REPAYMENTS			
(a) Of Loans Made or Guaranteed by the Candidate	-0-	-0-	19
(b) Of All Other Loans	-0-	-0-	19
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))	-0-	-0-	19
20 REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees	0-	-0-	20
(b) Political Party Committees	-0-	-0-	20
(c) Other Political Committees (such as PACs)	0-	-0-	20
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	-0-	-0-	20
21 OTHER DISBURSEMENTS	-0-	-0-	21
22 TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)	33020.06	33020.06	22

III. CASH SUMMARY

23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ -0-	23
24 TOTAL RECEIPTS THIS PERIOD (from Line 16)	$ 33246.06	24
25 SUBTOTAL (add Line 23 and Line 24)	$ 33246.06	25
26 TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	$ 33020.06	26
27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	$ 226.	27

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1989 [redacted] PRE-SPECIAL REPORT (6/15/8[redacted]2/89) ATTACHMENT 3

(Primary)

[redacted]

LOANS

[redacted] (a)

Name of Committee (In Full)
Jo Ann Pepper Campaign Committee

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Jo Ann Pepper 780 NE 69th St., #1519 Miami, FL 33138	4821.06	-0-	4821.06

LT

Election ☐ Primary ☐ General ☐ Other (specify)

Terms Date Incurred 6/30/89 Date Due 12/31/89 Interest Rate 0 %(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item A

1 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
2 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
3 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period

Election ☐ Primary ☐ General ☐ Other (specify)

Terms Date Incurred _____ Date Due _____ Interest Rate _____ %(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item B

1 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
2 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
3 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $

SUBTOTALS This Period This Page (optional)	4821.06
TOTALS This Period (last page in this line only)	4821.06

Carry outstanding balance only to LINE 3, Schedule B, for this line. If no Schedule B, carry forward to appropriate line of Summary.

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1989 12 DAY PRE-SP[redacted]EPORT (Runoff) ATTACHMENT 4

[redacted]

Name of Committee (in full): Jo Ann Pickard Campaign Committee	Reporting Period From 10/19/89	To 10/26/89
I. RECEIPTS	Total This Period	Calendar Year-to-Date
1. CONTRIBUTIONS (other than loans)		
a) Individuals/Persons Other Than Political Committees		
(i) Itemized (see Schedule A)	10150.	[redacted]
(ii) Unitemized	1062.	[redacted]
(iii) Total of contributions from individuals	11212.	[redacted]
b) Political Party Committees		
c) Other Political Committees (such as PACs)		
d) The Candidate		
e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))	11212.	[redacted]
2. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES		
3. LOANS		
(a) Made or Guaranteed by the Candidate	17000.	21821.00
(b) All Other Loans	3027.87	3027.87
(c) TOTAL LOANS (add 13(a) and (b))	[redacted]	[redacted]
4. OFFSETS TO OPERATING EXPENDITURES (Refunds, P. Telep. etc.)		
5. OTHER RECEIPTS (Dividends, Interest, etc.)		
6. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	11259.87	[redacted]
II. DISBURSEMENTS		
7. OPERATING EXPENDITURES	28178.91	[redacted]
8. TRANSFERS TO OTHER AUTHORIZED COMMITTEES		
9. LOAN REPAYMENTS		
a) Loans Made or Guaranteed by the Candidate		
b) All Other Loans		
c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))		
10. REFUNDS OF CONTRIBUTIONS TO:		
a) Individuals/Persons Other Than Political Committees		
b) Political Party Committees		
c) Other Political Committees (such as PACs)		
d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))		
11. OTHER DISBURSEMENTS		
12. TOTAL DISBURSEMENTS (add 17, 18, 19(d), 20(d) and 21)	28178.91	[redacted]

III. CASH SUMMARY

1. CASH ON HAND AT BEGINNING OF REPORTING PERIOD	$ 226.
2. TOTAL RECEIPTS THIS PERIOD (from Line 16)	$ 11259.87
3. SUBTOTAL (add Line 23 and Line 24)	$ 11485.87
4. TOTAL DISBURSEMENTS THIS PERIOD (from Line 26)	$ 28178.91
5. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 25 from 24)	$ 16693.04

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1989 12 DAY PRE-SPECIAL REPORT ATTACHMENT 5
(7/13/89- 7[redacted]) (Runoff)

Jo Ann Pepper 700 NE 69th St., 01519 Miami, FL 33138	5000.	-0-	5000.

LT

Loan Date Incurred 7-26-89 Date Due 12-31-89 Interest Rate 1 Secured

Loan Endorsers or Guarantors (If any) to Item A

1) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

2) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

3) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

Jo Ann Pepper Campaign Committee 700 NE 69th St., 01519 Miami, FL 33138	12000.	-0-	12000.

LT

Endorser (Borrower) (Guarantor) (Other Liability) Special

Loan Date Incurred 7-26-89 Date Due 12-31-89 Interest Rate Secured

Loan Endorsers or Guarantors (If any) to Item B

1) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

2) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

3) Full Name, Mailing Address and ZIP Code — Name of Employer — Occupation — Amount Guaranteed Outstanding $

SUBTOTALS This Period This Page (optional)	17000.
TOTALS This Period (last page only)	17000.

Carry outstanding balance only to Line 8, Schedule D. For this line, 9 on Schedule D, carry forward to appropriate line of Summary

2 1 0 4 0 8 7 4 9 1 4
A 9 7 1 3 0 4 0 1 5 7

1989 12 DAY PRE-[redacted]L REPORT ATTACHMENT 6
(7/27/89-8/15/89) (General)

[redacted]

[redacted]

[redacted]

700 NE 60th Street, 01519

[redacted]

Miami, Florida

[redacted]

FL/1010

[redacted]

[redacted]

[redacted]

Jo Ann Pepper 780 NE 69th St., 01910 Miami, FL 33138	9000.	-0-	9000.

7-26-89 12-31-89

Jo Ann Pepper Campaign Committee 780 NE 69th St., 01910 Miami, FL 33138	12000.	-0-	12000.

7-26-89 12-31-89

LT

SUBTOTALS This Period This Page (optional)	17000.
TOTALS This Period (last page) This Calendar Year	17000.

92104087493163

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
700 NW 69th Street, Suite 1519
Miami, FL 33150

AUG 8 1989

SEP 14 1989

Identification Number: C00237016

Reference: 12 Day Pre-Special Report (6/15/89-7/12/89)

Dear Mr. Solano:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-You must provide the occupation and name of employer for each contributor required to be itemized on Schedule A. Please amend your report by supplying the omitted information.

With respect to the occupation and name of employer of the contributor, your committee may demonstrate "best efforts" to obtain the required information. This demonstration should describe your committee's procedures for requesting the information. You may also supply a copy of the solicitation. Under 11 CFR 104.7(b), the solicitation shall consist of a clear request for the required information (i.e., name, mailing address, occupation, and name of employer). The request should also inform the contributor that the reporting of such information is required by law. See 11 CFR 104.3(a)(4)(i) and 11 CFR 104.7.

-When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or any other source. If the candidate borrowed funds from a lending institution, or any other source, please provide the name of the lending institution and the complete terms of the loan. If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission regulations and may be found in 11 CFR 110.10. (11 CFR 100.7(a)(1) and 104.3(d))

LT

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3 2 3 5 1 1 9 1 5 8

A written response or an amendment to your [illegible] reporting requirements the above problem(s) should be [illegible] the Clerk of the House of Representatives, 1036 [illegible] Office Building, Washington, DC 20515 within fifteen [illegible] of the date of this letter. If you need assistance, [illegible] free to contact me on our toll-free number, (800) 424-[illegible]. My local number is (202) 376-2480.

Sincerely,

Linda Tangney

Linda Tangney
Reports Analyst
Reports Analysis Division

3/03511019 59 2 1 0 4 0 8 7 4 8 1 8

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

SEP 12 1989

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 NE 69th Street, #1519
Miami, FL 33138

Identification Number: C00237016

Reference: 12 Day Pre-Special Report (7/13/89-7/26/89)

Dear Mr. Solano:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Please provide Schedules A and C to support the amount reported on Line 13(b) of the Detailed Summary Page. Each person who makes a loan to your committee or to the candidate acting as an agent of the committee must be reported on Schedule A and Schedule C. The itemization on Schedule A must include the person's full name, mailing address and zip code, along with the name of his/her employer, the date of the contribution/loan and the aggregate year-to-date amount of contributions made by the person. Schedule C must include any endorser or guarantor of the loan, the date the loan was made and all other terms of the loan.

-When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used his/her personal funds or borrowed the money from a lending institution or any other source. If the candidate borrowed funds from a lending institution, or any other source, please provide the name of the lending institution and the complete terms of the loan. If the $12,000 and $5,000 loans were from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission regulations and may be found in 11 CFR 110.10. (11 CFR 100.7(a)(1) and 104.3(d))

LT

2 1 0 4 0 3 7 4 9 1 9 3 0 5 5 6 3 9 1 1 3 7

-Commission Regulations require the continuous reporting of all outstanding loans. This report omits the loan(s) itemized on your previous report(s). Please amend your report(s) to indicate the current status of the following loan(s): Jo Ann Pepper - $4,821 (11 CFR 104.3(d) and 104.11) LT

-Line 11(a)(i), Column A, of the Detailed Summary Page discloses $10,150 in receipts. Schedule A supporting Line 11(a)(i) itemizes $10,863 in receipts. These figures should be the same. Please amend your report to explain the difference. (11 CFR 104.3(a))

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Clerk of the House of Representatives, 1036 Longworth House Office Building, Washington, DC 20515 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Linda Tangney

Linda Tangney
Reports Analyst
Reports Analysis Division

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2 3 5 3 9 1 1 3 2

ATTACHMENT 10

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

SEP 28 1989

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 NE 69th St. Suite 1519
Miami, FL 33138

Identification Number: C00237016

Reference: 12 Day Pre-Special Report (7/27/89-8/15/89)

Dear Mr. Solano:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 10 of the Summary Page equals $24,848. Schedule C discloses $17,000 in outstanding loans. Please provide a Schedule C to support the total amount on Line 10. LT

-On Schedule B of your report, you have itemized disbursements for which you have failed to include the complete address. Please amend your report to include the missing information for each of these entries. (11 CFR 104.3(b)(4))

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Clerk of the House of Representatives, 1036 Longworth House Office Building, Washington, DC 20515 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Linda Tangney

Linda Tangney
Reports Analyst
Reports Analysis Division

3 1 0 4 0 8 7 4 9 2 1

ATTACHMENT 11

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 5, 1989

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
789 NW 69th Street, Suite 1519
Miami, FL 33138

Identification Number: C00237016

Reference: 12 Day Pre-Special (6/15/89-7/12/89) and 12 Day Pre-Special (7/13/89-7/26/89) Reports

Dear Mr. Solano:

This letter is to inform you that as of October 4, 1989 the Commission has not received your response to our requests for additional information dated September 14, 1989. Those notices requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Linda Tangney on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

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3 9 3 5 1 1 0 1 6 7

ATTACHMENT 12

FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

RQ-3

October 19, 1989

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 NE 69th Street, Suite 1519
Miami, FL 33138

Identification Number: C00237016

Reference: 12 Day Pre-Special Report (7/27/89-8/15/89)

Dear Mr. Solano:

This letter is to inform you that as of October 18, 1989, the Commission has not received your response to our request for additional information, dated September 26, 1989. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Linda Tangney on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

Peter Kell for
John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

2 1 0 4 0 8 7 3 9 7 4 9 2 3

ATTACHMENT 13

MEMORANDUM FOR FILES: **TELECON**

SUBJECT: Loans

FROM: Linda Tangney

TO: Fernando J. Solano or Jo Ann Pepper

NAME OF COMMITTEE: Jo Ann Pepper Campaign Committee

DATE: 11/14/89
(305)555-1212

I attempted to obtain the telephone numbers for Fernando J. Solano of 9270 E. Bay Harbor Drive #1B, Bay Harbor Islands, Fl.; Jo Ann Pepper of 11730 Kimmie Drive, Cooper City, Fl.; and Jo Ann Pepper Campaign Committee of 780 NE 69th Street, Suite 1519, Miami, Fl. The long distance operator informed me that both Fernando J. Solano and Jo Ann Pepper had unlisted telephone numbers, and that there was no listing for the Jo Ann Pepper Campaign Committee.

91040874924

SENSITIVE

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 FEB -1 PM 12:13

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

FIRST GENERAL COUNSEL'S REPORT

RAD Referral 89L-44
STAFF MEMBER: Frania Monarski

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

RESPONDENTS: Jo Ann Pepper Campaign Committee and
Fernando J. Solano, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 434(b)(3)(E)
11 C.F.R. § 100.7(a)(1)
11 C.F.R. § 104.3(d)
11 C.F.R. § 104.11

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

On December 19, 1989, the Reports Analysis Division ("RAD") referred the Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, to this Office for failing to properly itemize loans in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"). Jo Ann Pepper was a candidate in the special primary election in the 18th Congressional District of Florida held on August 1, 1989. The Committee filed its Statement of Organization with the Commission on June 19, 1989. Jo Ann Pepper lost in the special primary election on August 1, 1989.

II. FACTUAL AND LEGAL ANALYSIS

The Act provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). The Act defines

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"contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission Regulations provide that the term "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. 11 C.F.R. § 100.7(a)(1)(i)(B). The aggregate amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. Id. A loan, to the extent it is repaid, is no longer a contribution. Id.

With the exception of certain property held jointly between a candidate and his or her spouse,[1] a loan is a contribution by each endorser or guarantor. 11 C.F.R. § 100.7(a)(1)(i)(C). Each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable. Id. Any reduction in the unpaid balance of the loan proportionately reduces the amount endorsed or guaranteed by each endorser or guarantor.

A loan made to a federal campaign committee by a state bank,

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1. Pursuant to 11 C.F.R. § 100.7(a)(1)(i)(D), a candidate may obtain a loan on which his or her spouse's signature is required when jointly owned assets are used as collateral or security for the loan. The spouse will not be considered a contributor to the candidate's campaign if the value of the candidate's share of the property used as collateral equals or exceeds the amount of the loan which is used for the candidate's campaign.

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a federally chartered depository institution, or a federally insured depository institution is not considered a contribution by that institution, except that such loan:

> (1) is considered a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors;
>
> (2) must be made on a basis which assures repayment, evidenced by a written instrument, and subject to a due date or amortization schedule; and
>
> (3) must bear the usual and customary interest rate of the lending institution. 2 U.S.C. § 431(8)(B)(vii).

An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of his or her authorized committee. 2 U.S.C. § 432(e).

Pursuant to Commission Regulations, a candidate for Federal office may make unlimited expenditures from personal funds. The

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term "personal funds" include:

> (1) Any assets which, under applicable state law, at the time he or she became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;
>
> (3) the candidate's portion of assets jointly owned with his or her spouse. The candidate's personal fund shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

The Committee, in its 1989 12 Day Pre-Special Primary Report, covering June 13, 1989 through July 12, 1989, reported a loan of $4,821.06 from Jo Ann Pepper with an incurred date of June 30, 1989, a due date of December 31, 1989 and an interest rate of zero percent (0%). In its 1989 12 Day Pre-Special Runoff Report, covering July 13, 1989 through July 26, 1989, the Committee disclosed a $5,000 loan from the candidate with an incurred date of July 24, 1989, a due date of December 31, 1989 and an interest

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rate of eight percent (8%).[2] The Committee, in this report, also disclosed a $12,000 loan from the Jo Ann Pepper Campaign Committee with an incurred date of July 26, 1989 and a due date of December 31, 1989.[3] The Committee did not report the interest rate for this loan. On its Detailed Summary Page, the Committee also noted $3,027.87 as "other loans." The Committee did not disclose or identify the source of this $3,3027.87 loan on its Schedule C. Moreover, the Committee, in this report, failed to continuously disclose the $4,821.06 loan from Jo Ann Pepper that it itemized in the previous report.

In its 1989 12 Day Pre-Special General Report, covering the period from July 27, 1989 through August 15, 1989, the Committee, on its Detailed Summary Page, disclosed $21,821.06 in loans from the candidate and $3,027.87 in other loans for a total of $24,848.93 in loans to date. On its Schedule C, the Committee reported the $5,000 loan from Jo Ann Pepper and the $12,000 loan from the Jo Ann Pepper Campaign Committee. The Committee, however, failed to itemize the $4,821.06 loan from Jo Ann Pepper

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2. This Office notes that the Committee was only required to file two reports in 1989, the 1989 12 Day Pre-Special Report, covering the period from the inception of the Committee to July 12, 1989 and the 1989 Year End Report, covering the period from July 12, 1989 until December 31, 1989, because the candidate only participated in the Special Primary Election held August 1, 1989 in the 18th Congressional District of Florida. The Committee also filed a 12 Day Pre-Special Runoff Report, covering July 13, 1989 to July 26, 1989 and a 12 Day Pre-Special General Report, covering the period from July 27, 1989 until August 15, 1989. These filings are considered voluntary filings.

3. This Office notes that it appears that the Committee reported a $12,000 loan from itself. This Office recommends that the Commission send interrogatories to the Committee to determine the source of this loan.

initially reported in its 1989 12 Day Pre-Special Primary Report and the $3,027.87 in other loans noted on the Detailed Summary Page of its 1989 12 Day Pre-Special Runoff Report.

In the present matter, the Committee failed to properly itemize $9,821.06 in loans from the candidate, a $12,000 loan from the Jo Ann Pepper Campaign Committee and $3,027.87 in "other loans." Moreover, the Committee failed to clarify whether the $9,821.06 in loans from Jo Ann Pepper and the $12,000 loan from the Jo Ann Pepper Campaign Committee were personal funds from the candidate or funds borrowed from a bank or other source. The Committee also failed to identify the person who made the $3,027.87 in "other loans" and any endorsers or guarantors of such loans. Furthermore, the Committee failed to continuously report the $4,821.06 loan from Jo Ann Pepper initially reported in its 1989 12 Day Pre-Special Primary Report and the $3,027.87 in other loans noted on the Detailed Summary Page of its 1989 12 Day Pre-Special Runoff Report or report whether the Committee has repaid these loans.

Based on the foregoing analysis, this Office recommends that the Commission find reason to believe that the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) by failing to properly itemize the loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question. This Office also recommends that the Commission approve the attached interrogatories regarding the loans, source of funds for those loans and the campaign depository's receipts and disbursements.

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III. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe that the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) and 11 C.F.R. § 104.11.

3. Approve the attached letter, Interrogatories and Request for Production of Documents and Factual and Legal Analysis.

Lawrence M. Noble
General Counsel

2/5/90
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments:
1. Referral Materials
2. Proposed Letter and Factual and Legal Analysis
3. Interrogatories and Request for Production Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper Campaign	)	RAD REFERRAL 89L-44
Committee and Fernando J.	)	
Solano, as treasurer	)	

(MUR 3031)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 8, 1990, the Commission decided by a vote of 6-0 to take the following actions in Rad Referral 89L-44:

1. Open a MUR.

2. Find reason to believe that the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) and 11 C.F.R. § 104.11.

3. Approve the letter, Interrogatories and Request for Production of Documents and Factual and Legal Analysis, as recommended in the General Counsel's report dated February 5, 1990.

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

Attest:

2-9-90
Date

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

Received in the Secretariat: Monday, Feb. 5, 1990 4:11 p.m.
Circulated to the Commission: Tuesday, Feb. 6, 1990 11:00 a.m.
Deadline for vote: Thursday, Feb. 8, 1990 11:00 a.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 12, 1990

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 N.E. 69th Street
Suite 1519
Miami, FL 33138

RE: MUR 3031
Jo Ann Pepper Campaign
Committee and Fernando
J. Solano, as treasurer

Dear Mr. Solano:

On February 8, 1990, the Federal Election Commission found that there is reason to believe the Jo Ann Pepper Campaign Committee ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(b)(3)(E), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 104.11, a provision of the Commission Regulations. 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 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 Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer MUR3031

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission Regulations provide that the term "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. 11 C.F.R. § 100.7(a)(1)(i)(B). The aggregate amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. Id. A loan, to the extent it is repaid, is no longer a contribution. Id.

With the exception of certain property held jointly between a candidate and his or her spouse,[1] a loan is a contribution by

1. Pursuant to 11 C.F.R. § 100.7(a)(1)(i)(D), a candidate may obtain a loan on which his or her spouse's signature is required when jointly owned assets are used as collateral or security for the loan. The spouse will not be considered a contributor to the candidate's campaign if the value of the candidate's share of the property used as collateral equals or exceeds the amount of the loan which is used for the candidate's campaign.

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each endorser or guarantor. 11 C.F.R. § 100.7(a)(1)(i)(C). Each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable. Id. Any reduction in the unpaid balance of the loan proportionately reduces the amount endorsed or guaranteed by each endorser or guarantor.

A loan made to a federal campaign committee by a state bank, a federally chartered depository institution, or a federally insured depository institution is not considered a contribution by that institution, except that such loan:

> (1) is considered a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors;
>
> (2) must be made on a basis which assures repayment, evidenced by a written instrument, and subject to a due date or amortization schedule; and
>
> (3) must bear the usual and customary interest rate of the lending institution. 2 U.S.C. § 431(8)(B)(vii).

An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee

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until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of his or her authorized committee. 2 U.S.C. § 432(e).

Pursuant to Commission Regulations, a candidate for Federal office may make unlimited expenditures from personal funds. The term "personal funds" include:

> (1) Any assets which, under applicable state law, at the time he or she became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;
>
> (3) the candidate's portion of assets jointly owned with his or her spouse. The candidate's personal fund shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

The Jo Ann Pepper Campaign Committee (the "Committee") is the principal campaign committee of Jo Ann Pepper, a former candidate in the special primary election in the 18th Congressional District of Florida. The Committee filed its Statement of

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Organization with the Commission on June 19, 1989. Jo Ann Pepper lost in the special primary election on August 1, 1989.

The Committee, in its 1989 12 Day Pre-Special Primary Report, covering June 13, 1989 through July 12, 1989, reported a loan of $4,821.06 from Jo Ann Pepper with an incurred date of June 30, 1989, a due date of December 31, 1989 and an interest rate of zero percent (0%). In its 1989 12 Day Pre-Special Runoff Report, covering July 13, 1989 through July 26, 1989, the Committee disclosed a $5,000 loan from the candidate with an incurred date of July 24, 1989, a due date of December 31, 1989 and an interest rate of eight percent (8%). The Committee, in this report, also disclosed a $12,000 loan from the Jo Ann Pepper Campaign Committee with an incurred date of July 26, 1989 and a due date of December 31, 1989. The Committee did not report the interest rate for this loan. On its Detailed Summary Page, the Committee also noted $3,027.87 as "other loans." The Committee did not disclose or identify the source of this $3,3027.87 loan on its Schedule C. Moreover, the Committee, in this report, failed to continuously disclose the $4,821.06 loan from Jo Ann Pepper that it itemized in the previous report.

In its 1989 12 Day Pre-Special General Report, covering the period from July 27, 1989 through August 15, 1989, the Committee, on its Detailed Summary Page, disclosed $21,821.06 in loans from the candidate and $3,027.87 in other loans for a total of $24,848.93 in loans to date. On its Schedule C, the Committee reported the $5,000 loan from Jo Ann Pepper and the $12,000 loan from the Jo Ann Pepper Campaign Committee. The Committee,

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however, failed to itemize the $4,821.06 loan from Jo Ann Pepper initially reported in its 1989 12 Day Pre-Special Primary Report and the $3,027.87 in other loans noted on the Detailed Summary Page of its 1989 12 Day Pre-Special Runoff Report.

In the present matter, the Committee failed to properly itemize $9,821.06 in loans from the candidate, a $12,000 loan from the Jo Ann Pepper Campaign Committee and $3,027.87 in "other loans." Moreover, the Committee failed to clarify whether the $9,821.06 in loans from Jo Ann Pepper and the $12,000 loan from the Jo Ann Pepper Campaign Committee were personal funds from the candidate or funds borrowed from a bank or other source. The Committee also failed to identify the person who made the $3,027.87 in "other loans" and any endorsers or guarantors of such loans. Furthermore, the Committee failed to continuously report the $4,821.06 loan from Jo Ann Pepper initially reported in its 1989 12 Day Pre-Special Primary Report and the $3,027.87 in other loans noted on the Detailed Summary Page of its 1989 12 Day Pre-Special Runoff Report or report whether the Committee has repaid these loans.

Based on the foregoing analysis, there is reason to believe that the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) by failing to properly itemize the loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3031
)

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 N.E. 69th Street
Suite 1519
Miami, FL 33138

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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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 June 1989 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

The Jo Ann Pepper Campaign Committee (the "Committee") is the principal campaign committee of Jo Ann Pepper, a former candidate in the special primary election in the 18th Congressional District of Florida. The Committee, in its 1989 Pre-Special Primary Report, disclosed a $4,821.06 loan from the candidate, Jo Ann Pepper. In its 1989 12 Day Pre-Special Runoff Report, the Committee reported a $5,000 loan from the candidate, a $12,000 loan from the "Jo Ann Pepper Campaign Committee," and $3,027.87 in "other loans." In its 1989 12 Day Pre-Special General Report, the Committee, on its Detailed Summary Page, disclosed $21,821.06 in loans from the candidate and $3,027.87 in other loans for a total of $24,848.93 in loans to date.

1. For the four loans noted above, the $4,821.06 loan and the $5,000 loan from Jo Ann Pepper, the $12,000 loan from the Jo Ann Pepper Campaign Committee and the $3,027.87 in other loans, provide the following information:

a. Identify the person or institution which made the loan to the Committee or the candidate including all endorsers or guarantors;

b. State the incurred date and due date of the loan;

c. State the amount or value of the loan;

d. State the interest rate of the loan;

e. Indicate whether the loan has been repaid by the Committee or the candidate.

f. Identify the source of the funds used to make the loan to the Committee or candidate.

2. Identify all campaign bank accounts used by the Committee.

a. Provide copies of all bank statements for each bank account covering the period from June 1, 1989 to December 31, 1989.

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3. State whether Jo Ann Pepper made any payments from her personal account on behalf of the Committee.

a. List and identify the sources of funds used to make these payments from Jo Ann Pepper's personal account.

4. Provide copies of all documents relating to the above questions.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 20, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
780 N.E. 69th Street
Suite 1519
Miami, FL 33138

RE: MUR 3031
Jo Ann Pepper Campaign
Committee and Fernando J.
Solano, as treasurer

Dear Mr. Solano:

On February 12, 1990, the Federal Election Commission sent you a set of interrogatories and requests for documents as part of its investigation in this matter. A copy of this document is enclosed. The interrogatories and requests for documents requested your response within 5 days of receipt. More than a month has passed.

To date, we have not received your response to the interrogatories and requests for documents. You should contact the Office of the General Counsel immediately. If your response to the interrogatories and requests for documents is not received within 10 days of your receipt of this letter, this Office will consider recommending that the Commission issue a subpoena and order for the requested information.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure

cc: Jo Ann Pepper
11730 Kimmie Drive
Cooper City, FL 33026

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RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 JUN 14 PM 4:23

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031

COMPREHENSIVE INVESTIGATIVE REPORT

On February 8, 1990, the Commission found reason to believe that the Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) for failing to properly itemize certain loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question. On that same date, the Commission approved Interrogatories and a Request for Production of Documents to be sent to the Committee.[1]

When no response was received from the Committee, this Office sent out a reminder letter by certified mail to the Committee with a copy also to the former candidate, Jo Ann Pepper. A copy of the return receipt to Jo Ann Pepper indicated that the letter was delivered on April 2, 1990. The return receipt, however, was not signed. This Office did not receive a return receipt indicating that the Committee received the letter. On May 9, 1990, this Office sent another certified letter to the home address of the treasurer and on June 12, 1990, received a return receipt dated May 29, 1990. Staff from this Office has made several additional attempts to contact Fernando J. Solano and Jo Ann Pepper regarding this matter. As the RAD Referral material

1. According to the Reports Analysis Division, the Committee has stopped filing periodic disclosure reports with the Commission.

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indicates, both Solano and Pepper have unlisted telephone numbers so staff from this Office were unable to contact them by telephone. Staff from this Office contacted the management company of the building where the Committee's office was located in order to obtain a forwarding address. The management company was able to put this Office in contact with a friend of Jo Ann Pepper. This friend provided this Office with Jo Ann Pepper's work telephone number. Pepper indicated that Solano received the Commission's Interrogatories and Request for Production of Documents and is preparing a response to be submitted to the Commission. After the response is received, this Office will prepare a report with the appropriate recommendations.

Lawrence M. Noble
General Counsel

June 14, 1990
Date

BY: Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Staff Assigned: Frania Monarski

9104087498

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE NOBLE
GENERAL COUNSEL

FROM: MWE MARJORIE W. EMMONS/DELORES HARRIS DH
SECRETARY OF THE COMMISSION

DATE: JUNE 18, 1990

SUBJECT: MUR 3031 - COMPREHENSIVE INVESTIGATIVE REPORT DATED JUNE 14, 1990.

The above-captioned matter was received in the Commission Secretariat at 4:23 p.m. on Thursday, June 14, 1990 and circulated on a 24-hour no-objection basis at 12:00 p.m. on Friday, June 15, 1990.

There were no objections to the above-captioned matter.

9140874949

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 AUG 21 PM 4:54

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1990, the Commission found reason to believe that the Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) for failing to properly itemize certain loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question. Questions were also raised whether the loans Pepper reported making to the Committee came from her personal funds as defined by 11 C.F.R. § 110.10. On that same date, the Commission approved Interrogatories and a Request for Production of Documents to be sent to the Committee.[1]

When no response was received from the Committee, this Office sent out a reminder letter by certified mail to the Committee with a copy also to the former candidate, Jo Ann Pepper. A copy of the return receipt to Jo Ann Pepper indicated that the letter was delivered on April 2, 1990. The return receipt, however, was not signed. This Office did not receive a return receipt indicating that the Committee received the letter. On May 9, 1990, this Office sent another certified letter to the

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1. According to the Reports Analysis Division, the Committee has stopped filing periodic disclosure reports with the Commission.

home address of the treasurer and on June 12, 1990, received a return receipt dated May 29, 1990. Staff from this Office has made several additional attempts to contact Fernando J. Solano and Jo Ann Pepper regarding this matter. As the RAD Referral material indicates, both Solano and Pepper have unlisted telephone numbers so staff from this Office were unable to contact them by telephone.

Staff from this Office contacted the management company of the building where the Committee's office was located in order to obtain a forwarding address. The management company was able to put this Office in contact with a friend of Jo Ann Pepper. This friend provided this Office with Jo Ann Pepper's work telephone number. On June 13, 1990, staff contacted Pepper who indicated that Solano received the Commission's Interrogatories and Request for Production of Documents and was preparing a response to be submitted to the Commission. On July 27, 1990, staff from this Office again spoke with Pepper, she indicated that she was still working on information to be forwarded to the Commission. She further indicated that she would get back with staff from this Office on July 30, 1990 with information as to when she would be able to send off requested information. Pepper did not contact this Office as promised on July 30, 1990 and has not returned phone calls from staff from this Office.

Therefore, we recommend that the Commission authorize subpoenas to Pepper and the Committee treasurer. We also recommend that the Commission approve a subpoena to the bank that was the campaign depository for the Committee's bank records,

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which may provide information related to the issues in this matter.

II. RECOMMENDATIONS

1. Authorize the attached subpoenas and orders to Jo Ann Pepper, the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, and the Consolidated Bank.

2. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 8/21/90

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

Attachment
Subpoenas (3)

Staff Assigned: Lawrence D. Parrish

9104087495 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer.	)	MUR 3031

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 24, 1990, the Commission decided by a vote of 6-0 to take the following actions in MUR 3031:

1. Authorize the subpoenas and order to Jo Ann Pepper, the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, and the Consolidated Bank, as recommended in the General Counsel's Report dated August 21, 1990.

2. Approve the appropriate letters, as recommended in the General Counsel's Report dated August 21, 1990.

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

Attest:

8-24-90
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the commission

Received in the Secretariat: Tues., August 21, 1990 4:54 p.m.
Circulated to the Commission: Wed., August 22, 1990 11:00 a.m.
Deadline for vote: Fri., August 24, 1990 11:00 a.m.

dr

9104087495 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 11, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
9270 E. Bay Harbor Drive #1B
Bay Harbor Island, FL 33154

RE: MUR 3031
Jo Ann Pepper Campaign
Committee and Fernando
J. Solano, as treasurer

Dear Mr. Solano:

On February 12, 1990, you were notified that the Federal Election Commission had found reason to believe the Jo Ann Pepper Campaign Committee and you, as treasurer, violated 2 U.S.C. § 434(b)(3)(E), a provision of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 104.11, a provision of the Commission Regulations.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena and order requiring you 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, and Chapters 95 and 96 of Title 26, U.S. Code.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. It is required that you submit all answers to questions under oath within 15 days of your receipt of this subpoena and order.

9104087495 4

If you have any questions, please contact Lawrence D. Parrish, 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 and Order

91040874955

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 3031
	)	
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
9270 E. Bay Harbor Drive #1B
Bay Harbor Islands, FL 33154

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 10th day of September, 1990.

John Warren McGarry
Vice Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Document Request
Questions

9104087495 7

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 June 1989 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

The Jo Ann Pepper Campaign Committee (the "Committee") is the principal campaign committee of Jo Ann Pepper, a former candidate in the special primary election in the 18th Congressional District of Florida. The Committee, in its 1989 Pre-Special Primary Report, disclosed a $4,821.06 loan from the candidate, Jo Ann Pepper. In its 1989 12 Day Pre-Special Runoff Report, the Committee reported a $5,000 loan from the candidate, a $12,000 loan from the "Jo Ann Pepper Campaign Committee," and $3,027.87 in "other loans." In its 1989 12 Day Pre-Special General Report, the Committee, on its Detailed Summary Page, disclosed $21,821.06 in loans from the candidate and $3,027.87 in other loans for a total of $24,848.93 in loans to date.

1. For the four loans noted above, the $4,821.06 loan and the $5,000 loan from Jo Ann Pepper, the $12,000 loan from the Jo Ann Pepper Campaign Committee and the $3,027.87 in other loans, provide the following information:

   a. Identify the person or institution which made the loan to the Committee or the candidate including all endorsers or guarantors;

   b. State the incurred date and due date of the loan;

   c. State the amount or value of the loan;

   d. State the interest rate of the loan;

   e. Indicate whether the loan has been repaid by the Committee or the candidate.

   f. Identify the source of the funds used to make the loan to the Committee or candidate.

2. Identify all campaign bank accounts used by the Committee.

   a. Provide copies of all bank statements for each bank account covering the period from June 1, 1989 to December 31, 1989.

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3. State whether Jo Ann Pepper made any payments from her personal account on behalf of the Committee.

a. List and identify the sources of funds used to make these payments from Jo Ann Pepper's personal account.

4. Provide copies of all documents relating to the above questions.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 11, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jo Ann Pepper
11730 Kimmie Drive
Cooper City, FL 33026

RE: MUR 3031

Dear Ms. Pepper:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached order and subpoena which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information with 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

9104087496 2

If you have any questions, please contact Lawrence D. Parrish, 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 and Order

91040874963

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 3031
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Jo Ann Pepper
11730 Kimmie Drive
Cooper City, FL 33026

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9104087496 4

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 10th day of September, 1990.

John Warren McGarry
Vice Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Document Request
Questions

9104087496 5

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 June 1989 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.

9104087496

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.

9104087496 7

Interrogatories and Request for Production of Documents

The Jo Ann Pepper Campaign Committee (the "Committee") is the principal campaign committee of Jo Ann Pepper, a former candidate in the special primary election in the 18th Congressional District of Florida. The Committee, in its 1989 Pre-Special Primary Report, disclosed a $4,821.06 loan from the candidate, Jo Ann Pepper. In its 1989 12 Day Pre-Special Run-off Report, the Committee reported a $5,000 loan from the candidate and a $12,000 loan from the "Jo Ann Pepper Campaign Committee" and $3,027.87 in "other loans." In its 1989 12 Day Pre-Special General Report, the Committee, on its Detailed Summary Page, disclosed $21,821.06 in loans from the candidate and $3,027.87 in other loans for a total of $24,848.93 in loans to date.

1. For the four loans noted above, the $4,821.06 loan and the $5,000 loan from you, the $12,000 loan from the Jo Ann Pepper Campaign Committee and the $3,027.87 in other loans, provide the following information:

   a. Indicate whether you made each loan to the Committee;

   b. State the incurred date and due date of each loan;

   c. State the amount or value of each loan;

   d. State the interest rate of each loan;

   e. Indicate whether each loan has been repaid by you or the Committee.

   f. Identify the source of the funds used to make each loan to the Committee.

2. State whether you made any payments from your personal account on behalf of the Committee.

   a. List and identify the sources of funds used to make these payments from your personal account.

3. Provide copies of all documents relating to the above questions.

9104087496 8

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 11, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William Kurau, Manager
Consolidated Bank
2308 Ponce de Leon Boulevard
Coral Gables, FL 33134

RE: MUR 3031

Dear Mr. Kurau:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached order and subpoena which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information with 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

9 1 0 4 0 3 7 4 9 5 9

If you have any questions, please contact Lawrence D. Parrish, 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 and Order

91040874970

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 3031
	)	
	)	
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: William Kurau, Manager
Consolidated Bank
2308 Ponce de Leon Boulevard
Coral Gables, FL 33134

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9104087497 1

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 10th day of September, 1990.

John Warren McGarry
Vice Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Document Request
Questions

9104087497 2

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.

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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

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"You" shall mean the named person 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.

9104087497 4

Interrogatories and Request for Production of Documents

1. On or about June 1, 1990, the Jo Ann Pepper Campaign Committee, the principal campaign committee of Jo Ann Pepper, a former candidate in the special primary election in the 18th Congressional District of Florida, opened up an account or accounts at the Consolidated Bank in Coral Gables, Florida.

a. Identity the exact date the account(s) was (were) opened and the account number for each account. State the mailing address for each account.

b. Describe the nature of each account.

c. Identify the person(s) who opened each account.

d. Identify the person(s) who was authorized as a signatory for each account.

e. Indicate whether each account was closed.

2. State whether Consolidated Bank provided any loans to the Jo Ann Pepper Committee.

a. State the incurred date and due date of each loan.

b. State the amount or value of the loan.

c. State the interest rate of the loan.

d. Indicate whether the loan has been repaid by the Committee.

3. Provide copies of bank records, account statements, copies of checks deposited, wire transfers, canceled checks, financial agreements, signatory cards and any other documents related to the account(s) of the Jo Ann Pepper Campaign Committee and any loan to the committee.

9104087497 5

OGC 8003

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 SEP 27 AM 10:

Sept 25, 1990

MUR 3031

Ms. Lois Lerner
Associate General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C 20463

90 SEP 27 AM 11:56

Dear Ms Lerner,

Enclosed please find the requested documents. If I may be of further assistance, please advise.

Sincerely,

Joan Pepper

(305) 576-9344 (home)
(305) 536-6756 (office)

21040874976

CAMPAIGN LOANS - PERSONAL

1) RENT - OFFICE/APT PALM BAY CLUB
780 NE 69 ST
Miami, Fl

6/27/89	$ 3,500
7/28/89	1,520.
	5,020

2) PERSONAL LOAN FROM ANTON HANDRE

7/20/89 $5,000
Repaid $5,000 11/18/89

3) BANK LOAN - CONSOLIDATED BANK

TOTAL LOAN $15,000 7/26/89
DEPOSITED $12,000 INTO CAMPAIGN ACCOUNT, $3,000 IN PERSONAL ACCOUNT WHICH WAS USED TO PAY ~~APO~~ NE RENT AND OTHER CAMPAIGN EXPENSES.

Repaid $15,373.75 11/8/89

4) OTHER INCIDENTAL EXPENSES PAID PERSONALLY

SO. BELL TELEPHONE	$ 551.69
PHOTOGRAPHER - A GUTTCO	50.00
VALET SERVICES	60.00
TIPS	17.00
PARKING	11.50
	$ 690.19

9104087497 7

Residential Lease

This Agreement (hereinafter sometimes called "Lease") made this 19th day of June, 19 89, by and between VENDOME EQUITIES INC. as agent for a Residential complex known as Palm Bay, hereinafter called Landlord, and Joann Pepper jointly and separately, hereinafter called Tenant:

WITNESSETH

In consideration of the representations made in the application filed by Tenant with Landlord, the rent reserved herein and the convenants and agreements herein contained and to be performed by Tenant, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, apartment number 1517/1519, Florida (herein called "premises") to be used only as a private dwelling, and for no other purpose, for a term of 6 month(s) and 0 day(s) beginning on June 19, 19 89 and ending on December 19, 19 89, at a monthly rental of One Thousand and Five Hundred Dollars payable in advance, without offset, deduction or demand, on or before the first (1st) day of each monthly period during such term, at the office of the premises, the first payment in the amount of One Thousand Five Hundred Dollars ($1,500.00), to be made upon execution hereof to cover the rent in advance for the period of June 19, 19 89 through July 19, 19 89 of the Lease period. Time is of the essence of this Lease. In the event any monthly rental payment is not received by Landlord by the fifth (5th) day of the monthly period for which such rental is due and payable, then Tenant agrees to pay Landlord as additional rent Twenty Dollars ($20) for its expense of bookkeeping and collection. Tenant acknowledges and agrees that Landlord shall be under no obligation to accept rent, late charges or any other monies from Tenant after the three day period recited in paragraph 20 (i) of this Lease. Further, in the event any check is returned to Landlord as uncollectable for any reason, the Tenant agrees to pay Landlord the greater of Ten Dollars ($10) or 5% of the amount of such check, to cover Landlord's expenses in connection with such returned check. Thereafter, unless Tenant's bank confirms in writing that the returning of said check was due to its error, payments of rent or any other charges will be accepted only by cashier's check or money order. If not paid when due, Landlord reserves the right to refuse to accept rent and late charges and terminate this Lease. Tenant agrees to pay as additional rent any applicable sales and use taxes levied upon the use and occupancy of the premises.

SECURITY DEPOSIT TO BE PAID WITHIN THIRTY DAYS ($500.00)

IT IS FURTHER COVENANTED AND AGREED BETWEEN LANDLORD AND TENANT AS FOLLOWS:

1. USE AND OCCUPANCY; NO ASSIGNMENT OR SUBLETTING: Tenant shall personally use and occupy the premises solely as a private dwelling for himself and shall not sublet or rent the premises or any part thereof, or suffer or permit the premises or any part thereof to be used by any additional occupant or for other than residential purposes. Tenant shall not transfer or assign this Lease or any interest herein, in whole or in part, and any such transfer or assignment shall be void. Except as set forth herein, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators successors and assigns.

Tenant, at all times during the tenancy, SHALL: a) keep the premises clean and sanitary, remove all garbage in a clean and sanitary manner, and keep all plumbing fixtures clean and sanitary and in repair; b) use and operate in a resonable manner all electrical, plumbing, sanitary, heating, cooking, ventilating, air-conditioning and other such facilities, appliances and equipment; c) conduct himself and require persons on the premises with Tenant's consent to conduct themselves, in a manner that does not unreasonably disturb Tenant's neighbors or constitute a breach of the peace; d) comply with all obligations imposed upon tenants by applicable provisions of building, housing and health codes and with all other applicable present and future laws, and regulations; e) prior to the expiration of the Lease, at Tenant's own cost and expense, remove any wall covering or any attachments Tenant may have installed.

2. CONDITION OF PREMISES: Tenant hereby acknowledges the good condition of the premises and his acceptance of the Lease is conclusive evidence that said premises are in good and satisfactory order and repair, and that no representations as to the condition of the premises or future alterations or additions to the premises have been made. Tenant shall not make any alterations or additions in or to the premises without Landlord's prior written consent. Any alterations or additions made with Landlord's consent shall be and remain a part of the premises unless Landlord's consect expressly provides otherwise.

3. POSSESSION: Landlord shall not be liable for the failure to deliver possession of the premises at the time stipulated herein, nor shall such failure excuse Tenant's obligations hereunder, except that in the event of delay, the rent herein stipulated to be paid shall be abated for the period from the date of the commencement above to the day possession is tendered to Tenant. The termination date of this Lease shall not be extended by any such delay or failure.

4. DAMAGES TO PREMISES; LIABILITY; LANDLORD'S RIGHT TO ENTER: Tenant shall keep the premises and fixtures and any personal property of Landlord therein in good condition and repair, and at the termination of his tenancy shall deliver up the premises, fixtures and personal property in as good order and condition as they are now, ordinary wear and tear excepted. Tenant shall give Landlord prompt notice of any defects in or accidents to the water pipes, electric wiring, heating or cooling apparatus, or any other part of said premises in order that the same may be repaired with due diligence, but Landlord shall not be liable for any damages arising out of the making of any such repairs, or the delay of failure to make the same. Tenant shall be liable for any cost, loss, damages or injury arising from the acts or omissions of Tenant, the members of his family, agents, guests or employees, including without limiting the foregoing, any damages to the buildings, staircase, hallways, elevators, etc. occurring in his moving in or out or in bringing in or moving out furniture or any other item. Except for Landlord's negligence or willful misconduct, Landlord and its agents and employees shall not be responsible or liable for any loss, damage or injury whatever to the person or property of Tenant, the members of his family, agents, guests, employees or other persons in and upon said premises or in and about said building or Landlord's property at any time. Tenant shall allow Landlord or its agent access to said premises at any time in case of emergency and at any reasonable time for the purpose of inspection, repair and maintenance, and for the purpose of showing orospective tenants, purchasers, mortgagees, workmen or contractors the premises.

DEPOSITS: Tenant has tend[illegible]d [illegible]ndlord a security deposit in the sum of [illegible]undred and [illegible]00/100------ Dollars ($ 500.[illegible]). A security deposit is made for the pay[illegible] of any sums due or which may beco due hereunder and the full and faithful performance of all agreements herein of Tenant, including, but not limited to, monetary damage to Landlord caused by Tenant's breach of this Lease. Such deposit is payable in a lump sum at the execution of this Lease, and is to be refunded to Tenant upon his removal from the premises at the expiration or termination of this Lease or any renewal thereof, after there has been deducted therefrom any and all charges due Landlord under the terms hereof, then remaining unpaid. Any refund due Tenant shall be made in the name(s) of all parties designated as Tenant, unless any party has officially relinquished his right to said security deposit, on a form provided by Landlord, in favor of and acknowledged by all other parties to this Lease as Tenant. In the event of a bona fide sale subject to this Lease, Landlord shall have the right to transfer such security deposit to the purchaser for the benefit of Tenant, and Landlord shall be considered and will be thereby released by Tenant from all liability for the return of such security deposit, and Tenant agrees in such event to look solely to the new Landlord/purchaser for the return of the deposit and for the performance of the obligations hereunder by Landlord. In the event the sums due under any provision of this Lease by Tenant to Landlord exceed the security deposit, then Tenant agrees to pay any additional sums due hereunder over and above said security deposit to Landlord within thirty (30) days after notification of such sums. In the event said sums are not paid within the thirty (30) day period, or mutual agreement for payment has not been made, Landlord may elect to place Tenant's account with a collection agency or attorney for collection, in which case Tenant agrees to additionally pay any costs incurred by Landlord to effect collection. THE SECURITY DEPOSIT SHALL NOT BE APPLIED BY TENANT TO THE LAST MONTH'S RENT, OR ANY PART THEREOF. Said monies will be kept on Deposit in Barnett Bank Bank Account # 1595313883 and will receive 5% simple annual interest.

6. END OF TERM: At the end of the term, Tenant shall vacate and surrender the premises and Landlord's personal property to Landlord, broom clean, and in as good condition as at the beginning of the term, ordinary wear and tear expected, and Tenant shall remove all of Tenant's property. All property, installations and additions required to be removed by Tenant at the end of the term which remain in the Premises after Tenant has vacated shall be considered abandoned by Tenant and, at the option of Landlord, may either be retained as Landlord's property or may be removed by Landlord at Tenant's expense.

7. LANDLORD'S PERSONAL PROPERTY: Tenant acknowledges receipt in good condition of all furniture and furnishings and equipment listed hereunder, without warranty express or implied by Landlord as to its fitness, and agrees not to remove any of the said furniture, furnishings and equipment without the prior written consent of Landlord. Such list shall be deemed conclusively correct in all particulars except as to such defects for which the Tenant gives written notice to the Landlord within three (3) days after the date hereof or date of occupancy, whichever is later.

8. APPLIANCES: Landlord shall furnish and maintain in operating order in the premises such range, refrigerator, dishwasher, garbage disposal and air-conditioner units as shall be in the premises at the time of acceptance thereof by Tenant, but shall not be liable for any loss or damage which may be caused, directly or indirectly, by furnishing or maintaining such equipment. Where garbage disposals are provided, they are for the disposal of all wet garbage with the exeption of bones, celery, corn shucks or cobs, and the like and shall be so used. Tenant shall give Landlord prompt notice of the need for any repair to such equipment and shall specify the cause, if known.

9. TENANT'S PERSONAL PROPERTY; STORAGE: All Tenant's personal property placed in the premises or any portion of the apartment complex or any place appurtenant thereto or on the grounds thereof shall be at the sole risk of the Tenant, and Landlord shall in no event be liable for the loss, destruction, theft of or damage to such property. Tenant content insurance is recommended but is not required, except for waterbeds. Tenant shall take good care of the Premises and Landlord's appliances and furnishings therein, and shall maintain them in good order and condition, ordinary wear and tear excepted. Landlord may repair, at the expense of Tenant, all damage or injury to the Premises resulting from the misuse or negligence of Tenant, a member of Tenant's family, or other person on the premises with or without Tenant's consent. The cost of such repairs shall be paid by Tenant to Landlord within five days of rendition of Landlord's bill concerning such costs. There shall be no allowance to Tenant and no liability on the part of Landlord by reason of inconvenience or annoyance arising from the making of any repairs, alterations, additions or improvements to the Premises or any portion of the building in which the Premises are located.

10. UNLAWFUL USE, DISTURBING NOISES: Tenant shall not commit waste on the premises or maintain or permit to be maintained a nuisance thereon, and shall not use, or permit to be used, the premises for any unlawful purpose or do or permit any unlawful act in or about the premises. Tenant shall not make or permit to be made any disturbing noises or commit or permit any act which will unreasonably interfere with the rights, comfort or convenience of other tenants. Tenant shall not play or suffer to be played any musical instrument in the premises before seven o'clock a.m. or after 11 o'clock p.m., and shall not conduct or permit to be conducted vocal or instrumental instruction at any time and will not play or suffer to be played in any loud or disturbing manner any TV, radio, phonograph record player, tape player or other audio or video equipment.

11. RULES AND REGULATIONS: The rules and regulations with regard to the premises and the apartment complex are attached to this Lease and by reference made a part hereof and all amendments and modifications thereto as may from time to time be made by Landlord shall be considered a part of this Lease, and Tenant covenants and agrees that said rules and regulations and any modifications thereto shall be faithfully observed by Tenant and his family, guests, employees and invitees.

TRASH AND GARBAGE: Landlord shall maintain a designated depository on the grounds of the apartment complex and Tenant is responsible for the removal of his trash or garbage to and depositing of same in such depository at any time. Landlord shall have the right to remove any trash or garbage can or receptacle which is placed in the hallway in violation of this regulation, and Tenant shall reimburse Landlord for any costs incurred in removing same.

12. PETS: NOT PETS ARE ALLOWED or any animals or birds or fish of any description, in said premises without prior written consent.

13. LOCKS AND KEYS: Upon termination of this Lease, Tenant shall surrender to Landlord all keys previously delivered by Landlord to Tenant and in the event any keys are missing, then Tenant agrees to pay Landlord the sum of fifty dollars ($50.00), recognizing the necessity of Landlord to change the door lock and provide additional keys, and in the event such sum is not paid then same shall be deducted from the above described security deposit or otherwise shall become due hereunder. Tenant shall be permitted to install or cause to be installed a deadbolt lock at the expense of the Tenant upon permission from Landlord. Said deadbolt lock must remain a permanent part of the apartment and one key must be turned in to the Landlord or Landlord's agent.

14. NO ATTACHMENTS TO PREMISES: No awnings or other projections except such as are installed by Landlord shall be attached to the outside or other part of the premises or building, and no blinds, shades, screens, attachments or contrivances of any kind shall be attached to, hung in, or used in connection with any window or door of the premises, nor, except as permitted by statute, shall Tenant install or use any radio or TV antenna without the prior written consent of the Landlord.

15. SERVICE: Tenant agrees to pay for all utilities, including electricity and telephone, used or consumed by Tenant. Any interruption, modification or discontinuance in the character of the services provided by Landlord as a convenience to Tenant, including any utilities, shall not be cause for damages, for termination of this Lease, or for a reduction or rebate of the stipulated rent. Requests for maintenance service must be submitted to the office. MAINTENANCE IS DONE ON A PRIORITY BASIS. EXACT APPOINTMENTS (DATE AND TIME) FOR MAINTENANCE WILL NOT BE GIVEN.

16. DRAPES: Tenant must furnish drapes for the apartment at his own expense within seven (7) days after taking occupancy which must be white when viewed from the street. No other window covering shall be placed on window, e.g., no foil, newspapers, sheets, linens, or solar coverings, shades, etc.

17. FIXTURES, PLUMBING: The toilets and other water and sewer apparatus and fixtures shall not be used for purposes other than those for which they were designed, and no sweepings, matches, cigarettes, cigars, pipe or chewing tobacco, rags, disposable diapers, non-biodegradeable sanitary products, ashes, or other improper articles shall be thrown therein. The cost of repairing any damage resulting from misuse of any of same shall be borne by Tenant. Landlord reserves the exclusive right to select, or authorize the selection of, repairmen required to repair any such damage.

[illegible] THE HAZARD: Tenant shall not do, suff[illegible] any act to be done at any time or material to [illegible] on the premises deemed hazardous on account of fire or that will increase the rate of insur[illegible] on said premises or cause the insurance to be [illegible] in case the premises should be damaged by fire, rain, wind or any other cause (other than the wrongful or negligent acts of Tenant or Tenant's family, agents, guests or employees): a) If the enjoyment of the premises is substantially impaired, Landlord or Tenant shall have the right to terminate the term of the Lease by giving notice to the other of his exercise of such right at any time within thirty days after the occurrence of such damage. If this notice is given, the term of the Lease shall terminate as of the date of the giving of such notice. If Tenant exercies the option to terminate the Lease, Tenant must immediately vacate the premises. If neither party has given notice of termination as herein proveded, Landlord shall proceed to repair the premises at Landlord's expense, and the Lease shall not terminate. If Landlord elects to repair the premises, the rent shall cease from the date of the damage until the date the premises may be reoccupied, provided that during the period the repairs are being made, Tenant vacates the premises if Landlord so requests or if it is necessary. b) If the premises shall be partially damaged or partially destroyed, without substantial impairment of Tenant's enjoyment of the premises, the damages shall be repaired at the expense of Landlord and the rent until such repairs are made shall be apportioned according to the part of the premises which is unusable by Tenant. Landlord shall not be liable for any inconvenience or annoyance to Tenant resulting in any way from such damage or the repair thereof. Landlord has the right to remove combustible material from storage areas, patios, balconies, and apartments, at Tenant's expense.

19. LIEN FOR RENT, ETC.: Landlord shall have a lien upon all the personal property of Tenant moved in and located upon the premises or in the apartment complex as and for security for the rent herein provided to be paid, and such installments of rent as shall remain unpaid to the amount and extent thereof shall become and are hereby made a specific lien upon such personal property to all intents and purposes as thought Tenant had executed a chattel mortgage or other security agreement to secure Landlord for said rent reserved; and Tenant shall not remove or attempt to remove any such personal property while there shall remain due and owing any portion of the rent reserved by this Lease, and should Tenant attempt to remove such property, Landlord is hereby empowered to seize and detain the same until Landlord shall be fully paid for such rent as shall then be or thereafter become due under the terms of this Lease.

20. DEFAULT: The Landlord shall have the right to elect to terminate this Lease forthwith in the event any of the following events of default occur: (i) If Tenant fails to pay the rent when due, and the failure continues for the three days (excluding Saturday, Sunday and legal holidays) after delivery to Tenant of written demand for the payment of rent or possession of the premises pursuant to section 83.56 (3), Florida Statues; (ii) If Tenant violates or fails to perform any other term, covenant, condition or provision on his part to be performed under this Lease and such violation or failure is not corrected within seven (7) days after delivery to Tenant of written notice of same, provided, however, if such violation or failure is of a nature that Tenant should not be given an opportunity to cure or if such violation or failure constitutes a subsequent or continuing violation or failure within 12 months of a written notice by Landlord of a similar violation or failure, Landlord may terminate this Lease without affording Tenant any time at all to cure; (iii) If Tenant abandons the premises, or quits or vacates the premises, voluntarily or involuntarily, or removes any of Landlord's property without Landlord's prior written consent; (iv) If an execution or other process is levied upon Tenant's interest in this Lease; or (v) if a petition in bankruptcy be filed by or against the Tenant or Tenant is insolvent or makes an assignment for the benefit of his creditors or seeks similar relief under any bankruptcy or insolvency statute. Upon the occurrence of any event of default. Landlord shall have the right to elect to accelerate the rent for the balance of the Lease term, declaring same immediately due and payable, or to relet the premises for such rent and upon such terms as Landlord in its discretion may deem reasonable and advantageous. In the event of any default, Tenant shall be and remain liable for any deficiency in rent and for any expenses incident to any reletting, as well as any damages which Landlord may have sustained by virtue of Tenant's use and occupation of, or premature departure from, the premises. Landlord's rights and remedies under this Lease and pursuant to law are cumulative and the exercise or waiver of exercise of one right or remedy by Landlord shall not impair Landlord's right to any other right or remedy.

21. HOLDING OVER-DOUBLE RENT: If Tenant holds over and continues in possession of the premises, or any part thereof, after the expiration of the Lease without Landlord's written permission, Landlord may recover possession of the premises and also double the amount of the rent due for each day Tenant holds over and refuses to surrender possession.

22. WAIVERS: No waiver of any breach of any covenant, provision or condition contained in this Lease shall be construed as a waiver of the convenant itself or of any subsequent breach thereof; and if any breach shall occur and afterwards be compromised, settled or adjusted, this Lease shall continue in full force and effect as if no breach had occurred. Except as provided by law, the payment of rent and late charges shall not waive, effect or modify any of Landlord's rights.

23. ATTORNEY'S FEES: In the event of the employment of an attorney by the Landlord in any civil action brought because of a violation of any term or provision of this Lease or brought to enforce the terms and provisions of this Lease where Landlord is the prevailing party, the Tenant shall pay and be liable for reasonable attorney's fees and any court costs as are incurred by Landlord.

24. FRONT ENTRANCES OR WALKS: Tenant shall not deposit, park or suffer or permit the depositing or parking of any obstruction or any baby carriages, strollers, bicycles, tricycles, roller skates, motorcycles and the like, in or upon either the walks and lawns appurtenant to the premises, or in the entrance halls, stairways, meter rooms or other common areas of the apartment complex. Landlord shall have the right to remove by any means available at the Tenant's expense any such articles deposited or parked in or upon such spaces and other common areas.

25. RECREATIONAL FACILITIES: Swimming pools and other recreational facilities are to be used only by residents of the apartment complex, except when special permission has been obtained for use by guests. Landlord shall not be liable for any personal injury to Tenant or Tenant's family, agents, guests or employees or to any damage to their property resulting from the use of said facilities, and Tenant shall indemnify, defend and hold harmless Landlord from any and all costs, actions or liability for claims for personal injury and/or property damage of such persons whether or not such special permission has been obtained from Landlord.

26. LAUNDRY: Tenant shall not install any laundry washer or dryer or dry cleaning equipment or device in the premises without the prior written permission of Landlord. Laundry work shall be done only in the rooms provided for such purposes. No drying of laundry shall take place on patios, porches, balconies, or halls.

27. PARKING: Landlord reserves the right to control the method, manner and time of parking in parking spaces in and around the apartment complex, to designate what portions of the apartment complex and its premises may be used by Tenant and Tenant's family, agents, guests or employees for parking, and to tow away and store at Tenant's expense, any vehicle parked by Tenant, or Tenant's family, agents, guests or employees, in spaces not so authorized by Landlord. No recreational vehicles, boats, campers, trailers, or large trucks are permitted without the prior written consent of Landlord. All violations will be removed by any means available at Tenant's expense. Washing of cars, boats or motorcycles, or the performance of any mechanical work of any nature is not permitted on the premises. _____ Parking spaces are available for said unit.

28. REPRESENTATIONS IN APPLICATION: Landlord has tendered this Lease to Tenant and Tenant has accepted the same on the basis of representations contained in the application submitted to Landlord by Tenant for the purpose of inducing Landlord to execute this Lease with Tenant, and in the event that any of the representations contained in said application shall be found by Landlord to be misleading, incorrect or untrue, Landlord, in addition to all other remedies, shall have the right to forthwith cancel this Lease and to repossess the premises.

29. CONDEMNATION: In the event the premises or any substantial part thereof are taken or condemned for a public or quasipublic use, Landlord shall have the right to terminate this Lease as of the date title shall vest in the condemnor, by notice to Tenant. In such event Tenant shall not claim or be entitled to claim or receive any part of any award that shall be made as damages or compensation for such taking.

30. SUBORDINATION: This Lease shall be and is hereby made subject and subordinate at all times to the lien of any mortgages, and to any ground leases and master leases, now or hereafter placed on the land and/or building of which the premises form a part without the necessity of any further instrument or act on the part of Tenant to effectuate such subordination; provided, however, Tenant covenants and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination as shall be desired by mortgagee or lessor or proposed mortgagee or lessor and Tenant hereby irrevocably appoints Landlord the attorney-in-fact of Tenant, to execute and deliver any such instrument or instruments for and in the name of Tenant.

31. ADVANCES OR REQUIRED PAYMENT: If Tenant shall fail to perform any term, convenant, condition or provision on his part to be performed under this Lease, then Landlord may perform same, without notice, and in the event Landlord shall pay or be compelled to pay a sum of money or do any act which requires the payment of money to perform same, the sum so paid by Landlord together with all interest and costs shall be paid by Tenant to Landlord as additional rent and shall be added to the next rent coming due hereunder and in the event thereafter of termination of this Lease, then such sums may be deducted from the security deposit or shall otherwise be due and payable hereunder.

32. LEASE MODIFICATIONS: This Lease contains the entire agreement and understanding between Landlord and Tenant. No modification of this Lease or any terms and conditions hereof, unless made or agreed to in writing and signed by Landlord, shall be effective or enforced.

33. WAIVER OF TRIAL BY JURY: Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other pertaining to any matters whatsoever arising out of or in any way connected with the Lease or Tenent's use and occupancy of the premises, other than an action for personal injury.

34. NOTICE: Service of any notice by either party, required by law or otherwise agreed to be given hereunder shall be sufficient if: hand delivered, sent by certified mail, return receipt requested or registered mail. If given by Landlord to Tenant, if posted by Landlord on or in the premises occupied by Tenant. If mailed by Tenant must be addressed to the office of Landlord at the premises of the apartment complex.

35. INVALIDITY: If any provision hereof is declared invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions of this Lease.

36. CAPTIONS: The captions as to contents of particular paragraphs herein are inserted only for convenience and are in no way to be construed as a limitation of the particular paragraphs to which they refer.

37. CONTEXT OF AGREEMENT AND EFFECT: Where the context requires, works in the singular shall be substituted for the plural and vice versa, and words in the masculine shall be substituted for any gender.

IN WITNESS WHEREOF, Tenant and Landlord have executed this Lease Agreement under seal the day and year first above written.

Signed, Sealed and Delivered in the presence of:

Witness:

As to Tenant MARTIN SHORE

Tenant JOANN PEPPER (SEAL)

As to Tenant

Tenant (SEAL)

As to Landlord

As to Landlord

BY: For Landlord ARNOLD GITTON

9 1 0 4 0 8 7 4 9 8 1

[redacted]

VENDOME EQUITIES, INC., MIAMI, Fla 33138

TO JO-ANN PEPPER

780 N.E. 69TH STREET, APT.#1517,MIAMI,FL. #3138

You are hereby notified that you are indebted to me in the sum of *$1,520.00

ONE THOUSAND FIVE HUNDRED TWENTY------- Dollars, for the rent and use of the premises

780 N.E. 69TH STREET, MIAMI, FL. 33138 Dade County, State of Florida,

now occupied by you, and that I demand the payment of the said rent or the possession of said premises within three days, exclusive of Saturdays, Sundays, and Legal Holidays, from the date of this notice to-wit: on or before the 20TH day of JULY, A.D. 1989

*1,500.00 JULY RENT
20.00 LATE CHARGE

VENDOME EQUITIES, INC.
780 N.E. 69TH STREET
MIAMI, FL. 33138
(305) 757-3500

Served
Posted-Personal
July 25th 1989
At 2:00 A.M. P.M.
By [illegible]

Pd 7-26-89 Ck#2

9104087749832

UNSECURED PROMISSORY NOTE

PRINCIPAL SUM: $5,000.00

FOR VALUE RECEIVED, the undersigned promises to pay to the order of ANTON HANDAL, at 3505 Camino del Rio South, Suite 110, San Diego, CA 92108, or at such other place as the holder of this NOTE may designate, in writing, the principal sum of FIVE THOUSAND DOLLARS and all accrued interest.

The undersigned also agrees to pay the holder of this NOTE, eight percent (8%), simple interest, per annum, on the principal amount of this NOTE. The principal amount of this NOTE together with all accrued interest is due and payable September 19, 1989, or sooner.

Dated: 7-21-89

/F/
Jo Ann Pepper

WITNESSED:

/F/

91040874983

3 1 2 4 0 8 7 4 9 3 4

ANTON N. HANDAL
ATTORNEY AT LAW
584-1524
3505 CAMINO DEL RIO S., SUITE 110
SAN DIEGO, CA 92108

San Diego Trust & Savings Bank
GROSSMONT CENTER OFFICE
5464 GROSSMONT CENTER DRIVE, LA MESA, CA 92042

3415

90-52/1222

July 20 1989

PAY TO THE ORDER OF Jo Ann Pepper $ 5,000.00

Five Thousand Dollars Exactly DOLLARS

FOR Personal Loan

⑈003415⑈ ⑆122200526⑆ 330222468⑈

JO ANN PEPPER

0104

63-109-4
670

Nov 8 1989

PAY TO THE ORDER OF Tony Handal $ 5,000.00

five thousand and 00/100 DOLLARS

CONSOLIDATED BANK
NATIONAL ASSOCIATION
2308 PONCE DE LEON BLVD
CORAL GABLES, FLORIDA 33134 4

FOR

⑆067001097⑆ ⑈0404187921⑈ 0104 ⑈0000500000⑈

Consumer Simple Interest
Variable Rate Note

No _____

PROMISSORY NOTE
CONSOLIDATED BANK N.A.
NEW
CORAL GABLES.

_____ 19__

$ 15,000.00

FOR VALUE RECEIVED the undersigned and if more than one each of them jointly and severally (the "Borrower") promise to pay to the order of CONSOLIDATED BANK N.A. (the "Bank") at its office at 800 West 49th Street, Hialeah, Florida 33012 or at such other place as the Bank may designate, the principal sum of Fifteen thousand dollars and no cents.

_____ Dollars ($ 15,000.00) with interest at a rate per annum which is _____ percent per annum above the Base Rate (as such term is defined on the reverse side hereof) [ ] 360 day basis or [ ] 365 day basis from the date of disbursement until paid in full, whether by acceleration or otherwise, not to exceed, however, the maximum rate to be charged by the Bank from time to time by applicable law, adjusted daily unless otherwise specified here _____ Said principal and interest to be paid in lawful United States dollars as follows:

All payments made hereunder will be charged first to interest and lawful charges then accrued, and the remainder to principal.
As security for the payment of monies owing hereunder, Borrower grants to Bank a security interest in the following collateral:

Assignment of proceeds of Estate of Claude Denson Pepper, Jo Ann Pepper beneficiary in the approximate amount of $50M.

The following disclosures are required by Federal Regulation if the funds advanced pursuant to this promissory note are to be used primarily for personal, family or household purposes. By executing this note with the following disclosures left blank and including the following statement, the Borrower represents and warrants that this loan is not for said purposes. This loan is not primarily for personal, family or household purposes. _____ (Initial)

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	AMOUNT FINANCED	TOTAL OF PAYMENTS
The cost of Borrower's credit as a yearly rate	The dollar amount the credit will cost borrower	The amount of credit provided to Borrower or on Borrower's behalf	The amount Borrower will have paid after he has made all payments as scheduled
13.180 %	$ 110.58	$ 15,000.00	$ 15,449.58

Borrower's Payment Schedule Will Be

Number of Principal and Interest Payments	Amount of Payments	Date Payments are Due
Number of Principal Payments 1	15,000.00	10-15-89
Number of Interest Payments 1	449.58	10-15-89

[ ] if checked here, this obligation has a demand feature
[ ] if checked here, this obligation is payable on demand, and all disclosures are based on an assumed term of one year.

Prepayment: If Borrower pays off early, Borrower will not have to pay a penalty.

Security: Borrower is giving a security interest in:
[ ] the goods or property being purchased with the proceeds of this loan
[ ] real property
[ ] other (describe by item or type) _____
Collateral securing other loans with Creditor may also secure this loan.

Variable Rate: The annual percentage rate may increase during the term of this transaction if the Base Rate of Consolidated Bank N.A. increases. There are no limitations on the increase. Any increase will take the form of higher payment amounts. For example, if this loan were for $12,000 at 17% for one year, payable monthly, and the rate increased to 18% at the end of one-half year, the regular payments would increase by $10.00 per month.

Insurance: Credit life insurance and credit disability insurance are not required to obtain credit, and will not be provided unless Borrower signs and agrees to pay the extra cost.

	Premium	Signature
Credit Life	$	I want credit life insurance
Credit Disability	$	I want credit disability insurance
Credit Life and Disability	$	I want credit life and disability insurance

Other: Borrower may obtain property insurance from any person of Borrower's choice who is acceptable to Creditor. If Borrower gets the insurance from Creditor, Borrower will pay $ _____
Filing Fees $ _____ Non-Filing Insurance $ _____

Borrower has the right to receive at this time an itemization of the Amount Financed.

[ ] Borrower wants an itemization _____ (Signature)

[ ] Borrower does not want an itemization _____ (Signature)

Borrower should look at the provisions on the reverse side of this note and any other agreements related to this transaction for any additional information, including information about non-payment, events of default and acceleration.

_____ (Initial)

The Terms and Conditions Set Out On the Reverse Side Hereof Are Part of This Note.
Borrower acknowledges receipt of a copy of this Note at the time of its execution.

Address: 780 N.E. 69 ST. # 1519 — Signature: Jo Ann Pepper — SEAL

Address: Miami, Fl 33138 — Signature: _____ SEAL

Address: _____ — Signature: _____ SEAL

9104087493 5

Moore® Speedset® MCP® Patented 303

Checking Deposit

MU-184 (11/87) 280M 250 PKG

CONSOLIDATED BANK

Date 7/26/89

Account Name Jo Ann Pepper Campaign Account

Address

Account Number 0 4 0 2 1 1 5 7 4 1

"Deposit May Not Be Available For Immediate Withdrawal"
All checks should be endorsed and listed separately and are subject to verification and collection.

Checking Deposit

	Dollars	Cents
Cash:		
Checks: (List Separately)	12,000	—
Total	12 000	—

BANK COPY

Todos los cheques deben ser endosados y relacionados separadamente y estan sujetos a verificacion y cobro.

14

10874 9 8 6

CASHIER'S CHECK

NOTICE TO CUSTOMERS
AN INDEMNITY BOND WILL BE REQUIRED BEFORE THIS CASHIER'S CHECK WILL BE REPLACED OR REFUNDED IN THE EVENT IT IS LOST, MISPLACED OR STOLEN

No. 04-20038 63-109/670

CONSOLIDATED BANK
900 WEST 49th ST. • HIALEAH, FLORIDA 33012

~~Jo Ann Pepper Campaign Fund~~
REFERENCE/REMITTER

July 26, 1989

CONSOLIDATED BANK, N.A. 12000000

PAY $**12,000.00**

TO THE ORDER OF **Jo Ann Pepper Campaign Fund**

AUTHORIZED SIGNATURE

⑈020038⑈ ⑆067001097⑆ ⑈0400004973⑈

06-C 8480

CONSOLIDATED BANK

JOAN BURTON JENSEN
GENERAL COUNSEL

MARLA I. BERMAN
ANA M. DEL VALLE-AGUILERA
ASSISTANT COUNSEL

2 SOUTHEAST 13th STREET
SUITE 201
MIAMI, FLORIDA 33131
(305) 789-2845
FAX (305) 374-2377

October 26, 1990

MUR 3031

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 OCT 31 PM 12:44

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

Re: Subpoena to Produce Documents Order to Submit Written Answers
Jo Ann Pepper Campaign Committee's Account

Dear Sirs:

As per your request, enclosed herewith please find the original Answer to Interrogatories and Request for Production of Documents in connection with the above referenced matter.

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

Very truly yours,

Marla I. Berman

Marla I. Berman
Assistant Counsel

MIB/em

Enclosure

A:INTERR
#2/10/90

90 OCT 31 AM 10:54

9104087493 87

ANSWER TO INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

1.a. Application was made and approved by Consolidated Bank, N.A. on June 16, 1989 for the opening of one account, Account #040-211574-1 (the "Account"). The mailing address set forth on the New Account Application was 11730 Kimmie Drive, Cooper City, Florida 33026. The new mailing address for Monthly Statements set forth on the Organizational Resolutional completed in connection with the New Account Application was Jo Ann Pepper Campaign, P. O. Box 370692, Miami, Florida 33137. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

1.b. The Account was opened in the name of Jo Ann Pepper Campaign Committee as an organizational checking account. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

1.c. Application was made for the opening of the account by Jo Ann Pepper and was approved by Lilia Rodriguez of Consolidated Bank, N.A. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

1.d. The person(s) authorized as a signatory on the Account, jointly and/or severally, were Jo Ann Pepper, Maria Tolon and Fernando J. Solano. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

1.e. The Account has been closed. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

2. Consolidated Bank, N.A. did not provide any loans to the Jo Ann Pepper Committee. The person capable of furnishing testimony and who assisted in the drafting of this answer and the collection of applicable documentation is Lilia Rodriguez.

3. Attached hereto please find copies of the applicable documents related to the Account.

Executed this 25 day of October, 1990.

CONSOLIDATED BANK, N.A., a national banking association

BY: Lilia Rodriguez

[CORPORATE SEAL]

A:INTERROGATOR
10/90

91040874988

STATE OF FLORIDA)
)SS:
COUNTY OF DADE)

The foregoing instrument was acknowledged before me this 26th day of October, 1990, by LILIA RODRIGUEZ, as Vice President, of CONSOLIDATED BANK, N.A., a national banking association, on behalf of the banking association.

My Commission Expires:

Maria V. Berryan
Notary Public, State of Florida
[NOTARIAL SEAL]

~~NOTARY PUBLIC STATE OF FLORIDA~~
MY COMMISSION EXP. MAY 4,1993
BONDED THRU GENERAL INS. UND.

91040874989

CONSOLIDATED BANK

19
JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KINNIE DRIVE
COOPER CITY, FL 33026

[redacted]
[redacted] CY
[redacted]0-211579-1
[redacted]

[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	BALANCE [redacted] STATEMENT
.00	20235.00	15	21541.32	.00	1,306.32-

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
06/20	5000.00	DEPOSIT
06/20	7750.00	DEPOSIT
06/21	1200.00	DEPOSIT
06/22	1500.00	DEPOSIT
06/26	2050.00	DEPOSIT
06/27	1500.00	DEPOSIT
06/27	20.00-	NSF/OD CHARGE
06/29	100.00	DEPOSIT
06/29	485.00	DEPOSIT
06/29	650.00	DEPOSIT
06/29	40.00-	NSF/OD CHARGE
06/30	6.32-	OD INTEREST CHG
		TOTAL YEAR-TO-DATE OD INTEREST IS 6.32

CHECKS

DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
06/30	101	420.00	06/27	4048	3000.00
06/29	405	60.00	06/22	"	90.00
06/22	"	12.00	06/26	"	349.00
06/27	"	379.00	06/22	"	700.00
06/21	"	1000.00	06/23	"	4475.00
06/20	"	5000.00	06/22	"	6000.00

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
06/20	.00	06/20	7750.00	06/21	7950.00
06/22	2640.00	06/23	1827.00-	06/26	126.00-
06/27	2021.00-	06/29	876.00-	06/30	1306.32-

19

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 550-1003.

[redacted]

9104087490

CONSOLIDATED BANK

27
JO ANN PEPPER
(CAMPAIGN COMMITTEE)
700 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

MEMBER FDIC
07/31/90
CV
90-211570-1

						BALANCE THIS STATEMENT
1,386.32-	27	42595.00	30	26920.39	3.96	14,369.33

ECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

ATE	AMOUNT	DESCRIPTION
/31	3.96-	SERVICE CHARGE

TOTAL YEAR-TO-DATE OD INTEREST IS 16.99

ECKS

ATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
/12	102	510.00	07/05	103	[illegible]
/11	104	1000.00	07/11	105	[illegible]
/17	106	100.00	07/17	107	[illegible]
/19	108	2809.00	07/24	109	[illegible]
/24	110	30.00	07/25	111	[illegible]
/20	112	1829.00	07/25	113	[illegible]
/26	114	990.50	07/27	115	[illegible]
/24	116	900.00	07/25	117	[illegible]
/24	118	500.00	07/27	120*	[illegible]
/31	125*	1000.00	07/31	126*	[illegible]
/03	4063*	877.60	07/25	*	[illegible]
/03	*	2100.00			

ILY BALANCE INFORMATION

ATE	BALANCE	DATE	BALANCE	DATE	BALANCE
/02	1386.32-	07/03	4169.00-	07/05	[illegible]
/06	3079.00-	07/07	1319.00-	07/10	[illegible]
/11	2369.00-	07/12	1479.00-	07/13	[illegible]
/14	186.00	07/17	2986.00	07/18	2818.40
/19	189.40	07/20	1389.40	07/21	[illegible]
/24	8957.90	07/25	6375.90	07/26	22776.96
/27	14576.96	07/28	19882.96	07/31	14369.33

27

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 958-1000.

CONSOLIDATED BANK

MEMBER FDIC

10
JO ANN PEPPER
(CAMPAIGN COMMITTEE)
780 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

08/31/89

08304 Q

48-211579-1

					BALANCE THIS STATEMENT
19,364.33	+025.00	10	18319.95	1 25	68.13

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
08/01	750.00	DEPOSIT
08	1000.00	DEPOSIT
8/01	2150.00	DEPOSIT
8/08	125.00	DEPOSIT
8/31	1 25-	SERVICE CHARGE

TOTAL YEAR-TO-DATE OD INTEREST :S 16.49

CHECKS

DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
8/02	13	491.00	08/01	121*	5000.00
8/0	22	300.00	08/07	123	510.00
8/04	126*	510.00	08/01	127	750.00
8/01	129	332.84	08/01	130*	4823.11
8/04	32*	2000.00	08/14	134*	3603.00

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
8/01	+364 33	08/0.	7058.38	08/02	6567.38
8/04	38	08/07	3547.38	08/08	3672.38
8/0	38	08/3.	68.13		

(TO E DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CONTACT OUR SERVICE DEPT. AT 650-1000

CONSOLIDATED BANK

J[illegible]ANN PEPPER
([illegible]AMPAIGN COMMITTEE)
78[illegible] [illegible]9TH STREET #1519
MIAMI [illegible]LORIDA 33138

[illegible]
[illegible]
[illegible] CY
[illegible]9-211579-1
ACCOUNT NUMBER

BALANCE LAST STATEMENT	DEPOSITS AND CREDITS TOTAL AMOUNT	CHECKS AND DEBITS NO	CHECKS AND DEBITS TOTAL AMOUNT	SERVICE CHARGE	BALANCE THIS STATEMENT
68.13	.00		.00	5.74	62.39

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
[illegible]/29	5.74-	SERVICE CHARGE
		TOTAL YEAR-TO-DATE OD INTEREST IS 16.49

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
[illegible]/31	68.13	09/2[illegible]	62.39		

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 550-1000.

9 1 0 4 0 8 7 4 9 9 3

BANK

JO ANN PEPPER
CAMPAIGN COMMITTEE
[illegible] NE 8TH STREET [illegible]
MIAMI, FLORIDA [illegible]

10/31/89
003004 CY
40-211574-1

52.39 [illegible] 00 5.77 56.62

[illegible]NG ACCOUNT TRANSACTIONS TAX ID NBR 26-[illegible]082770
[illegible] DESCRIPTION

[illegible] SERVICE CHARGE
TOTAL YEAR-TO-DATE [illegible] INTEREST IS 16.49

BALANCE INFORMATION
[illegible] BALANCE DATE BALANCE DATE BALANCE

[illegible] [illegible]

9104087499 4

CONSOLIDATED BANK

MEMBER FDIC

11/30/89

003004 CY

00-211574-1

JO ANN PEPPER
(CAMPAIGN COMMITTEE)
700 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

				BALANCE THIS STATEMENT
56.62	.00	.00	5.80	50.82

ECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

ATE	AMOUNT	DESCRIPTION
/30	5.80-	SERVICE CHARGE

TOTAL YEAR-TO-DATE OD INTEREST IS 16.49

ILY BALANCE INFORMATION

ATE	BALANCE	DATE	BALANCE	DATE	BALANCE
/31	56.62	11/30	50.82		

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 558-1000.

9104087495

CONSOLIDATED BANK

JO ANN PEPPER
(CAMPAIGN COMMITTEE)
780 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

12/31/89
003004 CY
40-211579-1
ACCOUNT NUMBER

				SERVICE CHARGE	BALANCE THIS STATEMENT
50.82	.00		.00	5.80	45.02

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
12/29	5.80-	SERVICE CHARGE
		TOTAL YEAR-TO-DATE OD INTEREST IS 16.49

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
11/30	50.82	12/29	45.02		

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 558-1000.

9 1 0 4 0 8 7 4 9 . 9 6

CONSOLIDATED BANK

0 PAGE 1

JO ANN PEPPER
(CAMPAIGN COMMITTEE)
700 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

01/31/90

CY

90211579

BALANCE LAST STATEMENT	DEPOSITS AND CREDITS NO	DEPOSITS AND CREDITS TOTAL AMOUNT	CHECKS AND DEBITS NO	CHECKS AND DEBITS TOTAL AMOUNT	SERVICE CHARGE	BALANCE THIS STATEMENT
45.02		.00		.00	5.84	39.18

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
01/31	5.84-	SERVICE CHARGE

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
01/01	45.02	01/31	39.18		

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 558-1000.

9 1 0 4 0 8 7 4 9 9 7

CONSOLIDATED BANK

PAGE 1

JO ANN PEPPER
(CAMPAIGN COMMITTEE)
700 NE 69TH STREET 01519
MIAMI, FLORIDA 33138

[redacted]

BALANCE LAST STATEMENT	CREDITS	CHECKS AND DEBITS		SERVICE CHARGE	BALANCE THIS STATEMENT
	AMOUNT	NO	TOTAL AMOUNT		
39.18	.00	1	12.00	5.87	21.31

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
02/28	5.87-	SERVICE CHARGE

CHECKS

DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
02/28	1	12.00			

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
01/31	39.18	02/28	21.31		

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 950-1000.

9 1 2 4 0 8 7 4 9 9 8

CONSOLIDATED B[illegible] N.A.
800 WEST FORTY NINTH STREET P.O. BOX 8157 HIALEAH FLORIDA 33012 305 558 1000

NEW ACCOUNT APPLICATION

DATE 6/16/89 BRANCH Coral Gables INTERVIEWER LR

REFERRED BY: Self

CHECKING ACCOUNT 0402115741 (BRANCH – ACCOUNT NUMBER)
TYPE ACCT. 1–Reg. 2–Spec. 3–ATS 4–Corp. 5–Partnership 6–Sole Owner 7–Payroll
☐ INDIV. SS# 261 08 2770
☐ JOINT SS#

SAVINGS ACCOUNT (BRANCH – ACCOUNT NUMBER)
TYPE ACCT. 1–Reg 2–GG 3–ATS 4–Corp. 5–IRA 6–ITF 7–X-Mas
☐ INDIV. SS#
☐ JOINT SS#

Short Name
Home Phone (Area Code) 305 437-4767
Acct. Title JD ANN KEPPER CAMPAIGN COMMITTEE
Mail Address Name
Name
Street 11730 KIMMEE DRIVE
City/State COOPER CITY FLORIDA ZIP CODE 33026
Permanent Address
If Under 2 Years Show Prior Address

AMERICAN EXPRESS Currently Has
GOLD CARD ☐ Yes ☐ No GREEN CARD ☐ Yes ☐ No
Through:

TEMPORARY CHECKS
☐ Yes Approved By:
☐ No
Type Checks Ord. ☐ Chg. Acct. ☐ No Chg

INITIAL DEPOSIT Checks $ 5,000
Source (ABA #) Amount
Date Acct. Opened 6/16/89 (Mo. Day Yr.)

COMMERCIAL ACCOUNT INFORMATION
Date Company Began (Mo. Day Yr.) Year To Area Fiscal Year End (Month) Tax ID Number
Fictitious Name ☐ Yes ☐ No

RELATED CBNA ACCOUNTS
AN
AN
AN
AN

Off Code World Code # Signers On Acct Statement Cycle Date WAIVE SERV. CHGS. ☐ Yes ☐ No
Owner Code Rem Card # Sig. # Signatures ☐ Yes ☐ No Check If Hold Stmt

CHECK OFF WHEN ITEM RECEIVED & VERIFIED
☐ Signature Card ☐ Corporate Resolution ☐ Partnership Agreement ☐ Sole Owner Resolution ☐ MC/VISA Agreement
☐ Signature Verif. ☐ Fictitious Name Verif. ☐ Bank Ref. Verif. ☐ World Ck. Cntrl. Verif. ☐ Other:

IDENTIFICATION
1. FLDL P168-420-50-603
2. FWF 032350 Exp. 1989
3.

Your Employer Employed Since Date of Birth
Employers Address Business Phone (Mo. Day Yr.) (Mo. Day Yr.)
Type of Business Your Position

The undersigned (jointly and severally, if more than one) hereby authorize the Bank to make whatever inquiries the Bank deems necessary of my employer and other references in order to induce the Bank to open the account(s) herein applied for. I further authorize any person, firm or consumer reporting agency to compile and furnish the Bank any information concerning me (us) which they may have. I (we) warrant that all replies herein are true and accurate, and agree that this application shall remain the Bank's property. I have received a true copy of the Bank's current account rules and regulations, and agree to abide by all regulations described therein.

BANK REFERENCES
BK AN
BK AN
BK AN

CUSTOMER SIGNATURE (Mo. Day Yr.)

CUSTOMER SIGNATURE (Mo. Day Yr.)

ACCOUNT APPROVED BY (Mo. Day Yr.)

COMMENTS
Under Penalty of perjury, I (we) certify (1) that the number shown on this form is my (our) correct taxpayer identification number and (2) that I (we) are not subject to backup withholding because (a) I (we) have not been notified by the Internal Revenue Service that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me (us) that I (we) am (are) longer subject to backup withholding, and (3) I am (we are) a U.S. person (including a U.S. resident alien). If you have crossed out item 2 above, you are subject to backup withholding. (Note: If you have been notified by the Internal Revenue Service that you are subject to backup withholding and you have not been notified that the backup withholding is terminated you should strike out the language in clause 2 above.)

536 [redacted] 56

ORGANIZATIONAL RESOLUTION

(For deposit accounts of Churches, Religious Institutions, Fraternal Societies, Lodges, Clubs, Etc.)

I, the undersigned, Secretary of [redacted]) JO ANN PEPPER CAMPAIGN, do hereby certify that the following is a complete, true and correct copy of certain resolutions adopted at a duly called meeting held on the 15 day of JUNE 19 89, and that said resolutions have not been rescinded or modified:

BE IT RESOLVED, that the CONSOLIDATE BANK, N.A. be and hereby is designated a depositary in which the funds of this Organization be deposited by its officers, agents, and employees and each of them hereby is authorized to endorse for deposit or negotiation any and all checks, drafts, notes, bills of exchange, and orders for the payment of money, either belonging to or coming into the possession of this Organization. Endorsements for deposit may be by the written or stamped endorsement of the Organization without designation of the person making the endorsement.

BE IT FURTHER RESOLVED, that JO ANN PEPPER, MARIA TOLON and FERNANDO J. SOLANO

(Titles of officers and / or other persons authorized to sign checks; e.g.; President, Treasurer, etc.; also, please indicate in what manner the above-named officers are to sign---singly, any two, or jointly, etc.)

(are) (is) authorized to SIGN ANY AND ALL CHECKS, DRAFTS, AND ORDERS, including orders or directions in informal or letter form, against any funds at any time standing to the credit of this Organization with the said Bank, and/or against any account of this organization with the said Bank, and the said Bank hereby is authorized to honor any and all checks, drafts and orders so signed, including those drawn to the individual order of any such officer and/or other person signing the same, without further inquiry or regard to the authority of said officer(s) and/or other person(s) or the use of said checks, drafts and order or the proceeds thereof.

BE IT FURTHER RESOLVED, that all prior resolutions concerning said Bank and said bank accounts are hereby terminated, cancelled and rendered null and void from the date said Bank shall be furnished a copy of this Resolution, duly certified and authenticated.

I FURTHER CERTIFY that the following-named persons are on this 15 day of JUNE, 1989, the officers of the said Organization, duly qualified and now acting as such:

President JO ANN PEPPER — Vice Pres. _____

Secretary _____ — Treasurer FERNANDO J. SOLANO

Ass't Sec'y _____ — Ass't Treas. _____

Attest: — JO ANN PEPPER CAMPAIGN (Name of Organization)

BY [signature] (President) — BY [signature] (Secretary)

NEW MAILING ADDRESS FOR MONTHLY STATEMENTS: JO ANN PEPPER CAMPAING, P.O BOX 370692, MIAMI, FL 33137

536-0756

ORGANIZATIONAL RESOLUTION

(For deposit accounts of Churches, Religious Institutions, Fraternal Societies, Lodges, Clubs, Etc.)

I, the undersigned, Secretary of ~~[illegible]~~ JO ANN PEPPER CAMPAIGN, do hereby certify that the following is a complete, true and correct copy of certain resolutions adopted at a duly called meeting held on the 15 day of JUNE 19 89, and that said resolutions have not been rescinded or modified:

BE IT RESOLVED, that the CONSOLIDATE BANK, N.A. be and hereby is designated a depositary in which the funds of this Organization be deposited by its officers, agents, and employees and each of them hereby is authorized to endorse for deposit or negotiation any and all checks, drafts, notes, bills of exchange, and orders for the payment of money, either belonging to or coming into the possession of this Organization. Endorsements for deposit may be by the written or stamped endorsement of the Organization without designation of the person making the endorsement.

BE IT FURTHER RESOLVED, that JO ANN PEPPER, MARIA TOLON and FERNANDO J. SOLANO

(Titles of officers and / or other persons authorized to sign checks; e.g.; President, Treasurer, etc.; also, please indicate in what manner the above-named officers are to sign---singly, any two, or jointly, etc.)

(are) (is) authorized to SIGN ANY AND ALL CHECKS, DRAFTS, AND ORDERS, including orders or directions in informal or letter form, against any funds at any time standing to the credit of this Organization with the said Bank, and/or against any account of this organization with the said Bank, and the said Bank hereby is authorized to honor any and all checks, drafts and orders so signed, including those drawn to the individual order of any such officer and/or other person signing the same, without further inquiry or regard to the authority of said officer(s) and/or other person(s) or the use of said checks, drafts and order or the proceeds thereof.

BE IT FURTHER RESOLVED, that all prior resolutions concerning said Bank and said bank accounts are hereby terminated, cancelled and rendered null and void from the date said Bank shall be furnished a copy of this Resolution, duly certified and authenticated.

I FURTHER CERTIFY that the following-named persons are on this 15 day of JUNE, 19 89, the officers of the said Organization, duly qualified and now acting as such:

President	JO ANN PEPPER	Vice Pres.	
Secretary		Treasurer	FERNANDO J. SOLANO
Ass't Sec'y		Ass't Treas.	

Attest:

JO ANN PEPPER CAMPAIGN
(Name of Organization)

BY [signature] (President)

BY [signature] (Secretary)

NEW MAILING ADDRESS FOR MONTHLY STATEMENTS
JO ANN PEPPER CAMPAING
P.O BOX 370692
MIAMI, FL 33137

SIGNATURE CARD 2 0 4 0 8 7 5 0 0 2 MU 244 (PKGS OF 200)

1. IF HANDWRITTEN PRESS FIRMLY - USE BALL POINT PEN.
2. DEPOSITOR MUST SIGN EACH PART.

ACCOUNT TITLE: Jo Ann Pepper Campaign Committee

ACCOUNT NUMBER: 0 4 0 2 1 1 5 7 4 1

HOME PHONE: 305-437-4767

BUSINESS PHONE:

NAME — BY SIGNING BELOW THE DEPOSITOR(S) AGREE TO THE CONTRACT

NAME	TITLE	SIGNATURE
Jo Ann Pepper		Jo Ann Pepper
MARIA TOLON		Maria Tolon

SPECIAL INSTRUCTIONS: Temporary

NUMBER OF SIGNATURES REQUIRED: 1

REM CARD NUMBER:

TYPE OF ACCOUNT: ☐ SPECIAL CHECKING ☐ REGULAR CHECKING ☐ SAVINGS ☐ JOINT ☐ INDIVIDUAL ☐ OTHER ☐ CORPORATION ☐ PARTNERSHIP ☐ SOLE PROPRIETOR

6/16/89 — DATE OPENED

AUTHORIZED BY

CONSOLIDATED BANK, NA
MU-244 (2 83)

RECEIVED
FEDERAL ELECTION COMMISSION
91 FEB 22 AM 9:19

RECEIVED
91 FEB 21 PM 12:41

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031
	)	
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1990, the Commission found reason to believe that the Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) for failing to properly itemize certain loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question. On that same date, the Commission approved Interrogatories and a Request for Production of Documents to be sent to the Committee. On August 24, 1990, the Commission authorized Subpoenas and Orders to Jo Ann Pepper, the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, and the Consolidated Bank (the "Bank"). On October 13, 1990, the Commission received Consolidated Bank's response to the Subpoenas and Orders. (Attachment 1.) On September 27, 1990, the Commission received Ms. Jo Ann Pepper's response to the Subpoenas and Orders. (Attachment 2.)

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II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). No candidate or political committee shall knowingly accept any contribution in excess of limits. 2 U.S.C. § 441a(f). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission regulations provide that the terms "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. The aggregated amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. 11 C.F.R. § 100.7(a)(1)(i)(B).

A loan made to a federal campaign committee by a state bank, a federally chartered depository institution, or a federally insured depository institution is not considered a contribution by that institution, except that such loan:

> (1) is considered a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears guarantors;
>
> (2) must be made on a basis which assures repayment, evidence by a written instrument, and subject to a due date or amortization schedule; and

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> (3) must bear the usual and customary interest rate of the lending institution. 2 U.S.C. § 431(8)(B)(vii).

An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of her authorized committee. 2 U.S.C. § 432(e). Furthermore, pursuant to 11 C.F.R. § 110.10, a candidate for Federal office may make unlimited expenditures from personal funds. The personal funds of a candidate include:

> (1) Any assets which, under applicable state law, at the time he or she becomes a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had

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been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;

(3) the candidate's portion of the assets jointly owned with his or her spouse. The candidate's personal funds shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

The previous General Counsel's Report disclosed that Jo Ann Pepper was a candidate in the special primary election, in the 18th Congressional District of Florida, held on August 1, 1989. The Jo Ann Pepper Campaign Committee filed its Statement of Organization with the Commission on June 19, 1989. Jo Ann Pepper lost the Democratic special primary election on August 1, 1989. The Committee filed reports covering the period June 15, 1989 through August 15, 1989.[2] During this period the Committee reported a total of $70,993 in receipts and $69,935 in disbursements with $1,057 cash on hand and $24,848 in debts owed by the Committee. On December 19, 1989, the Report Analysis Division ("RAD") referred the Committee and Fernando J. Solano, as treasurer, to this Office for failing to properly itemize loans in violation of the Act.

2. This Office notes that the Committee was only required to file two reports in 1989, the 1989 12 Day Pre-Special Report, covering the period from the inception of the Committee to July 12, 1989 and the 1989 Year End Report, covering the period from July 12, 1989 until December 31, 1989, because the candidate only participated in the Special Primary Election. The Committee also filed a 12 Day Pre-Special Run-off Report, covering July 13, 1989 to July 26, 1989 and a 12 Day Pre-Special General Report, covering the period from July 27, 1989 until August 15, 1989.

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The Committee reported a $4,821.06 loan from Jo Ann Pepper in its 1989 12 Day Pre-Special Primary Report, covering June 15, 1989 through July 12, 1989. This loan was reported to have a due date of December 31, 1989 and an interest rate of zero (0%) percent. In its 1989 12 Day Pre-Special Run-off Report, covering July 13, 1989 through July 26, 1989, the Committee reported a $17,000 loan from the candidate and $3,027.87 in "other loans" for a total of $20,027.87. Schedule C disclosed a $5,000 loan from Jo Ann Pepper with an incurred date of July 24, 1989, a due date of December 31, 1989, and an interest rate of eight percent (8%). Schedule C of this report also disclosed a $12,000 loan from the Jo Ann Pepper Campaign Committee, with an incurred date of July 26, 1989, and a due date of December 31, 1989. There was no interest rate reported for this loan. The Committee's report also failed to disclose or identify the source of a $3,027.87 loan reported on its Detailed Summary Page. Moreover, the Committee, in this report, failed to continuously disclose the $4,821.06 loan from Jo Ann Pepper itemized in the previous report.

In its 1989 12 Day Pre-Special General Report, covering the period from July 27, 1989 through August 15, 1989, the Committee reported $24,848.93[3] as the amount of outstanding debts and obligations owed by the Committee on its Detailed Summary Page. On its Schedule C, the Committee reported $5,000 and $12,000 candidate loans, and did not disclose the original

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3. This figure equals ($5,000, $12,000, $3,027.87, $4,821.02 = $24,848.93) all of the loans reported by the Committee.

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source or complete terms of the loans. Schedule C did not disclose the previous candidate loan of $4,821.06, and the other loan of $3,027.87.[4]

The General Counsel's Report also noted that the Committee, on its Schedule C, failed to continuously itemize $9,821.06 in loans from Jo Ann Pepper, a $12,000 loan from the Jo Ann Pepper Campaign Committee[5] and $3,027.87 in "other loans."[6] The Committee also failed to clarify whether the $9,821.06 in loans from Jo Ann Pepper and the $12,000 loan from the Jo Ann Pepper Campaign Committee were personal funds from the candidate or funds borrowed from the bank or other source. Furthermore, the Committee failed to continuously report a $4,821.06 loan from Jo Ann Pepper initially reported in its 1989 12 Day Pre-Special Primary Report.

On October 13, 1990, Marla I. Berman, Assistant Counsel for Consolidated Bank (the "Bank"), and Lillia Rodriguez, an

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4. A comparison of the Committee's reports with its bank statements revealed several disbursements which did not appear on the Committee's bank statements. A summary of this comparison is attached to this report. (See Attachment 3.) The combined amount of these disbursements totaled $7596.80. The candidate loan of $4,821.06 and the $3,027.87 in "other loans" reported in the Committee's reports totaled $7,848.93, a difference of only $252.13. It should also be noted that the comparison revealed that there were three transactions that cleared through the Committee's bank account which do not appear to correspond to the Committee's reports. Further questions will be asked to clarify these discrepancies.

5. The $12,000 loan reported from the Jo Ann Pepper Campaign Committee was apparently reported in error. According to Ms. Pepper's response, this loan should have been reported from the candidate.

6. It should also be noted that the Committee failed to itemize these loans on its Schedule A.

9104087500 8

employee for the Bank, responded to the Commission's Interrogatories and Request for Production of Documents in this matter. (See Attachment 1.) Berman and Rodriguez state that an application was made and approved by the Bank on June 16, 1989 for the opening of one bank account. The account was opened in the name of the Jo Ann Pepper Campaign Committee. They further stated that application for the account was made by Jo Ann Pepper, and approved by Rodriguez. Berman and Rodriguez also stated that the account was now closed.[7] As to the question of whether the Bank provided any loans to the Jo Ann Pepper Committee, Berman and Rodriguez indicated that no loans were provided to the Jo Ann Pepper Committee. The Bank also enclosed copies of the Committee's bank statements from June 20, 1989 through February 28, 1990, new account application, organizational resolution and signature card. (See attachment 1.) The Committee's bank statements, for the period covering the opening and closing of the accounts, show that $66,855 was deposited and $66,781.66 in checks were drawn on the account.

On September 27, 1990, the Commission received Ms. Jo Ann Pepper's response to the Subpoenas and Orders. (See Attachment 2.) Ms. Pepper also included documents in support of her

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7. Berman and Rodriguez did not state when the account was actually closed, but the bank statements enclosed with their response indicates that the account was closed sometime after or around February 28, 1990.

response.[8] Ms. Pepper states that she paid a total of $5,020 for office/apartment expenses. Ms. Pepper states further that Anton Handal loaned her $5,000 on July 20, 1989, and that this loan was repaid on November 18, 1989. Ms. Pepper also states that the Consolidated Bank loaned her $15,000, in which $12,000 was deposited into the Committee's account, and $3,000 deposited into her personal account. She states that the $3,000 placed into her personal account was used to pay for rent and other campaign expenses. Ms. Pepper reported that the loan for $15,000 was repaid on November 8, 1989. She also states that $690.19 from her personal account was used to pay the following incidental expenses:

So. Bell Telephone	$551.69
Photographer	50.00
Valet service	60.00
Tips	17.00
Parking	11.50
Total	$690.19

Ms. Pepper stated that she paid a total of $5,020 for office/apartment expenses. It is unclear from Jo Ann Pepper's response as to whether the $5,020 total payments for office/apartment expenses were entirely contributions or loans to the Committee. The same holds true as to the above-mentioned $690.19 incidental expenses that Ms. Pepper stated she paid. See also Footnote 4.

As mentioned-above, Ms. Pepper stated that Anton Handal

8. These documents included copies of the lease for the office/apartment, late rent notice, unsecured promissory note for a $5,000 loan from Anton N. Handal, promissory note for a $15,000 loan from Consolidated Bank and a maturity bill from Consolidated Bank.

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loaned her $5,000 on July 20, 1989. A copy of the canceled check was enclosed along with Jo Ann Pepper's response. (Attachment 2, pg. 8.) The check was drawn on a San Diego Trust & Saving Bank account for Anton N. Handal, Attorney At Law. The check was also dated July 20, 1989, and had the words "Personal loan" typed on it. The check was written out to "pay to the order of Jo Ann Pepper" and appeared to be signed by Anton N. Handal. There was also a copy of an unsecured promissory note for this loan enclosed with Jo Ann Pepper's response. (See attachment 2, pg. 7.) The note stated that the loan interest rate was eight percent (8%) and that the due date was September 19, 1989, or sooner. It does not appear that any interest was paid on this loan. Ms. Pepper stated that this loan was repaid in the amount of $5,000 on November 18, 1989. A copy of this canceled check was enclosed along with Jo Ann Pepper's response. (Attachment 2, pg. 8) The copy of the note enclosed with Pepper's response was unexecuted so it is unclear as to whether or not this note was ever executed.

If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the candidate. Instead, the loan is considered a contribution from the donor to the campaign, subject to the per-election limit and reportable by the campaign. In addition, a loan which exceeds the contribution limitations of the Act shall be unlawful whether or not it is repaid. See generally 11 C.F.R. § 100.7. Anton N. Handal's loan of $5,000 to

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Ms. Jo Ann Pepper was in excess of the $1,000 limits. He could only contribute $1,000 because Ms. Jo Ann Pepper only participated in the primary election.[9] This loan of $5,000 was used by Ms. Pepper for campaign purposes and, therefore, would be considered a campaign loan and thus a contribution under the Act.

In addition to the $5,000 loan, a review of the Committee's 1989 12 Day Pre-Special Run-off Report, covering June 15, 1989 through July 12, 1989, revealed a July 3, 1989 $500 contribution from Anton N. Handal. Anton N. Handal's $500 contribution totaled with his $5,000 loan equals an amount of $4,500 in excess of the $1,000 limit. Anton N. Handal's has violated 2 U.S.C. § 441a(a)(1)(A) by loaning Ms. Jo Ann Pepper $5,000, and contributing $500 to her Committee, which totals an amount of $4,500 in excess of the $1,000 limit.

The evidence in hand indicates that Ms. Pepper was personally involved in obtaining the loan of $5,000 from Anton N. Handal, and it appears that she also made the arrangements to obtain this loan. Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee have also violated the Act, at 2 U.S.C. § 441a(f), by knowingly accepting a $5,000 loan and a $500 contribution from Anton N. Handal, in excess of the $1,000 contribution limit. The repayment of the $5,000 loan to Anton N. Handal on November 8, 1989, mitigates but does not

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9. Ms. Pepper only participated in the Special Primary Election held on August 1, 1989 in the 18th Congressional District of Florida.

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exonerate Anton N. Handal, Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee from this apparent violation.

From the evidence on hand, the $15,000 personal loan from Consolidated Bank appears to have been made in accordance with the Act and the Commission's rules and regulations. The enclosed promissory note evidenced that the loan was from Consolidated Bank, that Jo Ann Pepper was the borrower, that the note was secured with expected proceeds from Claude Denson Pepper's Estate and that the note bore the usual and customary interest rate of the bank. Staff from this office also spoke with an official from the FDIC who stated the Consolidated Bank was a federally insured depository institution. It appears all funds Ms. Jo Ann Pepper loaned to her committee came from her personal funds or from the $15,000 bank loan, except for the $5,000 loan from Anton N. Handal that Ms. Pepper personally obtained.

Therefore, the Office of General Counsel recommends a new finding that there is reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f) by knowingly accepting a loan from Anton N. Handal, which exceeded the $1,000 contribution limitation. In addition, the Office of General Counsel recommends a new finding that there is reason to believe that Anton N. Handal violated 2 U.S.C. § 441a(a)(1)(A) by making a loan which exceeded the $1,000 contribution limitation. We will ask further questions to clarify the source of the funds of the Handal loan and to clarify some of the discrepancies between

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the Committee's reports, Committee's bank statement and Jo Ann Pepper's response on the amounts she loaned to the campaign and the payments she made from her personal account.

III. **RECOMMENDATIONS**

1. Find reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f).

2. Find reason to believe that Anton N. Handal violated 2 U.S.C. § 441a(a)(1)(A).

3. Approve the appropriate letters and attached Factual and Legal Analyses.

Lawrence M. Noble
General Counsel

Date 2/20/91

BY: Lois G. Lerner
Associate General Counsel

Attachments:
1. Response from Consolidated Bank
2. Response from Ms. Jo Ann Pepper
3. Summary of Committee's Reports VS. Committee's Statement
4. Factual and Legal Analysis (2)

Staff Assigned: Lawrence D. Parrish

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer.	)	MUR 3031

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 27, 1991, the Commission decided by a vote of 5-0 to take the following actions in MUR 3031:

1. Find reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f).

2. Find reason to believe that Anton N. Handal violated 2 U.S.C. §441a(a)(1)(A).

3. Approve the appropriate letters and Factual and Legal Analysis, as recommended in the General Counsel's Report dated February 20, 1991.

Commissioners Aikens, Elliott, Josefiak, McGarry and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

2-27-91
Date

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

Received in the Secretariat: Fri., Feb. 22, 1991 9:19 a.m.
Circulated to the Commission: Mon., Feb. 25, 1991 11:00 a.m.
Deadline for vote: Wed., Feb. 27, 1991 11:00 a.m.

9104087501 5

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 6, 1991

Fernando J. Solano, Treasurer
Jo Ann Pepper Campaign Committee
9270 E. Bay Harbor Drive #1B
Bay Harbor Island, FL 33154

RE: MUR 3031
Jo Ann Pepper Campaign
Committee and Fernando
J. Solano, as treasurer

Dear Mr. Solano:

On February 27, 1991, the Federal Election Commission found that there is reason to believe the Jo Ann Pepper Campaign Committee ("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. 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.

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.

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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 Lawrence D. Parrish, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jo Ann Pepper MUR: 3031

Jo Ann Pepper Campaign Committee
and Fernando J. Solano, as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). No candidate or political committee shall knowingly accept any contribution in excess of limits. 2 U.S.C. § 441a(f). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission regulations provide that the terms "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. The aggregated amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. 11 C.F.R.

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§ 100.7(a)(1)(i)(B).

An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of her authorized committee. 2 U.S.C. § 432(e). Furthermore, pursuant to 11 C.F.R. § 110.10, a candidate for Federal office may make unlimited expenditures from personal funds. The personal funds of a candidate include:

> (1) Any assets which, under applicable state law, at the time he or she becomes a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;

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> (3) the candidate's portion of the assets jointly owned with his or her spouse. The candidate's personal fund shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

Jo Ann Pepper was a candidate in the special primary election, in the 18th Congressional District of Florida, held on August 1, 1989. The Jo Ann Pepper Campaign Committee (the "Committee") filed its Statement of Organization with the Commission on June 19, 1989. Jo Ann Pepper lost in the special primary election on August 1, 1989. In the Committee's 1989 12 Day Pre-Special Run-off Report, covering July 13, 1989 through July 26, 1989, the Committee's Schedule C disclosed a $5,000 loan from Jo Ann Pepper with an incurred date of July 24, 1989, a due date of December 31, 1989, and an interest rate of eight percent (8%). On its Schedule C, the Committee reported a $5,000 loan, and did not disclose the original source or complete terms of the loan. The Committee also failed to clarify whether the $5,000 loan from Jo Ann Pepper were personal funds from the candidate or funds borrowed from another source.

On September 27, 1990, the Commission received a response from Ms. Jo Ann Pepper. Ms. Pepper states that Anton Handal loaned her $5,000 on July 20, 1989, and that this loan was repaid on November 18, 1989. A copy of the canceled check was

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enclosed along with Jo Ann Pepper's response.[1] The check was drawn on a San Diego Trust & Saving Bank account for Anton N. Handal, Attorney At Law. The check was also dated July 20, 1989, and had the words "Personal loan" typed on it. The check was written out to "pay to the order of Jo Ann Pepper" and appeared to be signed by Anton N. Handal. There was also a copy of an unsecured promissory note for this loan enclosed with Jo Ann Pepper's response. The note stated that the loan interest rate was eight percent (8%) and that the due date was September 19, 1989, or sooner. It does not appear that any interest was paid on this loan. Ms. Pepper stated that this loan was repaid in the amount of $5,000 on November 18, 1989. A copy of this canceled check was enclosed along with Jo Ann Pepper's response. The copy of the note enclosed with Pepper's response was unexecuted so it is unclear as to whether or not this note was ever executed.

If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the candidate. Instead, the loan is considered a contribution from the donor to the campaign, subject to the per-election limit and reportable by the campaign. In addition, a loan which exceeds the contribution limitations of the Act shall be unlawful whether or not it is repaid. See generally

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1. Ms. Pepper's response included a copy of an unsecured promissory note for a $5,000 loan from Anton Handal, a copy of a $5,000 canceled check from Anton Handal and a copy of a $5,000 repayment check from Jo Ann Pepper.

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11 C.F.R. § 100.7. Anton N. Handal's loan of $5,000 to Ms. Jo Ann Pepper was in excess of the $1,000 limits. He could only contribute $1,000 because Ms. Jo Ann Pepper only participated in the primary election.[2] This loan of $5,000 was used by Ms. Pepper for campaign purposes and, therefore, would be considered a campaign loan and thus a contribution under the Act.

In addition to the $5,000 loan, a review of the Committee's 1989 12 Day Pre-Special Run-off Report, covering June 15, 1989 through July 12, 1989, revealed a July 3, 1989 $500 contribution from Anton N. Handal. Anton N. Handal's $500 contribution totaled with his $5,000 loan equals an amount of $4,500 in excess of the $1,000 limit.

The evidence in hand indicates that Ms. Pepper was personally involved in obtaining the loan of $5,000 from Anton N. Handal, and it appears that she also made the arrangements to obtain this loan. Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, have violated the Act, at 2 U.S.C. § 441a(f), by knowingly accepting a $5,000 loan and a $500 contribution from Anton N. Handal, in excess of the $1,000 contribution limit. The repayment of the $5,000 loan to Anton N. Handal on November 8, 1989, mitigates but does not exonerate Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee from this

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2. Ms. Pepper only participated in the Special Primary Election held on August 1, 1989 in the 18th Congressional District of Florida.

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apparent violation.

Therefore, there is reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 6, 1991

Jo Ann Pepper
11730 Kimmie Drive
Cooper City, FL 33026

RE: MUR 3031
Jo Ann Pepper

Dear Ms. Pepper:

On February 27, 1991, the Federal Election Commission found that there is reason to believe you 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 you. 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 you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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.

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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 Lawrence D. Parrish, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

9104087502 5

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jo Ann Pepper MUR: 3031

Jo Ann Pepper Campaign Committee
and Fernando J. Solano, as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). No candidate or political committee shall knowingly accept any contribution in excess of limits. 2 U.S.C. § 441a(f). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission regulations provide that the terms "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. The aggregated amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. 11 C.F.R.

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§ 100.7(a)(1)(i)(B).

An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of her authorized committee. 2 U.S.C. § 432(e). Furthermore, pursuant to 11 C.F.R. § 110.10, a candidate for Federal office may make unlimited expenditures from personal funds. The personal funds of a candidate include:

> (1) Any assets which, under applicable state law, at the time he or she becomes a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;

9104087502 7

> (3) the candidate's portion of the assets jointly owned with his or her spouse. The candidate's personal fund shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

Jo Ann Pepper was a candidate in the special primary election, in the 18th Congressional District of Florida, held on August 1, 1989. The Jo Ann Pepper Campaign Committee (the "Committee") filed its Statement of Organization with the Commission on June 19, 1989. Jo Ann Pepper lost in the special primary election on August 1, 1989. In the Committee's 1989 12 Day Pre-Special Run-off Report, covering July 13, 1989 through July 26, 1989, the Committee's Schedule C disclosed a $5,000 loan from Jo Ann Pepper with an incurred date of July 24, 1989, a due date of December 31, 1989, and an interest rate of eight percent (8%). On its Schedule C, the Committee reported a $5,000 loan, and did not disclose the original source or complete terms of the loan. The Committee also failed to clarify whether the $5,000 loan from Jo Ann Pepper were personal funds from the candidate or funds borrowed from another source.

On September 27, 1990, the Commission received a response from Ms. Jo Ann Pepper. Ms. Pepper states that Anton Handal loaned her $5,000 on July 20, 1989, and that this loan was repaid on November 18, 1989. A copy of the canceled check was

9104087502 8

enclosed along with Jo Ann Pepper's response.[1] The check was drawn on a San Diego Trust & Saving Bank account for Anton N. Handal, Attorney At Law. The check was also dated July 20, 1989, and had the words "Personal loan" typed on it. The check was written out to "pay to the order of Jo Ann Pepper" and appeared to be signed by Anton N. Handal. There was also a copy of an unsecured promissory note for this loan enclosed with Jo Ann Pepper's response. The note stated that the loan interest rate was eight percent (8%) and that the due date was September 19, 1989, or sooner. It does not appear that any interest was paid on this loan. Ms. Pepper stated that this loan was repaid in the amount of $5,000 on November 18, 1989. A copy of this canceled check was enclosed along with Jo Ann Pepper's response. The copy of the note enclosed with Pepper's response was unexecuted so it is unclear as to whether or not this note was ever executed.

If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the candidate. Instead, the loan is considered a contribution from the donor to the campaign, subject to the per-election limit and reportable by the campaign. In addition, a loan which exceeds the contribution limitations of the Act shall be unlawful whether or not it is repaid. See generally

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1. Ms. Pepper's response included a copy of an unsecured promissory note for a $5,000 loan from Anton Handal, a copy of a $5,000 canceled check from Anton Handal and a copy of a $5,000 repayment check from Jo Ann Pepper.

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11 C.F.R. § 100.7. Anton N. Handal's loan of $5,000 to Ms. Jo Ann Pepper was in excess of the $1,000 limits. He could only contribute $1,000 because Ms. Jo Ann Pepper only participated in the primary election.[2] This loan of $5,000 was used by Ms. Pepper for campaign purposes and, therefore, would be considered a campaign loan and thus a contribution under the Act.

In addition to the $5,000 loan, a review of the Committee's 1989 12 Day Pre-Special Run-off Report, covering June 15, 1989 through July 12, 1989, revealed a July 3, 1989 $500 contribution from Anton N. Handal. Anton N. Handal's $500 contribution totaled with his $5,000 loan equals an amount of $4,500 in excess of the $1,000 limit.

The evidence in hand indicates that Ms. Pepper was personally involved in obtaining the loan of $5,000 from Anton N. Handal, and it appears that she also made the arrangements to obtain this loan. Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, have violated the Act, at 2 U.S.C. § 441a(f), by knowingly accepting a $5,000 loan and a $500 contribution from Anton N. Handal, in excess of the $1,000 contribution limit. The repayment of the $5,000 loan to Anton N. Handal on November 8, 1989, mitigates but does not exonerate Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee from this

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2. Ms. Pepper only participated in the Special Primary Election held on August 1, 1989 in the 18th Congressional District of Florida.

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apparent violation.

Therefore, there is reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 3031
	)	

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Jo Ann Pepper
11730 Kimmie Drive
Cooper City, FL 33026

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.

9104087503 2

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 June 1989 to 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.

9104087503 4

Interrogatories and Request For Production of Documents

1. In your response submitted to the Commission on September 25, 1990, you indicated that you loaned the Jo Ann Pepper Campaign Committee (the "Committee") a total of $5,020 ($3,500 on 6/27/89 and $1,520 on 7/28/89) for rent and office/apartment expenses.

a. Indicate whether you paid these expenses directly or if you loaned the $5,020 to the Committee to make the payments.

b. Indicate whether this loan has been repaid by the Committee.

c. State what amount of the $3,000 put into your personal account (from the $15,000 Consolidated bank loan) was used towards the $5,020 payments in rent and office/apartment expenses.

2. In your response submitted to the Commission on September 25, 1990, you indicated that you paid a total of $690.19 in incidental expenses. Indicate whether these expenses were considered a loan to the Committee, and if so state whether these expenses were reimbursed to you.

3. A review of the Committee's 12 Day Pre-Special Primary Report, covering June 15, 1989 through July 12, 1989, and bank statements from Consolidated Bank revealed several disbursements totaling $5,017.38, which failed to appear on the bank statement as payments. Identify the source of funds used to make these disbursements listed below:

Name	Purpose	Date	Amount
Consolidated Bank	Bank charges	6/15/89-7/12/89	140.00
Consolidated Bank	Interest to Bank	6/15/89-7/12/89	6.32
Petty cash	Petty cash	6/15/89-7/12/89	50.00
Design Floridian	Flowers-parade	7/06/89	154.00
Jenny's Flowers	Flowers-Fundraiser	6/28/89	111.30

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Epicure	Food-Fundraiser	6/28/89	330.00
Publix	Food-Fundraiser	6/28/89	59.26
Pan American Airlines	Trip to Wash.	6/26/89	578.00
Jo Ann Pepper	Valet services	6/28/89	60.00
Jo Ann Pepper	Tips-Fundraiser	6/28/89-7/07/89	17.00
Jo Ann Pepper	Parking	7/03/89 7/07/89	11.50
Vendome Equities Inc.	Rent	6/27/89	3500.00
			5017.38

4. A review of the Committee's 12 Day Pre-Special Run-off Report, covering July 13, 1989 through July 26, 1989, and bank statements from Consolidated Bank revealed several disbursements totaling $2412.29, which failed to appear on the bank statement as payments. Identify the source of funds used to make these disbursements listed below:

Name	Purpose	Date	Amount
Vendome Equities Inc.	Rent	none	1520.00
Miami Beach Chamber/Comm.	Dinner	7/26/89	120.00
Southern Bell	Telephone	7/26/89	551.69
Augustin Blanco	Photographer	7/26/89	50.00
Consolidated Bank	Bank charges	7/13/89-7/26/89	107.60
			2412.29

5. A review of the Committee's 12 Day Pre-Special General Report, covering July 27, 1989 through August 15, 1989, and bank statements from Consolidated Bank revealed several disbursements totaling $167.13, which failed to appear on the bank statement as payments. Identify the source of funds used to make these disbursements listed below:

Name	Purpose	Date	Amount
Design Floridian	Balloons-Party	8/1/89	150.00
Bank Charges	none	8/89	17.13
			167.13

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6. There were three checks transaction noted in the Committee's bank statements which are not reported in the Committee's Reports. Identify the purpose for each transaction listed below:

	Date	Amount
1.	7/25	$ 253.00
2.	8/04	$2000.00
3.	8/14	$3603.00

7. State whether you know the source of funds Anton N. Handal used to make the $5,000 loan to you and, if so, list and identify the sources.

8. Provide copies of all documents relating to the above questions.

9104087503 7

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 6, 1991

Anton N. Handal
3505 Camino Del Rio S.
Suite 110
San Diego, CA 92198

RE: MUR 3031
Anton N. Handal

Dear Mr. Handal:

On February 27, 1991, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(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 you. 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 you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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.

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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 Lawrence D. Parrish, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

John Warren McGarry
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

91040875039

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Anton N. Handal **MUR:** 3031

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). No candidate or political committee shall knowingly accept any contribution in excess of limits. 2 U.S.C. § 441a(f). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission regulations provide that the terms "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. The aggregated amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. 11 C.F.R. § 100.7(a)(1)(i)(B). The Act provides that where any loan is

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obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of her authorized committee. 2 U.S.C. § 432(e). Furthermore, pursuant to 11 C.F.R. § 110.10, a candidate for Federal office may make unlimited expenditures from personal funds. The personal funds of a candidate include:

> (1) Any assets which, under applicable state law, at the time he or she becomes a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had either legal and rightful title, or an equitable interest.
>
> (2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequests after the candidacy of which the candidate is the beneficiary, gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance;
>
> (3) the candidate's portion of the assets jointly owned with his or her spouse. The candidate's personal fund shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership. If no specific share is so indicated, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10.

According to Ms. Jo Ann Pepper, Anton Handal loaned her $5,000 on July 20, 1989, that was repaid on November 18, 1989. A copy of the canceled check shows that it was drawn on a San Diego Trust & Saving Bank account for Anton N. Handal, Attorney At Law. The check was also dated July 20, 1989, and had the words "Personal loan" typed on it. The check was written out to "pay to the order of Jo Ann Pepper" and appeared to be signed by

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Anton N. Handal. A copy of an unsecured promissory note for this loan stated that the loan interest rate was eight percent (8%) and that the due date was September 19, 1989, or sooner. It does not appear that any interest was paid on this loan. According to Ms. Pepper, this loan was repaid in the amount of $5,000 on November 18, 1989. The copy of the promissary note was unexecuted so it is unclear as to whether or not this note was ever executed.

If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the candidate. Instead, the loan is considered a contribution from the donor to the campaign, subject to the per-election limit and reportable by the campaign. In addition, a loan which exceeds the contribution limitations of the Act shall be unlawful whether or not it is repaid. See generally 11 C.F.R. § 100.7. Anton N. Handal's loan of $5,000 to Ms. Jo Ann Pepper was in excess of the $1,000 limits. He could only contribute $1,000 because Ms. Jo Ann Pepper only participated in the primary election.[1] This loan of $5,000 was used by Ms. Pepper for campaign purposes and, therefore, would be considered a campaign loan and thus a contribution under the Act.

In addition to the $5,000 loan, a review of the Committee's

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1. Ms. Pepper only participated in the Special Primary Election held on August 1, 1989 in the 18th Congressional District of Florida.

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1989 12 Day Pre-Special Run-off Report, covering June 15, 1989 through July 12, 1989, revealed a July 3, 1989 $500 contribution from Anton N. Handal. Anton N. Handal's $500 contribution totaled with his $5,000 loan equals an amount of $4,500 in excess of the $1,000 limit. It appears that Anton N. Handal's has violated 2 U.S.C. § 441a(a)(1)(A) by loaning Ms. Jo Ann Pepper $5,000, and contributing $500 to her Committee, which totals an amount of $4,500 in excess of the $1,000 limit.

Therefore, there is reason to believe that Anton N. Handal violated 2 U.S.C. § 441a(a)(1)(A).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 3031
	)	

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Anton N. Handal
3505 Camino Del Rio S.
Suite 110
San Diego, CA 92198

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. State whether you knew Jo Ann Pepper was a candidate for the Democratic Party's nomination to Congress at the time you loaned her $5,000.

2. List and identify the source of funds used to make this loan.

3. Provide copies of all documents relating to the above questions.

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LAW OFFICES OF
ANTON N. HANDAL
SUITE 110
3505 CAMINO DEL RIO SOUTH
SAN DIEGO, CALIFORNIA 92108
TELEPHONE (619) 584-4051
TELECOPIER (619) 584-1524

March 21, 1991

91 MAR 23 PM 3:20

John Warren McGarry
Chairman
Federal Election Commission
Washington, D.C. 20463

Re: *MUR 3031 - Loan to JoAnn Pepper*

Dear Mr. McGarry:

Thank you for your correspondence of March 6, 1991. However, I take exception to some of the inferences raised by your communication.

JoAnn Pepper has been a close, personal friend of mine since 1988. For over a year and a half, she and my girlfriend were roommates in Ms. Pepper's home in Cooper City, Florida. When Ms. Pepper ran for her late uncle's seat, the timing was such that she was unable to meet many of her personal expenses since her deceased uncle's estate had not closed. I knew that she would be receiving approximately from that estate. After the race began, Ms. Pepper had severe financial problems including not being able to maintain her mortgage payments on her home. I extended her a $5,000.00 loan only because of my desire to assist her with her personal finances. I never intended the money to be used by her in her campaign or as a campaign contribution. However, I put no prohibitions on the use of the money.

I have enclosed herewith a fully executed copy of the Promissory Note evidencing the loan transaction. I have also enclosed herewith a copy of a handwritten correspondence together with the envelope it arrived in, within which Ms. Pepper repaid her loan to me. As you can easily see from the handwritten note, Ms. Pepper, in referencing her ability to keep her house, clearly indicated our express intent that the loan was personal her assist her with her personal finances. You will also note that the postmark on the envelope corresponds with the approximate date of the repayment of the loan.

You are correct in that I have not received any interest on the loan inasmuch as Ms. Pepper's personal financial situation was such that it did not lend itself to making any further advances. Indeed, all of the money she received from her deceased uncle's estate, went to pay her personal debts and 2other obligations

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arising out of the campaign. She was hardly in a position to pay me any interest on the loan. Additionally, the amount of interest that did accrue on the loan was nominal and I considered it a gift to a friend.

If Ms. Pepper listed my loan on her campaign financial disclosures, then I am sure that she did so in an abundance of caution to make sure that all of her financial dealings were made public. However, her mere disclosure does not change the character of the loan. I specifically intended it as a helping hand to a personal friend and not as a campaign contribution. Indeed, I made a separate contribution of $500.00 to her campaign.

I hope this will clear any questions regarding my intentions with regards to this loan to Ms. Pepper.

Sincerely,

Anton Handal

ANH:jf
Encls. as stated.

91040875047

UNSECURED PROMISSORY NOTE

PRINCIPAL SUM: $5,000.00

FOR VALUE RECEIVED, the undersigned promises to pay to the order of ANTON HANDAL, at 3505 Camino del Rio South, Suite 110, San Diego, CA 92108, or at such other place as the holder of this NOTE may designate, in writing, the principal sum of FIVE THOUSAND DOLLARS and all accrued interest.

The undersigned also agrees to pay the holder of this NOTE, eight percent (8%), simple interest, per annum, on the principal amount of this NOTE. The principal amount of this NOTE together with all accrued interest is due and payable September 19, 1989, or sooner.

Dated: 7-21-89

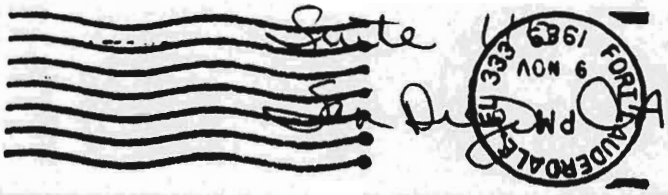
Jo Ann Pepper

WITNESSED:

9104087500 48

J. Pepper
11730 Kimmie Dr
Cooper City, Fl 33026

Mr. Anton Handal
3505 Camino del Rio, South
Suite
San Diego CA 92108



11/8/89

Dear Tony,

I finally got my check! Not much left after paying bills but at least my house was not repossessed. Thanks for all you help and support.

Love, JoAn

9104087 5049

06(8621)

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 APR -3 AM 11:35

April 1, 1991

91 APR -3 PM 3:25

Federal Election Commission
Washington, DC 20463

RE: MUR 3031

Dear Mr. Parrish,

Please be advised that I am interested in pursuing a pre-probable cause conciliation but am requesting an extension of time. I did not receive Mr. McGarry's letter dated March 6, 1991 until March 29, 1991, due to a change in my address.

Your consideration is appreciated.

Sincerely,

555 NE 34 ST #2601
Miami, Fl 33137
305-576-9344 (HOME #)
305-536-6756 (OFFICE #)

91040875050

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 29, 1991

Jo Ann Pepper
555 N.E. 34th Street
Apt., # 2601
Miami, Florida 33137

RE: MUR 3031

Dear Ms. Pepper:

This is in response to your letter dated April 1, 1991, which we received on April 3, 1991, requesting an extension to respond to the Interrogatories and Request for Production of Document issued in this 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 May 3, 1991.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: George F. Rishel
Assistant General Counsel

91040875051

GCC 7269
FEDERAL ELECTION COMMISSION
91 AUG 20 10:50

August 19, 1991

Mr. Lawrence D. Parrish
Office of the General Counsel
Federal Election Commission
Room 659
999 E. Street, N.W.
Washington, DC 20463

91 AUG 20 PM 3:41

RE: MUR3031 JO ANN PEPPER

Dear Mr. Parrish:

In response to the Federal Election Committee's finding, the following is offered for your further consideration:

The $5,000 loan from Anton Handal was used for private rather than campaign needs.

Pursuant to the Hatch Act, I had to resign my position as a U. S. Probation Officer and therefore, had no income during the period of the campaign. I was, however, to receive a bequest from the estate of Claude Pepper, my uncle, who had passed away May 30, 1989. This bequest was not received until the beginning of November, 1989 (see attached copy of check).

The $5,000 personal loan from Mr. Handal was used to pay my home mortgage and other obligations I had incurred before the campaign. This loan was listed on the campaign reports by the Treasurer in an abundance of caution. Mr. Handal's loan, as well as a bank loan from Consolidated Bank, were repaid upon receipt of the bequest. As you can see from the Committee's report, this campaign personally cost me over $25,000.

9104087505 2

Response to Interrogatories & Documentation

(1) Loan to Committee of $3,500 on June 27, 1989 and $1,520 on July 28, 1989 for rent and office/apartment expenses.

a. The $3,500 was a cash advance from a credit card and the $1,520 was a withdrawal from a personal account. Both payments were made by cashier's check to best of my knowledge. I do not have documentation other than a copy of the original lease and the July rent bill.

b. This loan was not repaid by the Committee.

c. Of the $15,000 Consolidated Bank loan, $3,000 of which was placed into my personal account, $1,520 was used in payment of rent expenses.

(2) The $690.19 incidental expenses were not reimbursed to me by the Committee.

(3) Attached, please find a copy of a check register and bank statements from my personal account with Hollywood Federal, account #703259. This bank account does not return cancelled checks. I also had a personal account with Consolidated Bank, account #404187921, but do not have record of checks for the month of June or July, 1989. The Hollywood Federal account reflect numerous cash withdraws, the June 26th $3,500 cash advance, etc. Attached, please find receipts from Consolidated Bank reflecting bank charges and interest paid to the bank. The $578 Pan Am ticket was paid by credit card and as indicated above, the rent was paid by cashier's check. All of the bills listed here were paid by personal funds and were not reimbursed by the Committee.

(4) Again, all these disbursements were from personal funds.

(5) Again, the August 1, 1989 disbursement was from personal funds. I am unable to explain the $17.13 bank charge.

(6) Attached, please find copies of the Consolidated Bank campaign account statement for the month ending July 31 1989 as well as copies of the August 4, 1989 check in the amount of $2,000 and August 14, 1989 check in the amount of $3,603 as well as the record of the $253 bank charge. The first two checks were paid to a campaign organization known as Community Involved Get Out the Vote run by Ms. Dorris Reed, a local political consultant.

(7) Mr. Handal is a successful attorney in San Diego, California. I do not know the source of the funds he used for my $5,000 loan.

9 1 0 4 0 8 7 5 0 5 3

I have requested copies of my personal account with Consolidated Bank for the months of June and July, 1989 and will forward upon receipt.

If I may be of further information, please advise.

Sincerely,

Jo Ann Pepper

Jo Ann Pepper

9 1 0 4 0 8 7 5 0 5 4

CONSOLIDATED BANK

MEMBER FDIC

27
JO ANN PEPPER
(CAMPAIGN COMMITTEE)
780 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

07/31/89
003004 CY
40-211574-1

						BALANCE THIS STATEMENT
1,306.32-	27	42595.00	30	26920.39	3.96	14,364.33

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
07/03	200.00	DEPOSIT
07/05	950.00	DEPOSIT
07/05	20.00-	NSF/OD CHARGE
07/06	600.00	DEPOSIT
07/06	40.00-	NSF/OD CHARGE
07/07	250.00	DEPOSIT
07/07	1525.00	DEPOSIT
07/07	20.00-	NSF/OD CHARGE
07/10	450.00	DEPOSIT
07/10	500.00	DEPOSIT
07/12	100.00	DEPOSIT
07/12	1300.00	DEPOSIT
07/13	600.00	DEPOSIT
07/13	1105.00	DEPOSIT
07/13	20.00-	NSF/OD CHARGE
07/14	20.00-	NSF/OD CHARGE
07/17	[illegible].00	DEPOSIT
07/17	1100.00	DEPOSIT
07/17	1325.00	DEPOSIT
07/18	14.40-	JAM CHECK ORDERS
07/18	53.20-	JAM CHECK ORDERS
07/20	1275.00	DEPOSIT
07/21	1550.00	DEPOSIT
07/24	500.00	DEPOSIT
07/24	2070.00	DEPOSIT
07/24	4500.00	CREDIT MEMO
07/25	500.00	DEPOSIT
07/25	1200.00	DEPOSIT
07/25	1595.00	DEPOSIT
07/26	12000.00	DEPOSIT
07/26	5000.00	RETURN CHECK
07/28	1450.00	DEPOSIT
07/31	175.00	DEPOSIT
07/31	250.00	DEPOSIT
07/31	10.17-	OD INTEREST CHG

NAME & ADDRESS

ANNUAL PERCENTAGE RATE

9104087550055

CONSOLIDATED BANK

MEMBER FDIC

PAGE 2
07/31/89

27
JO ANN PEPPER
(CAMPAIGN COMMITTEE)
780 NE 69TH STREET #1519
MIAMI, FLORIDA 33138

003004 CY

40-211574-1

BALANCE LAST STATEMENT						BALANCE THIS STATEMENT
1,306.32-	27	42595.00	30	26920.39	3.96	14,364.33

CHECKING ACCOUNT TRANSACTIONS TAX ID NBR 26-1082770

DATE	AMOUNT	DESCRIPTION
07/31	3.96-	SERVICE CHARGE

TOTAL YEAR-TO-DATE OD INTEREST IS 16.49

CHECKS

DATE	CHECK NO	AMOUNT	DATE	CHECK NO	AMOUNT
07/12	102	510.00	07/05	103	400.00
07/11	104	1000.00	07/11	105	1000.00
07/17	106	100.00	07/17	107	50 00
07/19	108	2809.00	07/24	109	16.50
07/24	110	30.00	07/25	111	5000.00
07/28	112	1024.00	07/25	113	424.00
07/26	114	558.54	07/27	115	5500.00
07/24	116	500.00	07/25	117	200.00
07/24	118	500.00	07/27	120*	2700.00
07/31	125*	1000.00	07/31	129*	49.50
07/03	406*	877.68	07/25	*	253.00
07/03	*	2180.00			

DAILY BALANCE INFORMATION

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
07/02	1306.32-	07/03	4164.00-	07/05	3634.00-
07/06	3074.00-	07/07	1319.00-	07/10	369.00-
07/11	2369.00-	07/12	1479.00-	07/13	206.00
07/14	186.00	07/17	2986.00	07/18	2918.40
07/19	109.40	07/20	1384.40	07/21	2934.40
07/24	8957.90	07/25	6375.90	07/26	22776.96
07/27	14576.96	07/28	15002.96	07/31	14364.33

27

TO VERIFY DIRECT DEPOSITS (SOCIAL SECURITY, ETC.)
PLEASE CALL CUSTOMER SERVICE DEPT. AT 558-1000.

LOAN FINANCE CHARGES

ANNUAL PERCENTAGE RATE

9104087550 56

9104087505 7

034 0 0 . 7 7 5 0 DATE 06/23/89

NAME - JO ANN PEPPER PHONE - 305/437-4767

BANK	BRANCH	ACCOUNT NUMBER	TYPE	OFFICER	DATE OPENED	SPECIAL INST
003	001	40-211574-1	BU	009	06/23/89	

CC = 31910 PRIOR END BL 2643.00

DATE LAST OVERDRAWN	NO O.D.	NO RET	NO N.S.F.	DATE LAST DEPOSIT	AMOUNT
00/00/00	0	0	0	06/22/89	15[illegible]

BEFORE POSTING	FLOAT AMOUNT	BEFORE POSTING
2,648.00	8,950.00	11,202.00-

IF ALL PAID CURRENT BALANCE	HOLD AMOUNT	ALL PAID AVAILABLE BALANCE
1,827.00-	4,950.00	15,677.00-

$ 20.00 O.D. CHARGE CC END A OFFICERS INITIALS

⑆067001097⑆ ⑈040211574⑈ 34 ⑈0000002000⑈

---

034 DATE 06/27/89

NAME - JO ANN PEPPER PHONE - 305/437-4767

BANK	BRANCH	ACCOUNT NUMBER	TYPE	OFFICER	DATE OPENED	SPECIAL INST
003	001	40-211574-1	SU	009	06/27/89	

CC = 31910 PRIOR END BL 126.00-

DATE LAST OVERDRAWN	NO O.D.	NO RET	NO N.S.F.	DATE LAST DEPOSIT	AMOUNT
06/23/89	1	0		06/27/89	15[illegible]

BEFORE POSTING	FLOAT AMOUNT	BEFORE POSTING
[illegible]	[illegible]	1[illegible]

IF ALL PAID CURRENT BALANCE	HOLD AMOUNT	ALL PAID AVAILABLE BALANCE
2[illegible]-	[illegible]	19,371[illegible]-

$ [illegible] CC END A OFFICERS INITIALS

⑆067001097⑆ ⑈040211574⑈ 34 ⑈0000004000⑈

4475.00

DATE

THE ABOVE ITEMS TOTALING $ 34475.00 WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO 43-211574-1

Your account has been charged $ 20.00 due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE 1,327.00-

AVAILABLE BALANCE 15,077.00-

CONSOLIDATED BANK, N.A. 333001 10/20/85

349.00

DATE

THE ABOVE ITEMS TOTALING $ 3349. WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO. 43-211574-1

Your account has been charged $ 20.00 due to the costs involved in handling these transactions. Please record this charge in your check register

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE 120.00-

AVAILABLE BALANCE 15,078.00-

CONSOLIDATED BANK, N.A. [illegible]

379.00 UC 3[illegible]
434

DATE

THE ABOVE ITEMS TOTALING $ 3375. WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO 43-211574-1

Your account has been charged $ 40.00 due to the costs involved in handling these transactions. Please record this charge in your check register

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE [illegible]

AVAILABLE BALANCE [illegible]

9140875058

CONSOLIDATED BANK, N.A. 003001 06/29/89
DATE

5[illegible].0000
425

THE ABOVE ITEMS TOTALING $ [illegible] WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO. -211574-1

Your account has been charged $ [illegible] due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE
370.00-

AVAILABLE BALANCE
19,320.[illegible]-

CONSOLIDATED BANK, N.A. 003001 06/30/89
DATE

424.0000
1:1

THE ABOVE ITEMS TOTALING $ 424.00 WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO. -211574-1

Your account has been charged $ 20.00 due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE
1,[illegible]-

AVAILABLE BALANCE
12,[illegible]-

CONSOLIDATED BANK, N.A. [illegible] [illegible]
DATE

877.6800 2180.0000
426

THE ABOVE ITEMS TOTALING $ 3057.68 WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO. -211574-1

Your account has been charged $ 40.00 due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE
[illegible]-

AVAILABLE BALANCE
[illegible]-

9 1 0 4 0 8 7 5 0 5 9

CONSOLIDATED BANK, N.A. 003001 07/11/85
DATE

1000.0000 1000.0000
105 104

THE ABOVE ITEMS TOTALING $ 2000.00 WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO 03-211574-1

Your account has been charged $ 20 due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
7[illegible] NE 59TH STREET #1519
MIAMI, FLORIDA 33138

CURRENT BALANCE
2,369.0[illegible]-

AVAILABLE BALANCE
7,369.0[illegible]-

CONSOLIDATED BANK, N.A. 003001 07/15/85
DATE

400.0000
103

THE ABOVE ITEMS TOTALING $ 400.00 WERE PRESENTED FOR PAYMENT, AGAINST YOUR ACCOUNT NO 03-211574-1

Your account has been charged $ 20.00 due to the costs involved in handling these transactions. Please record this charge in your check register.

TO: JO ANN PEPPER
(CAMPAIGN COMMITTEE)
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

CURRENT BALANCE
[illegible]

AVAILABLE BALANCE
9,534.0[illegible]-

9 1 0 4 0 8 7 5 0 6 0

Residential Lease

This Agreement (hereinafter sometimes called "Lease") made this 19th day of June, 19 89, by and between VENDOME EQUITIES INC. as agent for a Residential complex known as Palm Bay, hereinafter called Landlord, and Joann Pepper jointly and separately, hereinafter called Tenant:

WITNESSETH

In consideration of the representations made in the application filed by Tenant with Landlord, the rent reserved herein and the convenants and agreements herein contained and to be performed by Tenant, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, apartment number 1517/1519, Florida (herein called "premises") to be used only as a private dwelling, and for no other purpose, for a term of 6 month(s) and 0 day(s) beginning on June 19, 19 89 and ending on December 19, 19 89, at a monthly rental of One Thousand and Five Hundred Dollars payable in advance, without offset, deduction or demand, on or before the first (1st) day of each monthly period during such term, at the office of the premises, the first payment in the amount of One Thousand Five Hundred Dollars ($ 1,500.00), to be made upon execution hereof to cover the rent in advance for the period of June 19, 19 89 through July 19, 19 89 of the Lease period. Time is of the essence of this Lease. In the event any monthly rental payment is not received by Landlord by the fifth (5th) day of the monthly period for which such rental is due and payable, then Tenant agrees to pay Landlord as additional rent Twenty Dollars ($20) for its expense of bookkeeping and collection. Tenant acknowledges and agrees that Landlord shall be under no obligation to accept rent, late charges or any other monies from Tenant after the three day period recited in paragraph 20 (i) of this Lease. Further, in the event any check is returned to Landlord as uncollectable for any reason, the Tenant agrees to pay Landlord the greater of Ten Dollars ($10) or 5% of the amount of such check, to cover Landlord's expenses in connection with such returned check. Thereafter, unless Tenant's bank confirms in writing that the returning of said check was due to its error, payments of rent or any other charges will be accepted only by cashier's check or money order. If not paid when due, Landlord reserves the right to refuse to accept rent and late charges and terminate this Lease. Tenant agrees to pay as additional rent any applicable sales and use taxes levied upon the use and occupancy of the premises.

SECURITY DEPOSIT TO BE PAID WITHIN THIRTY DAYS ($500.00)

IT IS FURTHER COVENANTED AND AGREED BETWEEN LANDLORD AND TENANT AS FOLLOWS:

1. USE AND OCCUPANCY; NO ASSIGNMENT OR SUBLETTING: Tenant shall personally use and occupy the premises solely as a private dwelling for himself and shall not sublet or rent the premises or any part thereof, or suffer or permit the premises or any part thereof to be used by any additional occupant or for other than residential purposes. Tenant shall not transfer or assign this Lease or any interest herein, in whole or in part, and any such transfer or assignment shall be void. Except as set forth herein, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators successors and assigns.

Tenant, at all times during the tenancy, SHALL: a) keep the premises clean and sanitary, remove all garbage in a clean and sanitary manner, and keep all plumbing fixtures clean and sanitary and in repair; b) use and operate in a resonable manner all electrical, plumbing, sanitary, heating, cooking, ventilating, air-conditioning and other such facilities, appliances and equipment; c) conduct himself and require persons on the premises with Tenant's consent to conduct themselves, in a manner that does not unreasonably disturb Tenant's neighbors or constitute a breach of the peace; d) comply with all obligations imposed upon tenants by applicable provisions of building, housing and health codes and with all other applicable present and future laws, and regulations; e) prior to the expiration of the Lease, at Tenant's own cost and expense, remove any wall covering or any attachments Tenant may have installed.

2. CONDITION OF PREMISES: Tenant hereby acknowledges the good condition of the premises and his acceptance of the Lease is conclusive evidence that said premises are in good and satisfactory order and repair, and that no representations as to the condition of the premises or future alterations or additions to the premises have been made. Tenant shall not make any alterations or additions in or to the premises without Landlord's prior written consent. Any alterations or additions made with Landlord's consent shall be and remain a part of the premises unless Landlord's consect expressly provides otherwise.

3. POSSESSION: Landlord shall not be liable for the failure to deliver possession of the premises at the time stipulated herein, nor shall such failure excuse Tenant's obligations hereunder, except that in the event of delay, the rent herein stipulated to be paid shall be abated for the period from the date of the commencement above to the day possession is tendered to Tenant. The termination date of this Lease shall not be extended by any such delay or failure.

4. DAMAGES TO PREMISES; LIABILITY; LANDLORD'S RIGHT TO ENTER: Tenant shall keep the premises and fixtures and any personal property of Landlord therein in good condition and repair, and at the termination of his tenancy shall deliver up the premises, fixtures and personal property in as good order and condition as they are now, ordinary wear and tear excepted. Tenant shall give Landlord prompt notice of any defects in or accidents to the water pipes, electric wiring, heating or cooling apparatus, or any other part of said premises in order that the same may be repaired with due diligence, but Landlord shall not be liable for any damages arising out of the making of any such repairs, or the delay of failure to make the same. Tenant shall be liable for any cost, loss, damages or injury arising from the acts or omissions of Tenant, the members of his family, agents, guests or employees, including without limiting the foregoing, any damages to the buildings, staircase, hallways, elevators, etc. occurring in his moving in or out or in bringing in or moving out furniture or any other item. Except for Landlord's negligence or willful misconduct. Landlord and its agents and employees shall not be responsible or liable for any loss, damage or injury whatever to the person or property of Tenant, the members of his family, agents, guests, employees or other persons in and upon said premises or in and about said building or Landlord's property at any time. Tenant shall allow Landlord or its agent access to said premises at any time in case of emergency and at any reasonable time for the purpose of inspection, repair and maintenance, and for the purpose of showing prospective tenants, purchasers, mortgagees, workmen or contractors the premises

5. SECURITY DEPOSITS: Tenant has tendered to Landlord a security deposit in the sum of Five Hundred and 00/100------- Dollars ($ 500.00). A security deposit is made for the payment of all sums due or which may become due hereunder and the full and faithful performance of all agreements herein of Tenant, including, but not limited to, monetary damage to Landlord caused by Tenant's breach of this Lease. Such deposit is payable in a lump sum at the execution of this Lease, and is to be refunded to Tenant upon his removal from the premises at the expiration or termination of this Lease or any renewal thereof, after there has been deducted therefrom any and all charges due Landlord under the terms hereof, then remaining unpaid. Any refund due Tenant shall be made in the name(s) of all parties designated as Tenant, unless any party has officially relinquished his right to said security deposit, on a form provided by Landlord, in favor of and acknowledged by all other parties to this Lease as Tenant. In the event of a bona fide sale subject to this Lease, Landlord shall have the right to transfer such security deposit to the purchaser for the benefit of Tenant, and Landlord shall be considered and will be thereby released by Tenant from all liability for the return of such security deposit, and Tenant agrees in such event to look solely to the new Landlord/purchaser for the return of the deposit and for the performance of the obligations hereunder by Landlord. In the event the sums due under any provision of this Lease by Tenant to Landlord exceed the security deposit, then Tenant agrees to pay any additional sums due hereunder over and above said security deposit to Landlord within thirty (30) days after notification of such sums. In the event said sums are not paid within the thirty (30) day period, or mutual agreement for payment has not been made, Landlord may elect to place Tenant's account with a collection agency or attorney for collection, in which case Tenant agrees to additionally pay any costs incurred by Landlord to effect collection. THE SECURITY DEPOSIT SHALL NOT BE APPLIED BY TENANT TO THE LAST MONTH'S RENT, OR ANY PART THEREOF. Said monies will be kept on Deposit in Barnett Bank Bank Account # 1595313883 and will receive 5% simple annual interest.

6. END OF TERM: At the end of the term, Tenant shall vacate and surrender the premises and Landlord's personal property to Landlord, broom clean, and in as good condition as at the beginning of the term, ordinary wear and tear expected, and Tenant shall remove all of Tenant's property. All property, installations and additions required to be removed by Tenant at the end of the term which remain in the Premises after Tenant has vacated shall be considered abandoned by Tenant and, at the option of Landlord, may either be retained as Landlord's property or may be removed by Landlord at Tenant's expense.

7. LANDLORD'S PERSONAL PROPERTY: Tenant acknowledges receipt in good condition of all furniture and furnishings and equipment listed hereunder, without warranty express or implied by Landlord as to its fitness, and agrees not to remove any of the said furniture, furnishings and equipment without the prior written consent of Landlord. Such list shall be deemed conclusively correct in all particulars except as to such defects for which the Tenant gives written notice to the Landlord within three (3) days after the date hereof or date of occupancy, whichever is later.

8. APPLIANCES: Landlord shall furnish and maintain in operating order in the premises such range, refrigerator, dishwasher, garbage disposal and air-conditioner units as shall be in the premises at the time of acceptance thereof by Tenant, but shall not be liable for any loss or damage which may be caused, directly or indirectly, by furnishing or maintaining such equipment. Where garbage disposals are provided, they are for the disposal of all wet garbage with the exeption of bones, celery, corn shucks or cobs, and the like and shall be so used. Tenant shall give Landlord prompt notice of the need for any repair to such equipment and shall specify the cause, if known.

9. TENANT'S PERSONAL PROPERTY; STORAGE: All Tenant's personal property placed in the premises or any portion of the apartment complex or any place appurtenant thereto or on the grounds thereof shall be at the sole risk of the Tenant, and Landlord shall in no event be liable for the loss, destruction, theft of or damage to such property. Tenant content insurance is recommended but is not required, except for waterbeds. Tenant shall take good care of the Premises and Landlord's appliances and furnishings therein, and shall maintain them in good order and condition, ordinary wear and tear excepted. Landlord may repair, at the expense of Tenant, all damage or injury to the Premises resulting from the misuse or negligence of Tenant, a member of Tenant's family or other person on the premises with or without Tenant's consent. The cost of such repairs shall be paid by Tenant to Landlord within five days of rendition of Landlord's bill concerning such costs. There shall be no allowance to Tenant and no liability on the part of Landlord by reason of inconvenience or annoyance arising from the making of any repairs, alterations, additions or improvements to the Premises or any portion of the building in which the Premises are located.

10. UNLAWFUL USE, DISTURBING NOISES: Tenant shall not commit waste on the premises or maintain or permit to be maintained a nuisance therein and shall not use, or permit to be used, the premises for any unlawful purpose or do or permit any unlawful act in or about the premises. Tenant shall not make or permit to be made any disturbing noises or commit or permit any act which will unreasonably interfere with the rights, comfort or convenience of other tenants. Tenant shall not play or suffer to be played any musical instrument in the premises before seven o'clock a.m. or after 11 o'clock p.m., and shall not conduct or permit to be conducted vocal or instrumental instruction at any time and will not play or suffer to be played in any loud or disturbing manner any TV, radio, phonograph record player, tape player or other audio or video equipment.

11. RULES AND REGULATIONS: The rules and regulations with regard to the premises and the apartment complex are attached to this Lease and by reference made a part hereof and all amendments and modifications thereto as may from time to time be made by Landlord shall be considered a part of this Lease, and Tenant covenants and agrees that said rules and regulations and any modifications thereto shall be faithfully observed by Tenant and his family, guests, employees and invitees.

TRASH AND GARBAGE: Landlord shall maintain a designated depository on the grounds of the apartment complex and Tenant is responsible for the removal of his trash or garbage to and depositing of same in such depository at any time. Landlord shall have the right to remove any trash or garbage can or receptacle which is placed in the hallway in violation of this regulation, and Tenant shall reimburse Landlord for any costs incurred in removing same.

12. PETS: NOT PETS ARE ALLOWED or any animals or birds or fish of any description, in said premises without prior written consent.

13. LOCKS AND KEYS: Upon termination of this Lease, Tenant shall surrender to Landlord all keys previously delivered by Landlord to Tenant and in the event any keys are missing, then Tenant agrees to pay Landlord the sum of fifty dollars ($50.00), recognizing the necessity of Landlord to change the door lock and provide additional keys, and in the event such sum is not paid then same shall be deducted from the above described security deposit or otherwise shall become due hereunder. Tenant shall be permitted to install or cause to be installed a deadbolt lock at the expense of the Tenant upon permission from Landlord. Said deadbolt lock must remain a permanent part of the apartment and one key must be turned in to the Landlord or Landlord's agent.

14. NO ATTACHMENTS TO PREMISES: No awnings or other projections except such as are installed by Landlord shall be attached to the outside or other part of the premises or building, and no blinds, shades, screens, attachments or contrivances of any kind shall be attached to, hung in, or used in connection with any window or door of the premises, nor, except as permitted by statute, shall Tenant install or use any radio or TV antenna without the prior written consent of the Landlord.

15. SERVICE: Tenant agrees to pay for all utilities, including electricity and telephone, used or consumed by Tenant. Any interruption, modification or discontinuance in the character of the services provided by Landlord as a convenience to Tenant, including any utilities, shall not be cause for damages, for termination of this Lease, or for a reduction or rebate of the stipulated rent. Requests for maintenance service must be submitted to the office. MAINTENANCE IS DONE ON A PRIORITY BASIS. EXACT APPOINTMENTS (DATE AND TIME) FOR MAINTENANCE WILL NOT BE GIVEN.

16. DRAPES: Tenant must furnish drapes for the apartment at his own expense within seven (7) days after taking occupancy which must be white when viewed from the street. No other window covering shall be placed on window, e.g., no foil, newspapers, sheets, linens, or solar coverings, shades, etc.

17. FIXTURES, PLUMBING: The toilets and other water and sewer apparatus and fixtures shall not be used for purposes other than those for which they were designed, and no sweepings, matches, cigarettes, cigars, pipe or chewing tobacco, rags, disposable diapers, non-biodegradeable sanitary products, ashes, or other improper articles shall be thrown therein. The cost of repairing any damage resulting from misuse of any of same shall be borne by Tenant. Landlord reserves the exclusive right to select, or authorize the selection of, repairmen required to repair any such damage.

30. **SUBORDINATION:** This Lease shall be and is hereby made subject and subordinate at all times to the lien of any mortgages, and to any ground leases and master leases, now or hereafter placed on the land and/or building of which the premises form a part without the necessity of any further instrument or act on the part of Tenant to effectuate such subordination; provided, however, Tenant covenants and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination as shall be desired by mortgagee or lessor or proposed mortgagee or lessor and Tenant hereby irrevocably appoints Landlord the attorney-in-fact of Tenant, to execute and deliver any such instrument or instruments for and in the name of Tenant.

31. **ADVANCES OR REQUIRED PAYMENT:** If Tenant shall fail to perform any term, convenant, condition or provision on his part to be performed under this Lease, then Landlord may perform same, without notice, and in the event Landlord shall pay or be compelled to pay a sum of money or do any act which requires the payment of money to perform same, the sum so paid by Landlord together with all interest and costs shall be paid by Tenant to Landlord as additional rent and shall be added to the next rent coming due hereunder and in the event thereafter of termination of this Lease, then such sums may be deducted from the security deposit or shall otherwise be due and payable hereunder.

32. **LEASE MODIFICATIONS:** This Lease contains the entire agreement and understanding between Landlord and Tenant. No modification of this Lease or any terms and conditions hereof, unless made or agreed to in writing and signed by Landlord, shall be effective or enforced.

33. **WAIVER OF TRIAL BY JURY:** Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other pertaining to any matters whatsoever arising out of or in any way connected with the Lease or Tenent's use and occupancy of the premises, other than an action for personal injury.

34. **NOTICE:** Service of any notice by either party, required by law or otherwise agreed to be given hereunder shall be sufficient if: hand delivered, sent by certified mail, return receipt requested or registered mail. If given by Landlord to Tenant, if posted by Landlord on or in the premises occupied by Tenant. If mailed by Tenant must be addressed to the office of Landlord at the premises of the apartment complex.

35. **INVALIDITY:** If any provision hereof is declared invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions of this Lease.

36. **CAPTIONS:** The captions as to contents of particular paragraphs herein are inserted only for convenience and are in no way to be construed as a limitation of the particular paragraphs to which they refer.

37. **CONTEXT OF AGREEMENT AND EFFECT:** Where the context requires, works in the singular shall be substituted for the plural and vice versa, and words in the masculine shall be substituted for any gender.

IN WITNESS WHEREOF, Tenant and Landlord have executed this Lease Agreement under seal the day and year first above written.

Signed, Sealed and Delivered in the presence of:

Witness:

Martin Shore — (SEAL)
As to Tenant MARTIN SHORE

JoAnn Pepper — (SEAL)
Tenant JOANN PEPPER

(SEAL)
As to Tenant

(SEAL)
Tenant

As to Landlord

As to Landlord

BY: Arnold Gitton
For Landlord ARNOLD GITTON

91047087 5 0 6 3

VENDOME EQUITIES, INC., MIAMI, Fla. 33138

TO JO-ANN PEPPER

780 N.E. 69TH STREET, APT.#1517,MIAMI,FL. #3138

You are hereby notified that you are indebted to me in the sum of *$1,520.00

ONE THOUSAND FIVE HUNDRED TWENTY------- Dollars, for the rent and use of the premises

780 N.E. 69TH STREET, MIAMI, FL. 33138 Dade County, State of Florida,

now occupied by you, and that I demand the payment of the said rent or the possession of said premises within three days, exclusive of Saturdays, Sundays, and Legal Holidays, from the date of this notice to-wit: on or before the 28TH day of JULY, A.D. 1989

*1,500.00 JULY RENT
20.00 LATE CHARGE

VENDOME EQUITIES, INC.
780 N.E. 69TH STREET
MIAMI, FL. 33138
(305) 757-3500

Served
Posted-Personal -
July 25th 1989
At 2:00 A.M. P.M.
By [illegible]

Pd 7-26-89 Ck#2

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132

JO ANN PEPPER
CAMPAIGN COMMITTEE
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

63-109-4
670

August 1 19 89

PAY TO THE ORDER OF Community Involved get Out the Vote $ 2,000.00

Two Thousand Dollars and no/100's DOLLARS

CONSOLIDATED BANK
NATIONAL ASSOCIATION
2308 PONCE DE LEON BLVD
CORAL GABLES, FLORIDA 33134 4

Martin Kincaid

0670-0109-7

⑈000132⑈ ⑆067001097⑆ ⑈0402161741⑈ ⑈0000200000⑈

9104087506 5

#6058
Doris F. Reed
Community Involved/
"Get Out The Vote"

2660808972 PM
[illegible]
[illegible] Ave
[illegible] FL 33133
AUG 02 1980
(305) 324-4004
2660808972 PM

AG 80 03
06600004

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134

JO ANN PEPPER
CAMPAIGN COMMITTEE
11730 KIMMIE DRIVE
COOPER CITY, FL 33026

63-109-4
670

Aug 11 19 89

171
AUG 11 1989
BRANCH 04
63-109

PAY TO THE ORDER OF Cash $ 3603.00

Three Thousand Six hundred & Three dollars & 00/100 DOLLARS

CONSOLIDATED BANK
NATIONAL ASSOCIATION
2308 PONCE DE LEON BLVD
CORAL GABLES, FLORIDA 33134 4

Cashiers Check - Cassis Red

Kathy Heinecke

⑈000134⑈ ⑆067001097⑆ ⑈0402215741⑈ ⑈0000360300⑈

FOR PURCHASE OF

CASHIERS CHECK No. 04-20164

7777 87259

05239 081289 D0084 A $3,603.00 CC

402115741 CASH CHECK S 7112

8 9 0 4 0 8 7 5 0 5 8

9 1 0 4 0 8 7 5 0 6 9

CONSOLIDATED BANK
HIALEAH, FLORIDA

CHARGE

Date 07 25 89

The item(s) described herein have been Returned Unpaid and Charged to your account

Drawn On	Drawn By	Reason Given For Non Payment	Amount
63 7782	Stephen G. Katsinas	N.S.F.	250.00
		Ser. Chg.	3.00
		Total Charge ▸	253.00

Charged to Account Of

JO ANN PEPPER
780 N.E. 69 Street #1519
Miami, Fl. 33138

Account Number 040 211 574 1

mg

Approved

⑆067001097⑆ ⑈040211574⑈ 40 ⑈0000025300⑈

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F.E.C.
SECRETARIAT

91 SEP -9 PM 12:42

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	
Jo Ann Pepper	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031
	)	
Anton N. Handal	)	
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 8, 1990, the Commission found reason to believe that the Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) for failing to properly itemize certain loans and 11 C.F.R. § 104.11 for failing to continuously report the loans in question. On that same date, the Commission approved Interrogatories and a Request for Production of Documents to be sent to the Committee. On August 24, 1990, the Commission authorized Subpoenas and Orders to Jo Ann Pepper, the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, and the Consolidated Bank (the "Bank"). On September 27, 1990, the Commission received Ms. Jo Ann Pepper's response to the Subpoenas and Orders. On October 31, 1990, the Commission received Consolidated Bank's response to the Subpoenas and Orders. On February 27, 1991, the Commission found reason to believe that Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated

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2 U.S.C. § 441a(f) by knowingly accepting a loan from an individual, which exceeded the $1,000 contribution limitation. In addition, the Commission found reason to believe that Anton N. Handal violated 2 U.S.C. § 441a(a)(1)(A) by making a loan which exceeded the $1,000 contribution limitation. On March 29, 1991, the Commission received a response from Anton N. Handal. (Attachment 1). On April 3, 1991, the Commission received a letter from Jo Ann Pepper requesting pre-probable cause conciliation in this matter. (Attachment 2). On August 20, 1991, the Commission received a response to additional interrogatories from Ms. Jo Ann Pepper. (Attachment 3).

II. DISCUSSION

A. $5,000.00 Loan From Anton Handal

In his response, Anton N. Handal (Handal), an attorney in San Diego, California, acknowledges that he made a $5,000.00 loan to Ms. Jo Ann Pepper. He denies that the $5,000.00 was made for the purpose of influencing a federal election. Handal states that Ms. Jo Ann Pepper has been a close, personal friend of his since 1988. Handal states that he knew of Ms. Pepper's financial problems and her inability to maintain her mortgage payment on her home. Handal states that he loaned Ms. Pepper the $5,000.00 because of his "desire to assist her with her personal finances", and that he knew that Ms. Pepper was to received approximately from her deceased uncle's estate. Handal further asserted that the money was not intended as a contribution to Ms. Pepper's campaign. However, Handal

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states that he did not put any prohibitions on the use of the loan. Ms. Pepper indicated that Handal loaned her the $5,000 on July 20, 1989, and that this loan was repaid on November 18, 1989. Included with Handal's response is a copy of an executed promissory note evidencing the loan transaction. Also included with Handal's response is a copy of a handwritten correspondence, dated November 8, 1989, from Ms. Pepper along with the envelope it arrived in, dated November 9, 1989. This letter stated the following:

> I finally got my check! Not much left after paying bills but at least my house was not repossessed. Thanks for all your help and support.

Handal asserts that this correspondence evidences the repayment of the loan from Ms. Pepper and that the intent of the loan was to assist her with her personal finances. He stated further that "If Ms. Pepper listed my loan on her campaign financial disclosures, then I am sure that she did so in an abundance of caution to make sure that all of her financial dealings were made public." He adds that the fact that she may have disclosed the loan on her campaign financial disclosures does not change the character of the loan.

In Jo Ann Pepper's response, she asserts the $5,000.00 loan from Anton Handal was used for private purposes rather than for campaign expenses. She states further that she used the $5,000.00 loan to pay her home mortgage and other financial obligations which she had incurred before the campaign. She also mentioned the fact that she had to resign her position as a

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U.S. Probation Officer and had no income during her campaign. She states that she was waiting on a bequest from the estate of Claude Pepper, her uncle, which she did not receive until the beginning of November of 1989. Ms. Pepper enclosed a copy of the bequest check with her response. Ms. Pepper asserts that upon receipt of this bequest she repaid the $5,000.00 loan to Handal. She also states that the treasurer of her committee listed the $5,000.00 loan on the campaign reports "in an abundance of caution."

According to 11 C.F.R. § 110.10(b)(1) and (2), the personal funds of a candidate include assets which the candidate has legal access to or control over, and which he or she has legal title to or an equitable interest in, at the time of the candidacy; dividends and proceeds from stocks and other investments; income from employment; income from trusts established by bequest; personal gifts, if customarily received; and proceeds from lotteries and similar games of chance. In Advisory Opinion 1982-64, the Commission noted that funds donated or paid to a candidate during a campaign that are designed specifically for the candidate's personal and family living expenses would be subject to the limits and prohibitions of the Act and Commission regulations. The Commission noted several factors why these funds would be contributions under the Act:

> [R]eceipt of funds for living expenses would free-up other funds of the candidate for campaign purposes, the candidate would have more time to spend on the campaign instead of pursuing his or

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> her usual employment, and the funds would not have been donated but for the candidacy.

See also Advisory Opinions 1978-40, 1976-70, 1976-84.

The evidence indicates Handal did not intend to make a campaign loan, he was not aware it had been reported as one, and that the loan was repaid in a relatively short period of time and used for Ms. Pepper's mortgage and other personal obligations. Therefore, the Office of General Counsel recommends no further action in this matter as to Anton N. Handal. Nevertheless, Ms. Pepper reported the $5,000 as a campaign loan and although she used it for personal living expenses, based on the aboved-mentioned Advisory Opinions, it takes on the character of a campaign loan from standpoint of the candidate and the Committee.

B. Clarification of Discrepancies Between the Committee's Reports, Committee's Bank Statement and Jo Ann Pepper's Response

In the February 20, 1991 General Counsel's Report, this Office raised questions as to certain reporting discrepancies. A comparison of the Committee's reports with its bank statements revealed several disbursements which did not appear on the Committee's bank statements. It should also be noted that the comparison revealed that there were transactions that cleared through the Committee's bank account which do not appear to correspond to the Committee's reports. Further questions were asked to clarify these discrepancies.

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It was noted in the prior General Counsel's Report that Ms. Jo Ann Pepper indicated that she loaned the Committee a total of $5,020 ($3,500 on June 27, 1989 and $1,520 on July 28, 1989). In her latest response she asserts that the $3,500 loan to the Committee on June 27, 1989 was from a cash advance from her credit card and the $1,520 was a withdrawal from her personal account. Ms. Pepper stated that both payments were made by cashier's check and were not repaid by the Committee. Out of the $15,000 Consolidated Bank loan, Ms. Pepper indicated that $3,000 of it was placed into her personal account and $1,520 was used in payment of rent expenses. She also stated that the $690.19 paid for incidental expenses were not reimbursed by the Committee. Ms. Pepper also indicated that the reason why the disbursements shown on the Committee's reports failed to show on the Committee's bank statement was because those disbursements were drawn on her personal account with Hollywood Federal bank. As to the unanswered August 4, 1989 check in the amount of $2,000 and the August 14, 1989 check in the amount of $3,603, Ms. Pepper indicates that these checks were paid to Community Involved [To] Get Out the Vote, which is run by Ms. Doris Reed, a local political consultant.

Based upon Ms. Pepper's latest response, it appears that the discrepancies, as noted in the prior General Counsel's Report, have been explained. However, this information does not change the fact that the Respondents were required to properly itemize loans and continuously report them.

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III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

IV. RECOMMENDATIONS

1. Enter into conciliation with Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando Solano, as treasurer, prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

Date 9/9/91

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

Attachments
1. March 29, 1991 response from Anton N. Handal
2. April 3, 1991 request for conciliation
3. August 20, 1991 response from Jo Ann Pepper
4. Proposed Conciliation Agreement

Staff assigned: Lawrence D. Parrish

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper;	)	MUR 3031
Jo Ann Pepper Campaign Committee	)	
and Fernando J. Solano, as	)	
treasurer;.	)	
Anton N. Handal.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 11, 1991, the Commission decided by a vote of 4-0 to take the following actions in MUR 3031:

1. Enter into conciliation with Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando Solano, as treasurer, prior to a finding of probable cause to believe.

2. Approve the proposed conciliation agreement and the appropriate letter, as recommended in the General Counsel's Report dated September 9, 1991.

Commissioners Aikens, Elliott, Josefiak, and McGarry voted affirmatively for the decision; Commissioners McDonald and Thomas did not cast votes.

Attest:

9-12-91
Date

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

Received in the Secretariat: Mon., Sept. 9, 1991 12:42 p.m.
Circulated to the Commission: Mon., Sept. 9, 1991 4:00 p.m.
Deadline for vote: Wed., Sept. 11, 1991 4:00 p.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

September 17, 1991

Jo Ann Pepper
555 N.E. 34th Street
Apt., # 2601
Miami, Florida 33137

RE: MUR 3031

Dear Ms. Pepper:

On February 8, 1990, the Federal Election Commission found reason to believe that Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 434(b)(3)(E) and 11 C.F.R. § 104.11. On February 27, 1991, the Federal Election Commission found reason to believe that Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f). At your request, on September 11, 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 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 a mutually satisfactory conciliation agreement, please contact Lawrence D. Parrish, 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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SENSITIVE

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031
	)	
Anton N. Handal	)	
	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On September 11, 1991, the Commission approved the recommendations in the General Counsel's Report, dated September 9, 1991, to enter into conciliation with Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando Solano, as treasurer, prior to a finding of probable cause to believe and approved the proposed conciliation agreement and the appropriate letter. This Office's report recommended to take no further action as to Anton N. Handal, but inadvertently failed to recommend in the Recommendations section to take no further action against Anton N. Handal and to close the file as it pertains to him.

Therefore, this Office recommends that the Commission take no further action against Anton N. Handal and to close the file as it pertains to him.

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II. **RECOMMENDATIONS**

1. Take no further action against Anton N. Handal.
2. Close the file as it pertains to Anton N. Handal.
3. Approve the appropriate letter.

Lawrence M. Noble
General Counsel

Date 9/16/91

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

Staff assigned: Lawrence D. Parrish

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper;	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer;	)	MUR 3031
Anton N. Handal.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 19, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3031:

1. Take no further action against Anton N. Handal.

2. Close the file as it pertains to Anton N. Handal.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated September 16, 1991.

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

Attest:

9-19-91
Date

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

Received in the Secretariat: Mon., Sept. 16, 1991 3:20 p.m.
Circulated to the Commission: Tues., Sept. 17, 1991 11:00 a.m.
Deadline for vote: Thurs., Sept. 19, 1991 11:00 a.m.

dr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 30, 1991

Anton N. Handal
3505 Camino Del Rio S.
Suite 110
San Diego, CA 92198

RE: MUR 3031
Anton N. Handal

Dear Mr. Handal:

On February 27, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). On March 29, 1991, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on September 19, 1991, to take no further action against you, and closed the file as it pertains to you. 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 submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

The Commission reminds you that your loan of $5,000 to Jo Ann Pepper appears to be a violation of 2 U.S.C. § 441a(a)(1)(A). You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact Lawrence D. Parrish, 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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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of Jo Ann Pepper Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

Attached is a conciliation agreement which has been signed by Jo Ann Pepper of the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer. (Attachment 1.)

The attached agreement contains no changes from the agreement approved by the Commission on September 11, 1991. The two thousand dollars ($2,000) civil penalty in this matter has been received. (Attachment 2.)

II. **RECOMMENDATIONS**

1. Accept the attached conciliation agreement with Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer.

2. Close the file.

3. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

10/23/91
Date

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

Attachments
1. Conciliation Agreement
2. copy of civil penalty check

Staff Assigned: Lawrence D. Parrish

91040875083

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper;	)	MUR 3031
Jo Ann Pepper Campaign Committee	)	
and Fernando J. Solano, as	)	
treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 28, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 3031:

1. Accept the conciliation agreement with Jo Ann Pepper and Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, as recommended in the General Counsel's Report dated October 23, 1991.

2. Close the file.

3. Approve the appropriate letters, as recommended in the General Counsel's Report dated October 23, 1991.

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

Attest:

10-28-91
Date

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

Received in the Secretariat: Thurs., Oct. 24, 1991 12:09 p.m.
Circulated to the Commission: Thurs., Oct. 24, 1991 4:00 p.m.
Deadline for vote: Mon., Oct. 28, 1991 4:00 p.m.

bjf

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

November 4, 1991

Jo Ann Pepper
555 N.E. 34th Street
Apt., # 2601
Miami, Florida 33137

RE: MUR 3031

Dear Ms. Pepper:

On October 28, 1991, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, in settlement of a violation of 2 U.S.C. §§ 434(b)(3)(E) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

This matter will become a part of the public record within 30 days. 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.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Lawrence D. Parrish, the attorney staff member 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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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Jo Ann Pepper	)	
	)	
Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer	)	MUR 3031
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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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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 Jo Ann Pepper Campaign Committee (the "Committee") and Fernando J. Solano, as treasurer, ("Respondents") violated 2 U.S.C. § 434(b)(3)(E) and 11 C.F.R. § 104.11. The Commission also found reason to believe that Ms. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee and Fernando J. Solano, as treasurer, violated 2 U.S.C. § 441a(f).

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

I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

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§ 437g(a)(4)(A)(i).

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

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

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

1. The Jo Ann Pepper Campaign Committee is a political committee within the meaning of 2 U.S.C. § 431(4).

2. Fernando J. Solano is the treasurer of the Jo Ann Pepper Campaign Committee.

3. The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that a person may make up to $1,000 in contributions per election to a federal candidate or his or her authorized committee. 2 U.S.C. § 441a(a)(1)(A). No candidate or political committee shall knowingly accept any contribution in excess of limits. 2 U.S.C. § 441a(f). The Act defines "contribution" as any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any federal election. 2 U.S.C. § 431(8)(A)(i). Commission regulations provide that the terms "loan" includes a guarantee, endorsement, and any other form of security. A loan is a contribution at the time it is made and is a contribution to the extent that it remains unpaid. The aggregated amount loaned to a candidate or committee by a contributor when added to other contributions from that individual to that candidate or committee may not exceed the contribution limitations set out by the Act. 11 C.F.R. § 100.7(a)(1)(i)(B).

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4. Pursuant to 2 U.S.C. § 431(8)(B)(vii), a loan made to a federal campaign committee by a state bank, a federally chartered depository institution, or a federally insured depository institution is not considered a contribution by that institution, except that such loan:

> (1) is considered a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears guarantors;
>
> (2) must be made on a basis which assures repayment, evidence by a written instrument, and subject to a due date or amortization schedule; and
>
> (3) must bear the usual and customary interest rate of the lending institution.

5. An authorized committee must disclose to the Commission the total amount of all loans to the committee including loans made by or guaranteed by the candidate. 2 U.S.C. § 434(b)(2)(G). Pursuant to 2 U.S.C. § 434(b)(3)(E), a committee must identify each person who makes a loan to the committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and date and amount or value of such loan. Moreover, a political committee must continuously report outstanding debts and obligations owed by the committee until the committee extinguishes those debts. 11 C.F.R. § 104.11. The Act provides that where any loan is obtained by a candidate in connection with his or her campaign such candidate shall be considered to have obtained the loan as an agent of her authorized committee. 2 U.S.C. § 432(e)(2). Furthermore, pursuant to 11 C.F.R.

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§ 110.10, a candidate for Federal office may make unlimited expenditures from personal funds.

6. According to 11 C.F.R. § 110.10(b)(1) and (2), the personal funds of a candidate include assets which the candidate has legal access to or control over, and which he or she has legal title to or an equitable interest in, at the time of the candidacy; dividends and proceeds from stocks and other investments; income from employment; income from trusts established by bequest; personal gifts, if customarily received; and proceeds from lotteries and similar games of chance. Funds donated or paid to a candidate during a campaign that are designed for the candidate's personal and family living expense are subject to the limits and prohibitions of the Act and Commission regulations. See Advisory Opinion 1982-64.

7. The Committee first registered with the Commission on June 19, 1989.

8. Jo Ann Pepper was a candidate in the special election, in the 18th Congressional District of Florida, held on August 1, 1989. Jo Ann Pepper lost the Democratic special primary election on August 1, 1989.

9. The Committee filed reports covering the period June 15, 1989 through August 15, 1989. During this period the Committee reported a total of $70,993 in receipts and $69,935 in disbursements with $1,057 cash on hand and $24,848 in debts owed by the Committee. The Committee reported a $4,821.06 loan from Jo Ann Pepper in its 1989 12 Day Pre-Special Primary Report, covering June 15, 1989 through July 12, 1989. This loan was

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reported to have a due date of December 31, 1989 and an interest rate of zero (0%) percent.

10. In its 1989 12 Day Pre-Special Run-off Report, covering July 13, 1989 through July 26, 1989, the Committee reported a $17,000 loan from the candidate and $3,027.87 in "other loans" for a total of $20,027.87. Schedule C disclosed a $5,000 loan from Jo Ann Pepper with an incurred date of July 24, 1989, a due date of December 31, 1989, and an interest rate of eight percent (8%). Schedule C of this report also disclosed a $12,000 loan from the Jo Ann Pepper Campaign Committee, with an incurred date of July 26, 1989, and a due date of December 31, 1989. There was no interest rate reported for this loan. The Committee's report failed to disclose or identify the source of a $3,027.87 loan reported on its Detailed Summary Page and failed to continuously disclose the $4,821.06 loan from Jo Ann Pepper itemized in the previous report.

11. In its 1989 12 Day Pre-Special General Report, covering the period from July 27, 1989 through August 15, 1989, the Committee reported $24,848.93 as the amount of outstanding debts and obligations owed by the Committee on its Detailed Summary Page. This figure equals ($5,000, $12,000, $3,027.87, $4,821.02 = $24,848.93) all of the loans reported by the Committee. On its Schedule C, the Committee reported $5,000 and $12,000 candidate loans, but did not disclose the original source or complete terms of the loans. The Committee, on its Schedule C, failed to continuously itemize $9,821.06 in loans from Jo Ann Pepper, a $12,000 loan from the Jo Ann Pepper

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Campaign Committee and $3,027.87 in "other loans."

12. On July 3, 1989, Anton N. Handal contributed $500.00 to the Committee. On July 20, 1989, Anton N. Handal loaned Ms. Pepper $5,000. The check was drawn on a San Diego Trust & Saving Bank account for Anton N. Handal, Attorney At Law. The check was also dated July 20, 1989, and had the words "Personal loan" typed on it. The check was written out to "pay to the order of Jo Ann Pepper" and appeared to be signed by Anton N. Handal. An unsecured promissory note for this loan was executed. The note stated that the loan interest rate was eight percent (8%) and that the due date was September 19, 1989, or sooner. No interest was paid on this loan. This loan was repaid in the amount of $5,000 on November 8, 1989. The loan was used for Jo Ann Pepper's home mortgage and other obligations, however, the Committee reported it as a loan to the Committee.

13. Anton N. Handal's loan of $5,000 to Ms. Jo Ann Pepper was $4,500 in excess of the $1,000 limits, because Jo Ann Pepper only participated in the primary election.

V. 1. The Jo Ann Pepper Campaign Committee failed to properly itemize certain loans and failed to continuously report the loans in question, in violation of 2 U.S.C. § 434(b)(3)(E) and 11 C.F.R. § 104.11.

2. Jo Ann Pepper and the Jo Ann Pepper Campaign Committee knowingly accepted a loan from Anton N. Handal, which exceeded the $1,000 contribution limitation, in violation of 2 U.S.C. § 441a(f).

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VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of two thousand dollars ($2,000), 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 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 requirements contained in this agreement and to so notify the Commission.

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

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FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: _____ _____ 11-1-91
Lois G. Lerner Date
Associate General Counsel

FOR THE RESPONDENT:

_____ _____ October 7, 1991
(Name) Date
(Position)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3031

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