



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3436.

1/3/94

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 3, 1994

MEMORANDUM

TO: File

FROM: Richard Denholm *R.D.*
Attorney

SUBJECT: MUR 3436 -- Respondent Vela Carlisle (f/k/a
Vela Orduna)

The Commission has been unsuccessful in serving Vela Carlisle, a respondent in MUR 3436. Ms. Carlisle was last known to be living in Los Angeles, California. This memorandum will be added to the public record to explain efforts to locate and serve this respondent.

On October 21, 1991, the Commission found reason to believe that Vela Orduna violated 2 U.S.C § 441f and issued a subpoena and order. In a certified letter dated November 15, 1991, this Office attempted to notify Ms. Orduna of the Commission's action, but the letter was returned unclaimed.

This Office retained Frank Coonis Investigations to locate Ms. Orduna. Mr. Coonis discovered that she had changed her name to Vela Carlisle, and he obtained her new address. In a letter dated July 2, 1992, this Office attempted to notify Ms. Carlisle at the new address, but she did not respond. This Office again attempted service in a letter dated August 20, 1992, and delivered by Federal Express. On August 21, 1992, and again on August 24, 1992, Federal Express attempted delivery, but was informed that Ms. Carlisle had moved.

This Office made one final service attempt in a letter dated August 28, 1992. The letter was sent by certified mail with an address correction request. This letter was returned to the Commission without a forwarding address.

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Memorandum dated January 3, 1994
Page 2

After the Commission closed the file in this matter, this Office attempted to notify Ms. Carlisle at her last known address. The Post Office attempted delivery, but again was informed that Ms. Carlisle did not live at that address.

Attachments

cc: Elizabeth Strange
Vincent Convery
Mary Taksar
Joan McEnery

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

THIS IS THE BEGINNING OF MUR # 3436⁵

DATE FILMED 11-9-93 CAMERA NO. 2

CAMERAMAN JM H

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062 8937



California Fair Political Practices Commission

90 NOV 26 AM 10:24

Pre-MUR 238

November 20, 1990

Lawrence Noble, General Counsel
Federal Election Commission
999 E Street, NW
Washington D.C. 20463

**Subject: Referral for Investigation - Dymally Campaign
Committee**

Dear Mr. Noble:

The intent of this letter is to inform your agency that during the course of one of our investigations, we became aware of the possibility that the true source of certain contributions received by Congressman Mervyn Dymally's committee, Dymally Campaign Committee, may not have been properly identified on the campaign statements filed for the year 1988.

Kenneth Orduna, the Chief of Staff for Congressman Dymally, ran for Los Angeles City Council in 1987. We investigated his campaign for this office and noted serious violations of the California Political Reform Act. Most of the violations involved the failure to report the true contributor for contributions received ^{1/}.

The treasurer of Mr. Orduna's committee was Lonnie Sanders, a Special Aid to Congressman Dymally. Mr. Sanders was responsible for the recordkeeping and preparing the campaign statements for Mr. Orduna's campaign and he was personally responsible for falsifying contributor information reported on those campaign statements.

Mr. Sanders was also the treasurer of Congressman Dymally's campaign committee for approximately two years. His tenure included 1988. We believe Mr. Sanders may have also falsely reported contributor information on Congressman Dymally's committee statements during the period that he was treasurer of Dymally Campaign Committee.

^{1/} At the time of Mr. Orduna's campaign, Los Angeles had a local ordinance which limited the amount of contributions that could be received from a single source to \$500. We believe the false reporting of contribution information by Mr. Orduna and his campaign personnel was primarily done to circumvent this limitation.

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FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL
90 NOV 26 PM 4:32

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We reviewed Congressman Dymally's campaign statements, on a cursory bases, and noted several contributors whose names were used fictitiously as contributors on Mr. Orduna's campaign statements. Specifically, Celestine Griffith, Mr. Sanders' mother, was disclosed as a contributor on Mr. Orduna's Campaign Statements.

We contacted Ms. Griffith and she stated she does not make political contributions, and did not have the resources to make the \$300 contribution disclosed as made by her on Mr. Orduna's 1987 campaign statements. She is disclosed as making a \$1,000 contribution on Congressman Dymally's 1988 campaign statements.

In response to a request we made, Congressman Dymally supplied us with a copy of Ms. Griffith's contribution check. The check was written on the bank account of Lonnie Sanders.

In addition, we recently settled a case against a company by the name of F.E.A Logistics. F.E.A Logistics admitted to laundering a \$5,000 contribution to Mr. Orduna's committee through the use of the names of various of its employees ^{2/}. Some of these employees are also disclosed as contributors on Dymally's campaign statements.

The above two examples constitute only a small part of the improper reporting which occurred on Mr. Orduna's campaign statements. If you would like to discuss in more detail the **numerous** methods used by Kenneth Orduna and Lonnie Sanders to improperly report contributions which may have been used on Congressman Dymally's campaign statements, please call me.

I have enclosed documentation of the two specific examples, including relevant copies of Congressman Dymally's campaign statements. Those contributor names that are hi-lighted in yellow were used improperly on Mr. Orduna's campaign statements.

Please treat this letter and our investigation as confidential communication between law enforcement agencies.

Sincerely;

Grant Beauchamp

Grant Beauchamp
Enforcement Division

^{2/} Names of employees of a related company, Texim Inc., were also used.

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1 MICHAEL W. SWEET
2 KAYE KRUMENACKER
3 FAIR POLITICAL PRACTICES COMMISSION
4 428 J Street, Suite 800
5 Sacramento, CA 95814
6 Telephone: (916) 322-6441

7 Attorneys for Complainant

8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10
11 In the Matter of) FPPC No. 88-364
12 F.E.A. Logistics,)
13 Respondent.)
14)
15)

16 The complainant, Executive Director of the Fair Political
17 Practices Commission, Gregory W. Baugher, and Respondent, F.E.A.
18 Logistics, hereby agree that this Stipulation will be submitted
19 for consideration by the Fair Political Practices Commission at
20 its next regularly scheduled meeting.

21 The parties agree to enter into this Stipulation to
22 resolve all factual and legal issues raised in this matter and
23 to reach a final disposition without the necessity of holding an
24 administrative hearing to determine the liability of the
25 Respondent.

26 Respondent understands and hereby knowingly and voluntar-
27 ily waives any and all procedural rights under Cal. Gov. Code

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1 Sections 83115.5, 11503 and 2 Cal. Code of Regs. Section 18361,
2 including but not limited to the issuance and receipt of an ac-
3 cusation, and the right to appear personally in any administra-
4 tive hearing held in this matter, to confront and cross-examine
5 all witnesses testifying at the hearing, to subpoena witnesses
6 to testify at the hearing and to have an impartial administra-
7 tive law judge present at the hearing to act as a hearing of-
8 ficer.

9 Respondent further understands and hereby acknowledges
10 that this Stipulation is not binding upon any other law enforce-
11 ment agency and does not preclude the Commission from referring
12 this matter to, cooperating with, or assisting any such other
13 agency with regard to this or any other related matters.

14 It is further stipulated and agreed that Respondent has
15 violated the Political Reform Act as described in Exhibit I,
16 attached hereto and incorporated herein by reference, which is a
17 true and accurate summary of the facts in this matter.

18 Respondent agrees to the issuance of the Decision and
19 Order and imposition by the Commission of a fine in the amount
20 of Twenty Thousand Dollars (\$20,000), and a cashier's check in
21 said amount, payable to the "General Fund of the State of
22 California," is submitted herewith to be held by the Commission
23 until it issues its Decision and Order.

24 The parties agree that in the event the Commission refuses
25 to accept this Stipulation, it shall become null and void, and
26 within five (5) working days after the Commission meeting at
27 which this Stipulation is rejected, all payments tendered shall

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1 be returned to the Respondent. Respondent further stipulates
2 and agrees that in the event the Commission rejects the Stipula-
3 tion and a full evidentiary hearing before the Commission
4 becomes necessary, no member of the Commission shall be
5 disqualified because of prior consideration of this Stipulation.

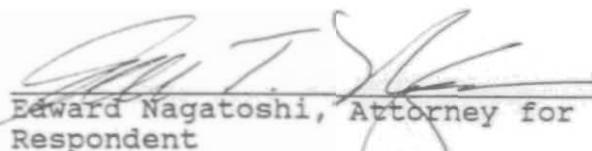
6
7 Dated: 10/1/90


Gregory W. Baugher, Executive Director
Fair Political Practices Commission
Complainant

8
9
10 Dated: 9/27/90


Morio Akiba, Chief Financial Officer
for F.E.A. Logistics, Respondent

11
12
13 Dated: 9/27/90


Edward Nagatoshi, Attorney for
Respondent

14
15
16 * * * * *

17 IT IS SO ORDERED, effective upon execution by the Chairman
18 of the Fair Political Practices Commission at Sacramento,
19 California.

20 Dated: 10-3-90

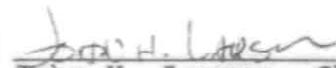

John H. Larson, Chairman
Fair Political Practices Commission

EXHIBIT I

INTRODUCTION

Kenneth Orduna was an unsuccessful candidate for the Los Angeles City Council, Tenth District, in the April 14, 1987, election. His campaign committee was called Orduna for City Council ("OCC"). During the city council race, F.E.A. Logistics, a business entity in Gardena which is a distributor of aircraft parts, made ten contributions totalling \$5,000 to Mr. Orduna's campaign. In an effort to avoid a local ordinance restricting campaign contributions to \$500 from a single source, the contributions were not made in the name of F.E.A. Logistics, but, rather, in the names of ten of its employees. This chain of activity is commonly referred to as "laundering." It undermines the campaign disclosure provisions of the Political Reform Act ("Act")^{1/} and it deprives the electorate of essential information about who is supporting a candidate.

For purposes of the Stipulation, the violations of the Political Reform Act are as follows:

Counts 1-10: Making ten contributions on or about October 20, 1986, in names other than the name by which F.E.A. Logistics is identified for legal purposes, in violation of Section 84301.

Respondent: F.E.A. Logistics

COUNTS 1-10

SUMMARY OF THE CASE

The purpose of campaign reporting under the Political Reform Act is that "receipts and expenditures in election campaigns should be fully and truthfully disclosed in order that the voters may be fully informed and improper practices may be inhibited." Section 81002(a). Obviously, disclosing the true source of campaign funds is necessary to accomplish this purpose.

In completing campaign statements, a campaign committee is required to disclose the identity of any contributor who made contributions totalling \$100 or more. Section 84211(f). In order

^{1/} The Political Reform Act is contained in California Government Code Section 81000, et seq. All statutory references are to the Government Code, unless otherwise indicated.

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to obtain disclosure of the true source of campaign contributions, Section 84301 prohibits contributions made, directly or indirectly, by any person in a name other than that by which the contributor is identified for legal purposes.

At the time in question, the City of Los Angeles had a local ordinance limiting campaign contributions made to a candidate to \$500 from a single source. Kenneth Orduna was a Los Angeles City Council candidate for the April 1987 election. F.E.A. Logistics wanted to contribute \$5000 to Mr. Orduna's campaign committee--an amount far in excess of the local campaign limit. Being aware of the contribution limit, yet desiring to contribute \$5000, F.E.A. Logistics approached ten of its employees and asked them for permission to use their names in making the F.E.A. Logistics' contribution.

On or about October 9, 1986, F.E.A. Logistics' Chief Financial Officer, Morio Akiba, wrote a company check for \$5000 to the Orduna for City Council ("OCC") committee^{2/}. The check was deposited into OCC's account on October 20, 1986. A letter to Kenneth Orduna from F.E.A. Logistics, dated October 15, 1986, provided a list of the ten employees in whose names portions of the contribution could be disclosed.

Mr. Orduna's campaign committee disclosed the contributions in the names of the ten employees, at \$500 each. F.E.A. Logistics was not listed as the contributor. The \$5,000 in contributions was approximately 5% of the total contributions received by Orduna for City Council. In making these contributions in names other than that by which F.E.A. Logistics is identified for legal purposes, the business entity committed ten violations of Section 84301.

AGGRAVATION

This laundering activity was a serious and intentional violation of the Political Reform Act. The true source of the \$5,000 in contributions was not disclosed by the Orduna for City Council, so the electorate was misinformed as to the identity of the actual supporter of Kenneth Orduna.

The contributions were laundered through F.E.A. Logistics employees to avoid the local ordinance restricting campaign contributions to \$500 from a single source.

^{2/} Orduna for City Council (OCC) was Kenneth Orduna's campaign committee. OCC was a "committee" pursuant to Section 82013(a) because it had received contributions totaling five hundred dollars (\$500) or more in a calendar year, which was the threshold amount until January 1, 1988.

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MITIGATION

F.E.A. Logistics was cooperative during the course of this investigation, and has no prior enforcement history with this agency.

CONCLUSION

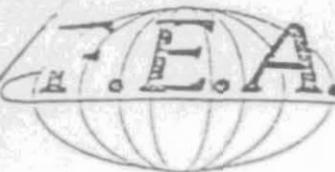
The failure of respondent to comply with the requirements of the Political Reform Act justifies imposition of the agreed upon penalty.

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10/15/86 11:50 TOTAL P.01

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872-0056



Logistics Support Corp.

To: Mr. Kenneth Orduna

11/1/87
October 15, 1986

Following are the names and addresses of those who contributed.

- | | |
|----------------------|---|
| (1) KIYOTAKA IMAI | 1211 20th Pl., Hermosa Beach, CA 90254 |
| (2) MORIO AKIBA | 13418 Moore St., Cerritos, CA 90701 |
| (3) JUDITH AKIBA | " |
| (4) TOSHIFUMI EGO | 5012 Fidler St., Lakewood, CA 90712 |
| (5) JEAN EGO | " |
| (6) RAY KIRA | 1912 W. 147th St., Gardena, CA 90249 |
| (7) KIM KIRA | " |
| (8) DAVID SUMMERS | 838 Fiske St., Pacific Palisades, CA 9027 |
| (9) STEPHEN EGELROFF | 16413 Illinois Ct., Torrance, CA 90504 |
| (10) KAREN SLEASE | 16235 Lakewood Blvd., Sealflower, CA 9070 |

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ymally Campaign Committee
Notes Regarding Itemized Receipts

Texim Corporation and F.E.A. Logistics are owned and managed by the same individuals.

Clarence Wong was Kenneth Orduna's campaign manager and was involved with laundering money into Orduna's campaign committee.

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NAME OF COMMITTEE (In Full)

DYMALLY CAMPAIGN COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
RICHARD SONODA 2560 Centinella Ave, #5 Los Angeles, CA 90064	NSA Occupation Asst. Director	2/17/88	600p 400g
Receipt For: <input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1400		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
VERNAL CLAIBORNE 972 Denwall Drive Carson, CA 90746	Alameda Group Occupation Manufacturer	2/17/88	500
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 500		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
JEANIE M. ADAMS 6551 Loisdale Court Springfield, VA 22150	Occupation Housewife	2/17/88	1000
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
JACK URICH 12960 Whittier Blvd. Whittier, CA	UCO, Inc. Occupation President	2/17/88	900p 100g
Receipt For: <input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1100		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
BOOKER THOMAS 20700 Rock Point Way Malibu, CA 90265	Phoenix Intl Occupation President	2/18/88	1000
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
KIYOTAKA IMAI 1211-20th Pl Hermosa Beach, CA 90250	Texim, Inc. Occupation President	2/18/88	800p 1000g
Receipt For: <input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 2000		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
TED KIMBROUGH 2933 Duango Los Angeles, CA 90034	Compton Unified School District Occupation Superintendent	2/18/88	200
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 450		

TOTAL of Receipts This Page (optional) 6500.00

TOTAL This Period (last page this line number only)

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NAME OF COMMITTEE (in Full)

DYMALLY CAMPAIGN COMMITTEE

93043503146

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
BOB HERTZBERG 9107 Wilshrie Blvd. Beverly Hills, CA 90210	Self Employed Occupation Attorney	2/22/88	500
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 500	
MRS. KYIYOTAKA IMAI 1211 20th Pl Hermosa Beach, CA 90250	Name of Employer Occupation Housewife	2/18/88	200
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 200	
C. Full Name, Mailing Address and ZIP Code REGGI SHORT 1215 E. Palm Street Altadena, CA 91001	Name of Employer Reggie Short & Assoc Occupation Engineer	2/22/88	250
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 250	
D. Full Name, Mailing Address and ZIP Code THOMAS NEAL 700 N Main Street Santa Ana, CA 92701	Name of Employer California Coast University Occupation President	2/22/88	500g
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 1600	
E. Full Name, Mailing Address and ZIP Code GEORGE LANAM 322 W. Compton Blvd. Compton, CA 90220	Name of Employer Self Employed Occupation Realtor/Broker	2/22/88	650g
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 1900	
F. Full Name, Mailing Address and ZIP Code SOLOMON DUROCHER 1326 Avalon Wilmington, CA 92744	Name of Employer Self Employed Occupation Dentist	2/22/88	600p 1000g
Receipt For: <input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 2000	
G. Full Name, Mailing Address and ZIP Code MIN JA JUNG 2320 Apollo Drive Los Angeles, CA 90046	Name of Employer Occupation Housewife	2/22/88	250
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Aggregate Year-to-Date > \$ 250	
JBTOTAL of Receipts This Page (optional)			3950.00
TOTAL This Period (last page this line number only)			

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NAME OF COMMITTEE (In Full)
DYMALLY CAMPAIGN COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
ALEXIS CHAN 21250 Hawthorne Blvd. Torrance, CA 90503		10/7/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Housewife	Aggregate Year-to-Date > \$ 1000.00	
B. Full Name, Mailing Address and ZIP Code ANTHONY WILLS 21250 Hawthorne Blvd. Torrance, CA 90503	unknown	10/7/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 1000.00	
C. Full Name, Mailing Address and ZIP Code PAT TOBIN 6565 Sunset Blvd., #525 Los Angeles, CA 90028	Tobin & Associates	10/7/88	250.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Owner	Aggregate Year-to-Date > \$ 250.00	
D. Full Name, Mailing Address and ZIP Code RICHARD PUGA 1131 W 162nd Street Gardena, CA 90247	Puga Engineering	10/7/88	600.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation President	Aggregate Year-to-Date > \$ 600.00	
E. Full Name, Mailing Address and ZIP Code BRENDA WALKER 1717 N Wilmington Ave Compton, CA 90222	CSI Inc	10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Payroll Accountant	Aggregate Year-to-Date > \$ 1000.00	
F. Full Name, Mailing Address and ZIP Code LONNIE SANDERS 1884 N. Alexandria Los Angeles, CA	US House of Representatives	10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Special Asst.	Aggregate Year-to-Date > \$ 1000.00	
G. Full Name, Mailing Address and ZIP Code CELESTINE GRIFFITH 297 E. 4th Street Lima, OH 45804		10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Retired	Aggregate Year-to-Date > \$ 1000.00	

JBTOTAL of Receipts This Page (optional) 5850.00

TOTAL This Period (last page this line number only)

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

NAME OF COMMITTEE (in Full)
DYMALLY CAMPAIGN COMMITTEE

93043503148

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
BETTYE WOODRUFF 5626 Bedford Avenue Los Angeles, CA 90056	B & W Services Inc Occupation Accountant	10/13/88	1000.
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
B. Full Name, Mailing Address and ZIP Code FAYE BAKER 5081 1/2 W 21st Street Los Angeles, CA 90016	County of Los Angeles Occupation Accountant	10/13/88	1000.
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
C. Full Name, Mailing Address and ZIP Code NANCY BAKER 117 S. Oak Street Inglewood, CA 90301	CSI Inc Occupation President	10/13/88	1000.0
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
D. Full Name, Mailing Address and ZIP Code STEVEN DEIGNAN 21249 Doble Avenue Torrance, CA 90502	Texim Occupation General Manager	10/13/88	1000.0
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
E. Full Name, Mailing Address and ZIP Code MUTSUMI DEIGNAN 21249 Doble Avenue Torrance, CA 90502	Occupation Housewife	10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
F. Full Name, Mailing Address and ZIP Code MORIO AKIBA 2701 Toledo St #705 Torrance, CA 90503	Texim Occupation Treasurer	10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		
G. Full Name, Mailing Address and ZIP Code FUKUJIRO AKIBA 2701 Toledo St, #705 Torrance, CA 90503	Occupation Housewife	10/13/88	1000.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	Aggregate Year-to-Date > \$ 1000.00		

TOTAL of Receipts This Page (optional) 7000.00

TOTAL This Period (last page this line number only)

LEA

ITEMIZED RECEIPTS

 separate schedule(s)
for each category of the
Detailed Summary Page

 PAGE OF
5 12
FOR LINE NUMBER
111

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NAME OF COMMITTEE (In Full)

DYMALLY CAMPAIGN COMMITTEE

A. Full Name, Mailing Address and ZIP Code KENNETH M ORDUNA 322 W Compton Blvd., #102 Compton, CA 90220	Name of Employer U S House of Representatives	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Chief-of-Staff Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
B. Full Name, Mailing Address and ZIP Code JEFFREY M BAKER 1131 N. Vista Street W Hollywood, CA 90046	Name of Employer CSI INC	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Vice President Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
C. Full Name, Mailing Address and ZIP Code ETHEL WONG P O Box 20391 Los Angeles, CA 90006	Name of Employer Transamerica Life Insurance	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Operations Clerk Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
D. Full Name, Mailing Address and ZIP Code CLARENCE WONG P O Box 20391 Los Angeles, CA 90006	Name of Employer Texim Gifts Intl	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Exec Officer Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
E. Full Name, Mailing Address and ZIP Code BILL LEE 6315 Seville #B Huntington Park, CA 90255	Name of Employer OJB Engineering	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Contractor Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
F. Full Name, Mailing Address and ZIP Code LYNN LEE 6315 Seville #B Huntington Park, CA 90255	Name of Employer	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Housewife Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			
G. Full Name, Mailing Address and ZIP Code MIKE ROBBINS	Name of Employer Self Employed	Date (month, day, year) 10/13/88	Amount of Each Receipt this Period 1000.00
	Occupation Contractor Aggregate Year-to-Date > \$ 1000.00		
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			

TOTAL of Receipts This Page (optional)

7000.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 7, 1990

Grant Beauchamp, Enforcement Division
California Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, California 95804-0807

RE: Pre-MUR 238

Dear Mr. Beauchamp:

This is to acknowledge receipt of your letter dated November 20, 1990, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") by the Dymally Campaign Committee. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions please call Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200. Our file number for this matter is Pre-MUR 238.

Pursuant to 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A), the Commission's review of this matter shall remain confidential until the file has been closed.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in black ink, appearing to read "Lerner", written over a horizontal line.

BY: Lois G. Lerner
Associate General Counsel

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06C 0827



California Fair Political Practices Commission

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 APR 22 AM 11:49

April 17, 1991

Michael Marinelli, Enforcement Counsel
Federal Election Commission
999 E Street, NW, 6th Floor
Washington D.C. 20463

RE: FEC: Premur #238

Dear Mr. Marinelli:

The names of the following six members of Congressman Dymally's staff were used by Mr. Sanders to "launder" cash into Mr. Orduna's campaign bank account:

- | | |
|-------------------|------------------|
| 1. Randall Echols | 4. Yvonne Smith |
| 2. Thomas Estrada | 5. Marwan Burgan |
| 3. Miya Iwataki | 6. Marry Gaddis |

The cash was laundered through the purchase of money orders at a check cashing center ^{1/}. The money orders were purchased in denominations of \$300. Mr. Sanders wrote the names of the individuals on the money orders and disclosed the individuals on the campaign statements as each contributing \$300.

Mr. Sanders asked Thomas Estrada, Miya Iwataki and Marry Gaddis for permission to use their names as contributors to the campaign prior to using their names. All three agreed to lend their name to the laundering.

In addition to using the names of Congressman Dymally's staff, the Orduna campaign used nine other individuals' names in this particular laundering scheme. The additional names are:

- | | |
|------------------------|-----------------------|
| 1. Ruby Walker | 6. Josephine Banks |
| 2. Thomas Estrada, Jr. | 7. Celestine Griffith |
| 3. Vela Orduna | 8. Stanton Sanders |
| 4. Stella Epstein | 9. Tami Thomas |
| 5. Emma Schafer | |

If I can be of additional help please call.

Sincerely,

Grant Beauchamp
Enforcement Division

^{1/} 15 money orders were purchased totalling \$4,500.

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RECEIVED
FEDERAL ELECTION COMMISSION

OBC # 1604



California Fair Political Practices Commission

June 11, 1991

91 JUN 19 AM 8:31
FEDERAL ELECTIONS COMMISSION

Mr. Michael Marinelli
Federal Elections Commission
Office of the General Counsel
999 E. St. N.W.
Washington DC 20463
(202) 376- 8200

Re: #PREMUR 238, FPPC No. 88-364

Dear Mr. Marinelli:

As we discussed this morning, I am forwarding a copy of the Accusation issued by the California Fair Political Practices Commission against Kenneth Orduna, Orduna for City Council, and Lonnie Sanders, on June 5, 1991.

If we can be of further assistance, please feel free to call me or Investigator Rich McSherry.

Sincerely,

Kaye Krumenacker
Kaye Krumenacker

Enclosure

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KAYE KRUMENACKER
FAIR POLITICAL PRACTICES COMMISSION
428 J Street, Suite 800
Sacramento, CA 95814
Telephone: (916) 322-6441

Attorneys for Complainant

BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
STATE OF CALIFORNIA

In the Matter of) FPPC NO. 88-364
)
Kenneth Orduna,)
Orduna for City Council, and) ACCUSATION
Lonnie Sanders, Treasurer of)
Orduna for City Council,)
)
Respondents.)
_____)

The complainant, Gregory W. Baugher, after a probable cause proceeding and finding made pursuant to Government Code section 83115.5 hereby complains of Respondents Kenneth Orduna, Orduna for City Council (OCC), and Lonnie Sanders, Treasurer of OCC, as follows:

COUNTS ONE THROUGH FIFTEEN

Violations alleged: Accepting fifteen anonymous \$300 contributions on or about March 31, 1987, without promptly paying said amounts to the Secretary of State for deposit in the General Fund, in violation of Section 84304.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

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1. Section 81002 (a) establishes a campaign reporting system in order to provide full and truthful disclosure of campaign receipts and expenditures.
2. Complainant is the Executive Director of the Fair Political Practices Commission of the State of California and makes this Accusation in his official capacity.
3. Kenneth Orduna was an unsuccessful candidate for the Los Angeles City Council, Tenth District, in the April 14, 1987, election.
4. Orduna for City Council (OCC) was a committee as defined in Section 82013 (a) in that it was a person or combination of persons who directly or indirectly received contributions totaling five hundred dollars (\$500) or more in a calendar year. OCC was a "controlled committee" as defined in Section 82016 in that it was controlled directly or indirectly by a candidate, Kenneth Orduna, in connection with the making of expenditures. A candidate controls a committee if he, his agent or any other committee he controls has a significant influence on the actions or decisions of the committee.
5. Lonnie Sanders was the Treasurer of OCC.
6. Section 84304 states that no person shall make an anonymous contribution or contributions to a candidate, committee or any other person totaling one hundred dollars (\$100) or more in a calendar year. An anonymous contribution of one hundred dollars (\$100) or more shall not be kept by the intended recipient but instead shall be promptly paid to the Secretary of State for deposit in the General Fund of the

state.

7. Section 84100 states that every committee shall have a treasurer. No expenditure shall be made by or on behalf of a committee without the authorization of the treasurer or that of his or her designated agents. No contribution or expenditure shall be accepted or made by or on behalf of a committee at a time when there is a vacancy in the office of treasurer.

8. Kenneth Orduna was an unsuccessful candidate for the Los Angeles City Council, Tenth District, in the April 14, 1987, election. Mr. Orduna has been the Chief of Staff to U.S. Congressman Mervyn Dymally since prior to his campaign for City Council, but was on a leave of absence from that employment during his campaign. Lonnie Sanders was the treasurer of Orduna for City Council ("OCC"), Orduna's campaign committee^{1/}. Orduna selected Sanders for treasurer because he was a friend and had past experience as a campaign treasurer. Sanders is the Special Assistant to Congressman Dymally, and was also the treasurer for Assemblyman Willard Murray during his 1986 Assembly campaign and the treasurer of Congressman Dymally's federal campaign committee for approximately three years.

9. Fifteen American Express personal money orders were purchased from Any Kind Check Cashing Centers ("Any Kind") on

^{1/} During 1986, "Committee" meant any person or combination of persons who directly or indirectly received contributions totaling \$500 or more in a calendar year. Section 82013 (a). The \$500 threshold was later raised to \$1,000.

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March 30, 1987. The money orders were purchased at the same time, were in sequential order, and each was for \$300.^{2/} According to the purchase log maintained by Any Kind, the money orders were purchased by a person named "Wong"^{3/}.

10. When interviewed by FPPC Accounting Specialist Grant Beauchamp, Lonnie Sanders stated under oath that he could not remember how he came into possession of the money orders and does not know who bought them. He stated that the payee portion of the money orders and the senders name section of the purchaser's copy were blank when he acquired possession of the money orders. Sanders stated that he entered the name of the committee in the payee section of fourteen of the fifteen money orders, and wrote the following fifteen names on the purchaser's copy of the money orders:

1. Ruby Walker
2. Celestine Griffith
3. Thomas Estrada, Jr.
4. Randy Echols
5. Marwan Burgan
6. Charles Trevino
7. Thomas Estrada
8. Stanton Sanders
9. Kela Orduna
10. Yvonne Smith
11. Stella Epstein
12. Tami Thomas
13. Josephine Banks
14. Miya (Iwataki)
15. Mary Gaddis

11. Sanders stated that he prepared a deposit slip, dated March 31, 1987, listing the fifteen money orders, and

^{2/} There is a notice on the money orders which states "Not good over \$300."

^{3/} Clarence Wong was the paid campaign manager of OCC. FPPC investigators were not able to interview Clarence Wong.

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deposited them into OCC's account on March 31, 1987.

12. Thirteen of the names listed above were disclosed as contributors on the campaign statement covering the period March 1, 1987, through March 28, 1987. It appears that Vela Orduna's name was substituted for Kela Orduna^{4/} and Emma Schafer's name was substituted for Charles Trevino. In an attempt to conceal the use of these sequentially numbered money orders, Mr. Sanders varied the reported contribution receipt dates for these fifteen individuals between March 9 and March 38 (sic).

13. Seven (Celestine Griffith^{5/}, Thomas Estrada, Yvonne Smith, Stella Epstein, Miya Iwataki, Mary Gaddis, and Emma Schafer) of the fifteen individuals who were listed as contributors were interviewed by FPPC staff. All seven stated that they did not make a \$300 contribution. Thomas Estrada^{6/} Mary Gaddis and Miya Iwataki stated that Sanders had asked if he could use their names as contributors on the campaign statements, and that they agreed to have their names used. Celestine Griffith, Yvonne Smith, Stella Epstein, and Emma Schafer were not asked for permission to use their names. The remaining eight individuals were not interviewed,

^{4/} Vela Orduna was Ken Orduna's wife, and Kela is their daughter. Kela Orduna was 10 years old in 1987 and had a checking account.

^{5/} Celestine Griffith is Mr. Sanders' mother who lives in Ohio. When interviewed by Grant Beauchamp on November 30, 1989, Mr. Sanders said that he did not know who she was.

^{6/} When Sanders contacted Mr. Estrada, he also asked permission to use Estrada's son's name as a contributor.

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but Sanders stated that he was responsible for entering their names on the money orders.

14. Sanders accepted fifteen anonymous \$300 contributions. Section 84304 requires that an anonymous contribution of one hundred dollars (\$100) or more shall not be kept by the intended recipient but instead shall be promptly paid to the Secretary of State for deposit in the General Fund of the state. In keeping those fifteen \$300 contributions, and not paying the contributions over to the Secretary of State, Sanders and OCC committed fifteen violations of Section 84304 (Counts 1-15)

COUNTS SIXTEEN THROUGH THIRTY

Violations alleged: Failing to disclose on the campaign statement covering March 29, 1987, through June 30, 1987, that the fifteen \$300 contributions received on or about March 31, 1987, were anonymous, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

15. Complainant realleges paragraphs 1-5 and incorporates them by reference.

16. Under Section 84200 (a), OCC was required to file campaign statements each year no later than July 31 for the period covering January 1 through June 30, and no later than January 31 for the period covering July 1 through December 31. Because each statement covers a six-month period, these statements are commonly known as semiannual statements.

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17. The responsibility for filing campaign statements does not end with the filing of semiannual statements. Committees may also be required to file "pre-election statements."

(Section 84200.5.)

18. The times for filing pre-election statements for elections not held in June or November are set forth in Section 84200.8. Under subdivision (a), a pre-election statement for an April election is required to be filed no later than 40 days before the election for the period ending 45 days before the election. In this case, OCC was required to file a pre-election statement by March 5, 1987. Under Subdivision (b), an additional pre-election statement for the April election was required to be filed no later than 12 days before the election for the period ending 17 days before the election. In this case, the second pre-election statement was due on April 2, 1987.

19. Section 84211 outlines the information that must be contained in campaign statements. Under subdivision (f), if the cumulative amount of contributions (including loans) received from a person is one hundred dollars (\$100) or more and a contribution or loan has been received from that person during the period covered by the campaign statement, the following is required: (1) His or her full name; (2) His or her street address; (3) His or her occupation; (4) The name of his or her employer or if self-employed, name of business; (5) The date and amount received for each contribution received during the period covered by the campaign statement

and if the contribution is a loan, the interest rate for the loan; and (6) The cumulative amount of contributions.

20. As defined in Section 82015, and Title 2, Cal. Code of Regulations, Section 18215, a contribution is a payment made for political purposes to the extent that full and adequate consideration is not received by the contributor. As defined in Section 82044, a payment is a rendering of something of value. When nothing of value has been rendered, no contribution has been made and none should be reported pursuant to Section 84211 or any other provision of the Act.

21. In failing to disclose on the semiannual campaign statement covering the period March 29 through June 30, 1987, that the fifteen \$300 contributions received on or about March 31, 1987, were anonymous, Orduna, Sanders and OCC committed fifteen violations of Section 84211 (Counts 16-30).

COUNTS THIRTY-ONE THROUGH FORTY-FIVE

Violations alleged: Falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, the names of fifteen persons as contributors of \$300 each when in fact those individuals did not make such contributions, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

22. Complainant realleges paragraphs 1-5, 9-13, and 16-20, and incorporates them by reference.

23. Lonnie Sanders and OCC falsely disclosed fifteen persons who did not contribute \$300 as contributors of \$300 each on the campaign statements covering the period March 1 through

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March 28, 1987. In falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, the names of fifteen persons as contributors of \$300 each when in fact those individuals did not make such contributions, Orduna, Sanders, and OCC committed fifteen violations of Section 84211 (Counts 31-45).

COUNTS FORTY-SIX THROUGH FIFTY-FOUR

Violations alleged: Accepting nine anonymous \$300 contributions on or about February 24, 1987, without promptly paying said amounts to the Secretary of State for deposit in the General Fund, in violation of Section 84304.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

24. Complainant realleges paragraphs 1-8 and incorporates them by references.

25. On February 24, 1987, nine sequentially numbered \$300 Central Money Orders (money orders which were payable at Central Bank) were purchased from Triple E Check Cashing. Mr. Sanders prepared a deposit slip, dated February 24, 1987, listing these money orders. The money orders were then deposited into OCC's account on that same date.

26. At the time the money orders and the purchaser's copy of the money orders came into Mr. Sanders' possession, the signature sections on the money orders were blank. When interviewed by FPPC Accounting Specialist Grant Beauchamp, Mr. Sanders acknowledged that he signed the money orders, but

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claimed that he did not remember anything about them, including who purchased them, who delivered them to him, and who was the true source of the contributions. The money orders had the name "Orduna for City Council" typed in the payee section. The "date" section on each of the money orders is blank.

27. When interviewed by FPPC Accounting Specialist Grant Beauchamp, Sanders acknowledged that he accepted nine anonymous \$300 contributions. Section 84304 requires that an anonymous contribution of one hundred dollars (\$100) or more shall not be kept by the intended recipient but instead shall be promptly paid to the Secretary of State for deposit in the General Fund of the state. In keeping those nine \$300 contributions, and not paying the contributions over to the Secretary of State, Sanders and OCC committed nine violations of Section 84304 (Counts 46-54).

COUNTS FIFTY-FIVE THROUGH SIXTY-THREE

Violations alleged: Failing to disclose on a campaign statement covering January 1, 1987, through February 28, 1987, that the nine \$300 contributions received on or about February 24, 1987, were anonymous, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

28. Complainant realleges paragraphs 1-5 and incorporates them by reference.

29. In failing to disclose nine anonymous contributions received on or about February 24, 1987, on a pre-election

campaign statement covering the period January 1 through February 28, 1987, Sanders and OCC committed nine violations of Section 84211 (Counts 55-63).

COUNTS SIXTY-FOUR THROUGH SEVENTY-THREE

Violations alleged: Failing to disclose on a semiannual statement due no later than January 1, 1987, for the period July 1, 1986, through December 31, 1986, that F.E.A. Logistics was the contributor of ten contributions received on or about October 15, 1986, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

30. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

31. In order to obtain disclosure of the true source of campaign contributions, Section 84211 requires that the recipient of a campaign contribution include in his campaign statement the full name and street address, occupation, and the name of the employer, if any, or the principal place of business if self-employed, of the contributor.

32. F.E.A. Logistics ("FEA") provided a \$5,000 contribution, dated October 9, 1986, to Orduna for City Council ("OCC"), Kenneth Orduna's campaign committee. The contribution check was deposited into OCC's account on October 20, 1986.

33. During this time period, the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company

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and obtained permission to use their names in the making of the contribution. A letter to Kenneth Orduna, written on FEA's letterhead and dated October 15, 1986, was included in OCC's records. The following employees' names were used in that letter:

1. Kiyotaka Imai
2. Morio Akiba
3. Judith Akiba
4. Toshifumi Ego
5. Jean Ego
6. Ray Kika
7. Kim Kika
8. David Summers
9. Stephen Egelhoff
10. Karen Slease

34. Akiba told the employees listed above that if FEA made a profit, the employees would be credited with a bonus. However, he further told them that, if the bonus was attained, it would not be paid to the employees, but instead would be used to compensate FEA for the contributions made in the employees' names. In other words, FEA was using company money to make contributions in the employees' names and the company was to be reimbursed by the employees if the employees received a bonus. The employees did not subsequently receive a bonus, so the company was never reimbursed for the contributions made in the employees' names. The contributions were therefore made by F.E.A., not the ten employees listed above.

35. These contributions were disclosed on OCC's campaign statement covering the period January 1 through February 28, 1987, under the ten names listed above rather than under the

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name of FEA. In falsely disclosing ten individuals as contributors when, in fact, FEA was the contributor, Orduna, Sanders, and OCC committed ten violations of Section 84211 (Counts 64-73).

COUNTS SEVENTY-FOUR THROUGH SEVENTY-SIX

Violations alleged: Making three \$500 contributions other than by a written instrument containing the name of the donor and the name of the payee on or about March 13, 1987, in violation of Section 84300 (c).

Respondent: Kenneth Orduna

36. Complainant realleges paragraphs 1-5 and incorporates them by reference.

37. On March 11, 1987, Kenneth Orduna negotiated a \$5,000 check from the Texim Corporation ("Texim") at the bank. The payee portion of the check had been left blank by Texim, and the name of Kenneth Orduna was entered as payee in writing which is similar to Orduna's own handwriting. Additionally, the back of the check has Orduna's signature, driver's license number, and date of birth. Thus, it appears that Orduna filled in the section with his own name. According to the check stub, the check was in payment for consulting fees. Texim's records, however, do not show any invoice for these consulting fees.

38. Orduna apparently cashed the check from Texim, purchasing four \$500 money orders from the Bank of California and taking the remaining \$3,000 in cash. Under the "Signature of Purchaser" section on three of the money orders, the names

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"Lonnie Sanders," "Clarence Wong," and "Al Shepard" were written. The money orders were made payable to OCC. The three money orders are directly traceable to the check that Orduna received from Texim, and there is no evidence to support the contention that Sanders, Wong, and Shepard made those contributions. The deposit slip appears to have been prepared in Lonnie Sanders' handwriting and those three money orders were deposited into OCC's bank account on March 13, 1987. The remaining money order was negotiated by Mr. Sanders but not deposited into OCC's bank account.

39. Section 84300 (c) states that no contribution of one hundred dollars (\$100) or more other than an in-kind contribution shall be made unless by written instrument containing the name of the donor and the name of the payee. FPPC Accounting Specialist Grant Beauchamp reviewed the records and established that the sequentially numbered money orders did not contain the name of Kenneth Orduna. In omitting his own name^{7/} and making the contributions under the false names of "Lonnie Sanders," "Clarence Wong," and "Al Shepard," Kenneth Orduna committed three violations of Section 84300 (c) (Counts 74-76).

^{7/} Although Mr. Orduna was disclosed on this campaign statement as providing a \$1,500 loan to OCC, this loan amount is attributed to a \$1,500 check drawn on Mr. Orduna's bank account which was dated March 31, 1987. The campaign statement covering the next reporting period did not disclose any additional \$1,500 contribution or loan from Mr. Orduna.

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COUNTS SEVENTY-SEVEN THROUGH SEVENTY-EIGHT

Violations alleged: Falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, the names of two persons as contributors of \$500 each, when in fact those individuals did not make such contributions, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

40. Complainant realleges paragraphs 1-5 and 16-20, and incorporates them by reference.

41. FPPC Accounting Specialist Grant Beauchamp reviewed the records and established that on the campaign statement covering March 1 through March 28, 1987, "Lonnie Sanders" and "Clarence Wong" were disclosed as the contributors of two of the \$500 money orders. "Al Shepard" did not appear on the campaign statement. In substituting the names of Sanders and Wong for the true source, Kenneth Orduna, Kenneth Orduna, OCC, and Lonnie Sanders committed two violations of Section 84211 (Counts 77-78).

COUNT SEVENTY-NINE

Violation alleged: Failing to timely file a Statement of Organization in violation of Section 84101.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

42. Complainant realleges paragraphs 1-5 and incorporates them by reference.

43. Section 84101 states that every committee which is a committee by virtue of subdivision (a) of Section 82013 shall file with the Secretary of State a statement of organization within 10 days after it has qualified as a committee. The

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committee shall file the original of the statement of organization with the Secretary of State and shall also file a copy of the statement of organization with the local filing officer, if any, with whom the committee is required to file the originals of its campaign reports pursuant to Section 84215.

44. On September 22, 1986, a bank account was opened for OCC with funds from a \$500 contribution from the Dymally Campaign Committee. During 1986, Section 82013 (a) defined "committee" as any person or combination of persons who directly or indirectly receives contributions totalling five hundred dollars (\$500)^{8/} or more in a calendar year. Since OCC received \$500 on or about September 22, 1986, OCC became a committee pursuant to Section 82013 (a) on or about September 22, 1986, and was required to file a Statement of Organization no later than October 2, 1986. OCC finally filed a Statement of Organization on November 14, 1986, forty-three days late. In failing to file a timely Statement of Organization, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84101.

COUNT EIGHTY

Violation alleged: Failing to timely file a semiannual statement due no later than January 31, 1987, in violation of Section 84200 (a).

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

^{8/} In 1987, the five hundred dollar threshold was raised to one thousand dollars (\$1,000).

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45. Complainant realleges paragraphs 1-5 and incorporates them by reference.

46. Under Section 84200 (a) OCC was required to file campaign statements each year no later than July 31 for the period covering January 1 through June 30, and no later than January 31 for the period covering July 1 through December 31. Because each statement covers a six-month period, these statements are commonly known as semiannual statements.

47. On September 22, 1986, a bank account was opened for OCC with funds from a \$500 contribution from the Dymally Campaign Committee. During the latter half of 1986, a total of \$6,500 in contributions was deposited into the OCC's bank accounts, and \$2,430.70 was paid in campaign expenditures. Instead of filing a separate campaign statement covering the latter half of 1986, Kenneth Orduna, OCC, and Lonnie Sanders included the contributions received and expenditures made during the later half of 1986 in a campaign statement filed on March 5, 1987, for the period January 1 through February 28, 1987. In failing to file a separate campaign statement covering the period July 1 through December 31, 1986 no later than January 31, 1987, Kenneth Orduna, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84200 (a).

COUNT EIGHTY-ONE

Violation alleged: Failing to disclose on a campaign statement covering January 1, 1987, through February 28, 1987, the name, address, occupation, employer, date, and amount of three \$100 contributions and one \$500 contribution in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

48. Complainant realleges paragraphs 1-5, and 16-20, and incorporates them by reference.

49. The times for filing pre-election statements for elections not held in June or November are set forth in Section 84200.8. Under subdivision (a), pre-election statements for an April election are required to be filed no later than 40 days before the election for the period ending 45 days before the election. In this case, OCC was required to file a pre-election statement by March 5, 1987, which covered the period from January 1, 1987, through February 28, 1987.

50. Section 84211 outlines the information that must be contained in campaign statements. Under subdivision (f), if the cumulative amount of contributions (including loans) received from a person is one hundred dollars (\$100) or more and a contribution or loan has been received from that person during the period covered by the campaign statement, the following is required: (1) His or her full name; (2) His or her street address; (3) His or her occupation; (4) The name of his or her employer or if self-employed, name of business; (5) The date and amount received for each contribution received during the period covered by the campaign statement and if the contribution is a loan, the interest rate for the loan; and (6) The cumulative amount of contributions.

51. FPPC Accounting Specialist Grant Beauchamp requested all of OCC's records from Lonnie Sanders. Beauchamp then reviewed the records and discovered that the committee

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records contained four checks from four persons who had made contributions of \$100 or more, but had not been disclosed on the campaign statements covering January 1 through February 28, 1987. They were:

- | | |
|-----------------------------|---------------------|
| 1. Pulau Electronics Corp. | \$500 |
| 2. Whitman Mayo Enterprises | \$100 |
| 3. Paul Perotti | \$100 |
| 4. Vela Orduna | \$100 ^{9/} |

52. In failing to disclose these contributions, Kenneth Orduna, OCC, and Lonnie Sanders violated 84211.

COUNT EIGHTY-TWO

Violation alleged: Failing to disclose on a campaign statement covering March 1, 1987, through March 28, 1987, the name, address, occupation, employer, date, and amount of a \$1,000 contribution in violation of Section 84211.

Respondent: Kenneth Orduna, OCC, and Lonnie Sanders

53. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

54. Under subdivision (b) of Section 84200.8, the second pre-election statement for an April election is required to be filed no later than 12 days before the election for the

^{9/} FPPC Accounting Specialist Grant Beauchamp reviewed the records and established that the name of Vela Orduna was not disclosed on the campaign statement covering January 1 through February 28, 1987. Although no documentation was present for Rupert Francisco, his name was disclosed as the contributor of \$100. It therefore appears that the name Rupert Francisco may have been substituted for Vela Orduna on this campaign statement.

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period ending 17 days before the election. In this case, since the election was held on April 14, 1987, OCC's second pre-election statement was due on April 2, 1987, and covered March 1 through March 28, 1987. Section 84211 requires that certain details of all contributions of \$100 or more be disclosed on a campaign statement.

55. FPPC Accounting Specialist Grant Beauchamp requested all of the OCC records from Lonnie Sanders. Beauchamp then reviewed those records and discovered a copy of a check from Dena Corporation for \$1,000 which was dated March 16, 1987. That contribution was not disclosed on the second pre-election statement covering March 1 through March 28, 1987. In failing to disclose that contribution, Kenneth Orduna, OCC and Lonnie Sanders, the treasurer of OCC who was responsible for maintaining the OCC records, violated 84211.

COUNT EIGHTY-THREE

Violation alleged: Failing to disclose on a campaign statement covering March 29, 1987, through June 30, 1987, the name, address, occupation, employer, date, and amount of thirteen contributions of \$100 or over in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

56. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

57. Under 84200 (a), a semiannual statement covering the period ending June 30, 1987, was required to be filed no later than July 31, 1987. Section 84211 requires that

certain details of all contributions of \$100 or more be disclosed on a campaign statement.

58. FPPC Accounting Specialist Grant Beauchamp requested OCC's records from the treasurer, Lonnie Sanders. Beauchamp reviewed the records and discovered copies of checks from thirteen persons who had not been disclosed on the campaign statement covering the period March 29 through June 30, 1987, but who had contributed \$100 or more. Since those thirteen persons had all contributed \$100 or more, those persons should have been itemized on the campaign statement covering the period March 29 through June 30, 1987, filed by the committee. The names of the persons and the amount of the contributions are as follows:

1. Community Thrift and Loan	\$500
2. William Gisbrecht	\$100
3. Mary Louise Custer	\$100
4. Vela Orduna	10/
5. Don Green	\$100
6. Ed Rubin	\$500
7. Visha Homes Inc.	\$500
8. George Applegate	\$200
9. Hertzberg & Regele	\$250
10. Victor & Pat Johnson	\$200
11. Paulene Cooper	\$500
12. Contract & Business Consultant	\$500
13. Korea Town Dev. Association	<u>\$1,998</u>
	\$5,448

In failing to disclose these contributions, Kenneth Orduna, OCC, and Lonnie Sanders violated 84211.

^{10/} Vela Orduna provided \$4,000 in contributions during this reporting period. However, since Vela Orduna's contributions during this campaign reporting period were so large, they have been charged as separate counts under counts 130-132.

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COUNT EIGHTY-FOUR

Violation alleged: Falsely reporting the total amount of contributions of less than \$100 received on a campaign statement covering January 1, 1987, through February 28, 1987, in violation of Section 84211 (d).

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

59. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

60. Section 84211 (d) requires that each campaign statement shall contain the "...total amount of contributions received during the period covered by the campaign statement from persons who have given a cumulative amount of less than one hundred dollars (\$100)."

61. FPPC Accounting Specialist Grant Beauchamp requested the committee records from the committee treasurer. Beauchamp reviewed all deposits made to the committee's bank account and discovered that the committee had grossly overstated the total amount of "under \$100" contributions on each of the three campaign statements listed below.

62. On a campaign statement covering January 1, 1987, through February 28, 1987, Kenneth Orduna, OCC, and Lonnie Sanders reported that \$4,855 in "under \$100" contributions had been received. An examination of the actual deposit records revealed that only \$455 in "under \$100" contributions had been received by the committee during that reporting period, and that the "under \$100" category had been overstated by \$4,400.

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COUNT EIGHTY-FIVE

Violation alleged: Falsely reporting the total amount of contributions of less than \$100 received on a campaign statement covering March 1, 1987, through March 28, 1987, in violation of Section 84211 (d).

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

63. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

64. On a campaign statement covering March 1, 1987, through March 28, 1987, Kenneth Orduna, OCC, and Lonnie Sanders reported that \$3,010 in "under \$100" contributions had been received. An examination of the actual deposit records revealed that only \$1,294 in "under \$100" contributions had been received by the committee during that reporting period, and that the "under \$100" category had been overstated by \$1,716.

COUNT EIGHTY-SIX

Violation alleged: Falsely reporting the total amount of contributions of less than \$100 received on a campaign statement covering March 29, 1987, through June 30, 1987, in violation of Section 84211 (d).

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

65. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

66. On a campaign statement covering March 29, 1987, through June 30, 1987, Kenneth Orduna, OCC, and Lonnie Sanders reported that \$10,514 in "under \$100" contributions had been

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received. An examination of the actual deposit records revealed that only \$595 in "under \$100" contributions had been received by the committee during that reporting period, and that the "under \$100" category had been overstated by \$9,919.

67. In falsely overstating the total amount of less than \$100 contributions received during each of the three reporting periods discussed in counts 84 through 86, Kenneth Orduna, OCC, and Lonnie Sanders committed three violations of 84211 (d).

COUNTS EIGHTY-SEVEN THROUGH NINETY

Violations alleged: Falsely disclosing on a campaign statement covering the period January 1, 1987, through February 28, 1987, a \$500 contribution from Yong Sul Pak (Count 87), and a \$500 contribution from Min Ja Jung (Count 88), and falsely disclosing on a campaign statement covering the period March 29, 1987 through June 30, 1987, a \$100 contribution from Monroe Billingslea (Count 89), and a \$500 contribution from Sherie Walker (Count 90), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

68. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

69. FPPC Accounting Specialist Grant Beauchamp reviewed the records and established that checks were received by the committee from the individuals listed below. The checks were deposited into OCC's bank account, but failed to clear because of insufficient funds. In each case, the individual who wrote the check was disclosed as making a contribution to

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OCC, but the disclosures were not necessarily accurate. The checks were returned by the bank during the campaign statement reporting period. FPPC Accounting Specialist Grant Beauchamp reviewed the records and established that the four individuals did not write subsequent checks which cleared the bank. As a result, Sanders knew or had reason to know the checks were not good prior to reporting the contributions. The insufficient funds checks were:

	<u>Payer</u>	<u>Check Amount</u>	<u>Reported</u>
1.	Yong Sul & Yung Ae Pak	\$10,000	\$500
2.	Min Ja Jung	\$2,000	\$500
3.	Monroe Billingslea	\$100	\$100
4.	Sherie Walker	\$500	\$500

70. Yong Sul Pak was disclosed as contributing \$500 on the campaign statement covering the period January 1 through February 28, 1987. When Grant Beauchamp reviewed the committee's records, he found only one check from Yong Sul Pak. That was a \$10,000 check drawn on the account of Yong Sul and Yung Ae Pak which had been deposited into the committee's account on January 14, 1987, and was stamped "non-sufficient funds." Additionally, a document labeled "First Los Angeles Bank Return Item/Charge Back was stapled to the "non-sufficient funds" check. The Return Item/Charge Back document was dated January 15, 1987, and indicated that it was "charging back" for a \$10,000 "non-sufficient funds" check deposited on January 14, 1987. This January 15, 1987, "charge back" date was forty-four days prior to the closing date of the campaign statement covering January 1, 1987, through February 28, 1987. (Count 87) In addition to the

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\$10,000 check from Yong Sul Pak drawn on the account of Yong Sul and Yung Ae Pak mentioned above, Yung Ae Pak also provided a \$7,000 contribution drawn on the account of Yong Sul and Yung Ae Pak on or about March 18, 1987. This check was returned by the bank for non-sufficient funds on March 23, 1987.

71. Min Ja Jung was disclosed as contributing \$500 on the campaign statement covering the period January 1 through February 28, 1987. When Grant Beauchamp reviewed the committee's records, he found only one check from Min Ja Jung. That was a \$2,000 check which had been deposited into the committee's account on January 13, 1987, and was stamped "NSF." Additionally, a document labeled "First Los Angeles Bank Return Item/Charge Back" was stapled to the "NSF" check. The Return Item/Charge Back document was dated January 21, 1987, and indicated that it was "charging back" for a \$2,000 "non-sufficient funds" check deposited on January 13, 1987. A First Los Angeles Bank "Advise of Credit" document contained in the committee's records indicates that the check from Min Jan Jung was deposited again on January 28, 1987. However, a second "Return Item/Charge Back" document dated February 3, 1987, indicates that the committee was once again being "charged back" for the \$2,000 "non-sufficient funds" check which was deposited again on January 28, 1987. This February 3, 1987, "charge back" date was twenty-five days prior to the closing date for the campaign statement covering January 1, 1987, through February 28, 1987. (Count 88)

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72. Monroe Billingslea was disclosed as contributing \$500 on the campaign statement covering the period March 29, 1987, through June 30, 1987. When Grant Beauchamp reviewed the committee's records, he found only one check from Monroe Billingslea. That was a \$100 check which had been deposited into the committee's account on April 3, 1987, and was stamped "non-sufficient funds." Additionally, a document labeled "First Los Angeles Bank Return Item/Charge Back was stapled to the "non-sufficient funds" check. The Return Item/Charge Back document was dated April 7, 1987, and indicated that it was "charging back" for a \$100 "non-sufficient funds" check deposited on April 3, 1987. This April 3, 1987, "charge back" date was eighty-eight days prior to the closing date of the campaign statement covering March 29, 1987, through June 30, 1987. (Count 89)

73. Sherie Walker was disclosed as contributing \$500 on the campaign statement covering the period March 29, 1987, through June 30, 1987. When Grant Beauchamp reviewed the committee's records, he found only one check from Sherie Walker. That was a \$500 check which had been deposited into the committee's account on April 7, 1987, and was stamped "non-sufficient funds." Additionally, a document labeled "First Los Angeles Bank Return Item/Charge Back was stapled to the "non-sufficient funds" check. The Return Item/Charge Back document was dated April 9, 1987, and indicated that it was "charging back" for a \$500 "non-sufficient funds" check deposited on April 7, 1987. This April 9, 1987, "charge

back" date was eighty-two days prior to the closing date of the campaign statement covering March 29, 1987, through June 30, 1987. When interviewed by FPPC staff on March 13, 1990, Sherie Walker confirmed that she did not provide a replacement check. (Count 90)

74. In falsely disclosing the four "insufficient funds" contributions listed above, Kenneth Orduna, OCC, and Lonnie Sanders committed four violations Section 84211.

COUNTS NINETY-ONE THROUGH NINETY-FOUR

Violations alleged: Falsely disclosing on a campaign statement covering the period January 1, 1987, through February 28, 1987, a \$500 contribution instead of correctly disclosing a \$2,000 contribution from Richard Lim (Count 91), falsely disclosing on a campaign statement covering the period January 1, 1987, through February 28, 1987, a \$500 contribution instead of correctly disclosing a \$3,000 contribution from International Wauai Company (Count 92), falsely disclosing on a campaign statement covering the period March 29, 1987, through June 30, 1987, two \$500 contributions instead of correctly disclosing a \$1,000 contribution and a \$500 contribution from Byung Park and Dae Yang Park (Count 93), and falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, a cumulative amount of \$500 instead of correctly disclosing a cumulative amount of \$650 from Clyde Collins (Count 94), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

75. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

76. FPPC Accounting Specialist Grant Beauchamp obtained the committee records and reviewed the supporting documents for the campaign statement covering the period January 1, 1987, through February 28, 1987, which was verified by the OCC

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treasurer, Lonnie Sanders. Beauchamp found a copy of a \$2,000 check from Richard Lim, dated February 17, 1987, in the committee's records. Sanders had incorrectly reported on the campaign statement that Richard Lim had contributed only \$500. Further, Sanders reported the cumulative amount received from Richard Lim on that campaign statement as \$500, which incidentally, was the contribution limitation amount in effect in Los Angeles during this time. During an interview of Sanders conducted by the FPPC on October 23, 1989, Mr. Sanders acknowledged that he was aware of the contribution limitation amount in Los Angeles enacted by Los Angeles City Code Section 312 which became effective on July 1, 1985. Therefore, it appears that Mr. Sanders, by verifying the campaign statement in question, intentionally violated Section 84211 as he misrepresented the amount on the check contributed by Richard Lim.

77. In falsely disclosing \$500 instead of \$2,000, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

78. FPPC Accounting Specialist Grant Beauchamp obtained the committee records and reviewed the supporting documents for the campaign statement covering the period January 1, 1987, through February 28, 1987, which was verified by the OCC treasurer, Lonnie Sanders. Beauchamp found a copy of a \$3,000 check from International Waii Company, dated January 7, 1987, in the committee's records. Sanders had incorrectly reported on the campaign statement that International Waii Company had contributed only \$500. Further, Sanders reported

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the amount received from International Wauai Company on that campaign statement as \$500, which incidentally, was the contribution limitation amount in effect in Los Angeles during this time. During an interview of Sanders conducted by the FPPC on October 23, 1989, Mr. Sanders acknowledged that he was aware of the contribution limitation amount in Los Angeles during this time. Therefore, it appears that Mr. Sanders, by verifying the campaign statement in question, intentionally violated Section 84211 as he misrepresented the amount on the check contributed by International Wauai Company.

79. In falsely disclosing \$500 instead of \$3,000, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

80. FPPC Accounting Specialist Grant Beauchamp obtained the committee records and reviewed the supporting documents for the campaign statement covering the period March 29 through June 30, 1987, which was verified by the OCC treasurer, Lonnie Sanders. Beauchamp found a copy of a \$1,000 check drawn on the joint checking account of Byung Chul Park and Dae Yang Park, dated April 1, 1987, and a copy of a \$500 check drawn on the same joint checking account and signed by the same person, dated April 7, 1987, in the committee's records. Sanders had incorrectly reported on the campaign statement that Byung Park had contributed only \$500. Sanders had incorrectly reported on the campaign statement that Dae Yang Park had contributed only \$500. Further, Sanders reported the amount received from Byung Park as \$500, and the

amount received from Dae Yang Park on that campaign statement as \$500, which incidentally, was the contribution limitation amount in effect in Los Angeles during this time. During an interview of Sanders conducted by the FPPC on October 23, 1989, Mr. Sanders acknowledged that he was aware of the contribution limitation amount in Los Angeles during this time. Therefore, it appears that Mr. Sanders, by verifying the campaign statement in question, intentionally violated Section 84211 as he misrepresented the amounts contributed by Byung Park and Dae Yang Park.

81. In falsely disclosing two \$500 contributions instead of correctly disclosing one \$1,000 contribution and one \$500 contribution, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

82. FPPC Accounting Specialist Grant Beauchamp obtained the committee records and reviewed the supporting documents for the campaign statements covering the periods January 1, 1987, through February 28, 1987, and March 1, 1987, through March 28, 1987, which were verified by the OCC treasurer, Lonnie Sanders. While reviewing the committee records for these periods of time, Beauchamp verified that Sanders had correctly reported a \$350 contribution from Clyde Collins on the campaign statement covering the period January 1 through February 28, 1987. While reviewing the committee records for the period covering March 1 through March 28, 1987, Beauchamp also found a copy of a check from Clyde Collins to the Orduna for City Council Committee in the amount of \$300. This check

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was dated March 27, 1987. Despite this evidence, the treasurer of OCC, Lonnie Sanders, reported the contribution as \$150. Further, Sanders reported the cumulative amount received from Clyde Collins on that campaign statement as \$500, which incidentally, was the contribution limitation amount in effect in Los Angeles during this time. During an interview of Sanders conducted by the FPPC on October 23, 1989, Mr. Sanders acknowledged that he was aware of the contribution limitation amount in Los Angeles during this time. Therefore, it appears that Mr. Sanders, by verifying the campaign statement in question, intentionally violated Section 84211 as he misrepresented both the amount on the check and the cumulative amount contributed by Clyde Collins. 83. In falsely disclosing a contribution of \$150 instead of \$300 and a cumulative amount of \$500 instead of \$650, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

COUNTS NINETY-FIVE THROUGH ONE HUNDRED

Violations alleged: Failing to file a late contribution report for a \$1,500 contribution received on or about March 31, 1987, from Kenneth Orduna and Vela Orduna (Count 95), failing to file a late contribution report for a \$1,000 contribution received on or about April 1, 1987, from Byung Park (Count 96), failing to file a late contribution report for a \$1,000 contribution received on or about April 2, 1987, from Kenneth Orduna (Count 97), failing to file a late contribution report for a \$1,000 contribution received on or about April 3, 1987, from Vela Orduna (Count 98), failing to file a late contribution report for a \$1,500 contribution received on or about April 9, 1987, from Sang Y. Lee (Count 99), and failing to file a late contribution report for a \$2,000 contribution received on or about April 13, 1987, from F.E.A. Logistics (Count 100), in violation of Section 84203.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

84. Complainant realleges paragraphs 1-5 and incorporates them by reference.

85. Late contribution reports are an important part of the Act's disclosure provisions, because they advise the public of contributions of \$1,000 or more received by candidates or committees during the last two weeks before an election. This is a period of intense campaign activity when large amounts of money change hands. Therefore, the Act requires such transactions to be publicly disclosed to promote a more informed electorate.

86. A late contribution report must be filed by a candidate or committee which makes or receives a contribution of \$1,000 or more if the contribution is made, or received, before the date of the election in question, but after the closing date of the last campaign statement required to be filed before the election. (Sections 82036 and 84203.) A contribution is "received" the day the candidate or committee treasurer, or his or her agent actually receives the contribution, not when the contribution is deposited into the committee's bank account. For the April 14, 1987, election, the late period began on March 29, 1987, 16 days before the election. Section 84203 (b) requires the contributor to make the report within 24 hours of the time the contribution is made.

87. The City of Los Angeles limited contributions that could

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be received from an individual to \$500. Since late contribution reports are only required for contributions of \$1,000 or more made or received during the late contribution reporting period, Kenneth Orduna, OCC, and Lonnie Sanders were motivated to avoid filing late contribution reports because any such report would on its face prove that the \$500 limitation had been exceeded.

88. FPPC Accounting Specialist Grant Beauchamp reviewed the committee's records and established that a \$1,500 check from Kenneth and Vela Orduna, dated March 30, 1987, was deposited into OCC's account on March 31, 1987. This contribution was disclosed on the campaign statement filed for the period ending March 28, 1987, as a loan from Mr. Orduna received on March 28, 1987. Since the check was dated March 30, 1987, and deposited March 31, 1987, the evidence supports the conclusion that the check was physically received either on March 30 or March 31, 1987, which is during the late contribution period which started on March 29, 1987. No late contribution report was filed. In failing to file a late contribution report, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203. (Count 95)

89. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that a \$1,000 contribution from Byung Park^{11/}, dated April 1, 1987, was deposited into

^{11/} This check was drawn on the joint checking account of Byung Park and Dae Yang Park. The campaign statement falsely disclosed that the contribution was received on April 8, 1987. The statement also disclosed that these two individuals contributed \$500 each.

OCC's account on April 1, 1987. No late contribution report was filed. In failing to file a late contribution report, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203. (Count 96)

90. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that a \$1,000 contribution from Kenneth Orduna^{12/}, dated April 2, 1987, was deposited into OCC's account on April 2, 1987. No late contribution report was filed. In failing to file a late contribution report, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203. (Count 97)

91. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that a \$1,000 contribution was deposited into OCC's account on April 3, 1987. The contribution, dated April 3, 1987, consisted of two \$500 checks made payable to Vela Orduna^{13/}. In failing to file a

^{12/} This was actually a \$1,000 payment to Kenneth Orduna from Voter Education and Registration Action which was endorsed over to OCC. On the campaign statement covering the period March 29 through June 30, 1987, OCC disclosed that Kenneth Orduna provided a \$1,998 contribution on May 14, 1987. It appears that a total of \$2,200 was provided by Kenneth Orduna to OCC during this period of time as a result of the aforementioned \$1,000 contribution, a \$500 money order from Kenneth Orduna, and two additional checks of \$200 and \$500 from Voter Registration and Education payable to Mr. Orduna and endorsed to OCC. The \$1,998 amount reflected on the campaign statement consisted in part of a \$998 cashiers check purchased from Global Savings Bank by Korea Town Development which appears on its face to be from Mr. Orduna.

^{13/} The two checks to Vela Orduna discussed in Count 98 were drawn on two different Dymally Campaign Committee accounts and one was drawn on the account of the law firm of Masry and Vititoe with all checks apparently endorsed over to OCC. When interviewed, Vela Orduna did not recall receiving these three checks nor did she recall a reason why she would have

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late contribution report for the contribution received on or about April 3, 1987, and deposited on April 3, 1987, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203.

(Count 98)

92. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that a \$1,500 check, dated April 7, 1987, was deposited into OCC's account on April 9, 1987. The check was from Sang Y. Lee. In failing to file a late contribution report for the contribution deposited on April 9, 1987, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203. (Count 99)

93. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that a \$2,000 check, dated April 13, 1987, from F.E.A. Logistics^{14/} was deposited into OCC's account on April 13, 1987. In failing to file a late contribution report for the contribution deposited on April 13, 1987, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84203. (Count 100)

COUNTS ONE HUNDRED AND ONE THROUGH ONE HUNDRED AND TWO

Violations alleged: Falsely disclosing on a campaign statement covering the period January 1, 1987, through February 28, 1987, a \$500 contribution instead of correctly disclosing a \$100 contribution from Revcom (Count 101), and a \$500 contribution instead of a \$100

received these checks.

14/ This check was made payable to Vela Orduna, but when interviewed by the FPPC on May 1, 1990, Vela Orduna stated that she did not recall receiving the check from F.E.A. Logistics and that she did not believe the signature on the back of the check was hers.

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contribution from Marsa Industries (Count 102), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

94. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

95. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that on a campaign statement covering the period January 1, 1987 through February 28, 1987, Lonnie Sanders incorrectly reported a \$500 contribution from Revcom. The correct amount of the contribution was \$100.

96. In falsely disclosing \$500 instead of \$100, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

97. On a campaign statement covering the period January 1, 1987 through February 28, 1987, Lonnie Sanders incorrectly reported a \$500 contribution from Marsa Industries. The correct amount of the contribution was \$100.

98. In falsely disclosing \$500 instead of \$100, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

COUNT ONE HUNDRED AND THREE

Violation alleged: Failing to disclose on a campaign statement covering the period March 1, 1987, through March 28, 1987, five \$99 contributions from Lee Turner, dated March 4, 1987, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

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99. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

100. Section 84211 requires that certain details of all contributions received during the period covered by the campaign statement from persons who have given a cumulative amount of \$100 or more be disclosed on a campaign statement. FPPC Accounting Specialist Grant Beauchamp reviewed the OCC records and established that on a campaign statement covering the period March 1, 1987, through March 28, 1987, Lonnie Sanders failed to itemize five \$99 contributions, dated March 4, 1987, from Lee Turner. All of the checks bore Lee Turner's signature, and all were listed on the same deposit slip which was prepared by Mr. Sanders. Since the five \$99 contributions equalled a total of \$495, Section 84211 requires that the details of those contributions be itemized on the campaign statement.

101. In failing to disclose the five \$99 contributions from Turner, Lonnie Sanders and OCC violated Section 84211.

COUNTS ONE HUNDRED AND FOUR THROUGH ONE HUNDRED AND TWENTY

Violations alleged: Falsely disclosing on a campaign statement covering the period January 1, 1987, through February 28, 1987, a \$500 contribution from Poong Lim Industries (Count 104), and a \$500 contribution from Peter Jung (Count 105), and falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, a \$500 contribution from Dae Ha Convenience (Count 106), a \$500 contribution from Joette Levinson (Count 107), a \$500 contribution from Kouin Kim (Count 108), a \$500 contribution from Xong Chu Park (Count 109), a \$300 contribution from Haro Construction (Count 110), a \$500 contribution from P.M. Hunter (Count 111), a \$500 contribution from Noah Orduna (Count 112), a \$500 contribution from Rodney Orduna (Count 113), a

\$500 contribution from John Orduna (Count 114), a \$500 contribution from Mildred Gooch (Count 115), a \$500 contribution from Gary Fellows (Count 116), a \$500 contribution from Joe Wood (Count 117), a \$500 contribution from Robert Gann (Count 118), a \$500 contribution from Florence Orduna (Count 119), and a \$500 contribution from Jean Alexander (Count 120), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

102. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

103. As defined in Section 82015, and Title 2, Cal. Code of Regulations, Section 18215, a contribution is a payment made for political purposes to the extent that full and adequate consideration is not received by the contributor. As defined in Section 82044, a payment is a rendering of something of value. When nothing of value has been rendered, no contribution has been made and none should be reported pursuant to Section 84211 or any other provision of the Act.

104. In order to ensure accurate campaign reporting, Section 84104 of the Act imposes a mandatory duty on each treasurer to maintain detailed accounts, records, bills and receipts as are necessary to prepare a committee's campaign statements and to comply with the campaign reporting provisions of the Act. Contributors of \$100 or more are required to be identified on campaign statements. (Section 84211, subsection (f).) In order to ascertain whether a person contributed a cumulative amount of more than \$100 during the reporting period, records must be kept regarding contributions of under \$100.

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105. Regulation Section 18401, subsection (a) (2) provides that committee records are not required to contain detail as to contributions received of less than \$25 other than the date and total amount of such contributions. As to contributions of \$25 or more, the treasurer must maintain information concerning each contributor. This information includes the information required to be disclosed under Section 84211, subsection (f)^{15/}.

106. FPPC Accounting Specialist Grant Beauchamp requested the committee records from the treasurer and established that on campaign statements covering the periods January 1 through February 28, 1987, and March 1 through March 28, 1987, Lonnie Sanders falsely disclosed seventeen persons who did not contribute \$500 as contributors of \$500 each (\$8,500). No committee or bank records exist to support the receipt of these contributions. When Lonnie Sanders was interviewed on March 22, 1990, he stated that he does not remember if every one of the people listed on Schedule A of the campaign statements did or did not contribute to the campaign. Sanders stated that he does not know why their names are on the statements if they did not contribute, but he assumes that if their names are on the statements they contributed.

107. FPPC Accounting Specialist Grant Beauchamp obtained the records of the committee and established that during the period January 1, 1986, through June 30, 1987, the committee

^{15/} The contributor's name, address, occupation and employer, or, if self-employed, the name of his or her business.

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had deposited approximately \$82,000 into its account. A review of the records also established that the committee had copies of contributor checks and records substantiating the receipt of approximately \$82,000. However, the committee disclosed an additional 17 contributions of \$500 each (\$8,500) for which it could not provide supporting documentation and which were not deposited into the bank account. Thus, it appears that these 17 contributions were not actually received and were falsely disclosed.

108. The false reporting appears to have been an attempt to hide a large contribution in excess of the \$500 contribution limit by breaking it up into smaller increments that were within the limit. The contribution which appears to have triggered much of the false reporting is a \$7,000 contribution received from Yung Ae Pak during the period from March 1 through March 28, 1987. This contribution was significantly in excess of the contribution limit. At the time the campaign statement for this period was completed, the committee was under the belief that it had received this contribution and, consistent with its actions on other contributions over the \$500 limit, the committee sought to hide the size of the single contribution through false disclosure of multiple \$500 contributors. The \$7,000 contribution check was ultimately returned for insufficient funds, a fact which the committee would not have known at the time it filed the campaign statement. The fact that the check was returned for insufficient funds explains why the committee's bank account

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does not reflect the improperly disclosed contributions.

109. Lonnie Sanders falsely disclosed on a campaign statement covering the period January 1 through February 28, 1987, that Poong Lim Industries had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 104)

110. Lonnie Sanders falsely disclosed on a campaign statement covering the period January 1 through February 28, 1987, that Peter Jung had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 105)

111. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Dae Ha Convenience had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 106)

112. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Joette Levinson had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 107)

113. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Kouin Kim had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 108)

114. Lonnie Sanders falsely disclosed on a campaign statement

covering the period March 1 through March 28, 1987, that Xong Chu Park had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 109)

115. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Haro Construction had contributed \$300. In falsely disclosing that \$300 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 110)

116. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that P.M. Hunter had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 111)

117. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Noah Chapman had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 112)

118. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Rodney Orduna had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 113)

119. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that John Orduna had contributed \$500. In falsely disclosing that \$500

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contribution, Lonnie Sanders and OCC violated Section 84211.

(Count 114)

120. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Mildred Gooch had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 115)

121. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Gary Fellows had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 116)

122. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Joe Wood had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 117)

123. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Robert Gann had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 118)

124. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Florence Orduna had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 119)

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125. Lonnie Sanders falsely disclosed on a campaign statement covering the period March 1 through March 28, 1987, that Jean Alexander had contributed \$500. In falsely disclosing that \$500 contribution, Lonnie Sanders and OCC violated Section 84211. (Count 120)

COUNTS ONE HUNDRED AND TWENTY-ONE THROUGH
ONE HUNDRED AND TWENTY-TWO

Violations alleged: Falsely disclosing on a campaign statement covering the period March 1, 1987, through March 28, 1987, a \$4,500 contribution instead of correctly disclosing a \$3,000 contribution from Kenneth Orduna (Count 121), and falsely disclosing on a campaign statement covering the period March 29, 1987, through June 30, 1987, a \$1,998 contribution instead of correctly disclosing a \$2,200 contribution from Kenneth Orduna (Count 122), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

126. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

127. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that on a campaign statement covering the period March 1 through March 28, 1987, Lonnie Sanders falsely disclosed that Kenneth Orduna had contributed \$4,500. Mr. Orduna had actually contributed \$3,000^{16/}. In falsely disclosing \$4,500 instead of \$3,000, Kenneth Orduna, Lonnie Sanders, and OCC violated Section 84211. (Count 121)

^{16/} This amount consisted of the three \$500 money orders Mr. Orduna purchased after the Texim check, and a \$1,500 contribution by personal check.

128. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that on a campaign statement covering the period March 29 through June 30, 1987, Lonnie Sanders falsely disclosed that Kenneth Orduna had contributed \$1,998. Mr. Orduna had actually contributed \$2,200. In falsely disclosing \$1,998 instead of \$2,200, Kenneth Orduna, Lonnie Sanders, and OCC violated Section 84211. (Count 122)

COUNTS ONE HUNDRED AND TWENTY-THREE THROUGH
ONE HUNDRED AND TWENTY-FIVE

Violations alleged: Failing to exercise reasonable diligence by not reviewing the Committee's campaign statements and by not insuring that the Committee Treasurer used all reasonable diligence in the preparation of its campaign statements covering January 1, 1987, through February 28, 1987 (Count 123), March 1, 1987, through March 28, 1987 (Count 124), and March 29, 1987, through June 30, 1987 (Count 125), in violation of Section 84213.

Respondents: Kenneth Orduna

129. Complainant realleges paragraphs 1-5 and incorporates them by reference.

130. To insure the required campaign reports are accurate, Section 84213 requires the candidate to verify his campaign statement. The statute provides that the verification must state that to the best of the candidate's knowledge the treasurer used reasonable diligence in the preparation of the committee's statement. Additional duties of the candidate are contained in Regulation 18427 (c). Subdivision (4)

requires the candidate to correct any inaccuracies and omissions of which the candidate is aware.

131. To comply with these duties, the candidate shall: ascertain whether the treasurer has established sufficient record-keeping procedures, which he or she monitors, to ensure that all of the Act's record-keeping and reporting requirements are complied with; take necessary steps to replace or improve the treasurer's performance, if the treasurer is not exercising reasonable diligence in his or her duties; review with care the statements prepared for filing; and, correct or cause to be checked any information in campaign statements which a person of reasonable prudence would question by reason of his or her duties under the Act^{17/}.

132. When he was interviewed by the FPPC on October 23, 1989, Lonnie Sanders stated that Kenneth Orduna looked at the campaign statements before signing them. However, Sanders did not know how closely Orduna examined the statements and later in the interview stated that although he was not quite sure about this, he (Sanders) may have even signed Orduna's name to a couple of statements because Orduna was not available. When Sanders was interviewed by the FPPC again on March 22, 1990, Sanders stated that he could not recall if Orduna gave him instructions on his duties or told him what he (Orduna) expected him to do. Sanders went on to state

^{17/} Title 2, California Code of Regulations, Section 18427.

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that he is sure that Orduna did not tell Sanders the duties of a treasurer because Orduna would not have known them. Sanders stated that he filled out all of the campaign statements and does not remember if anyone else helped him fill out the statements. Sanders did not know if Orduna reviewed the campaign statements, but did know that Orduna did not examine the statements in his (Sanders') presence.

133. As outlined in previous counts, the campaign statements contained a multitude of errors that could easily have been detected by monitoring the records. In failing to exercise reasonable diligence by neither adequately reviewing the Committee's campaign statements nor adequately instructing the treasurer in the treasurer's duties, and by not insuring that the Committee Treasurer used all reasonable diligence in the preparation of its campaign statement covering January 1, 1987, through February 28, 1987, Kenneth Orduna violated Section 84213. (Count 123)

134. As outlined in previous counts, the campaign statements contained a multitude of errors that could easily have been detected by monitoring the records. In failing to exercise reasonable diligence by neither adequately reviewing the Committee's campaign statements nor adequately instructing the treasurer in the treasurer's duties, and by not insuring that the Committee Treasurer used all reasonable diligence in the preparation of its campaign statement covering March 1, 1987, through March 28, 1987, Kenneth Orduna violated Section 84213. (Count 124)

135. As outlined in previous counts, the campaign statements contained a multitude of errors that could easily have been detected by monitoring the records. In failing to exercise reasonable diligence by neither adequately reviewing the Committee's campaign statements nor adequately instructing the treasurer in the treasurer's duties, and by not insuring that the Committee Treasurer used all reasonable diligence in the preparation of its campaign statement covering March 29, 1987, through June 30, 1987, Kenneth Orduna violated Section 84213. (Count 125)

COUNTS ONE HUNDRED AND TWENTY-SIX THROUGH
ONE HUNDRED AND TWENTY-EIGHT

Violations alleged: Failing to use all reasonable diligence in the preparation of a true and complete campaign statement covering the period January 1, 1987, through February 28, 1987 (Count 126), March 1, 1987, through March 28, 1987 (Count 127), and March 29, 1987, through June 30, 1987 (Count 128), in violation of Section 81004.

Respondent: Lonnie Sanders

136. Complainant realleges paragraphs 1-5 and incorporates them by reference.

137. Under Section 81004, campaign statements must be signed under penalty of perjury and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his knowledge it is true and complete. Section 81004 (b)

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states that a report or statement filed by a committee shall be signed and verified by the treasurer.

138. Additional duties of the treasurer are contained in Regulation 18427 (a). Subdivision (a) requires that the treasurer (1) establish a system of record keeping sufficient to ensure that receipts and expenditures are recorded promptly and accurately, and sufficient to comply with regulations established by the Commission related to record keeping; (2) either maintain the records personally or monitor such record keeping by others; (3) take steps to ensure that all requirements of the Act concerning the receipt and expenditure of funds and the reporting of such funds are complied with; (4) either prepare campaign statements personally or review with care the campaign statements and underlying records prepared by others; and (5) correct any inaccuracies or omissions in campaign statements of which the treasurer knows, and cause to be checked, and, if necessary, corrected, any information in campaign statements which a person of reasonable prudence would question based on all the surrounding circumstances of which the treasurer is aware or should be aware by reason of his or her duties under this regulation and the Act.

139. The campaign statements covering the periods January 1 through February 28, 1987, March 1 through March 28, 1987, and March 29 through June 30, 1987 contained an abundance of false reports of contributions of \$500, and an abundance of failures to report contributions that were over \$500. Most

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of these errors appear to have been an intentional effort to circumvent the whole purpose of Section 312 of the Los Angeles Municipal Code which became effective on July 1, 1985, and prohibited contributions of more than \$500 per individual. As outlined in previous counts, the statements contained a multitude of errors that could easily have been detected by examining the records. In failing to use all reasonable diligence in the preparation of OCC's campaign statement covering January 1, 1987, through February 28, 1987, Lonnie Sanders violated Section 84213. (Count 126)

140. As outlined in previous counts, the statements contained false reports of contributions of \$500 or less and failed to report contributions of more than \$500. These errors could easily have been detected by examining the records. In failing to use all reasonable diligence in the preparation of OCC's campaign statement covering March 1, 1987, through March 28, 1987, Lonnie Sanders violated Section 84213. (Count 127)

141. As outlined in previous counts, the statements contained false reports of contributions of \$500 or less and failed to report contributions of more than \$500. These errors could easily have been detected by examining the records. In failing to use all reasonable diligence in the preparation of OCC's campaign statement covering March 29, 1987, through June 30, 1987, Lonnie Sanders violated Section 84213. (Count 128)

COUNT ONE HUNDRED AND TWENTY-NINE

Violation alleged: Failing to maintain detailed accounts, records, bills and receipts that were necessary to prepare campaign statements in violation of Section 84104.

Respondents: Kenneth Orduna and Lonnie Sanders

142. Complainant realleges paragraphs 1-5 and incorporates them by reference.

143. Section 84104 states that it shall be the duty of each candidate, treasurer and elected officer to maintain such detailed accounts, records, bills and receipts that are necessary to prepare campaign statements and to comply with the provisions of this chapter.

144. FPPC Auditing Specialist Grant Beauchamp examined the committee records and concluded that neither Mr. Orduna nor Mr. Sanders maintained sufficient records to identify the true source of contributions. There were no records regarding the true source of the fifteen \$300 money orders obtained from Any Kind Check Cashing Centers (discussed in Counts 1-45), the nine \$300 money orders obtained through Central Bank (discussed in Counts 46-63), and the three \$500 money orders obtained through the Bank of California (discussed in Counts 74-76). Beauchamp also determined that there were no records maintained as to the true source of the \$998 cashiers check purchased from Global Savings Bank (discussed in Count 97).

145. In failing to maintain detailed accounts, records, bills

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and receipts that were necessary to prepare campaign statements, Kenneth Orduna and Lonnie Sanders violated Section 84104.

COUNT ONE HUNDRED AND THIRTY

Violation alleged: Failing to disclose on a campaign statement covering the period March 29, 1987, through June 30, 1987, either F.E.A. Logistics or Vela Orduna as the contributor of a \$2,000 contribution on or about April 13, 1987, in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

146. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

147. F.E.A. Logistics prepared a \$2,000 check, dated April 13, 1987, made payable to Vela Orduna. The check was deposited into OCC's account on April 13, 1987. The endorsement on the back of the check contained the name of the payee, Vela Orduna. When interviewed, Vela Orduna stated that she had not heard of F.E.A. Logistics, and she did not believe it was her signature on the back of the check. There was no invoice in the records of F.E.A. Logistics, but the check stub which was provided reflected that the payment was for a "Consultant Fee."

148. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that on the campaign statement covering the period March 29, 1987 through June 30, 1987, Lonnie Sanders failed to disclose either F.E.A. Logistics or Vela Orduna as the contributor of this money.

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It is impossible to determine whether the contribution was disclosed in some other name. In failing to disclose this information, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

COUNT ONE HUNDRED AND THIRTY-ONE THROUGH
ONE HUNDRED AND THIRTY-TWO

Violations alleged: Failing to disclose on a campaign statement covering the period March 29, 1987, through June 30, 1987, either Masry & Vititoe or Vela Orduna as the contributor of a \$500 contribution on or about April 13, 1987 (Count 131), and either the Dymally Campaign Committee or Vela Orduna as the contributor of two \$500 contributions on or about April 3, 1987 (Count 132), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

149. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

150. A \$500 check drawn on the account of the Law Offices of Masry & Vititoe, dated April 13, 1987, made payable to Vela Orduna was deposited into OCC's account on April 13, 1987. The endorsement on the back of the check contained the name of the payee, Vela Orduna. When interviewed, Vela Orduna stated that she did not remember receiving this payment nor could she remember working for this firm. She said that the endorsement on the back of the check could be her signature, however, it did not look like it. There was no invoice in the records of this firm, and no records as to who requested this check existed. The law firms's records reflect that the payment was billed to the "outside secretarial" account.

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151. FPPC Accounting Specialist Grant Beauchamp reviewed the committee records and established that on the campaign statement covering the period March 29, 1987 through June 30, 1987, Lonnie Sanders and Kenneth Orduna failed to disclose either the law firm of Masry & Vititoe or Vela Orduna as the contributor of this money. The law firm had already contributed the \$500 maximum allowed by the Los Angeles City Ordinance on or about February 4, 1987. It is impossible to determine whether the contribution was disclosed in some other name. In failing to disclose this information, Sanders and Orduna violated Section 84211.

152. Two \$500 checks drawn on two different Dymally Campaign Committee accounts, both dated April 3, 1987, made payable to Vela Orduna were deposited into OCC's account on April 3, 1987. "Dinner Coordination" was written in the memo section of each check. One additional \$500 check drawn on a Dymally Campaign Committee account, dated April 14, 1987, made payable to Vela Orduna, was deposited into OCC's account on April 13, 1987. "Consulting re dinner" was written in the memo section of this check. All three of these checks were signed by Mr. Sanders. When interviewed, Vela Orduna stated that she did not remember receiving these payments, nor could she remember being involved in a dinner for Congressman Dymally during this time. She said that the endorsement on the back of the two April 3 checks could be her signature, however, it did not look like it.

153. FPPC Accounting Specialist Grant Beauchamp reviewed the

committee and bank records and established that on the campaign statement covering the period March 29 through June 30, 1987, Lonnie Sanders failed to disclose either the Dymally Campaign Committee or Vela Orduna as the contributor of this money. The Dymally Campaign Committee had already contributed the \$500 maximum allowed by the Los Angeles City Ordinance on or about January 2, 1987, which was disclosed on the first campaign statement filed by OCC.

154. In failing to disclose either Vela Orduna or the Dymally Campaign Committee as the contributor of the three checks, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

COUNT ONE HUNDRED AND THIRTY-THREE THROUGH
ONE HUNDRED AND THIRTY-FOUR

Violations alleged: Failing to disclose on a campaign statement covering the period July 1, 1987, through December 31, 1987, the name, address, occupation, employer, date, and amount of a \$4,500 contribution (Count 133), and a \$250 and \$200 contribution (Count 134), in violation of Section 84211.

Respondents: Kenneth Orduna, OCC, and Lonnie Sanders

155. Complainant realleges paragraphs 1-5 and 16-20 and incorporates them by reference.

156. Under 84200 (a), a semiannual statement covering the period ending December 31, 1987, was required to be filed no later than January 31, 1988. Section 84211 requires that certain details of all contributions of \$100 or more be disclosed on a campaign statement.

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157. FPPC Accounting Specialist Grant Beauchamp requested OCC's records from the treasurer, Lonnie Sanders. Beauchamp reviewed the records and discovered a copy of a \$4,500 check written on the account of Kenneth and Vela Orduna and deposited into the Orduna for City Council bank account on October 6, 1987. This contribution was not disclosed on any campaign statement filed by OCC.

158. In failing to disclose this contribution, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

159. FPPC Accounting Specialist Grant Beauchamp requested OCC's records from the treasurer, Lonnie Sanders. Beauchamp reviewed committee and bank records and discovered a copy of a \$250 check written on the account of Baxter Sinclair and a copy of a \$200 check written on the account of John and Linda Colville and deposited into the Orduna for City Council bank account on October 6, 1987. These contributions were not disclosed on any campaign statement filed by OCC.

160. In failing to disclose these contributions, Kenneth Orduna, OCC, and Lonnie Sanders violated Section 84211.

Wherefore complainant prays as follows:

1. That the Fair Political Practices Commission hold a hearing pursuant to Section 83116 of the Act and at such hearing find that respondents violated the Act as alleged herein;

2. That the Commission order respondents to pay a monetary penalty pursuant to Section 83116 (c) of not more

than Two Thousand Dollars (\$2,000) for each violation of the Act alleged herein;

3. That the Commission grant such other relief as just and proper.

DATED: _____

Gregory W. Baugher
Executive Director
Fair Political Practices Commission

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FIRST GENERAL COUNSEL'S REPORT

Pre-MUR # 238
STAFF MEMBER: Michael Marinelli

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

RESPONDENTS: Dymally Campaign Committee and
William Lee, as treasurer
F.E.A. Logistics
Morio Akiba
Fukujiro Akiba
Steven Deignan
Mutsumi Deignan
Kiyotaka Imai
Mrs. Kiyotaka Imai
Kenneth Orduna
Vela Orduna
Lonnie Sanders
Clarence Wong
Ethel Wong

SENSITIVE

RELEVANT STATUTES: 2 U.S.C. § 441b(a)
2 U.S.C. § 441f

INTERNAL REPORTS CHECKED: Dymally Campaign Committee
Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). Attachment 1. The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been

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properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

Attachments 2 and 3.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

II. FACTUAL AND LEGAL ANALYSIS

A. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government

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CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election. The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

See Attachment 2 at 13. According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a

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list of ten FEA employees in whose names the contributions were to be attributed.¹ See Attachment 1 at 6.

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However, the violations of law by FEA were not the only illegalities disclosed in the referral. In the letter enclosing these materials and in a subsequent submission, the CFPPC stated that the names of some members of Congressman Dymally's staff as well as staff of his principal campaign committee were also used in connection with a separate scheme to funnel contributions to the Orduna campaign. Altogether, the CFPPC identified 6 members of Dymally's Congressional or campaign staff whose names were used in the money laundering scheme, as well as an additional 9 names of individuals who were linked neither to Dymally staff or committee, nor linked to FEA. Attachment 3. These 15 names were used to funnel an additional \$4,500 in contributions to the Orduna campaign. In telephone discussions with this Office, CFPPC staff stated that the ultimate source of these funds was never determined.²

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financially able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. It is unknown why these transfers were contemplated. In any event, the bonuses were never made. See Attachment 2 at 13.

2. According to CFPPC staff, members of Dymally's staff claimed that the original funds were delivered anonymously in cash. The CFPPC is currently in negotiation with Dymally staff members over a stipulation similar to that signed by FEA.

In addition to the candidate, Ken Orduna, the CFPPC identified Clarence Wong and Lonnie Sanders as the persons responsible for the violations. Clarence Wong was not only an employee of FEA but was also Kenneth Orduna's campaign manager. Attachment 1 at 5. Mr. Sanders, according to the referral, occupied a pivotal role both in the Orduna candidacy and in the Dymally campaign Committee, itself. The referral cited his importance to both the Dymally and Orduna campaigns:

The treasurer of Mr. Orduna's committee was Lonnie Sanders, a Special Aid to Congressman Dymally. Mr. Sanders was responsible for the recordkeeping and preparing the campaign statements for Mr. Orduna's campaign and he was personally responsible for falsifying contributor information reported on those campaign statements.

Mr. Sanders was also the treasurer of Congressman Dymally's campaign committee for approximately two years. His tenure included 1988.³

Attachment 1 at 1.

This dual role and further information leads the CFPPC to the belief that Mr. Sanders "may have also falsely reported contributor information on Congressman Dymally's committee statements during the period that he was treasurer of the Dymally Campaign Committee." Id.⁴

3. Commission records indicate that on December 15, 1989 Mr. William Lee replaced Lonnie Sanders as the treasurer of the committee. According to the CFPPC, the state violations were the cause for Mr. Sanders' removal.

4. This Office was told by CFPPC staff that the investigation did not produce evidence that Congressman Dymally was involved in the state law violations.

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2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that six names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba, Kenneth Orduna, Clarence Wong and Lonnie Sanders.⁵ In addition, after further examining Commission records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. In all, these contributions totaled \$12,500 and included the names of 12 people who are either Dymally Committee staff, employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

5. Research by this Office did not produce any other correlations between the names involved in or used in the California state violations and contributors to the Dymally Committee.

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1987-88 Contributions by FEA employees, Dymally staff and relatives of either group.

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
1. <u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88
Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Sub Total	8,000.00		
2. <u>Dymally Staff and Staff relatives:</u>			
Celestine Griffith	1,000.00	General	10/13/88
Kenneth Orduna	500.00	Primary	11/10/87
	1,000.00	General	10/13/88

6. This Office identifies Fukujiro Akiba, Mutsumi Deignan, Mrs. Kiyotaka Imai and Ethel Wong as possible spouses or relatives of FEA or Texim employees, since, in addition to a shared name, these individuals have the same addresses and made their contributions at the same time as certain FEA or Texim employees.

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Vela Orduna	500.00	Primary	11/10/87
Lonnie Sanders ⁷	500.00	Primary	11/10/87
	<u>1,000.00</u>	General	10/13/88
Sub Total	\$4,500.00		
GRAND TOTAL	\$12,500.00		

When suggesting the possibility of related federal violations, the referral applies information gained from the previous state investigation. For example, the referral discusses the contribution made by Celestine Griffith, Lonnie Sanders' mother, to the Dymally Committee, in the light of previous contribution to the Orduna Campaign. The referral notes:

We contacted Ms. Griffith and she stated she does not make contributions, and did not have the resources to make the \$300 contribution disclosed as made by her on Mr. Orduna's 1987 campaign statements. She is disclosed as making a \$1,000 contribution on Congressman Dymally's 1988 campaign statements.

In response to a request we made, Congressman Dymally supplied us with a copy of Ms. Griffith's contribution check. The check was written on the bank account of Lonnie Sanders.

Attachment 1 at 2.

B. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal elections. For purposes of this section, the phrase "contribution

7. Commission records indicate that Lonnie Sanders made \$4,500 in contributions during the 1987-1988 campaign cycle including those to made to the Dymally Campaign.

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or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money ... to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act. Congressman Hays, during the House debates on the Conference

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Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

C. Conclusions

In the opinion of this Office, the referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA, or Dymally Campaign or Committee Staff or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, this Office cites as significant the involvement of some of these same names in the earlier state violations, the fact that several of these individuals (Clarence Wong, Lonnie Sanders and Ken Orduna) played leading roles in the state law illegalities and the close timing of the bulk of the suspicious contributions. Most importantly, the CFPPC

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has already produced evidence that one contribution, that of Celestine Griffith, may not have been made by Ms. Griffith. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The information contained in the referral also raises the possibility that the Dymally Committee may be implicated in the violations. According to information included in the referral the parallel violations of California law by FEA involved the knowing complicity of people highly placed in Congressman Dymally's staff and committee. Again, this Office notes the involvement, for example, of Lonnie Sanders who was treasurer of the Dymally Committee at the time FEA employees made their contributions to the Orduna and Dymally campaigns. For this reason, this Office recommends that the Commission's reason to believe findings encompass the Dymally committee as well as the corporation and the individuals implicated in the referral.

The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, this Office believes that there is reason to believe that the possible federal violations by the main authors of the contributions, Ken Orduna, Lonnie Sanders, Morio Akiba, FEA and the Dymally Committee and William Lee, its treasurer, were also knowing and willful.

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Therefore, the Office of the General Council recommends that the Commission find reason to believe that F.E.A. Logistics, and Morio Akiba, its chief financial officer, the Dymally Campaign Committee and William Lee, as treasurer, Ken Orduna and Lonnie Sanders knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a). This Office further recommends that the Commission find reason to believe that Fukujiro Akiba, Steven Deignan, Mutsumi Deignan, Kiyotaka Imai, Mrs. Kiyotaka Imai, Vela Orduna, Clarence Wong and Ethel Wong violated 2 U.S.C. § 441f.

This Office makes no recommendations concerning Ms. Celestine Griffith at this time. According to the referral, circumstances surrounding the state violations indicate that her name was apparently used without her permission or knowledge. The fact that the check used to make the contribution to the Dymally committee indicates that the funds were drawn from Mr. Sanders' account points to the same pattern being repeated here.

D. Proposed Discovery

Attached for Commission approval are proposed questions to be issued by subpoena directed at various individuals named in this Office's reason to believe recommendations. Because of the ongoing state investigation and the nature of the violations, this Office believes that discovery should take the form of subpoena rather than informal written questions. The proposed discovery is

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addressed to FEA and the following FEA employees and their relatives: Morio Akiba, Fukujiro Akiba, Steven Deignan, Mutsumi Deignan, Kiyotaka Imai and Mrs. Kiyotaka Imai. The proposed discovery is also directed toward the Dymally Committee and various individuals and their relations associated with it: Kenneth Orduna, Vela Orduna, Lonnie Sanders, Clarence Wong and Ethel Wong. The aim of the discovery is to collect information regarding the relationships between the parties involved in the contributions made to the Dymally Committee and to determine source of the funds used to make them.

III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that F.E.A. Logistics knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.
3. Find reason to believe that Morio Akiba knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.
4. Find reason to believe that Fukujiro Akiba Clarence Wong, Ethel Wong, Kiyotaka Imai, Mrs. Kiyotaka Imai, Vela Orduna, Steven Deignan and Mutsumi Deignan violated 2 U.S.C. § 441f.
5. Find reason to believe that Dymally Campaign Committee and William Lee, its treasurer, Lonnie Sanders and Ken Orduna knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.

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6. Approve the appropriate letters and the attached Factual Legal Analyses (13) and subpoenas (14).

Lawrence M. Noble
General Counsel

10-16-91
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:

1. Referral Materials
- 2 June 5, 1991 Accusation
- 3 April 17, 1991 Submission
4. Factual and Legal Analysis (13)
5. Subpoenas (14)

Staff assigned: Michael Marinelli

93043503224

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
 Dymally Campaign Committee and)
 William Lee, as treasurer;)
 F.E.A. Logistics; Morio Akiba;)
 Fukujiro Akiba; Steven Deignan;)
 Mutsumi Deignan; Kiyotaka Imai;)
 Mrs. Kiyotaka Imai;)
 Kenneth Orduna; Vela Orduna;)
 Lonnie Sanders; Clarence Wong;)
 Ethel Wong.)

Pre-MUR #238

(
 MUR
 3436
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 21, 1991, the Commission decided by a vote of 4-0 to take the following actions in Pre-MUR #238:

1. Open a MUR.
2. Find reason to believe that F.E.A. Logistics knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.
3. Find reason to believe that Morio Akiba knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.
4. Find reason to believe that Fukujiro Akiba Clarence Wong, Ethel Wong, Kiyotaka Imai, Mrs. Kiyotaka Imai, Vela Orduna, Steven Deignan and Mutsumi Deignan violated 2 U.S.C. § 441f.

(Continued)

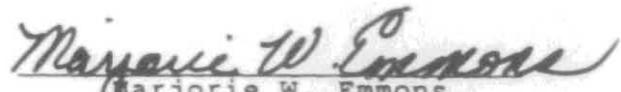
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5. Find reason to believe that Dymally Campaign Committee and William Lee, its treasurer, Lonnie Sanders and Ken Orduna knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.
6. Approve the appropriate letters and the Factual and Legal Analyses (13) and subpoenas (14), as recommended in the General Counsel's Report dated October 16, 1991

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

Attest:

10-22-91
Date


Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., Oct. 17, 1991 10:36 a.m.
Circulated to the Commission: Thurs., Oct. 17, 1991 4:00 p.m.
Deadline for vote: Mon., Oct. 21, 1991 4:00 p.m.

dr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. William Lee, Treasurer
Dymally Campaign Committee
322 West Compton Blvd., Suite 103
Compton, California 90220

RE: MUR 3436
Dymally Campaign Committee
and William Lee, as
treasurer

Dear Mr. Lee

On October 21, 1991, the Federal Election Commission found that there is reason to believe the Dymally Campaign Committee ("Committee") and you, as treasurer, knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the Committee. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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William Lee, Treasurer
Page 2

In the absence of any additional information which demonstrates 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.

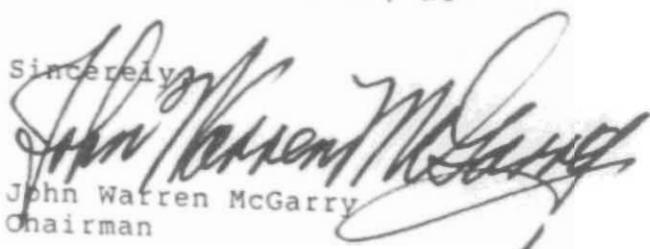
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

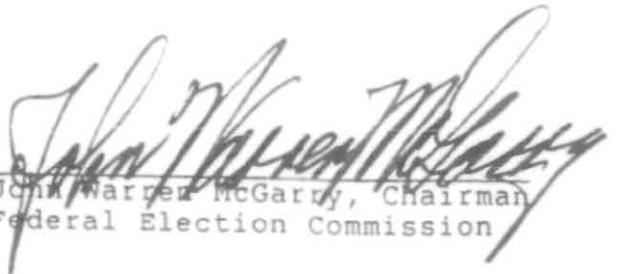
TO: Dymally Campaign Committee

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.

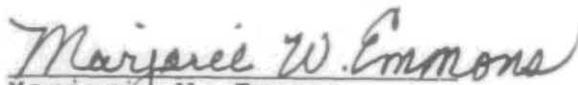
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov, 1991.


John Warner McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

9
3
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3
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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 January 1, 1987 to January 1, 1989 (the "relevant period").

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:

"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 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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QUESTIONS AND DOCUMENT REQUESTS

1. Describe the relationship if any, between the Dymally Campaign Committee and each of the following individuals and entities:

- a. Morio Akiba,
- b. Fukujiro Akiba,
- c. Steven Deignan,
- d. Mutsumi Deignan,
- e. Celestine Griffith,
- f. Kiyotaka Imai,
- g. Mrs. Kiyotaka Imai,
- h. Kenneth Orduna,
- i. Vela Orduna,
- j. Lonnie Sanders,
- k. Clarence Wong,
- l. Ethel Wong,
- m. F.E.A. Logistics ("FEA") and
- n. Texim Corp. ("Texim").

2. Provide all documents relating to all contributions made by FEA or Texim or any of its subsidiaries, or any of their officers, directors, shareholders and employees, to the Dymally Campaign Committee during 1987-1988.

3. Describe fully, including dates and places, all meetings, discussions, phone calls and other communications concerning the solicitation or making of contributions to the Dymally Campaign Committee which involved FEA or Texim corporate employees, officers, directors or shareholders or the use of corporate funds.

4. Provide all documents relating to the payment or reimbursement to officers, directors, shareholders or employees of FEA or Texim (or any of their subsidiaries), or any of their spouses or other family members, for any contribution made by such person to a federal candidate or political committee.

5. Identify all persons other than counsel who provided information, or consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Dymally Campaign MUR: 3436
 Committee and
 William Lee,
 as treasurer

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals

A. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

However, the violations of law by FEA were not the only illegalities disclosed in the referral. In the letter enclosing these materials and in a subsequent submission, the CFPPC stated that the names of some members of Congressman Dymally's staff as well as staff of his principal campaign committee were also used in connection with a separate scheme to funnel contributions to the Orduna campaign. Altogether, the CFPPC identified 6 members of Dymally's Congressional or campaign staff whose names were used in the money laundering scheme, as well as an additional 9 names of individuals who were linked neither to Dymally staff or

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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committee, nor linked to FEA. These 15 names were used to funnel an additional \$4,500 in contributions to the Orduna campaign.

According to CFPPC staff, members of Dymally's staff claimed that the original funds were delivered anonymously in cash.

In addition to the candidate, Ken Orduna, the CFPPC identified Clarence Wong and Lonnie Sanders as the persons responsible for the violations. Clarence Wong was not only an employee of FEA but was also Kenneth Orduna's campaign manager. Mr. Sanders, according to the referral, occupied a pivotal role both in the Orduna candidacy and in the Dymally campaign Committee, itself. The referral cited his importance to both the Dymally and Orduna campaigns:

The treasurer of Mr. Orduna's committee was Lonnie Sanders, a Special Aid to Congressman Dymally. Mr. Sanders was responsible for the recordkeeping and preparing the campaign statements for Mr. Orduna's campaign and he was personally responsible for falsifying contributor information reported on those campaign statements.

Mr. Sanders was also the treasurer of Congressman Dymally's campaign committee for approximately two years. His tenure included 1988.²

This dual role and further information leads the CFPPC to the belief that Mr. Sanders "may have also falsely reported contributor information on Congressman Dymally's committee statements during the period that he was treasurer of the Dymally Campaign Committee." Id.

2. Commission records indicate that on December 15, 1989 Mr. William Lee replaced Lonnie Sanders as the treasurer of the committee.

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2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that six names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba, Kenneth Orduna, Clarence Wong and Lonnie Sanders. In addition, after further examining Commission records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. In all, these contributions totaled \$12,500 and included the names of 12 people who are either Dymally Committee staff, employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

1987-88 Contributions by FEA employees, Dymally staff and relatives of either group.

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
1. FEA Personnel and Family:			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88

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Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Sub Total	8,000.00		

2. Dymally Staff and Staff relatives:

Celestine Griffith	1,000.00	General	10/13/88
Kenneth Orduna	500.00	Primary	11/10/87
	1,000.00	General	10/13/88
Vela Orduna	500.00	Primary	11/10/87
Lonnie Sanders ³	500.00	Primary	11/10/87
	<u>1,000.00</u>	General	10/13/88
Sub Total	\$4,500.00		
GRAND TOTAL	\$12,500.00		

When suggesting the possibility of related federal violations, the referral applies information gained from the previous state investigation. For example, the referral discusses the contribution made by Celestine Griffith, Lonnie Sanders' mother, to the Dymally Committee, in the light of

3. Commission records indicate that Lonnie Sanders made \$4,500 in contributions during the 1987-1988 campaign cycle including those to made to the Dymally Campaign.

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previous contribution to the Orduna Campaign. The referral notes:

We contacted Ms. Griffith and she stated she does not make contributions, and did not have the resources to make the \$300 contribution disclosed as made by her on Mr. Orduna's 1987 campaign statements. She is disclosed as making a \$1,000 contribution on Congressman Dymally's 1988 campaign statements.

In response to a request we made, Congressman Dymally supplied us with a copy of Ms. Griffith's contribution check. The check was written on the bank account of Lonnie Sanders.

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money ... to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

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2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act. Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

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D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA, or Dymally Campaign or Committee Staff or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations, the fact that several of these individuals (Clarence Wong, Lonnie Sanders and Ken Orduna) played leading roles in the state law illegalities and the close timing of the bulk of the suspicious contributions are all significant. Most importantly, the CFPPC has already produced evidence that one contribution, that of Celestine Griffith, may not have been made by Ms. Griffith. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The information contained in the referral raises the possibility that the Dymally Committee may be implicated in the violations. According to information included in the referral, the parallel violations of California law by FEA involved the knowing complicity of people highly placed in Congressman Dymally's staff and committee, including Lonnie Sanders who was treasurer of the Dymally Committee at the time FEA employees made their contributions to the Orduna and Dymally campaigns.

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The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, the possible federal violations by main authors of the contributions including the Dymally Committee and William Lee, its treasurer, appear to have been knowing and willful.

Therefore, there is reason to believe that the Dymally Campaign Committee and William Lee, as treasurer, knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

F.E.A. Logistics Support Corporation
c/o Mr. Morio Akiba
13639 Cimarron Ave.
Gardena, CA 90249

RE: MUR 3436

Dear Sir:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that F.E.A. Logistics knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against F.E.A. Logistics. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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

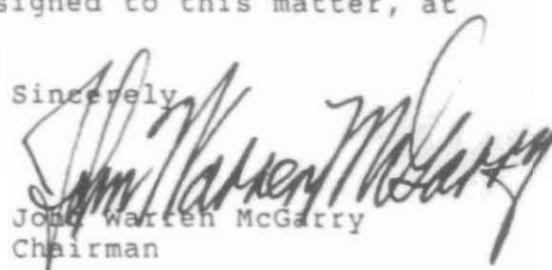
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 3436

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

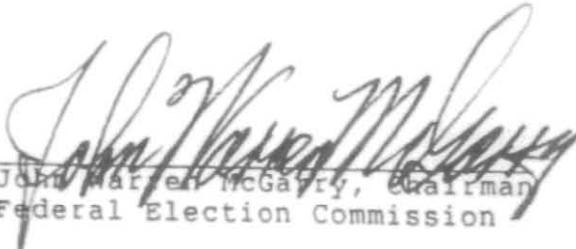
TO: F.E.A. Logistics

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.

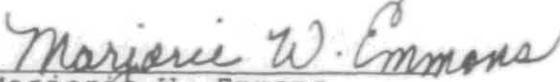
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.


John Warner McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

- Attachments
- Instructions
- Definitions
- Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period")

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:

"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 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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QUESTIONS AND DOCUMENT REQUESTS

1. Describe the relationship between F.E.A Logistics ("FEA") and Texim Corp. ("Texim")

2. Describe the relationship during 1987-1988 between FEA or Texim and each of the following individuals:

- a. Morio Akiba,
- b. Fukujiro Akiba,
- c. Steven Deignan,
- d. Mutsumi Deignan,
- e. Celestine Griffith,
- f. Kiyotaka Imai,
- g. Mrs. Kiyotaka Imai
- h. Kenneth Orduna,
- i. Vela Orduna,
- j. Lonnie Sanders,
- k. Clarence Wong, and
- l. Ethel Wong.

3. Provide all documents relating to all contributions made by FEA or Texim (or any of its subsidiaries), or any of their officers, directors, shareholders and employees, to the Dymally Campaign Committee during 1987-1988.

4. Provide all documents relating to the payment or reimbursement to officers, directors, shareholders or employees of FEA or Texim (or any of their subsidiaries), or any of their spouses or other family members, for any contribution made by or in the name of such person to the Dymally Campaign Committee during 1987-1988.

5. Provide all documents relating to communications between FEA and Texim (or any of its subsidiaries) and the Dymally Campaign Committee or Congressman Dymally's staff or any federal political committee during the calendar years 1987 and 1988.

6. Identify all persons other than counsel who provided information, or consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: F.E.A. Logistics

MUR: 3436

A. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of 8 people who are either employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

1987-88 Contributions by FEA employees and relatives

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
<u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88
Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Total	8,000.00		

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal

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elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money ... to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act.

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Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are all significant. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, the possible federal violations by main authors of the contributions, including FEA, appear to have been knowing and willful.

Therefore, there is reason to believe that F.E.A. Logistics, knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fukujiro Akiba
2701 Toledo St. #705
Torrance, CA 90503

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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 and the Committee. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Fukujiro Akiba
Page 2

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

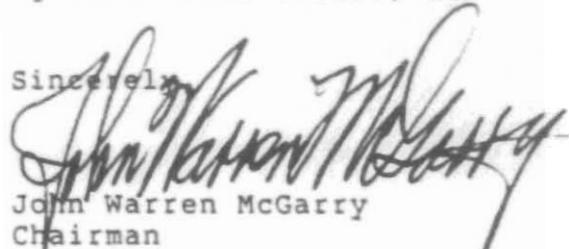
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Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily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

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,



John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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) MUR 3436
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SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

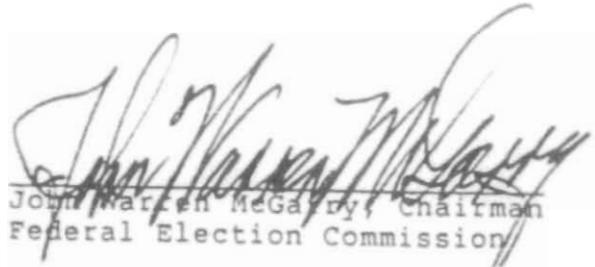
TO: Fukujiro Akiba

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.

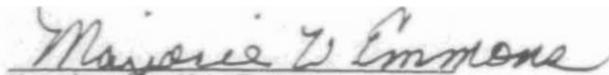
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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991



John Warren McGarry, Chairman
Federal Election Commission

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Fukujiro Akiba MUR: 3436

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Fukujiro Akiba who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f

Therefore, there is reason to believe that Fukujiro Akiba violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Morio Akiba
13418 Moore St.
Cerritos, CA 90701

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Morio Akiba
Page 2

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

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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at 202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

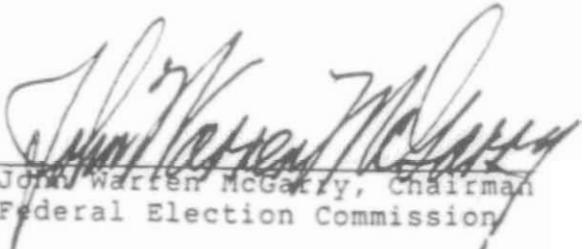
TO: Morio Akiba

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.

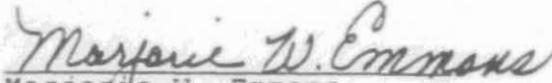
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

- a. F.E.A Logistics ("FEA"),
- b. Texim Corp. ("Texim"),
- c. The Dymally Campaign Committee,
or Dymally Congressional Staff.

4. Describe your relationship or knowledge of the following individuals:

- a. Fukujiro Akiba,
- b. Steven Deignan,
- c. Mutsumi Deignan,
- d. Celestine Griffith,
- e. Kiyotaka Imai,
- f. Mrs. Kiyotaka Imai,
- g. Kenneth Orduna,
- h. Vela Orduna,
- i. Lonnie Sanders,
- j. Clarence Wong, and
- k. Ethel Wong.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:

- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
- b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

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c. State whether any contribution was made at the direction or suggestion of any person associated with FEA or Texim. If so, identify such person and describe the circumstances.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Morio Akiba personally MUR: 3436
and as chief financial
officer of F.E.A.
Logistics

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of 8 people who are either employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

1987-88 Contributions by FEA employees and relatives

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
<u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88
Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Total	8,000.00		

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal

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elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act.

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Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are all significant. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, the possible federal violations by main authors of the contributions, including Morio Akiba appear to have been knowing and willful

Therefore, there is reason to believe that Morio Akiba, personally and as F.E.A. Logistics' chief financial officer knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mutsumi Deignan
21249 Doble Ave.
Torrance, CA 90502

RE: MUR 3436

Dear Mrs. Deignan:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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

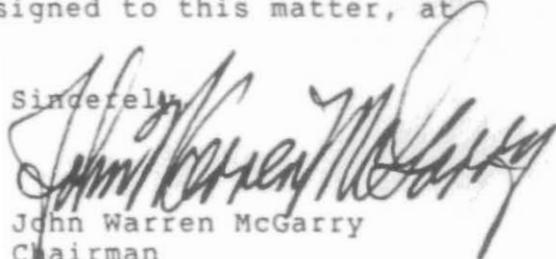
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

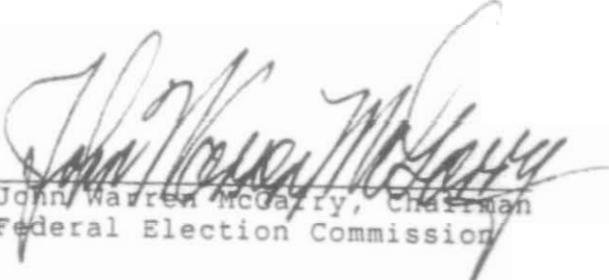
TO: Mutsumi Deignan

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 his hand in Washington, D.C. on this 12th day
of Nov . , 1991.



John Warren McCaary, Chairman
Federal Election Commission

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period")

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988 Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Mutsumi Deignan MUR: 3436

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Mutsumi Deignan who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988.

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Mutsumi Deignan violated 2 U.S.C. § 441f

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Steven Deignan
21249 Doble Ave.
Torrance, CA 90502

RE: MUR 3436

Dear Mr. Deignan:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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 and the Committee. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Steven Deignan
Page 2

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

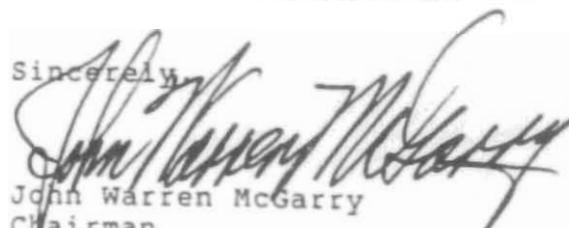
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503298

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

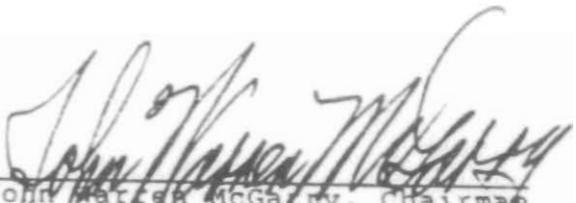
TO: Steven Deignan

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.

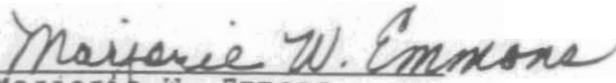
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.


John Warner McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503300

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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.

93043503302

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Steven Deignan MUR: 3436

A. GENERATION OF MATTER

93043503304
This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Steven Deignan who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Steven Deignan violated 2 U.S.C. § 441f

93043503308



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Celestine Griffith
297 E. 4th Street
Lima, OH 45804

RE: MUR 3436

Dear Ms. Griffith:

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 Subpoena to Produce Documents and Order to Submit Written Answers 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 the Subpoena to Produce Documents and Order to Submit Written Answers. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

93043503309

Celestine Griffith
Page 2

If you have any questions, please contact Richard M. Denholm II, the staff member assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
Subpoena and Order

93043503310

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

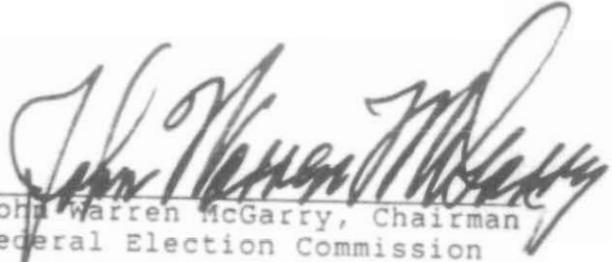
TO: Celestine Griffith

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.

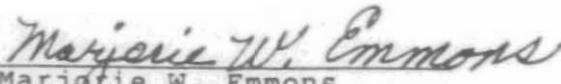
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043503311

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 13th day
of Nov., 1991.


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503312

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 January 1, 1987 to January 1, 1989 (the "relevant period")

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.

93043503313

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 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.

93043503314

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

93043503315



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mr. Imai:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Kiyotaka Imai
Page 2

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

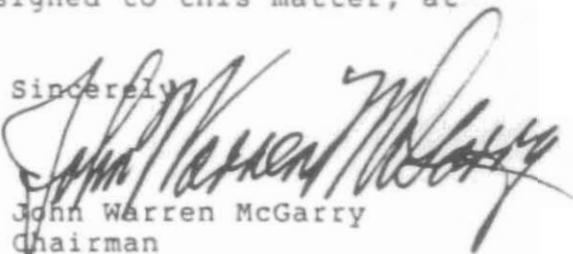
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,



John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503317

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

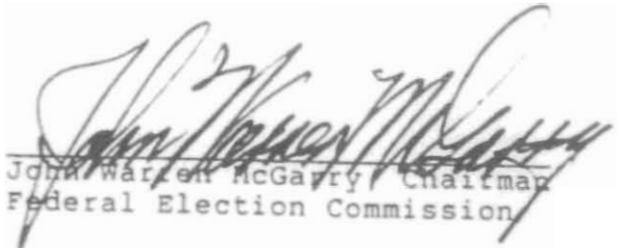
TO: Kiyotaka Imai

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.

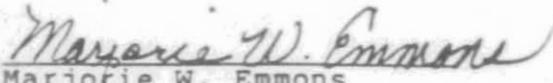
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043503318

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov, 1991


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503319

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

93043503322

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

Kiyotaka Imai MUR: 3436

TION OF MATTER

arises from a referral sent to the Federal Commission (the "Commission") by the California Fair Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of the contributions during the 1988 election cycle to the Dymally Committee (the "Dymally Committee") may not have been disclosed as indicated on the Committee's FEC reports, thus constituting violations of the Federal Election Campaign Act of 1971 (the "Act"). On April 17 and June 5, 1991, the Commission received additional supporting materials, including an affidavit issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The matter also arose from an investigation by the CFPPC of the contributions made by F.E.A. Logistics to Kenneth Orduna, the Dymally's chief of staff, in Mr. Orduna's 1986-1987 campaign for a seat on the Los Angeles County Board of Supervisors. The referral also contains references to another entity, [redacted] Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Kiyotaka Imai who is reported as making a \$800 primary contribution and a \$1,000 general election contribution to the Dymally campaign Committee on February 18, 1988.

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Kiyotaka Imai violated 2 U.S.C. § 441f

93043503327



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mrs. Imai:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mrs. Kiyotaka Imai
Page 2

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

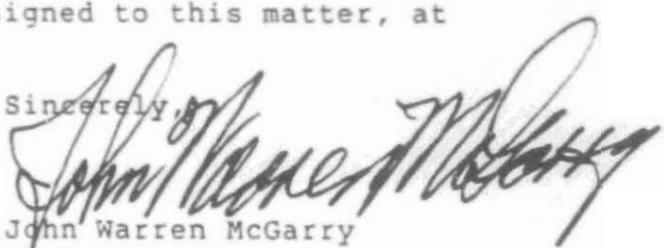
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503329

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mrs. Kiyotaka Imai

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.

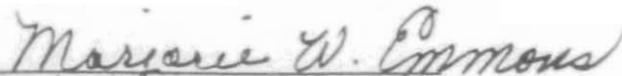
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043503330

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503331

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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.

9304350332

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Mrs. Kiyotaka Imai MUR: 3436

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Mrs. Kiyotaka Imai who is reported as making a \$200 general election contribution to the Dymally campaign Committee on February 18, 1988

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f

Therefore, there is reason to believe that Mrs. Kiyotaka Imai violated 2 U.S.C. § 441f.

93043503339



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ken Orduna
4436 W. 58th Place
Los Angeles, California 90043

RE: MUR 3436

Dear Mr. Orduna:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Ken Orduna
Page 2

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

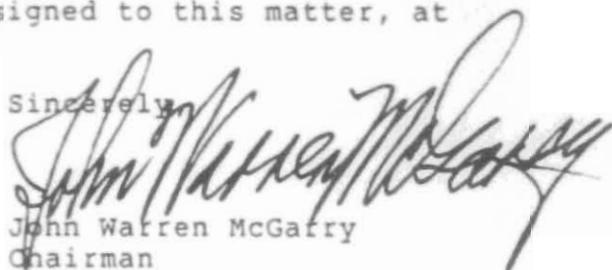
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

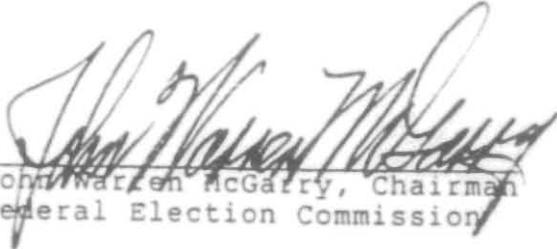
Sincerely,


John Warren McGaffry
Chairman

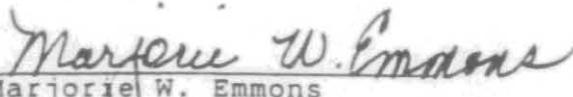
Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov, 1991


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:
- a. F.E.A Logistics ("FEA"),
 - b. Texim Corp. ("Texim"),
 - c. The Dymally Campaign Committee, or Dymally Congressional Staff.
4. Describe your relationship or knowledge of the following individuals:
- a. Morio Akiba,
 - b. Fukujiro Akiba,
 - c. Steven Deignan,
 - d. Mutsumi Deignan,
 - e. Celestine Griffith,
 - f. Kiyotaka Imai,
 - g. Mrs. Kiyotaka Imai,
 - h. Vela Orduna,
 - i. Lonnie Sanders,
 - j. Clarence Wong, and
 - k. Ethel Wong.
5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:
- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

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c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Kenneth Orduna MUR: 3436

A. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

A. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

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According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

However, the violations of law by FEA were not the only illegalities disclosed in the referral. In the letter enclosing these materials and in a subsequent submission, the CFPPC stated that the names of some members of Congressman Dymally's staff as well as staff of his principal campaign committee were also used in connection with a separate scheme to funnel contributions to the Orduna campaign. Altogether, the CFPPC identified 6 members of Dymally's Congressional or campaign staff whose names were used in the money laundering scheme, as well as an additional 9 names of individuals who were linked neither to Dymally staff or

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

committee, nor linked to FEA. These 15 names were used to funnel an additional \$4,500 in contributions to the Orduna campaign.

According to CFPPC staff, members of Dymally's staff claimed that the original funds were delivered anonymously in cash.

2. Evidence presented of Federal violations

In the course of their investigation of the state violations the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that six names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba, Kenneth Orduna, Clarence Wong and Lonnie Sanders. In addition, after further examining Commission records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. In all, these contributions totaled \$12,500 and included the names of 12 people who are either Dymally Committee staff, employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

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1987-88 Contributions by FEA employees, Dymally staff and relatives of either group.

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
1. <u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88
Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Sub Total	8,000.00		
2. <u>Dymally Staff and Staff relatives:</u>			
Celestine Griffith	1,000.00	General	10/13/88
Kenneth Orduna	500.00	Primary	11/10/87
	1,000.00	General	10/13/88
Vela Orduna	500.00	Primary	11/10/87
Lonnie Sanders ²	500.00	Primary	11/10/87
	<u>1,000.00</u>	General	10/13/88
Sub Total	\$4,500.00		
GRAND TOTAL	\$12,500.00		

2. Commission records indicate that Lonnie Sanders made \$4,500 in contributions during the 1987-1988 campaign cycle including those to made to the Dymally Campaign.

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When suggesting the possibility of related federal violations, the referral applies information gained from the previous state investigation. For example, the referral discusses the contribution made by Celestine Griffith, Lonnie Sanders' mother, to the Dymally Committee, in the light of previous contribution to the Orduna Campaign. The referral notes:

We contacted Ms. Griffith and she stated she does not make contributions, and did not have the resources to make the \$300 contribution disclosed as made by her on Mr. Orduna's 1987 campaign statements. She is disclosed as making a \$1,000 contribution on Congressman Dymally's 1988 campaign statements.

In response to a request we made, Congressman Dymally supplied us with a copy of Ms. Griffith's contribution check. The check was written on the bank account of Lonnie Sanders.

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money ... to any candidate, campaign committee, or political party or

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organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act. Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full

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knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA, or Dymally Campaign or Committee Staff or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations, the fact that several of these individuals (Clarence Wong, Lonnie Sanders and Ken Orduna) played leading roles in the state law illegalities and the close timing of the bulk of the suspicious contributions are all significant. Most importantly, the CFPPC has already produced evidence that one contribution, that of Celestine Griffith, may not have been made by Ms. Griffith. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

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The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, the possible federal violations by main authors of the contributions including Kenneth Orduna appear to have been knowing and willful.

Therefore, there is reason to believe that Kenneth Orduna, as treasurer, knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Vela Orduna
4436 W. 58th Place
Los Angeles, CA 90043

RE: MUR 3436

Dear Mrs. Orduna:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mrs. Orduna
Page 2

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

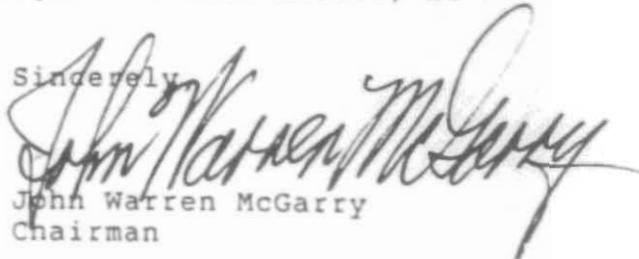
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,



John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

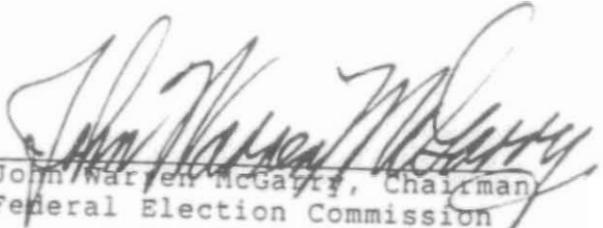
TO: Vela Orduna

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.

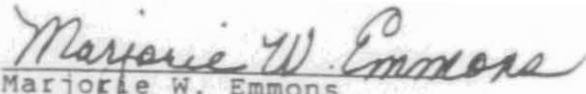
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Vela Orduna

MUR: 3436

A. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

In the letter enclosing these materials and in a subsequent submission, the CFPPC stated that the names of some members of Congressman Dymally's staff as well as staff of his principal campaign committee were also used in connection with a separate

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scheme to funnel contributions to the Orduna campaign. Altogether, the CFPPC identified 6 members of Dymally's Congressional or campaign staff whose names were used in the money laundering scheme, as well as an additional 9 names of individuals who were linked neither to Dymally staff or committee, nor linked to FEA. These 15 names were used to funnel an additional \$4,500 in contributions to the Orduna campaign.

According to CFPPC staff, members of Dymally's staff claimed that the original funds were delivered anonymously in cash.

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that six names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba, Kenneth Orduna, Clarence Wong and Lonnie Sanders. In addition, after further examining Commission records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were

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all made on the same day. In all, these contributions totaled \$12,500 and included the names of individuals who are either Dymally Committee staff, employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Vela Orduna who is reported as making a \$500 primary contribution to the Dymally campaign Committee on November 11, 1987

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA, or Dymally Campaign or Committee Staff or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of

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some of these same names in the earlier state violations, the fact that several of these individuals (Clarence Wong, Lonnie Sanders and Ken Orduna) played leading roles in the state law illegalities and the close timing of the bulk of the suspicious contributions are all significant. Thus, there may be violations of 2 U.S.C. § 441f. Therefore, there is reason to believe that Vela Orduna violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Lonnie Sanders
1884 N. Alexandria
Los Angeles, California 90027

RE: MUR 3436

Dear Mr. Sanders:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Lonnie Sanders
Page 2

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

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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503370

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Lonnie Sanders

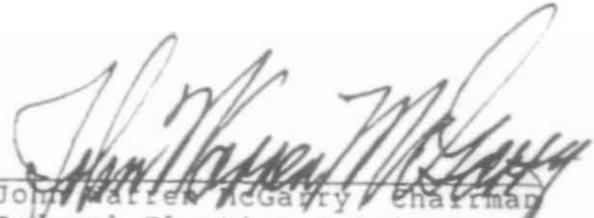
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment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

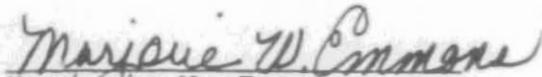
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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov ., 1991.



John Warren McGavry, Chairman
Federal Election Commission

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503372

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:
 - a. F.E.A Logistics ("FEA"),
 - b. Texim Corp. ("Texim"),
 - c. The Dymally Campaign Committee, or Dymally Congressional Staff.
4. Describe your relationship or knowledge of the following individuals:
 - a. Morio Akiba,
 - b. Fukujiro Akiba,
 - c. Steven Deignan,
 - d. Mutsumi Deignan,
 - e. Celestine Griffith,
 - f. Kiyotaka Imai,
 - g. Mrs. Kiyotaka Imai,
 - h. Kenneth Orduna
 - i. Vela Orduna,
 - j. Clarence Wong, and
 - k. Ethel Wong.
5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

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c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Lonnie Sanders

MUR: 3436

A. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

A. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

However, the violations of law by FEA were not the only illegalities disclosed in the referral. In the letter enclosing these materials and in a subsequent submission, the CFPPC stated that the names of some members of Congressman Dymally's staff as well as staff of his principal campaign committee were also used in connection with a separate scheme to funnel contributions to the Orduna campaign. Altogether, the CFPPC identified 6 members of Dymally's Congressional or campaign staff whose names were used in the money laundering scheme, as well as an additional 9 names of individuals who were linked neither to Dymally staff or

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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committee, nor linked to FEA. These 15 names were used to funnel an additional \$4,500 in contributions to the Orduna campaign.

According to CFPPC staff, members of Dymally's staff claimed that the original funds were delivered anonymously in cash.

In addition to the candidate, Ken Orduna, the CFPPC identified Clarence Wong and Lonnie Sanders as the persons responsible for the violations. Clarence Wong was not only an employee of FEA but was also Kenneth Orduna's campaign manager. Mr. Sanders, according to the referral, occupied a pivotal role both in the Orduna candidacy and in the Dymally campaign Committee, itself. The referral cited his importance to both the Dymally and Orduna campaigns:

The treasurer of Mr. Orduna's committee was Lonnie Sanders, a Special Aid to Congressman Dymally. Mr. Sanders was responsible for the recordkeeping and preparing the campaign statements for Mr. Orduna's campaign and he was personally responsible for falsifying contributor information reported on those campaign statements.

Mr. Sanders was also the treasurer of Congressman Dymally's campaign committee for approximately two years. His tenure included 1988.²

This dual role and further information leads the CFPPC to the belief that Mr. Sanders "may have also falsely reported contributor information on Congressman Dymally's committee statements during the period that he was treasurer of the Dymally Campaign Committee." Id.

2. Commission records indicate that on December 15, 1989 Mr. William Lee replaced Lonnie Sanders as the treasurer of the committee.

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2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that six names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba, Kenneth Orduna, Clarence Wong and Lonnie Sanders. In addition, after further examining Commission records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. In all, these contributions totaled \$12,500 and included the names of 12 people who are either Dymally Committee staff, employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations:

1987-88 Contributions by FEA employees, Dymally staff and relatives of either group.

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
1. <u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88

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Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00	Primary	2/18/88
	1,000.00	General	2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	1,000.00	General	10/13/88
Sub Total	8,000.00		

2. Dymally Staff and Staff relatives:

Celestine Griffith	1,000.00	General	10/13/88
Kenneth Orduna	500.00	Primary	11/10/87
	1,000.00	General	10/13/88
Vela Orduna	500.00	Primary	11/10/87
Lonnie Sanders ³	500.00	Primary	11/10/87
	1,000.00	General	10/13/88
Sub Total	\$4,500.00		
GRAND TOTAL	\$12,500.00		

When suggesting the possibility of related federal violations, the referral applies information gained from the previous state investigation. For example, the referral discusses the contribution made by Celestine Griffith, Lonnie Sanders' mother, to the Dymally Committee, in the light of

3. Commission records indicate that Lonnie Sanders made \$4,500 in contributions during the 1987-1988 campaign cycle including those to made to the Dymally Campaign.

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previous contribution to the Orduna Campaign. The referral notes:

We contacted Ms. Griffith and she stated she does not make contributions, and did not have the resources to make the \$300 contribution disclosed as made by her on Mr. Orduna's 1987 campaign statements. She is disclosed as making a \$1,000 contribution on Congressman Dymally's 1988 campaign statements

In response to a request we made, Congressman Dymally supplied us with a copy of Ms. Griffith's contribution check. The check was written on the bank account of Lonnie Sanders.

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment .. or gift of money ... to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

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2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987)

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act. Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

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D. Conclusions

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The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA, or Dymally Campaign or Committee Staff or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations, the fact that several of these individuals (Clarence Wong, Lonnie Sanders and Ken Orduna) played leading roles in the state law illegalities and the close timing of the bulk of the suspicious contributions are all significant. Most importantly, the CFPPC has already produced evidence that one contribution, that of Celestine Griffith, may not have been made by Ms. Griffith. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, this Office believes that the possible federal violations by main authors of the contributions including the Lonnie Sanders, the former treasure of the Dymally Campaign Committee, appear to have been knowing and willful.

Therefore, there is reason to believe that Lonnie Sanders, knowingly and willfully violated 2 U.S.C. § 441f and 441b(a).



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Clarence Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Mr. Wong:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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

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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690

Sincerely,



John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

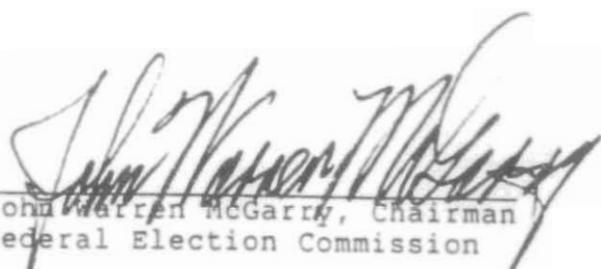
TO: Clarence Wong

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.

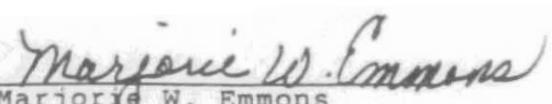
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov, 1991.


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503389

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

- a. F.E.A Logistics ("FEA"),
- b. Texim Corp. ("Texim"),
- c. The Dymally Campaign Committee,
or Dymally Congressional Staff.

4. Describe your relationship or knowledge of the following individuals:

- a. Morio Akiba,
- b. Fukujiro Akiba,
- c. Steven Deignan,
- d. Mutsumi Deignan,
- e. Celestine Griffith,
- f. Kiyotaka Imai,
- g. Mrs. Kiyotaka Imai,
- h. Kenneth Orduna
- i. Vela Orduna,
- j. Lonnie Sanders
- k. Ethel Wong.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:

- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
- b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

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c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

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FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Clarence Wong MUR: 3436

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Clarence Wong who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988.

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Clarence Wong violated 2 U.S.C. § 441f.

93043503398



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Ethel Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Mrs. Wong:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mrs. Wong
Page 2

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

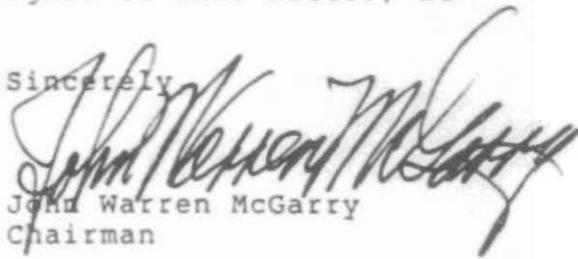
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending 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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503400

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

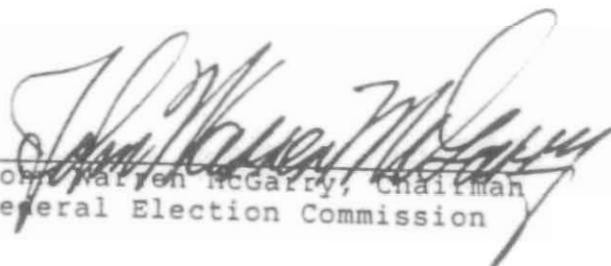
TO: Ethel Wong

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.

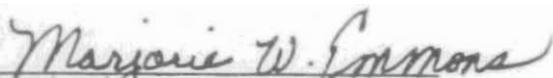
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043503401

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov, 1991


John Warren McGarry, Chairman
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503402

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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.

93043503404

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988 Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

93043503405

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ethel Wong

MUR: 3436

A. GENERATION OF MATTER

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This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Ethel Wong who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988.

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987).

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Ethel Wong violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3436 I

DATE FILMED 11-9-95 CAMERA NO. 2

CAMERAMAN JMH

93043503411

EDWARD L. MASRY
JAMES W. VITTOE
NANCY S. EICHLER
LOUIS P. TRYGAR
M. COURAH, M.D.

LAW OFFICES
MASRY & VITTOE
A PROFESSIONAL CORPORATION
SECOND FLOOR
11827 VENTURA BOULEVARD
STUDIO CITY, CALIFORNIA 91604
(818) 505-1144
(213) 872-2150
(800) 237-4861

06C 3547
MAILING ADDRESS:
POST OFFICE BOX 7411
STUDIO CITY, CALIFORNIA 91604
FAX (818) 766-1444

mur 3436
PLEASE REFER TO
OUR FILE NO.

November 26, 1991

Richard M. Denholm, II, Esq.
Federal Election Commission
999 East Street, N.W.
Washington, D.C. 20463

Re: Kenneth Orduna

Dear Mr. Denholm:

Pursuant to our telephone discussion, enclosed please find an executed Statement of Designation of Counsel by Mr. Orduna.

Mr. Orduna requests an extension of time in which to respond to your inquiry. Mr. Orduna received the package on November 20, 1991 and his responses would ordinarily be submitted by December 5, 1991. However, we are requesting an extension to January 13, 1992 in order to respond in this matter. There is good cause to extend the response time in that Mr. Edward L. Masry, Mr. Orduna's attorney, is recovering from open heart surgery. Although his prognosis is good, he is unable to return to handle this matter for approximately thirty (30) days. I have taken the liberty of sending an affidavit from one of Mr. Masry's physicians, Bruce Fishman, M.D.

If you have any questions regarding this request to extend the time or any questions about the affidavits, please contact me at your earliest convenience.

Sincerely yours,

MASRY & VITTOE
A Professional Corporation

Nancy S. Eichler
Nancy S. Eichler

NSE:ljh
Enclosure

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL

93043503412

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3436

NAME OF COUNSEL: Edward L. Masry, Esq.
Masry & Vititoe

ADDRESS: 11827 Ventura Blvd.

Second Floor

Studio City, CA 91604

TELEPHONE: (818) 505-1529

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

11/26/91
Date

Kenneth M. Orduna
Signature

RESPONDENT'S NAME: Kenneth M. Orduna

ADDRESS: 4436 West 58th Place

Los Angeles, California 90043

HOME PHONE: (213) 296-5954

BUSINESS PHONE: (213) 632-4318

93043503413



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 2, 1991

Mr. Edward L. Masry, Esq
Masry & Vititoe
11827 Ventura Blvd.
Second Floor
Studio City, CA 91604

RE: MUR 3436
Kenneth M. Orduna

Dear Mr. Masry:

This is in response to your letter dated November 26, 1991, which we received on November 27, 1991, requesting an extension of 39 days until January 13, 1992 to respond to the Commission's determination that there is reason to believe that Kenneth Orduna violated the Federal Election Campaign Act of 1971, as amended and to respond to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers. 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 January 13, 1992.

If you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel *(initials)*

93043503414

EDWARD L. MASRY
JAMES W. VITTOE
NANCY S. EICHLER
LOUIS P. TRYGAR
M. COURAH, M.D.

LAW OFFICES
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A PROFESSIONAL CORPORATION
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11827 VENTURA BOULEVARD
STUDIO CITY, CALIFORNIA 91604
(818) 505-1144
(213) 872-2150
(800) 237-4861

060 3546
myr 3436
MAILING ADDRESS
POST OFFICE BOX 7411
STUDIO CITY, CALIFORNIA 91604
FAX (818) 766-1444

PLEASE REFER TO
OUR FILE NO.

November 26, 1991

Richard M. Denholm, II, Esq.
Federal Election Commission
999 East Street, N.W.
Washington, D.C. 20463

Re: Lonnie Sanders

Dear Mr. Denholm:

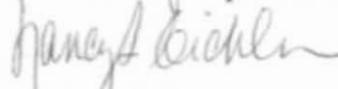
Pursuant to our telephone discussion, enclosed please find an executed Statement of Designation of Counsel by Mr. Sanders.

Mr. Sanders requests an extension of time in which to respond to your inquiry. Mr. Sanders received the package on November 23, 1991 and his responses would ordinarily be submitted by December 8, 1991. However, we are requesting an extension to January 13, 1992 in order to respond in this matter. There is good cause to extend the response time in that Mr. Edward L. Masry, Mr. Sanders' attorney, is recovering from open heart surgery. Although his prognosis is good, he is unable to return to handle this matter for approximately thirty (30) days. I have taken the liberty of sending an affidavit from one of Mr. Masry's physicians, Bruce Fishman, M.D.

If you have any questions regarding this request to extend the time or any questions about the affidavits, please contact me at your earliest convenience.

Sincerely yours,

MASRY & VITTOE
A Professional Corporation



Nancy S. Eichler

NSE:ljh
Enclosure

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91 NOV 27 AM 10:03
FEDERAL ELECTION COMMISSION
91 NOV 27 PH 2:59
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3436

NAME OF COUNSEL: Edward L. Masry

ADDRESS: Masry & Vititoe

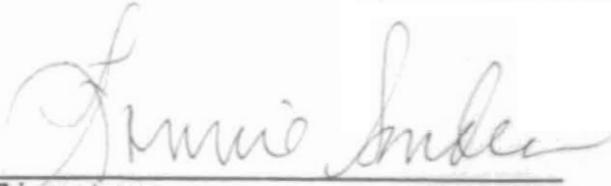
11827 Ventura Blvd., 2nd Floor

Studio City, CA 91604

TELEPHONE: 818/505-1529

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

11/26/91
Date


Signature

RESPONDENT'S NAME: Lonnie Sanders

ADDRESS: 1884 N. Alexandria

Los Angeles, CA 90027

HOME PHONE: (213) 668-2658

BUSINESS PHONE: (213) 632-4318

93043503416



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 2, 1991

Mr. Edward L. Masry, Esq.
Masry & Vititoe
11827 Ventura Blvd.
Second Floor
Studio City, CA 91604

RE: MUR 3436
Lonnie Sanders

Dear Mr. Masry:

This is in response to your letter dated November 26, 1991, which we received on November 27, 1991, requesting an extension of 36 days until January 13, 1992 to respond to the Commission's determination that there is reason to believe that Lonnie Sanders violated the Federal Election Campaign Act of 1971, as amended and to respond to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers. 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 January 13, 1992.

If you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Anne Weissenborn".

BY: Anne Weissenborn
Assistant General Counsel *[Handwritten initials]*

93043503417

MUR 3436

91 DEC -2 PM 12:06

Nov. 29, 1991

1- Mrs Celestine Griffith
297 E. Fourth St.
Lima, OH 45804

Ph. (419) 228-7008

91 DEC -2 PM 3:40

- 2 - I am retired.
- 3 - None.
- 4 - I personally did not make a Contribution, however, my son, Lonnie Sanders, made a Contribution of One Thousand dollars \$1,000 in The 1987-'88 Period.

I do not know the exact date because he made the actual Contribution, with my consent. I am dependent of Lonnie's, he has control of our money.

He asked me if it was OK to make a Contribution to that Campaign.

I said yes.

- A- I do NOT know.
- B- Lonnie Sanders, my son, made The Contribution on my behalf.
- C- No, my son asked me about The Contribution.
- D- No.
- 5- I have no documents.
- 6- No One.

93043503418

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988 Describe your position(s) with each employer
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

RECEIVED
ELECTION COMMISSION

93043503419



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1991

POSTMASTER
Torrance, CA 90503

RE: MUR 3436

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265.6(d)(1), we request that you provide us with the present address of Fukujiro Akiba. According to our records, the address of Fukujiro Akiba was 2701 Toledo St. #705 Torrance, CA 90503 as of October 13, 1988.

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Richard M. Denholm II
Attorney

Enclosure
Envelope

93043503420



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 5, 1991

POSTMASTER
Cerritos, CA 90701

RE: MUR 3436

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265.6(d)(1), we request that you provide us with the present address of Morio Akiba. According to our records, the address of Morio Akiba was 13418 Moore St., Cerritos, CA 90701 as of 1988.

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Richard M. Denholm II

BY: Richard M. Denholm II
Attorney

Enclosure
Envelope

93043503421

EDWARD L. MASRY
JAMES W. VITTOE
NANCY S. EICHLER
LOUIS P. TRYGAR
M. COURAH, M.D.

LAW OFFICES
MASRY & VITTOE
A PROFESSIONAL CORPORATION
SECOND FLOOR
11827 VENTURA BOULEVARD
STUDIO CITY, CALIFORNIA 91604
(818) 505-1144
(213) 872-2150
(800) 237-4881

RECEIVED
FEDERAL ELECTION COMMISSION
MAILING ADDRESS
POST OFFICE BOX 7411
STUDIO CITY, CALIFORNIA 91604
FAX (818) 766-1444
91 DEC -6

PLEASE REFER TO
OUR FILE NO.

December 3, 1991

Richard M. Denholm, II, Esq.
Federal Election Commission
999 East Street, N.W.
Washington, D.C. 20463

Re: MUR 3436
William Lee, Dymally Campaign Committee Treasurer
and Dymally Campaign Committee

Dear Mr. Denholm:

Pursuant to our telephone discussion, enclosed please find an executed Statement of Designation of Counsel by Mr. Lee as Treasurer of the Dymally Campaign Committee and on behalf of the Dymally Campaign Committee.

Mr. Lee requests an extension of time in which to respond to your inquiry. Mr. Lee received the package on November 26, 1991 and his responses would ordinarily be submitted by December 11, 1991. However, we are requesting an extension to January 23, 1992 in order to respond in this matter. There is good cause to extend the response time in that Mr. Edward L. Masry, Mr. Lee and Dymally Campaign Committee's attorney, is recovering from open heart surgery. Although his prognosis is good, he is unable to return to handle this matter for approximately thirty (30) days. I have taken the liberty of sending an affidavit from one of Mr. Masry's physicians, Bruce Fishman, M.D.

If you have any questions regarding this request to extend the time or any questions about the affidavits, please contact me at your earliest convenience.

Sincerely yours,

MASRY & VITTOE
A Professional Corporation

Nancy S. Eichler
Nancy S. Eichler

NSE:ljh
Enclosure

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 DEC -6 PM 2:36

93043503422

OC 3649

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3436

NAME OF COUNSEL: EDWARD L. MASPY

ADDRESS: MASPY & VITITOE

11827 Ventura Blvd.
Second Floor
Studio City, CA 91604

TELEPHONE: 818/505-1529

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

December 3, 1991
Date

William A. Lee
Signature
William A. Lee, individually and as
Treasurer of the Dymally Campaign Committee

RESPONDENT'S NAME: Dymally Campaign Committee
William A. Lee, Treasurer of the Dymally
Campaign Committee

ADDRESS: 322 West Compton Boulevard, Suite 103
Compton, California 90220

HOME PHONE: (818) 243-8146

BUSINESS PHONE: (213) 632-4318

93043503423



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 9, 1991

Mr. Edward L. Masry, Esq.
Masry & Vititoe
11827 Ventura Blvd.
Second Floor
Studio City, CA 91604

RE: MUR 3436
Dymally Campaign
Committee and
William Lee, as
treasurer

Dear Mr. Masry:

This is in response to your letter dated December 3, 1991, which we received on December 6, 1991, requesting an extension of 43 days until January 23, 1992 to respond to the Commission's determination that there is reason to believe that the Dymally Campaign Committee and William Lee, as treasurer violated the Federal Election Campaign Act of 1971, as amended and to respond to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers. 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 January 23, 1992.

If you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Anne Weissenborn".

BY: Anne Weissenborn
Assistant General Counsel

93043503424



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

RE: MUR 3436

Mrs. Celestine Griffith
297 E. Fourth St.
Lima, Ohio 45804

Dear Mrs. Griffith.

This is in reference to your response to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers. Pursuant to 2 U.S.C § 437d(a)(1), the Commission has the power to require any person to submit, under oath, such written reports and answers to questions as the Commission may prescribe.

Both the November 15, 1991 notification letter and the Preamble to the Subpoena to Produce Documents and Order to Submit Written Answers require you to submit answers under oath. However, your response, dated November 29, 1991, is neither signed nor sworn. You may answer the questions in the same manner as previously submitted; however, you must sign your answers and have them notarized.

Please forward a signed and sworn response in the enclosed envelope as soon as possible.

If you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

A handwritten signature in cursive script, reading "Richard M. Denholm II", is written over a horizontal line.

Richard M. Denholm II
Attorney

93043503425



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Steven Deignan
21249 Doble Ave.
Torrance, CA 90502

RE: MUR 3436

Dear Mr. Deignan:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Anne Weissenborn".

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503426



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mrs. Imai

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503427



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mr. Imai:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503428



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Ethel Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Mrs. Wong:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "Anne Weissenborn", is written over a light-colored rectangular background.

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503429



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Clarence Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Mr. Wong:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503430



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Vela Orduna
4436 W. 58th Place
Los Angeles, CA 90043

RE: MUR 3436

Dear Mrs. Orduna:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f, a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503431



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mutsumi Deignan
21249 Doble Ave.
Torrance, CA 90502

RE: MUR 3436

Dear Mrs. Deignan:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503432



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 10, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

F.E.A. Logistics Support Corporation
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Sir:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that F.E.A. Logistics Support Corporation knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process.

Should you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Anne Weissenborn
Assistant General Counsel
(Acting)

93043503433

Obcord

91 DEC 13 PM 2:14

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
WASHINGTON, D.C. 20543

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3436
)

ANSWERS TO WRITTEN QUESTIONS

1. At the time of the alleged incident, the two corporations shared common office space; two of the officers held positions in both corporations; one of the shareholders held stocks in both corporations; there were no other relationships between the two corporations.
2.
 - a. Morio Akiba: Treasurer for Texim & FEA.
 - b. Fukujiro : None
 - c. Steve Diegnan: General Manager for Texim & FEA.
 - d. Mutsumi Deignan: None
 - e. Celestine Griffith: We have no records or information regarding this individual.
 - f. K. Imai: Shareholder in Texim and FEA.
 - g. Mrs. K. Imai: none
 - h. Kenneth Orduna: none
 - i. Vela Orduna: none
 - j. Lonnie Sanders: none
 - k. Clarence Wong: none
 - l. Ethel Wong: none
3.
 - a) There were no contributions made by FEA or Texim to the Dymally Campaign Committee.
 - b) There were no such records or documents available to this respondent.
4. There was no such documents available to this respondent.
5. There are no such documents available to this respondent.
6. Morio Akiba and Steven Deignan.

93043503434

STATE OF CALIFORNIA, COUNTY OF

I am the Los Angeles Officer of respondent Corporation

in the above entitled action or proceeding; I have read the foregoing

answers to written questions

and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon my information or belief, and as to those matters I believe it to be true.

Executed on December 3, 1991 at Gardena (date) (place)

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

F.E.A. LOGISTICS SUPPORT CORPORATION

Mario Akiba
Mario Akiba, President

Signature

PROOF OF SERVICE BY MAIL (1013a, 2015.5 C. C. P.)

STATE OF CALIFORNIA, COUNTY OF Los Angeles

I am a resident of the county aforesaid; I am over the age of eighteen years and not a party to the within entitled action; my business address is:

On _____, 19____, I served the within _____

on the _____
in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail
at _____
addressed as follows:

Executed on _____ at _____ (date) (place)

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

Signature

93043503435

91 DEC 13 11 10 AM '91
California

RECEIVED
FEDERAL ELECTION COMMISSION
91 DEC 13 AM 10:42

OGC 3753

MUR 3436

QUESTIONS AND DOCUMENT REQUESTS

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL
91 DEC 13 PM 12:19

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

93043503436

December 05, 1991

1. Mutsumi Deignan
21249 Doble Ave.
Torrance, CA 90502
(310) 320-7106

EMPLOYER: Eye Medical Group of Gardena

2. Eye Medical Group of Gardena
Receptionist

3. Husband works for PEA LOGISTICS
No relationship

4. Husband made contribution on my behalf

- A. Personal check.
- B. Do not know details. Husband took care of details.
- C. Do not know.
- D. Husband received reimbursement. I do not know from whom.

5. Please find a copy of our BANK STATEMENT and CHECK REGISTER.

6. Husband, Steven Deignan.
I do not know details of this. Please ask my husband.


Mutsumi Deignan

93043503437

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am the PERSON

in the above entitled action or proceeding; I have read the foregoing

ANSWERS TO YOUR WRITTEN QUESTIONS

and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon my information or belief, and as to those matters I believe it to be true.

Executed on DECEMBER 5, 1991 at TORRANCE, California

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

Mutsumi Deig
Signature

PROOF OF SERVICE BY MAIL (1013a, 2015.5 C. C. P.)

STATE OF CALIFORNIA, COUNTY OF Los Angeles

I am a resident of the county aforesaid; I am over the age of eighteen years and not a party to the within entitled action; my business address is:

On _____, 19____, I served the within _____

on the _____ in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at _____ addressed as follows:

Executed on _____ at _____, California

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

Signature

93043503438

91 DEC 13 PM 12:22

06C 3754

Clarence Wong
Page 5

MUR 3436

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

- a. F.E.A Logistics ("FEA"),
- b. Texim Corp. ("Texim"),
- c. The Dymally Campaign Committee, or Dymally Congressional Staff.

4. Describe your relationship or knowledge of the following individuals:

- a. Morio Akiba,
- b. Fukujiro Akiba,
- c. Steven Deignan,
- d. Mutsumi Deignan,
- e. Celestine Griffith,
- f. Kiyotaka Imai,
- g. Mrs. Kiyotaka Imai,
- h. Kenneth Orduna
- i. Vela Orduna,
- j. Lonnie Sanders
- k. Ethel Wong.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:

- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
- b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

93043503439

c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim, If so, identify such person and describe the circumstances.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

93043503440

1. Clarence Wong
P.O. Box 20391
Los Angeles, CA 90006

Congressman Mervyn M. Dymally

2. Inflight Duty Free Shoppers
New York, N.Y.
Import Consultant
June - August 1987

Texim Gifts International
Marketing Director

3. F.E.A. Logistics - No Position
Texim Corporation - No Position
Dymally Staff/Campaign - No Position

4. Morio Akiba - friend
Fukujiro Akiba - father of Morio Akiba
Steven Deignan - friend
Mutsumi Deignan - wife of Steven Deignan
Celestine Griffin - I don't know her
Kiyotaka Imai - friend
Mrs. Kiyotaka Imai - wife of Kiyotaka Imai
Kenneth Orduna - friend and co-worker
Vela Orduna - wife of Kenneth Orduna
Lonnie Sanders - friend and co-worker
Ethel Wong - my mother

5. \$2,000 contribution made by check - see attached letter
I received a dinner invitation in the mail
None
The contribution was made for the dinner event listed on the invitation.
The event was held on Saturday October 15, 1988, however I did not attend.
The event was sponsored by "Friends of Congressman Dymally" honoring
the Congressman and Dr. Daisaku Ikeda.
None

6. No discussion with anyone regarding contributions.

93043503441

November 7, 1991

Dymally Campaign Committee
322 W. Compton Blvd. Ste 103
Compton, CA 90220

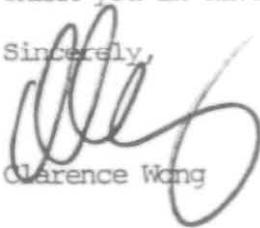
To Whom It May Concern:

On October 11, 1988, I made a contribution of \$2,000.00 to Dymally for Congress on behalf of my mother and myself for the October 15, 1988 dinner honoring the Congressman and Dr. Daisaku Ikeda.

Unknown to me at that time, I cannot make a contribution on behalf of somebody else. Therefore, I am requesting that you take my mother's name off of the contributor's report and redirect \$1,000.00 to the following reporting period, listing myself as the contributor.

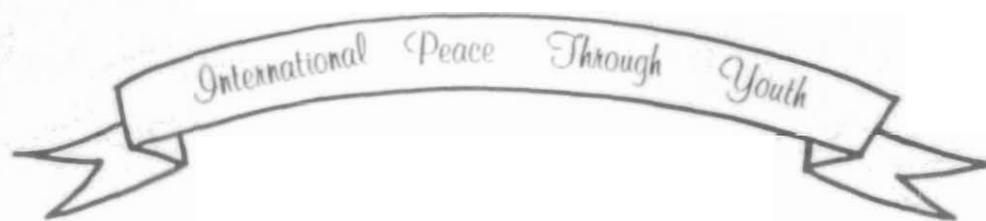
Thank you in advance for your prompt response.

Sincerely,


Clarence Wang

93043503442

Honoring



9 3 0 4 3 5 0 3 4 4 3



Friends of Congressman Dymally
request the honor of your presence

at a
Dinner
honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

on

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner
Herbie Hancock

Master of Ceremonies
Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails
7:30 p.m. Dinner

R.S.V.P.
213/639-3640

Black Tie Optional

93043503444

AGC 3755

Ethel Wong
Page 5

91 DEC 13 PM 12:22

MUR 3436

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

91 DEC 13 PM 12:22
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

93043503445

1. Ethel C. Wong
P.O. Box 20391
Los Angeles, CA 90006

Transamerica/Occidental Life

2. Collections Clerk
Transamerica/Occidental Life
Special Collections Department

3. None

4. No contribution made to the Dymally Campaign Committee

5. None

6. Clarence Wong

93043503446

MNR 3436

OC 3793

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 DEC 16 PM 12:15

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

91 DEC 16 PM 3:12

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CHIEF COUNSEL

93043503447

DECEMBER 4, 1991

TO: MR. RICHARD M. DENHOLM II
OFFICE OF THE GENERAL COUNSEL
FEDERAL ELECTION COMMISSION
999 E STREET, N.W.
WASHINGTON, D.C. 20463

REPLY TO YOUR QUESTIONNAIRE

MUR 3436

1) STEVEN ALAN DEIGNAN
24249 DOBLE AVENUE
TORRANCE, CA 90502
(310) 320-7106

EMPLOYER: FEA LOGISTICS SUPPORT CORPORATION

2) JAPAN FREIGHT CONSOLIDATORS, INC
EXPORT MANAGER

FEA LOGISTICS SUPPORT CORPORATION
GENERAL MANAGER

3) EMPLOYEE OF FEA - 1989 & 1988 : GENERAL MANAGER
" " TEXIM 1988 : GENERAL MANAGER

NO RELATIONSHIP WITH DYMALLY CAMPAIGN COMMITTEE

4) MADE ONE CONTRIBUTION IN OCTOBER OF 1988 IN THE AMOUNT
OF \$2,000.00 FOR DINNER HONORING CONGRESSMAN DYMALLY.

- A. CONTRIBUTION MADE BY CHECK
- B. RECEIVED AN INVITATION BY MAIL FROM CONGRESSMAN'S
OFFICE FOR A DINNER HONORING THE CONGRESSMAN AND
MADE CONTRIBUTION. DID NOT ATTEND DINNER.

PLEASE FIND COPY OF INVITATION.

C. YES, DIRECTION OF MR. IMAI THROUGH MR. MORIO AKIBA.
MR. IMAI INSTRUCTED MR. AKIBA TO ADVISE MYSELF TO
MAKE A CONTRIBUTION.

D. RECEIVED COMPENSATION/REIMBURSEMENT

RECEIVED THROUGH MR. MORIO AKIBA BUT ORIGIN UNKNOWN.

5. PLEASE FIND BANK STATEMENT COPY & CHECK RESISTER.



93043503448

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am the PERSON

in the above entitled action or proceeding; I have read the foregoing

ANSWERS TO YOUR WRITTEN QUESTIONS

and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon my information or belief, and as to those matters I believe it to be true.

Executed on DECEMBER 4, 1991 at GARDENA, California

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

Signature

PROOF OF SERVICE BY MAIL (1013a, 2015.5 C. C. P.)

STATE OF CALIFORNIA, COUNTY OF Los Angeles

I am a resident of the county aforesaid; I am over the age of eighteen years and not a party to the within entitled action; my business address is:

On _____, 19____, I served the within _____

on the _____ in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail

at _____ addressed as follows:

Executed on _____ at _____, California

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

Signature

93043503449

NOVEMBER 20, 1991

FROM: STEVEN DEIGNAN
21249 DOBLE AVENUE
TORRANCE, CA 90502

TO: DYMALLY FOR CONGRESS COMMITTEE
322 W. COMPTON BLVD.
SUITE 103
COMPTON, CA 90220

ATTN: TREASURER

DEAR SIRs:

PLEASE KINDLY MAIL TO ME A COPY OF THE INVITATION OF
DINNER HELD AT BEVERLY WILSHIRE HOTEL IN OCTOBER OF 1988.

IT WAS A FUND RAISER HELD IN THE HONOR OF CONGRESSMAN
MERVIN DYMALLY.

BEST REGARDS,



STEVEN DEIGNAN

SD/tk

93043503450

Honoring

International Peace Through Youth



93043503451



Friends of Congressman Dymally
request the honor of your presence

at a
Dinner
honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

on

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner
Herbie Hancock

Master of Ceremonies
Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails
7:30 p.m. Dinner

R.S.V.P.
213/639-3640

Black Tie Optional

93043503452

RECEIVED
FEDERAL ELECTION COMMISSION
91 DEC 20 PM 3:17

1. Mrs. Celestine Griffith
297 E. Fourth St.
Lima, Ohio 45804

91 DEC 20 AM 11:27-13-91

Pr(417)228-7008

2. I am retired.

MUR 5436

3. None.

4. I personally did not make a Contribution, however, my son, Lonnie Sanders, made a contribution of one thousand dollars \$1000 in the 1987-'88 period. I do not know the exact date because he made the actual contribution, with my consent. I am a dependent of Lonnie's, he has control of our money. He asked me if it was OK to make a contribution to that campaign. I said yes.

A- I do not know.

B- Lonnie Sanders, my son, made the contribution on my behalf.

C- No, my son asked me about the contribution.

D- No.

5. I have no documents.

6. No one. / I swear the above is true.

Mrs. Celestine Griffith

Hereto sworn before me this
16th day of December 19 91

in the City of Lima, Allen
County in the State of Ohio.

Brenda Sue Metzger
Signature

BRENDA SUE METZGER
Notary Public, State of Ohio

My Commission Expires March 22, 1993

93043503453

91 DEC 20 PM 3:17

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988.
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

93043503454

06-3855



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 4, 1991

POSTMASTER
Torrance, CA 90503

RE: MUR 3436

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265.6(d)(1), we request that you provide us with the present address of Fukujiro Akiba. According to our records, the address of Fukujiro Akiba was 2701 Toledo St. #705 Torrance, CA 90503 as of October 13, 1988.

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Richard M. Denholm II
Attorney

Enclosure
Envelope

*This business moved on 5-23-88
Last address:
13639 Cinnamon Ave.
Gardena, Ca. 90249*

*Don't know if this man works here
or not K.E. #342 12-13-91.*

93043503455

EDWARD L. MASRY
JAMES W. VITITOE
NANCY S. EICHLER
LOUIS P. TRYGAR
M. COURAH, M.D.

LAW OFFICES
MASRY & VITITOE
A PROFESSIONAL CORPORATION

MAILING ADDRESS
POST OFFICE BOX 7411
STUDIO CITY, CALIFORNIA 91604
FAX (818) 766-1444

SECOND FLOOR
11827 VENTURA BOULEVARD
STUDIO CITY, CALIFORNIA 91604

(818) 505-1144
(213) 872-2150
(800) 237-4861

PLEASE REFER TO
OUR FILE NO.

January 9, 1992

Richard M. Denholm, II, Esq.
Office of the General Counsel
Federal Election Commission
999 East Street, N.W.
Washington, D.C. 20463

Re: MUR 3436
Lonnie Sanders

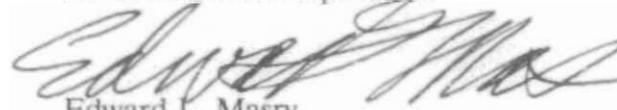
Dear Mr. Denholm:

Enclosed please find the written answers to the questions directed to my client, Lonnie Sanders. As you may recall such responses were to be submitted to your office by January 13, 1992.

If you require any further information or if you have any questions or comments, please do not hesitate to contact my office.

Very truly yours,

MASRY & VITITOE
A Professional Corporation


Edward L. Masry

ELM:ljh
Enclosure

92 JAN 13 AM 9:31

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

92 JAN 14 AM 11:29

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

93043503456

QUESTIONS AND RESPONSES

1. State your full name, address, phone number and current employer.

Response: Lonnie Sanders
1884 North Alexandria
Los Angeles, California 90027
213/668-2658

Current employer is Congressman Mervyn M. Dymally
31st Congressional District, California

2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.

Response: Congressional Aide to Congressman Mervyn M. Dymally,
31st District, California.

3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

- a. F.E.A. Logistics ("FEA")

Response: No position held.

- b. Texim Corp. ("Texim")

Response: No position held.

- c. The Dymally Campaign Committee or Dymally Congressional Staff:

Response: Dymally Campaign Committee: Treasurer during this period; Dymally Congressional Staff: Special Assistant during this period. I was a volunteer for Dymally Campaign Committee. My salary for Dymally Congressional Staff was

4. Describe your relationship or knowledge of the following individuals:

- a. Morio Abika

Response: Friend and he is President of Texim Corporation

9 3 0 4 3 5 0 3 4 5 7

9 3 0 4 3 5 0 3 4 5 8

- b. Fukujiro Akiba
Response: I do not know this person.
- c. Steven Deignan
Response: I do not know this person personally.
- d. Mutsumi Deignan
Response: I do not know this person personally.
- e. Celestine Griffith
Response: My mother.
- f. Kiyotaka Imai
Response: Head of Texim.
- g. Mrs. Kiyotaka Imai
Response: I do not know this person.
- h. Vela Orduna
Response: Ken Orduna's ex-wife.
- i. Kenneth Orduna
Response: Friend and member of Dymally Congressional Staff.
- i. Clarence Wong
Response: Colleague while working for Orduna for City Council Committee.
- j. Ethel Wong
Response: Clarence Wong's mother.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 Dymally Campaign Committee. For each contribution:

a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.

Response: October 10, 1988, contribution for \$1,000.00.

b. Describe the circumstances under which each contribution was made. If a contribution was made as a result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

Response: Contribution was made at October 15, 1988 fund raiser.

c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.

Response: No.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the vent and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

Response: October 15, 1988 fund raiser at Beverly Wilshire Hotel in Los Angeles. I attended. Ken Orduna and other staff at the time also attended the event. I transported myself to the event.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was received.

Response: I received no advance, bonus, payment, salary increase or other compensation as reimbursement in connection with any contributions made.

93043503459

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

Response: No.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee

Response: Not applicable.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

Response: Not applicable.

I declare that I have read the foregoing responses and they are true to the best of my knowledge at this time.

Dated: January 10, 1992



LONNIE SANDERS

93043503460

Friends of Congressman Dymally

request the honor of your presence

at a

Dinner

honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

on

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner

Herbie Hancock

Master of Ceremonies

Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails

7:30 p.m. Dinner

Black Tie Optional

R.S.V.P.
213/639-3640

Honoring

International Peace Through Youth



Dymally Campaign Committee

November 29, 1991

Mr. Lonnie Sanders
1884 North Alexandria
Los Angeles, CA 90028

Dear Mr. Sanders

In 1987 you made a contribution to the Dymally Campaign Committee in the amount of \$500.

Your contribution, on the surface, may give the appearance of being improperly made. Upon completion of our review, you will receive a notice and, if our review warrants it, a check returning this contribution.

If you have any questions or need further explanation, please feel free to contact us.

Sincerely,

WILLIAM A. LEE
Treasurer

93043503462

5C-04054

EDWARD L. MASRY
JAMES W. VITTOE
NANCY S. EICHLER
LOUIS P. TRYGAR
M. COURAH, M.D.

LAW OFFICES
MASRY & VITTOE
A PROFESSIONAL CORPORATION

MAILING ADDRESS
POST OFFICE BOX 7411
STUDIO CITY, CALIFORNIA 91604
FAX (818) 766-1444

SECOND FLOOR
11827 VENTURA BOULEVARD
STUDIO CITY, CALIFORNIA 91604

(618) 805-11AW
(213) 872-2150
(800) 237-4861

PLEASE REFER TO
OUR FILE NO.

January 9, 1992

Richard M. Denholm, II, Esq.
Office of the General Counsel
Federal Election Commission
999 East Street, N.W.
Washington, D.C. 20463

Re: MUR 3436
Kenneth Orduna

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
92 JAN 13 AM 9:32

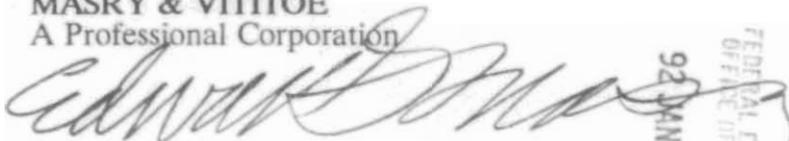
Dear Mr. Denholm:

Enclosed please find the written answers to the questions directed to my client, Kenneth Orduna. As you may recall such responses were to be submitted to your office by January 13, 1992.

If you require any further information or if you have any questions or comments, please do not hesitate to contact my office.

Very truly yours,

MASRY & VITTOE
A Professional Corporation


Edward L. Masry

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 JAN 14 AM 11:29

ELM:ljh
Enclosure

93043503463

QUESTIONS AND RESPONSES

1. State your full name, address, phone number and current employer.

Response: Kenneth M. Orduna
4436 West 58th Place
Los Angeles, California
213/296-5954

Current employer is Congressman Mervyn M. Dymally
31st Congressional District, California

2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.

Response: Occupation 1987-1988, Chief of Staff for Congressman Mervyn M. Dymally, 31st District, California.
per year, February 1, 1987 through April 15, 1987. For the month of January, 1987 I was on vacation from my congressional position. During this period I was a candidate for the 10th Councilmanic District, Los Angeles, California.

3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

a. F.E.A. Logistics ("FEA")

Response: No position held.

b. Texim Corp. ("Texim")

Response: I acted as an independent contractor for Texim Corporation on a business matter where I received a consultant fee for the project.

c. The Dymally Campaign Committee or Dymally Congressional Staff:

Response: Chief-of-Staff for Congressman Dymally with a salary of except for the leave of absence without pay from February through April of 1987 and my vacation in January.

4. Describe your relationship or knowledge of the following individuals:

RECEIVED
FEDERAL ELECTORAL COMMISSION
OFFICE OF THE CLERK
92 JAN 14 AM 11:29

9 3 0 4 3 5 0 3 4 6 4

9 3 0 4 3 5 0 3 4 6 5

- a. Morio Abika
Response: Friend and he is President of Texim Corporation
- b. Fukujiro Akiba
Response: Mr. Akiba's father and a casual acquaintance.
- c. Steven Deignan
Response: An employee of either FEA or Texim - casual acquaintance.
- d. Mutsumi Deignan
Response: Could be a relative of Steven Deignan.
- e. Celestine Griffith
Response: Lonnie Sander's mother living in Ohio. I have met her once or twice.
- f. Kiyotaka Imai
Response: Friend. Occupation unknown.
- g. Mrs. Kiyotaka Imai
Response: I do not know, nor have I ever met Mrs. Kiyotaka Imai.
- h. Vela Orduna
Response: Wife
- i. Lonnie Sanders
Response: Friend and member of Dymally Congressional Staff.
- j. Clarence Wong
Response: Friend, import/export expeditor and member of the Dymally Congressional Staff
- k. Ethel Wong

Response: Clarence Wong's mother.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 Dymally Campaign Committee. For each contribution:

a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written instrument.

Response: In 1987 I think I made a \$500 contribution for myself and for my wife, Vela Orduna. I have the bank checking for records of this transaction. I made no expenditures on behalf of the Dymally Campaign Committee and am not an officer or signatory on the Dymally Campaign Committee. In 1988 I made a \$1,000 campaign contribution. This contribution was made by personal check (see attached).

b. Describe the circumstances under which each contribution was made. If a contribution was made as a result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

Response: Each contribution made in 1987 and 1988 was made as a result of a fund raising invitation mailed to me (see attached).

c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.

Response: None of my contributions were at the direction or suggestion of any person, including Mario Akiba. All of my contributions were made by my own volition, personal commitment and free will.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

9 3 0 4 3 5 0 3 4 6 6

Response: As stated in "b" above, my contributions were made in connection with fund raisers. The dates and places are attached for your review. These events were sponsored by the Dymally Campaign Committee. My wife, family and friends attended the events. I provided my own transportation -- our family car.

e. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was received.

Response: I received no advance, bonus, payment, salary increase or other compensation as reimbursement in connection with any contributions made.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

Response: I do not recall discussing, with any employee of FEA, Texim, Dymally Campaign Committee or Dymally Congressional Staff, the making of a contribution. However, they did receive an invitation to the Dymally Dinner.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee

Response: Not applicable.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

Response: Not applicable.

In your conclusion, page 9, your last paragraph states that "Kenneth Orduna as Treasurer; knowingly and willfully violated 2 U.S.C. Sections

93043503467

441(f) and 441(b)(a)". For the record, I am not now nor have I ever been a treasurer or officer for the Dymally Campaign Committee.

I declare that I have read the foregoing responses and they are true to the best of my knowledge at this time.

Dated: January 10, 1992


KENNETH ORDUNA

93043503468

Honoring



9 3 0 4 3 5 0 3 4 6 9

request the honor of your presence

at a

Dinner

honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

on

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner
Herbie Hancock

Master of Ceremonies
Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails
7:30 p.m. Dinner

R.S.V.P.
213/639-3640

Black Tie Optional

93043503470

Dynamally Dinner Committee

Beverly Wilshire Hotel

Saturday, October 15, 1988

Please Reserve:

_____ Table(s) of 10 at \$3,000 per table

_____ Ticket(s) at \$300 per person

_____ I will be unable to attend; however, enclosed is a contribution for your reelection.

Check for \$ _____ enclosed.

(Please make check payable to: Dynamally Campaign Committee)

Name _____

Business (if any) _____

Occupation _____

Street _____

City _____ State _____ Zip _____

Phone _____

Residence

Business

Cocktails — 6:30 p.m.

Dinner — 7:30 p.m.

F.E.C. ID #088919 Corporate Checks Not Accepted Contributions are not tax deductible.

List Names of Guests on Reverse Side.

2504303471

KENNETH M. ORDUNA

1054 ✓

10/13 1988

Pay to the order of Dynamally for Computers \$ 1,000.00
One-Thousand ~~00~~ Dollars



Queen City Bank, N.A.
SIXBY KNOLLS OFFICE
4201 LONG BEACH BLVD.
LONG BEACH, CA 90807

for Cash

Signature Kenneth M. Orduna

Dymally Campaign Committee
322 W. Compton Boulevard, Suite 103
Compton, California 90220

Dymally Dinner Committee

Beverly Wilshire Hotel

Friday, February 19, 1988

Please Reserve:

_____ Table(s) of 10 at \$2,000 per table

_____ Ticket(s) at \$250 per person

_____ I will be unable to attend; however, enclosed is a contribution for your reelection.

Check for \$ _____ enclosed.

(Please make check payable to: Dymally Campaign Committee)

Name _____

Business (if any) _____

Occupation _____

Street _____

City _____ State _____ Zip _____

Phone _____

Business

Residence

Cocktails — 7:00 p.m.

Dinner — 8:00 p.m.

F.E.C. 92 H 088919

Corporate Checks Not Accepted

List Names of Guests on Reverse Side

93043503473

KENNETH M. ORDUNA

1054 ✓

10/13 1988

Pay to the order of Dynamally for Compens \$ 1,000.00
One-Thousand ~~00~~ Dollars



Queen City Bank, N.A.
BIXBY KNOLLS OFFICE
4201 LONG BEACH BLVD.
LONG BEACH, CA 90807

Kenneth M. Orduna
Signature

For Contribution

Dynamally Dinner Committee

Beverly Wilshire Hotel

Saturday, October 15, 1988

Please Reserve:

_____ Table(s) of 10 at \$3,000 per table

_____ Ticket(s) at \$300 per person

_____ I will be unable to attend; however, enclosed is a contribution for your reelection.

Check for \$ _____ enclosed.

(Please make check payable to: Dynamally Campaign Committee)

Name _____

Business (if any) _____

Occupation _____

Street _____

City _____ State _____ Zip _____

Phone _____

Residence

Business

Cocktails — 6:30 p.m.

Dinner — 7:30 p.m.

F.E.C. ID #088919 Corporate Checks Not Accepted Contributions are not tax deductible.

List Names of Guests on Reverse Side.

930430175

Dymally Campaign Committee

November 29, 1991

Mr. Kenneth M. Orduna
4436 West 58th Place
Los Angeles, CA 90043

Dear Mr. Orduna:

In 1987 you made a contribution to the Dymally Campaign Committee in the amount of \$500.

Your contribution, on the surface, may give the appearance of being improperly made. Upon completion of our review, you will receive a notice and, if our review warrants it, a check returning this contribution.

If you have any questions or need further explanation, please feel free to contact us.

Sincerely,

WILLIAM A. LEE
Treasurer

93043503476

93043503477

MONEY ORDER NOT GOOD FOR MORE THAN THE AMOUNT PUNCHED

20 75 200 400 600

02 54 000 009

AMERICAN SECURITY MONEY ORDER

202465943

THE SUM 100 DOLS 00 CTS

DATE 11/17 87

TO THE ORDER OF Dymally Campaign Committee

Sender's Name and Address: *Kenneth M Ordum*

1:091905321:698 2024659431

MONEY ORDER NOT GOOD FOR MORE THAN THE AMOUNT PUNCHED

20 75 200 400 600

02 54 000 009

AMERICAN SECURITY MONEY ORDER

202465944

THE SUM 100 DOLS 00 CTS

DATE 11/17 87

TO THE ORDER OF Dymally Campaign Committee

Sender's Name and Address: *Kenneth M Ordum*

1:091905321:698 2024659440

MONEY ORDER NOT GOOD FOR MORE THAN THE AMOUNT PUNCHED

20 75 200 400 600

02 54 000 009

AMERICAN SECURITY MONEY ORDER

202465940

THE SUM 100 DOLS 00 CTS

DATE 11/17 87

TO THE ORDER OF Dymally Campaign Committee

Sender's Name and Address: *Kenneth M Ordum*

1:091905321:698 2024659401

MONEY ORDER NOT GOOD FOR MORE THAN THE AMOUNT PUNCHED

20 75 200 400 600

02 54 000 009

AMERICAN SECURITY MONEY ORDER

202465945

THE SUM 100 DOLS 00 CTS

DATE 11/17 87

TO THE ORDER OF Dymally Campaign Committee

Sender's Name and Address: *Kenneth M Ordum*

1:091905321:698 2024659458

MONEY ORDER NOT GOOD FOR MORE THAN THE AMOUNT PUNCHED

20 75 200 400 600

02 54 000 009

AMERICAN SECURITY MONEY ORDER

202465929

THE SUM 100 DOLS 00 CTS

DATE 11-7 87

TO THE ORDER OF DYNALLY CAMPAIGN COMMITTEE

Sender's Name and Address: *Kenneth M Ordum*

1:091905321:698 2024659291

92 JAN 16 AM 11:29

AMERICAN SECURITY MONEY ORDER



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION

92 JAN 16 PM 12:25

37

December 5, 1991

POSTMASTER
Cerritos, CA 90701

RE: MUR 3436

92 JAN 16 PM 3:38

RECEIVED
FEDERAL ELECTION COMMISSION

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265.6(d)(1), we request that you provide us with the present address of Morio Akiba. According to our records, the address of Morio Akiba was 13418 Moore St., Cerritos, CA 90701 as of 1988.

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Richard M. Denholm II

BY: Richard M. Denholm II
Attorney

Enclosure
Envelope

Forward has expired

93043503478

MARGOLIS, HERTZBERG & MORIN

ATTORNEYS AT LAW

3850 WILSHIRE BOULEVARD

SUITE 1418

LOS ANGELES, CALIFORNIA 90010-2418

TELEPHONE (213) 381-1111

OF COUNSEL
KAREN HOSKOWITZ

CABLE: 'HERTZLAW'
FACSIMILE: (213) 381-1888

VIA FACSIMILE TRANSMISSION
202/219-3923

January 21, 1992

Mr. Richard M. Dcnholm, II
Federal Elections Commission
Washington, D.C. 20463

Re: Dymally Campaign Committee and William A. Lee as Treasurer
(MUR 3436)

Dear Dick:

I am writing to follow up on our second telephone conversation today. In our most recent telephone conversation, I requested an extension of time to respond from the due date of January 23, 1992 given to prior counsel. You explained to me that prior counsel had already been given a significant extension of time and that a further extension would be very difficult to obtain. Although I sincerely appreciate the circumstances, I explained that I had just been designated counsel in this matter and I am in the process of learning the facts of the case.

By this letter, I am requesting an extension of time from January 23, 1992 to January 31, 1992 within which to respond to the requests made to the Dymally Campaign Committee and Mr. William A. Lee with respect to the MUR 3436. Also, at this time, because of my lack of understanding of the facts, I am not confident I will be able to respond by January 31st and I have selected that date because of the very clear understanding you gave to me concerning your need to proceed with this case and the Commission's disfavor of continuances.

RECEIVED
FEDERAL ELECTION COMMISSION
92 JAN 21 PM 5:09

93043503479

MARGOLIS, HERTZBERG & MORIN
ATTORNEYS AT LAW

Mr. Richard M. Denholm, II
Re: Dymally Campaign Committee
and William A. Lee as Treasurer
(MUR 3436)
January 21, 1992
Page 2

I am leaving for Court this afternoon and as such this letter will be dictated and not read and signed by my secretary. I would appreciate it if you would get back to me tomorrow to let me know your response to this request.

Very truly yours,


ROBERT M. HERTZBERG

RMH:rmp

cc: Mr. William A. Lee
Ms. Yvonne Smith

(Dictated But Not Read)

93043503480



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
F.E.C.
SECRETARIAT

92 JAN 23 AM 10:26

January 23, 1992

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble *JMN(LH)*
General Counsel

SUBJECT: MUR 3436
Request for Extension of Time

By letter dated January 21, 1992, counsel for the Dymally Campaign Committee and William Lee, as treasurer ("Respondents"), requested an extension of time until January 31, 1992, to respond to the Commission's finding that there was reason to believe that Respondents had violated the Federal Election Campaign Act of 1971, as amended and to respond to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers. Attachment 1. The original responses were due on December 6, 1991. In a letter dated December 3, 1991, an extension of time was requested until January 23, 1992 in order to respond due to the illness of Respondents' counsel. Attachment 2. They were initially granted the 43 day extension. Attachment 3. However, on January 17, 1992, the Respondents' original counsel withdrew and was replaced by Robert Hertzberg. Attachment 4. Mr. Hertzberg has requested the additional eight (8) day extension in order to familiarize himself with the case and to respond.

Due to the fact that a review is continuing of answers and documents already received from other Respondents in this matter, the additional eight (8) day extension will not prejudice the investigation. Therefore, the Office of the General Counsel recommends that the Commission grant the requested extension until January 31, 1992.

93043503481

RECOMMENDATIONS

1. Grant the extension of time until January 31, 1992, to the Dymally Campaign Committee and William Lee, as treasurer.
2. Approve the appropriate letter.

Attachments

1. Request for Extension
2. Original Extension Request
3. Letter Granting the 43 Day Extension
4. Designation of Counsel of Robert Hertzberg and Withdrawal Letter of Masry & Vititoe

Staff Assigned: Richard Denholm

93043503482

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Dymally Campaign Committee and) MUR 3436
William Lee, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 27, 1992, the Commission decided by a vote of 6-0 to take the following actions in MUR 3436:

1. Grant the extension of time until January 31, 1992, to the Dymally Campaign Committee and William Lee, as treasurer.
2. Approve the appropriate letter, as recommended in the General Counsel's Memorandum dated January 23, 1992.

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

Attest:

1-27-92
Date

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

Received in the Secretariat:	Thurs., Jan. 23, 1992	10:26 a.m.
Circulated to the Commission:	Thurs., Jan. 23, 1992	4:00 p.m.
Deadline for vote:	Mon., Jan. 27, 1992	4:00 p.m.

bjr

93043503483



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 31, 1992

BY FACSIMILE

Mr. Robert M. Hertzberg
Margolis, Hertzberg, & Morin
3550 Wilshire Blvd., Suite 1418
Los Angeles, CA 90010

RE: MUR 3436
Dymally Campaign
Committee and
William Lee, as
treasurer

Dear Mr. Hertzberg:

This is in response to your letter dated January 21, 1992, which we received on the same day, requesting an extension of 8 days, in addition to the 43 day extension previously requested by counsel, until January 31, 1992 to respond to the Commission's determination that there is reason to believe that the Dymally Campaign Committee and William Lee, as treasurer, violated the Federal Election Campaign Act of 1971, as amended and to respond to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers. After considering the circumstances presented in your letter, the Commission granted the requested extension. Accordingly, your response is due by the close of business on January 31, 1992.

If you have any questions, please contact Richard M. Denholm II, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

93043503484

MARGOLIS, HERTZBERG & MORIN

ATTORNEYS AT LAW

3550 WILSHIRE BOULEVARD

SUITE 1418

LOS ANGELES, CALIFORNIA 90010-2415

TELEPHONE (213) 381-1121

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

92 JAN 31 PM 1:00

OF COUNSEL
KAREN MOSKOWITZ

CABLE: "HERTZLAW"
FACSIMILE: (213) 381-1986

VIA FEDERAL EXPRESS

January 30, 1992

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

Attention: Mr. Richard M. Denholm, II

Re: In the Matter of MUR 3436
Subpoena to Produce Documents ("Subpoena"), Order to Submit Written
Answers ("Order") to Dymally Campaign Committee and William A. Lee,
Treasurer

Dear Mr. Denholm:

As attorney for the Dymally Campaign Committee and Mr. William A. Lee,
Treasurer (see tab 1 for Statement of Designation of Counsel), I am responding to the
November 15, 1991 letter of John Warren McGarry, Chairman, addressed to my clients
and containing the Subpoena and Order.

I received your telephone message of January 22nd granting the Dymally
Campaign Committee and Mr. Lee up to and including January 31, 1992, to respond to
the Subpoena and Order. Please accept the answer set forth below, and documents
attached, as the Dymally Campaign Committee's and Mr. William Lee's full and
complete response, made under oath as required by the Subpoena and Order.

QUESTIONS AND DOCUMENT REQUESTS

1. Describe the relationship if any, between the Dymally Campaign
Committee and each of the following individuals and entities:

Responses:

a. Morio Akiba.

Mr. Morio Akiba has been a campaign contributor to the Dymally
Campaign Committee and has attended various fundraising functions sponsored by the

92 JAN 31 PM 3:47
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL

93043503485

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
January 30, 1992
Page 2

Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

b. Fukujito Akiba.

Fukujito Akiba has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee. We believe Fukujito Akiba is the wife of Morio Akiba.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this

9 3 0 4 3 5 0 3 4 8 6

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
January 30, 1992
Page 3

question are in reliance on the Dymally Campaign Committee records.

c. Steven Deignan.

Mr. Steven Deignan has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

d. Ms. Mutsumi Deignan.

Ms. Mutsumi Deignan has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee. We believe Ms. Deignan is the wife of Steve Deignan.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

93043503487

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
January 30, 1992
Page 4

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

e. Celestine Griffith.

Ms. Celestine Griffith has been a campaign contributor to the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

f. Kiyotaka Imai.

Mr. Kiyotaka Imai has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the

93043503488

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
January 30, 1992
Page 5

Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

g. Mrs. Kiyotaka Imai.

Mrs. Kiyotaka Imai has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee. We believe Mrs. Kiyotaka Imai is the wife of Mr. Kiyotaka Imai.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

h. Kenneth Orduna.

Mr. Kenneth Orduna has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the

93043503489

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
January 30, 1992
Page 6

Dymally Campaign Committee. Mr. Orduna has also served as a consultant to the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

i. Vela Orduna.

Ms. Vela Orduna has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee. Ms. Vela Orduna is the former wife of Kenneth Orduna. Ms. Orduna has assisted at times as a fundraising consultant to the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response"

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the

93043503490

Office of the General Counsel
Federal Elections Commission
Attention: Mr. Richard M. Denholm, II
Re: In the Matter of MUR 3436
Dymally Campaign Committee and
William A. Lee, Treasurer
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Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

j. Lonnie Sanders.

Mr. Lonnie Sanders has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee. Mr. Sanders also served as Treasurer to the Dymally Campaign Committee up to December 10, 1989 (see tab 3 for previous Statements of Organization).

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

k. Clarence Wong.

Mr. Clarence Wong has been a campaign contributor to the Dymally Campaign Committee and has attended various fundraising functions sponsored by the Dymally Campaign Committee.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the

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Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

l. Ethel Wong.

Ms. Ethel Wong has been a campaign contributor to the Dymally Campaign Committee. The Dymally Campaign Committee recently learned that Ms. Ethel Wong is the mother of Clarence Wong (see tab 4 for letter of explanation).

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response"

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

m. F. E. A. Logistics Support Corporation, A California Corporation ("FEA").

The Dymally Campaign Committee has no relationship whatsoever to FEA. As part of the Dymally Campaign Committee's investigation into this matter, the Dymally Campaign Committee obtained the Statement By Domestic Stock Corporation

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from the California Secretary of State's Office and thereby learned the exact name of FEA and the fact that FEA is a California corporation (see tab 5 for a copy of the Statement By Domestic Stock Corporation).

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

n. Texim Corp. ("Texim").

The Dymally Campaign Committee has no relationship whatsoever to Texim. As part of the Dymally Campaign Committee's investigation into this matter, the Dymally Campaign Committee obtained the Statement By Domestic Stock Corporation from the California Secretary of State's Office and thereby learned the exact name of Texim and the fact that Texim is a California corporation (see tab 6 for a copy of the Statement By Domestic Stock Corporation).

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

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Office of the General Counsel
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With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

2. Question/Request.

Question:

Provide all documents relating to all contributions made by FEA or Texim or any of its subsidiaries, or any of their officers, directors, shareholders and employees, to the Dymally Campaign Committee during 1987-1988.

Response:

Attached at tab 7 are copies of checks from Morio Akiba (Chief Executive Officer and Director of FEA and Chief Executive Officer and Director of Texim, and Steven Deignan, Secretary and Director of FEA and Secretary, Chief Financial Officer and Director of Texim). As part of our due diligence, the Dymally Campaign Committee recently obtained copies of corporate Permits for Texim and FEA in an effort to determine the shareholding interests of both FEA and Texim (see tab 8). As such, we are attaching at tab 7, a copy of a check from Kiyotaka Imai, a shareholder of Texim and FEA.

Neither the Dymally Campaign Committee nor Mr. Lee has any knowledge at this time that any other contributors to the Dymally Campaign Committee during the calendar years of 1987 and 1988 were either officers, directors, shareholders or employees of FEA or Texim.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response"

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With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

3. Question/Request.

Question:

Describe fully, including dates and places, all meetings, discussions, phone calls and other communications concerning the solicitation or making of contributions to the Dymally Campaign Committee which involved FEA or Texim corporate employees, officers, directors or shareholders or the use of corporate funds.

Response:

The Dymally Campaign Committee does not maintain notes of dates and places, and notes of minutes, phone calls or other communications concerning solicitation or making of contributions to the Dymally Campaign Committee. In particular, there is no one at the Dymally Campaign Committee having specific memory relating to such solicitations to FEA or Texim employees, officers, directors, or shareholders. Presumably, the contribution made by Mr. Morio Akiba of \$1,000.00 and the contribution made by Mr. Steven Deignan of \$1,000.00 on 10/13/88 related to a fundraiser sponsored by the Dymally Campaign Committee on Saturday, October 15, 1988. A copy of the invitation is attached at tab 9.

With respect to the contribution of Kiyotaka Imai on 2/18/88, presumably this contribution related to a fundraiser by the Dymally Campaign Committee which was held on Friday, February 19, 1988. A copy of the invitation is set forth at tab 10.

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response"

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With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

4. Question/Request.

Question:

Provide all documents relating to the payment or reimbursement to officers, directors, shareholders or employees of FEA or Texim (or any of their subsidiaries), or any of their spouses or other family members, for any contribution made by such person to a federal candidate or political committee.

Response:

There have been no payments or reimbursements to officers, directors, shareholders, or employees of FEA or Texim (or any of their subsidiaries), or any of their spouses or family members with respect to the Dymally Campaign Committee. The Dymally Campaign Committee has no information or documents concerning such payments or reimbursements for any other "federal candidate or political committee".

With respect to those capable of furnishing testimony, Mr. William A. Lee as Treasurer of the Dymally Campaign Committee is capable of furnishing testimony concerning the response given in his capacity as Treasurer of the Dymally Campaign Committee. In addition, Ms. Yvonne Smith, the bookkeeper for the Dymally Campaign Committee, is capable of testifying as to the procedures for making deposits to the Dymally Campaign Committee account.

Mr. Lee, Ms. Smith, and Mr. Robert Hertzberg, assisted "in drafting the interrogatory response".

With respect to the response of Mr. William A. Lee, it is important to note that Mr. Lee replaced the former Treasurer, Mr. Lonnie Sanders on December 12, 1989 (see tab 2 for Statement of Organization). The "relevant period" as defined in the Instructions to the Order and Subpoena refer to the time period from January 1, 1987 to January 1, 1989. Mr. William A. Lee was not Treasurer of the Dymally Campaign Committee during the relevant period, and therefore his answers and responses to this question are in reliance on the Dymally Campaign Committee records.

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5. Question/Request.

Question:

Identify all persons other than counsel who provided information, or consulted or assisted in any way in the preparation of answers to these questions and document requests.

Response:

Other than Robert M. Hertzberg, counsel for the Dymally Campaign Committee and Mr. Lee, these answers, responses and documents were provided and compiled by Yvonne Smith, bookkeeper to the Dymally Campaign Committee and Mr. Lee, Treasurer of the Dymally Campaign Committee.

I declare under penalty of perjury that to the best of my knowledge, the foregoing responses are true and correct.

Dated: 1/30/92

William A. Lee
WILLIAM A. LEE, Treasurer
Dymally Campaign Committee

DYMALLY CAMPAIGN COMMITTEE

By: William A. Lee
William A. Lee, Treasurer

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Office of the General Counsel
Federal Elections Commission
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Re: In the Matter of MUR 3436
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William A. Lee, Treasurer
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PRE-PROBABLE CAUSE CONCILIATION

Although Mr. Lee and the Dymally Campaign Committee do not believe that there is any basis for adverse action by the Federal Elections Commission with respect to MUR 3436, the Dymally Campaign Committee and Mr. Lee hereby make this written request pursuant to 11 Code of Federal Regulations, Section 111.18(d) for pre-probable cause conciliation. The Dymally Campaign Committee and Mr. Lee believe it is in the best interests of the Federal Elections Commission to resolve this matter as quickly as possible. Presumably, pre-probable cause conciliation will allow the parties to quickly and properly conclude this investigation with the finding that there is no liability on the part of Mr. Lee or the Dymally Campaign Committee.

I look forward to speaking with you shortly with respect to this matter.

Very truly yours,


ROBERT M. HERTZBERG

RMH:rmp
Attachments

cc: Mr. William A. Lee
The Dymally Campaign Committee

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93043503499

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3436

NAME OF COUNSEL: ROBERT M. HERTZBERG

ADDRESS: MARGOLIS, HERTZBERG & MORIN
3550 Wilshire Boulevard, Suite 1418
Los Angeles, CA 90010

TELEPHONE: 213/381-1121

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

January 20, 1992
DATE

William A. Lee
SIGNATURE

RESPONDENT'S NAME: DYMALLY CAMPAIGN COMMITTEE and WILLIAM A. LEE, TREASURER

ADDRESS: 306 West Compton Blvd., Suite 200, Compton, CA 90220
322 West Compton Blvd., Suite 103, Compton, CA 90220

HOME PHONE: N/A

BUSINESS PHONE: 310/632-4318 & 213/639-3640

93043503500

93043503501

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1. (a) Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. DYMALLY CAMPAIGN COMMITTEE	2. Date
(b) Address (Number and Street) 322 West Compton Boulevard, Suite 103	3. FEC Identification Number 088919
(c) City, State and ZIP Code Compton, CA 90220	4. Is this an amended Statement? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

5. TYPE OF COMMITTEE (check one):

(a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
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(c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

(d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Yvonne Smith,	P O Box 963, Glendale, CA 91209,	Bookkeeper

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position
William Lee,	340 South Tamarind, Compton, CA 90220	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
Queen City Bank,	100 West Broadway, Long Beach, CA 90813
Rancho Dominguez Bank,	1 Civic Plaza Drive, Carson, CA 90745

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

WILLIAM A. LEE	<i>William A. Lee</i>	12/11/89
Type or Print Name of Treasurer	SIGNATURE OF TREASURER	Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

93043503503

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

1. (a) Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. Dymally Campaign Committee	2. Date May 13, 1986
(b) Address (Number and Street) 322 W. Compton Blvd., Suite 103	3. FEC Identification Number 088919
(c) City, State and ZIP Code Compton, CA 90220	4. Is this an amended Statement? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

5. TYPE OF COMMITTEE (check one):

(a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
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(c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

(d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
MORE in '86	P. O. Box 33136 Washington, D. C. 20033-0136	Jt. Fundraising Committee

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Yvonne Smith	P. O. Box 963 Glendale, CA 91209	Bookkeeper

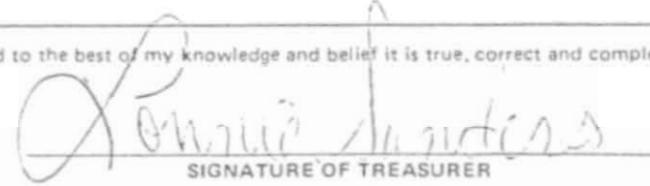
8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position
Lonnie Sanders	1884 North Alexandria Los Angeles, CA 90027	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
American Indian Nat'l Bank,	1700 K St., N.W., #200, Washington, D. C. 2000
Queen City Bank,	820 Long Beach Blvd., Long Beach, CA 90810
Pacific Business Bank,	438 W. Carson St., Carson, Ca 90745

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

<u>Lonnie Sanders</u>		May 13, 1986
Type or Print Name of Treasurer	SIGNATURE OF TREASURER	Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

930435043504

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

1. (a) Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. DYMALLY CAMPAIGN COMMITTEE	2. Date March 9, 1987
(b) Address (Number and Street) 322 West Compton Blvd., Suite 103	3. FEC Identification Number 088919
(c) City, State and ZIP Code Compton, CA 90220	4. Is this an amended Statement? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

5. TYPE OF COMMITTEE (check one):

(a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
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(c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(name of candidate)

(d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
505		

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

3 Full Name	Mailing Address and ZIP Code	Title or Position
4 Yvonne Smith	P. O. Box 963 Glendale, CA 91209	Bookkeeper

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

3 Full Name	Mailing Address and ZIP Code	Title or Position
9 Lonnie Sanders	1884 North Alexandria Los Angeles, CA 90027	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
Queen City Bank, 820 Long Beach Blvd., Long Beach, CA 90810	
Pacific Business Bank, 438 W. Carson St., Carson, CA 90745	

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

LONNIE SANDERS		3/9/87
Type or Print Name of Treasurer	SIGNATURE OF TREASURER	Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

1. (a) Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. DYNAMICALLY CAMPAIGN COMMITTEE	2. Date 10/4/89
(b) Address (Number and Street) 322 West Compton Blvd., Suite 103	3. FEC Identification Number 088919
(c) City, State and ZIP Code Compton, CA 90220	4. Is this an amended Statement? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

5. TYPE OF COMMITTEE (check one):

(a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
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(c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(Name of candidate)

(d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
506		

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Yvonne Smith	P O box 963, Glendale, CA 91209	Bookkeeper

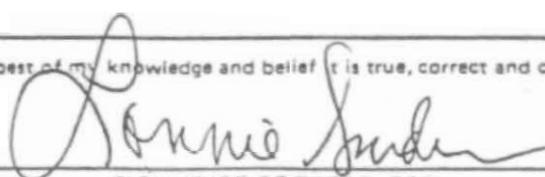
8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position
Lonnie Sanders	1884 N. Alexandria, Los Angeles, CA 90027	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
Queen City Bank,	100 W. Broadway, Long Beach, CA 90813
Rancho Dominguez Bank,	1 Civic Plaza Drive, Carson, CA 90745

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

<u> LONNIE SANDERS </u>		<u> 10/4/89 </u>
Type or Print Name of Treasurer	SIGNATURE OF TREASURER	Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

STATEMENT OF ORGANIZATION

(Reverse side for instructions)

1. Name of Committee (in Full) <input type="checkbox"/> Check if name or address is changed. DYMALLY CAMPAIGN COMMITTEE	2. Date January 11, 1988
1. Address (Number and Street) 322 W. Compton Blvd., #103	3. FEC Identification Number 088919
1. City, State and ZIP Code Compton, CA 90220	4. Is this an amended Statement? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

TYPE OF COMMITTEE (check one):

- (a) This committee is a principal campaign committee. (Complete the candidate information below.)
 - (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)
- | | | | |
|-------------------|-----------------------------|---------------|----------------|
| Name of Candidate | Candidate Party Affiliation | Office Sought | State/District |
|-------------------|-----------------------------|---------------|----------------|
- (c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(name of candidate)
 - (d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)
 - (e) This committee is a separate segregated fund.
 - (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
507		

If registering political committee has identified a "connected organization" above, please indicate type of organization:
 Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

custodian of Records: Identify by name, address (phone number - optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Yvonne Smith,	P. O. Box 963, Glendale, CA 91209,	Bookkeeper

treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position
Lonnie Sanders,	1884 N. Alexandria, Los Angeles, CA 90027,	Treasurer

banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
Queen City Bnak,	100 W. Broadway, Long Beach, CA 90813
Pacific Business Bank,	438 W. Carson Street, Carson, CA 90745

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

LONNIE SANDERS or Print Name of Treasurer	 SIGNATURE OF TREASURER	1/11/88 Date
--	--	-----------------

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

93043503508

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November 7, 1991

Dymally Campaign Committee
322 W. Compton Blvd. Ste 103
Compton, CA 90220

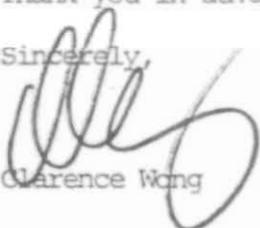
To Whom It May Concern:

On October 11, 1988, I made a contribution of \$2,000.00 to Dymally for Congress on behalf of my mother and myself for the October 15, 1988 dinner honoring the Congressman and Dr. Daisaku Ikeda.

Unknown to me at that time, I cannot make a contribution on behalf of somebody else. Therefore, I am requesting that you take my mother's name off of the contributor's report and redirect \$1,000.00 to the following reporting period, listing myself as the contributor.

Thank you in advance for your prompt response.

Sincerely,


Clarence Wang

93043503509

93043503510



State of California

March Song Eu

Secretary of State

P.O. Box 944230
Sacramento, CA 95244-0230
Phone: (916) 443-2020

STATEMENT BY DOMESTIC STOCK CORPORATION

THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CO.)

A \$5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT—Please Read Instructions On Back Of Form

1. C1170618 DUE DATE 03-31-91 058595
F.E.A. LOGISTICS SUPPORT
CORPORATION
13639 CIMARRON AVENUE
GARDENA, CA 90249

DO NOT ALTER PREPRINTED NAME IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 13639 CIMARRON AVENUE	ROOM NO.	2A. CITY AND STATE GARDENA, CA	2B. ZIP CODE 90249
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA IF ANY	ROOM NO.	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO.	4A. CITY AND STATE	4B. ZIP CODE

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER MORIO AKIBA	5A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	5B. CITY AND STATE GARDENA CA	5C. ZIP CODE 90249
6. SECRETARY STEVEN DEIGNAN	6A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	6B. CITY AND STATE GARDENA CA	6C. ZIP CODE 90249
7. CHIEF FINANCIAL OFFICER TOSHITAKA IMAI	7A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	7B. CITY AND STATE GARDENA CA	7C. ZIP CODE 90249

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME MORIO AKIBA	8A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	8B. CITY AND STATE GARDENA, CA	8C. ZIP CODE 90249
9. NAME STEVEN DEIGNAN	9A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	9B. CITY AND STATE GARDENA CA	9C. ZIP CODE 90249
10. NAME TOSHITAKA IMAI	10A. STREET ADDRESS (SEE REVERSE SIDE) 13639 CIMARRON AVENUE	10B. CITY AND STATE GARDENA CA	10C. ZIP CODE 90249

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME MORIO AKIBA 13639 CIMARRON AVENUE GARDENA, CA 90249
13. CALIFORNIA STREET ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX); DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION

14. DESCRIBE TYPE OF BUSINESS OF THE CORPORATION NAMED IN ITEM 1
EXPORT IMPORT/ AEROSPACE PARTS

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT AND COMPLETE

MORIO AKIBA

TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT

Morio Akiba
SIGNATURE

PRESIDENT

TITLE

01/14/91

DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE. DOES NOT APPLY ON INITIAL FILING
(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(CHECK HERE) TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT SIGNATURE TITLE DATE

FILED
SECRETARY OF STATE, CALIF.
FEB -4 1991

93043503512

|



State of California

March Fong Eu
Secretary of State

P.O. Box 944230
Sacramento, CA 95834-0230
Phone: (916) 443-3020

STATEMENT BY DOMESTIC STOCK CORPORATION

THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE)

A \$5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT—Please Read Instructions On Back Of Form

1. C0946278 DUE DATE: 11-30-90 05050S
TEXJM CORP.
13639 CIMARRON AVENUE
GARDENA, CA 90249

DO NOT ALTER PREPRINTED NAME IF ITEM NO. 1 IS BLANK. PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE <i>13639 CIMARRON AVE.</i>	ROOM NO.	2A. CITY AND STATE <i>GARDENA, CA</i>	2B. ZIP CODE <i>90249</i>
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO.	3A. CITY <i>CA</i>	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO.	4A. CITY AND STATE	4B. ZIP CODE

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER <i>MARIO AKIBA</i>	5A. STREET ADDRESS (SEE REVERSE SIDE) <i>13639 CIMARRON AVE</i>	5B. CITY AND STATE <i>GARDENA, CA.</i>	5C. ZIP CODE <i>90249</i>
6. SECRETARY <i>STEVEN DEIGNAN</i>	6A. STREET ADDRESS (SEE REVERSE SIDE) <i>13639 CIMARRON AVE</i>	6B. CITY AND STATE <i>GARDENA, CA.</i>	6C. ZIP CODE <i>90249</i>
7. CHIEF FINANCIAL OFFICER <i>STEVEN DEIGNAN</i>	7A. STREET ADDRESS (SEE REVERSE SIDE) "	7B. CITY AND STATE "	7C. ZIP CODE "

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME <i>MARIO AKIBA</i>	8A. STREET ADDRESS (SEE REVERSE SIDE) <i>13639 CIMARRON AVE</i>	8B. CITY AND STATE <i>GARDENA, CA.</i>	8C. ZIP CODE <i>90249</i>
9. NAME <i>PAUL UNRUH</i>	9A. STREET ADDRESS (SEE REVERSE SIDE) "	9B. CITY AND STATE "	9C. ZIP CODE "
10. NAME <i>STEVEN DEIGNAN</i>	10A. STREET ADDRESS (SEE REVERSE SIDE) "	10B. CITY AND STATE "	10C. ZIP CODE "

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME
MARIO AKIBA

13. CALIFORNIA STREET ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION.
13639 CIMARRON AVE, GARDENA, CA, 90249

14. DESCRIBE TYPE OF BUSINESS OF THE CORPORATION NAMED IN ITEM 1.
EXPORT AIRCRAFT PARTS, ELECTRONIC PARTS

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT AND COMPLETE.

MARIO AKIBA
Mario Akiba *Mario Akiba* *PRESIDENT* *9/10/90*
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT SIGNATURE TITLE DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE. DOES NOT APPLY ON INITIAL FILINGS (READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

CHECK HERE TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT SIGNATURE TITLE DATE

90-404839

FILED
CALIF.

SEP 13 90

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KIYOTAKA IMAI 155
 [REDACTED] 2-17 19 88 16-4/1220
 PAY TO THE ORDER OF DYMALLY CAMPAIGN COMMITTEE \$ 2,000⁰⁰
TWO THOUSAND DOLLARS AND ⁰⁰/₁₀₀ DOLLARS
 SECURITY PACIFIC NATIONAL BANK 
 Del Amo Center Office #0247
 21700 Hawthorne Blvd., Torrance, CA 90510
 FOR [REDACTED] 
 BANKPRINT

STEVEN DEIGNAN 1408
 MUTSUMI DEIGNAN 10-11 19 88 16-3065/1220
 [REDACTED]
 Pay to the order of DYMALLY FOR CONGRESS \$ 2,000.00
TWO THOUSAND AND ⁰⁰/₁₀₀ Dollars
 GARDENA OFFICE #02
 180 W REDONDO BEACH BLVD.
 GARDENA, CA 90247
 For [REDACTED] 

MORIO AKIBA 470
 [REDACTED] 10-11 19 88 16-3281
 Pay to the order of DYMALLY FOR CONGRESS \$ 2,000.00
TWO THOUSAND DOLLARS AND ⁰⁰/₁₀₀ DOLLARS
 Sanwa Bank
 California
 GARDENA OFFICE
 180 W REDONDO BEACH BLVD.
 GARDENA, CA 90247
IKUSUO R. MORIO AKIBA 
 [REDACTED]

93043503516

(Department of Corporations Use Only)

Department of Corporations File No., if any

Fee Paid \$ 50.00

Receipt No. 03/1885-30

(Insert File Number(s) of Previous Filings Before the Department, if any)

FEES: \$5.00 \$35.00 \$50.00 \$150.00 \$300.00

(Circle the appropriate amount of fee.
See Corp. Code Section 25608(c))

ENTERED

DEPARTMENT OF CORP.

RECEIVED

MAR 18 1985

COMMISSIONER OF CORPORATIONS
STATE OF CALIFORNIA

NOTICE OF TRANSACTION PURSUANT TO CORPORATIONS CODE SECTION 25102 (ANGELES OFFICE)

A. Check one: Transaction under (X) Section 25102(f) () Rule 260.103.

- 1. Name of Issuer: TEXIM CORPORATION
- 2. Address of Issuer: 2701 Toledo Street, #705, Torrance, CA 90503
Street City State ZIP
- Mailing Address: 2701 Toledo Street, #705, Torrance, CA 90503
Street City State ZIP
- 3. Area Code and Telephone Number: (313) 320-8192
- 4. Issuer's state (or other jurisdiction) of incorporation or organization: CALIFORNIA
- 5. Title of class or classes of securities sold in transaction: common

6. The value of the securities sold or proposed to be sold in the transaction, determined in accordance with Corp. Code Sec. 25608(g) in connection with the fee required upon filing this notice, is (fee based on amount shown in line (iii) under "Total Offering"):

	<u>California</u>	<u>Total Offering</u>
(a) (i) in money	\$ _____	\$ <u>140,000.00</u>
(ii) in consideration other than money	\$ _____	\$ _____
(iii) total of (i) and (ii)	\$ _____	\$ <u>140,000.00</u>

(b) () Change in rights, preferences, privileges or restrictions of or on outstanding securities. (\$25.00 fee.) (See Rule 260.103.)

7. Type of filing under Securities Act of 1933, if applicable: NONE

8. Date of Notice: Feb. 8, 1985

TEXIM CORPORATION
Issuer

() Check if issuer already has a consent to service of process on file with the Commissioner.

John D. Butterfield
Authorized Signature on behalf of issuer

JOHN D. BUTTERFIELD PRESIDENT
Print name and title of signatory

Name, Address and Phone number of contact person:

John D. Butterfield

2701 Toledo Street, #705

Torrance, Ca 90503

Instruction: Each issuer (other than a California corporation) filing a notice under Section 25102(f) must file a consent to service of process (Form 260.165), unless it already has a consent to service on file with the Commissioner.

Fee Paid \$ 25.00

Receipt No. NL 219947

DEPARTMENT OF CORPORATIONS
RECEIVED
FEB 19 1980

LOS ANGELES OFFICE

DEPARTMENT OF CORPORATIONS
FILE NO., if any.

(Insert file number(s) of previous filings before the Department, if any.)

FEE: \$25.00

TO THE COMMISSIONER OF CORPORATIONS OF
THE STATE OF CALIFORNIA:

Notice of Issuance of Securities Pursuant to Subdivision (h)
of Section 25102 of the California Corporations Code

Name of Issuer Texim Corp.

State of Incorporation California

Address of Principal Place of Business

Number and Street	City	State	Zip Code
<u>16028 Arminia St.</u>	<u>Van Nuys</u>	<u>CA</u>	<u>91409</u>

1. Is the issuer a "close corporation" as defined in Section 260.001, Title 10, California Administrative Code? Yes No
Instruction: Review Corporations Code Section 158 and Rule 260.001, Title 10, California Administrative Code.

2. Under the exemption provided by Section 25102(h), shares of voting common stock have been or are proposed to be issued pursuant to this Notice to not more than 10 persons, whose names are set forth below:

<u>Eumio Tarejima</u>	<u>Hiromi Tsuruta</u>
<u>Shocho Michigami</u>	<u>Katsumi Tada</u>
<u>Rinsaku Aikyo</u>	<u>Shouichi Miura</u>
<u>Shouichi Kashiwagi</u>	<u>Kiyotaka Imai</u>
<u>Kei Shimizu</u>	<u>Imai Industries Ltd.</u>

3. Immediately after the issuance and sale of such shares, the above-named issuer had or will have only one class of stock outstanding which was or will be owned beneficially by no more than 10 persons.

Instruction: Review Sections 260.102.4 and 260.102.5, Title 10, California Administrative Code.

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4. The offer and sale of such shares was not nor will be accompanied by the publication of any advertisement and neither selling expenses nor promotional considerations were or will be given, paid or incurred in connection therewith.

5. To the best knowledge of the issuer, its shareholders (or proposed shareholders) have not entered into or granted, and presently do not intend entering into or granting, a shareholders' agreement, voting agreement, irrevocable proxy or other arrangement the effect of which would cause the statements contained herein to be incorrect.

Instruction: Review Sections 260.001 and 260.102.4, Title 10, California Administrative Code.

6. Pursuant to the requirements of Section 260.102.6 of Title 10 of the California Administrative Code, all certificates evidencing such shares bear or will bear on their face the legend required by Section 260.102.6, and a copy of Section 260.102.6 has been or will be delivered to each issuee or transferee of the shares.

The undersigned officer of the issuer hereby declares that the foregoing is true under penalty of perjury. Executed at Van Nuys, California, this 13th day of February, 1978.



Name RICHARD D. BERUBE

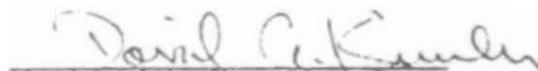
President

Title

NOTE: If the officer signs this form in a jurisdiction which does not permit verifications under penalty of perjury, there must be attached a verification executed and sworn to before a notary public.

OPINION OF COUNSEL

I certify that I am an active member of the State Bar of California. On the basis of the facts stated in the foregoing Notice and other information, including representations as to the type of consideration received or to be received, supplied to me by officials and shareholders of the issuer and by proposed issuees, it is my opinion that the exemption from qualification with the Commissioner of Corporations provided by Subdivision (h) of Section 25102 of the California Corporations Code is available for the offer and sale of the shares referred to in this Notice.



Member of the State Bar of
California DAVID A. KINSLER
16255 Ventura Blvd., Suite 1100
Address Encino, CA 91436

~~Firma Kinsler~~
Tel: (213) 990-7007

(This opinion of counsel must be signed by an active member of the State Bar of California. Type name of attorney, address, phone number and firm name, if any, under signature.)

STATE OF CALIFORNIA
DEPARTMENT OF CORPORATIONS

File No. 307 7988

Issuer: F.E.A. LOGISTICS SUPPORT CORPORATION

ORDER
CONSENTING TO TRANSFER SECURITIES
SUBJECT TO LEGEND CONDITION

Consent is given to the transfer of the securities of the issuer in the manner described in the application filed on October 7, 1987, and any amendments and supplements thereto to the date hereof.

Dated: Los Angeles, California

OCT 23 1987

CHRISTINE W. BENDER
Commissioner of Corporations

By K. Endo

K. ENDO
Senior Examiner

LM:ijh

5-6-83 50

(Dept. of Corporations Use Only)
Fee Paid \$ 7000
Receipt No. 6232676

Dept. of Corporations File No. 307-7988
(Insert file no. of previous filings before the Dept. if any)

FEE: \$ 70.00
(To be completed by applicant. The required fee is \$10 per transferor (Sec. 25608(a), Corp. Code).)

Date of Application:
September 24, 1987

DEPARTMENT OF CORPORATIONS
STATE OF CALIFORNIA

APPLICATION FOR CONSENT TO TRANSFER SECURITIES PURSUANT TO
SECTION 25151 OF THE CORPORATE SECURITIES LAW OF 1968

DEPARTMENT OF CORPORATIONS
RECEIVED
OCT 07 1987
RECEIVED
SACRAMENTO OFFICE

This represents (check appropriate box):
 The initial filing. An amendment to application dated _____
THE SECURITIES PROPOSED TO BE TRANSFERRED ARE SUBJECT TO (CHECK APPROPRIATE BOX)
 LEGEND CONDITION. ESCROW CONDITION.

1. (a) Name of Issuer: F.E.A. LOGISTICS SUPPORT CORPORATION
(b) Former Name, if any:

ME 85/DO
5-6-83

2. Description of securities proposed to be transferred: (State title of each class of securities (e.g., Class A Common Stock). If rights, warrants and options are listed, also specify the securities to be transferred upon exercise thereof. If securities are to be pledged, so state.)
COMMON

3. Name and address of each transferor (if space is insufficient, incorporate and attach additional sheets):

Name	Address	Aggregate number or amount of securities proposed to be transferred by each transferor:
<u>HIROYASU SAWANO</u>	<u>Tokyo, Japan</u>	<u>1,000</u>
<u>MASAHIRO MICHIGAMI</u>	<u>Tokyo, Japan</u>	<u>1,000</u>
<u>TOSHITAKI TANAKA</u>	<u>Tokyo, Japan</u>	<u>1,000</u>
		Total: <u>(see attachment)</u>

4. Name and address of each proposed transferee (if space is insufficient, incorporate and attach additional sheets):

Name	Address	Aggregate number or amount of securities proposed to be transferred to each transferee:
<u>KIYOTAKA IMAI</u>	<u>Tokyo, Japan</u>	<u>10,000</u>
		Total: <u>10,000</u>

SPURD

5. Address of principal executive office of Issuer:
2701 Toledo Ave., #705 Torrance CA 90503
(Number and Street) (City) (State) (Zip Code)

6. Name and address of person to whom correspondence regarding this application should be directed:
EDWARD T. NAGATOSHI, Atty, 1875 W. Redondo Beach Blvd., #101
Cardena, CA 90247

7. There are attached hereto as exhibits statements by each of the proposed transferees in the form required by Section 260.151 of Title 10 of the California Administrative Code. (Note: Upon request, such statements will be treated as confidential by the Commissioner, subject to the provisions of Section 250.10, Title 10, California Administrative Code.)

B. (Check appropriate box)
 (a) There are no restrictions upon the transfer of the securities proposed to be transferred other than the legend or escrow condition imposed by the Commissioner of Corporations.
 (b) There are restrictions upon the transfer of the securities proposed to be transferred other than the legend or escrow condition imposed by the Commissioner of Corporations which are described in an exhibit attached hereto and incorporated herein by reference. Such restrictions have been complied with so as to make the transfer to the proposed transferees valid and are known to the proposed transferees.

9. No portion of the consideration to be given by the transferees of the securities will be for the direct or indirect benefit of the Issuer identified in Item 1. (If the Issuer is to benefit from proposed transfer, see Section 25011 of the Corporate Securities Law and 1968 and Section 260.011 of Title 10 of the California Administrative Code. Qualification of the transaction may be required.)

10. Execution Instructions:
If a transferor is other than an individual, the name of the entity should be typed or printed above the signature line exactly as shown in Item 3. The signature should show the name and title of the person authorized to sign for such transferor.

I/we certify (or declare) under penalty of perjury under the laws of the State of California that I/we have read this application and know the contents thereof, and that the statements therein are true and correct.
Executed at Tokyo, Japan, Sept., 1987.
(Place) (Date)

(If the transferor is other than an individual, give the name of the entity and the name and title of the person executing the application on behalf of such entity.)

Hiroyasu Sawano
(Signature of Transferor)
HIROYASU SAWANO
Toshitaki Tanaka
(Signature of Transferor)
TOSHITAKI TANAKA
Satoshi Tezuka
(Signature of Transferor)
SATOSHI TEZUKA
Ped T. Urazaki
PED T. URAZAKI

Masahiro Michigami
(Signature of Transferor)
MASAHIRO MICHIGAMI
Katsumi Kita
(Signature of Transferor)
KATSUMI KITA
Jisuke Watanabe
(Signature of Transferor)
JISUKE WATANABE

307 7988

ATTACHMENT TO APPLICATION FOR CONSENT TO TRANSFER
SECURITIES PURSUANT TO SECTION 25151 OF THE CORPORATE
SECURITIES LAW OF 1968

Name of Issuer: F.E.A. LOGISTICS SUPPORT CORPORATION

3. Name and address of each transferor (continued)

Name	Address	Aggregate number of securities proposed to transferred by each transferor:
KATSUMI KITA	Tokyo, Japan	1000
SATOSHI TEZUKA	Tokyo, Japan	500
JISUKE WATANABE	Tokyo, Japan	4500
TED T. URAZAKI	Los Angeles, CA	1000
		Total: 10,000

DEPARTMENT OF CORPORATIONS
RECEIVED
JUL 07 1987
RECEIVED
SACRAMENTO OFFICE

DEPARTMENT OF CORPORATIONS
RECEIVED
JUL 1 1987
RECEIVED
LOS ANGELES OFFICE

RECEIVED

(Dept. of Corporations Use Only)

Fee Paid \$ 25.00

Receipt No. 50050683-30

FEE: \$25.00

Dept. of Corporations
File No., If Any

(Insert File Number(s) of
Previous Filings Before
the Department, If Any)

DEPARTMENT OF CORPORATIONS
RECEIVED
MAY - 6 - 1983
SACRAMENTO

TO THE COMMISSIONER OF CORPORATIONS OF
THE STATE OF CALIFORNIA

Notice of Issuance of Shares Pursuant to Subdivision (h) of Section 25102
of the Corporations Code or Rule 260.103, Title 10, Cal. Admin. Code.

Check one of the following:

(X) Notice pursuant to Section 25102(h) as to an issuance subject to qualification
under Corp. Section 25110, unless exempted.

() Notice Pursuant to Rule 260.103 as to an issuance subject to qualification
under Corp. Code Section 25120, unless exempted.

Name of Issuer F.E.A. Logistics Support Corporation			
State of Incorporation California			
Address of Principal Place of Business Number and Street		Unit	City
9225 Alabama Avenue, "D"			Chatsworth
		State	Zip Code
		California	91311
1. Is the issuer a "close corporation" as defined in Section 260.001, Title 10, California Administrative Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Instruction: Review Corporations Code Section 158 and Rule 260.001, Title 10, California Administrative Code.			
2. Under the exemption provided by Section 25102(h), shares of voting common stock have been or are proposed to be issued pursuant to this Notice beneficially to not more than 10 persons, whose names are set forth below; together with the names of the corresponding record shareholders if other than the beneficial shareholders:			
Hiroyasu Sawano		Jisuke Watanabe	
Masahiro Michigami		Ted T. Urazaki	
Toshitaki Tanaka			
Katsumi Kita			
Satoshi Tezuka			
3. Immediately after the issuance and sale of such shares, the above- named issuer had or will have only one class of stock outstanding which was or will be owned beneficially by no more than 10 persons. Instruction: Review Sections 260.102.4 and 260.102.5, Title 10, California Administrative Code.			
4. The offer and sale of such shares was not nor will be accompanied by the publication of any advertisement and neither selling expenses nor promotional considerations were or will be given, paid or incurred in connection therewith.			

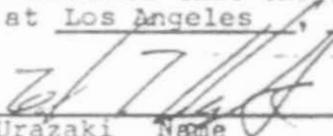
93043503524

5. To the best knowledge of the issuer, its shareholders (or proposed shareholders) have not entered into or granted, and presently do not intend entering into or granting, a shareholders' agreement, voting agreement, irrevocable proxy or other arrangement the effect of which would cause the statements contained herein to be incorrect.

Instruction: Review Sections 260.001 and 260.102.4, Title 10, California Administrative Code.

6. Pursuant to the requirements of Section 260.102.6 of Title 10 of the California Administrative Code, all certificates evidencing such shares bear or will bear on their face the legend required by Section 260.141.11, and a copy of Section 260.141.11 has been or will be delivered to each issuee or transferee of the shares.

The undersigned officer of the issuer hereby declares that the foregoing is true under penalty of perjury. Executed at Los Angeles, California this 1st day of May, 1983.


Ted T. Urazaki Name

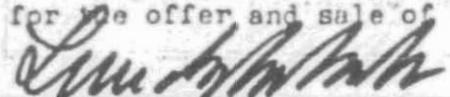
President

Title

NOTE: If the officer signs this form in a jurisdiction which does not permit verifications under penalty of perjury, there must be attached a verification executed and sworn to before a notary public.

OPINION OF COUNSEL

I certify that I am an active member of the State Bar of California. On the basis of the facts stated in the foregoing Notice and other information, including representations as to the type of consideration received or to be received, supplied to me by officials and shareholders of the issuer and by proposed issuees, it is my opinion that the exemption from qualification with the Commissioner of Corporations provided by Subdivision (h) of Section 25102 of the California Corporations Code is available for the offer and sale of the shares referred to in this Notice.



Signature

Lonnie C. Blanchard, III

Name of Member of the State Bar of California

Donnenfeld & Brent

Firm Name

1888 Century Park East #1117

Los Angeles, Ca. 90067

Address

Tel. No.

(213) 553-8171

(This opinion of counsel must be signed by an active member of the State Bar of California. Type name of attorney, address, phone number and firm name, if any.)

NOTE: If the issuer is a non-California corporation, a Consent to Service of Process as prescribed in the Commissioner's Rule 102.8(b) must be filed concurrently.

Copies of Section 260.141.11 suitable for attachment to share certificates are available from the Department (see Item 6).

93043503526

Friends of Congressman Dymally
request the honor of your presence

at a

Dinner

honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

on

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner

Herbie Hancock

Master of Ceremonies

Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails

7:30 p.m. Dinner

R.S.V.P.

213/639-3640

Black Tie Optional

93043503527

9 3 0 4 3 5 0 3 5 2 8

The Pleasure of Your Company

is requested at a

Dinner Dance

honoring

Congressman Merwyn M. Dymally
Chairman, Congressional Black Caucus

Friday, February 19, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

7:00 pm Cocktails

8:00 pm Dinner

R.S.V.P.

213/639-3640

Black Tie Optional

93043503529

Dymally Campaign Committee
322 W. Compton Boulevard, Suite 103
Compton, California 90220

4-27-88

Dymally Dinner Committee

Beverly Wilshire Hotel

Friday, February 19, 1988

Please Reserve:

_____ Table(s) of 10 at \$2,000 per table

_____ Ticket(s) at \$250 per person

_____ I will be unable to attend; however, enclosed is a contribution for your reelection.

Check for \$ _____ enclosed.

(Please make check payable to: Dymally Campaign Committee)

Name _____

Business (if any) _____

Occupation _____

Street _____

City _____ State _____ Zip _____

Phone _____

Business

Residence

Cocktails — 7:00 p.m.

Dinner — 8:00 p.m.

F.E.C. 52 H 088919

Corporate Checks Not Accepted

List Names of Guests on Reverse Side

23043507500



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 14, 1992

POSTMASTER
Los Angeles, CA 90043

MUR 3436

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Vela Orduna
LAST KNOWN ADDRESS: 4436 W. 58th Place
Los Angeles, CA 90043

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience.

Richard M. Denholm II
Richard M. Denholm II
Attorney

FOR POST OFFICE USE ONLY

- Mail is Delivered to Above Address
- Moved, left no forwarding address
- No such address
- Other (Please Specify

New Address : _____

93043503531



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 2046

February 14, 1992

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Fukijiyo Akiba
c/o FEA Logistics Support Corporation
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Mr. Akiba,

On October 21, 1991, the Federal Election Commission found reason to believe that you violated provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). On November 15, 1991, the Commission mailed to you notification of the pending action. To date, the Commission has not received a response from you regarding this matter. Therefore, in addition to this letter, the original notification package, which includes a Subpoena to Produce Documents and Order to Submit Written Answers, has been mailed to you again.

Please carefully review the enclosed materials. If you do not fully respond to the subpoenas within ten (10) days of your receipt of this package, further action to enforce the subpoenas will be required, and in addition, if you do not file a response in this matter, it will move to the next level of the enforcement process.

If you have any questions, please call me at
(202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

93043532



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fukujiro Akiba
2701 Toledo St. #705
Torrance, CA 90503

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you violated 2 U.S.C. § 441f, 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 and the Committee. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel 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 or other communications from the Commission.

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

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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,



John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503534

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Fukujiro Akiba

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.

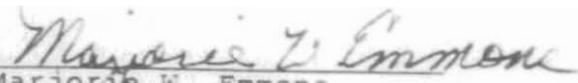
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043503535

WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.


~~John Warren McGarry, Chairman~~
Federal Election Commission

ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Requests

93043503536

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 January 1, 1987 to January 1, 1989 (the "relevant period").

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer
2. List your occupation(s) and employers during 1987-1988. Describe your position(s) with each employer.
3. Describe your relationship, if any, to F.E.A Logistics ("FEA") and Texim Corp. ("Texim") and the Dymally Campaign Committee, during the calendar years 1987 and 1988
4. Identify each federal political contribution you made during the 1987 and 1988 to the Dymally Campaign Committee. If you made no contribution state so. For each contribution made:
 - a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
 - b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.
 - c. State whether any contribution was made at the direction or suggestion of any person, including Morio Akiba, associated with FEA or Texim. If so, identify such person and describe the circumstances.
 - d. State whether you received an advance, bonus, payment, salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.
5. In addition to the documents produced in response to Questions 4a and b, produce all documents relating or in any way pertaining to each federal political contribution you identified in Question 4, including check registers, bank statements, correspondence and notes.
6. Identify any person other than counsel who provided information, or was consulted or assisted in any way in the preparation of answers to these questions and document requests.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Fukujiro Akiba MUR: 3436

A. GENERATION OF MATTER

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

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According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals

B. Information Contained in the Referral

1. Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of several individuals who are either employees of FEA and Texim or apparent spouses or relatives. Among these individuals is Fukujiro Akiba who is reported as making a \$1,000 general election contribution to the Dymally campaign Committee on October 13, 1988.

C. Statement of Law.

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another.

See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987)

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In

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particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are significant. Thus there may be violations of 2 U.S.C. § 441f.

Therefore, there is reason to believe that Fukujiro Akiba violated 2 U.S.C. § 441f.

93043503544



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 14, 1992

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Morio Akiba, Individually
c/o FEA Logistics Support Corporation
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Mr. Akiba,

On October 21, 1991, the Federal Election Commission found reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). On November 15, 1991, the Commission mailed to you notification of the pending action. Although the Commission received a response from you in your corporate capacity, it has not received a response from you, personally, regarding this matter. Therefore, in addition to this letter, the original notification package, which includes a Subpoena to Produce Documents and Order to Submit Written Answers, has been mailed to you again.

Please carefully review the enclosed materials. If you do not fully respond to the subpoenas within ten (10) days of your receipt of this package, further action to enforce the subpoenas will be required, and in addition, if you do not file a response in this matter, it will move to the next level of the enforcement process.

If you have any questions, please call me at (202) 219-3690.

Sincerely.

Richard M. Denholm II
Attorney

93043503545



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 15, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Morio Akiba
13418 Moore St.
Cerritos, CA 90701

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, the Federal Election Commission found that there is reason to believe that you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's 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. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 15 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, 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 or other communications from the Commission.

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Mr. Morio Akiba
Page 2

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

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, requests for pre-probable cause conciliation will not be entertained 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.

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 Richard M. Denholm II, the staff member assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis
Procedures
Designation of Counsel Form

93043503547

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
) MUR 3436
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

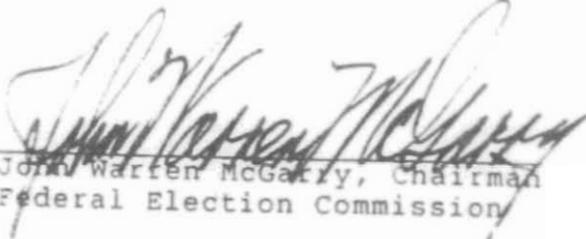
TO: Morio Akiba

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.

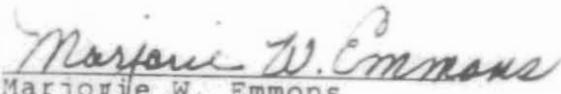
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WHEREFORE, the Chairman of the Federal Election Commission
has hereunto set his hand in Washington, D.C. on this 12th day
of Nov., 1991.



John Warren McGarry, Chairman
Federal Election Commission

ATTEST:



Marjorie W. Emmons
Secretary to the Commission

- Attachments
- Instructions
- Definitions
- Questions and Document Requests

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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 January 1, 1987 to January 1, 1989 (the "relevant period")

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 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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QUESTIONS AND DOCUMENT REQUESTS

1. State your full name, address, phone number and current employer.
2. List your occupation(s) and employers during 1987-1988. For each employer, describe your position(s), the dates of employment and the amount of salary and other compensation you received.
3. For the following entities, state the position, if any, held with each and provide the dates and salaries applicable for each position:

- a. F.E.A Logistics ("FEA"),
- b. Texim Corp. ("Texim"),
- c. The Dymally Campaign Committee,
or Dymally Congressional Staff.

4. Describe your relationship or knowledge of the following individuals:

- a. Fukujiro Akiba,
- b. Steven Deignan,
- c. Mutsumi Deignan,
- d. Celestine Griffith,
- e. Kiyotaka Imai,
- f. Mrs. Kiyotaka Imai,
- g. Kenneth Orduna,
- h. Vela Orduna,
- i. Lonnie Sanders,
- j. Clarence Wong, and
- k. Ethel Wong.

5. Identify each federal political contribution and expenditure you made during the 1987 and 1988 the Dymally Campaign Committee. For each contribution:

- a. State whether the contribution was made by check or other written instrument. If so, provide a copy (both sides) of the check or other written or instrument.
- b. Describe the circumstances under which each contribution was made. If a contribution was made as the result of a solicitation, describe the circumstances surrounding each solicitation, including the identity of the person(s) who made such solicitation and when and where it occurred. If any such solicitation was written, provide a copy of it.

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c. State whether any contribution was made at the direction or suggestion of any person associated with FEA or Texim. If so, identify such person and describe the circumstances.

d. State whether any contribution was made in connection with a particular fundraising event. If so, state when and where the event was held and whether or not you attended. Identify who sponsored the event and on whose behalf the event was held. If you did attend the event, identify any persons who also attended. Identify any person(s) who provided you with transportation to and from the event.

e. State whether you received an advance, bonus, payment salary increase, or other compensation or reimbursement in connection with any contribution. If so, identify the person or entity who provided the reimbursement or compensation and the date it was provided.

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee, or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee.

c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Morio Akiba personally MUR: 3436
and as chief financial
officer of F.E.A.
Logistics

A. GENERATION OF MATTER

9 3 0 4 3 5 0 3 5 5 4

This Matter arises from a referral sent to the Federal Election Commission (the "Commission") by the California Fair Political Practices Commission (the "CFPPC"). The referral contains information suggesting that the true source of contributions during the 1988 election cycle to the Dymally Campaign Committee (the "Dymally Committee") may not have been properly identified on the Committee's FEC reports, thus resulting in violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 17 and June 5, 1991, the CFPPC submitted additional supporting materials, including an "Accusation" issued by the CFPPC involving the same subject matter as the referral issued by the CFPPC.

The referral arose from an investigation by the CFPPC of contributions made by F.E.A. Logistics to Kenneth Orduna, Congressman Dymally's chief of staff, in Mr. Orduna's unsuccessful 1986-1987 campaign for a seat on the Los Angeles City Council. The referral also contains references to another entity, Texim Corp.

According to the California Secretary of State, F.E.A. Logistics ("FEA") and Texim Corp. ("Texim") are active California corporations in good standing. Both share the same corporate agent, Morio Akiba, as well as the same corporate address. The referral states that both corporations are operated by the same individuals.

B. Information Contained in the Referral

1 Background: Violations of California State Law and the Orduna Campaign.

California State election law contains a provision that parallels 2 U.S.C. § 441f. This section, found at CAL. Government CODE § 84301, states "No contribution shall be made, directly or indirectly by any person in a name other than the name by which such person is identified for legal purposes." The referral contained a stipulation between Mr. Akiba, chief financial officer of both FEA and Texim, and the CFPPC in which FEA admitted to an "intentional" violation of this section of the Code. This violation involved respondents' "laundering" \$5,000 in contributions to the Orduna campaign. As part of the stipulation FEA agreed to pay a \$20,000 penalty.

According to the materials provided by the CFPPC, the state law violations were motivated by a desire on the part of the FEA to circumvent the local \$500 individual contribution limit in force at the time of the 1987 Los Angeles City Council election.

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The accusation against Mr. Orduna states:

During this time period [of Mr. Orduna's election campaign], the City of Los Angeles had placed a \$500 limit on contributions from any individual. Morio Akiba, who signed the check from F.E.A., stated that Orduna requested a contribution from him. Akiba became aware of the \$500 limit, so he contacted employees of the company and obtained permission to use their names in the making of contributions.

According to the stipulation signed by FEA, Mr. Akiba then forwarded in October of 1986 a company check for \$5,000 to Mr. Orduna's campaign committee, together with a list of ten FEA employees in whose names the contributions were to be attributed.¹

2. Evidence presented of Federal violations

In the course of their investigation of the state violations, the CFPPC came across evidence that in 1987 and 1988, some of the names of individuals involved in the state violations were also listed on the Dymally Committee's reports of receipts and expenditures as names of contributors to the Dymally Campaign. Specifically, when examining reports filed by the Dymally Committee, the CFPPC noticed that names involved in the state violations were listed as making contributions to the Dymally Committee in 1988. These included the names of Morio Akiba and Clarence Wong. In addition, after further examining Commission

1. According to the accusation, after Mr. Akiba received the permission to use their names, he told these ten employees that if FEA was financial able it would pay the employees bonuses equal to the contribution FEA was making in their names. The ten employees would then be expected to remit to FEA the bonuses to recompensate the corporation for the Dymally contributions. However, these bonuses were never made.

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records it appears that several employees of FEA also made contributions to the Dymally Committee in 1988 and that the bulk of these contributions were all made on the same day. These contributions totaled \$8,000 and included the names of 8 people who are either employees of FEA and Texim or apparent spouses or relatives. The following chart illustrates the relationship. The bolded names are individuals whose names were linked to the state violations

1987-88 Contributions by FEA employees and relatives

	<u>Amounts</u>	<u>Election</u>	<u>Receipt Date</u>
<u>FEA Personnel and Family:</u>			
Morio Akiba	\$1,000.00	General	10/13/88
Fukujiro Akiba	1,000.00	General	10/13/88
Steven Deignan	1,000.00	General	10/13/88
Mutsumi Deignan	1,000.00	General	10/13/88
Kiyotaka Imai	800.00 1,000.00	Primary General	2/18/88 2/18/88
Mrs. Kiyotaka Imai	200.00	Primary	2/18/88
Clarence Wong	1,000.00	General	10/13/88
Ethel Wong	<u>1,000.00</u>	General	10/13/88
Total	8,000.00		

C. Statement of Law.

1. Section 441b(a): Corporate Contributions

Section 441b(a) prohibits corporations from making contributions or expenditures in connection with federal

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elections. For purposes of this section, the phrase "contribution or expenditure" are defined broadly to include "any direct or indirect payment ... or gift of money ... to any candidate, campaign committee, or political party or organization, in connection with" a federal election. 2 U.S.C. § 441b(b)(2). When a corporation uses its general treasury funds to reimburse its officers or employees for their contributions to federal candidates and political committees, it is making the type of "indirect" contribution prohibited by this provision. Thus, any corporate reimbursement of an individual for his or her campaign contributions is clearly prohibited by the Act.

2. Section 441f: Contributions in the Name of Another

The Act provides that "[n]o person shall make a contribution in the name of another person..." 2 U.S.C. § 441f. Section 441f further states that "[n]o person shall ... knowingly permit his name to be used to effect such a contribution." The Commission interprets Section 441f to also apply to those who actively assist in the making of contributions in the name of another. See generally, FEC v Rodriguez, Civil Action No. 86-684 (MD Fla. May 5, 1987)

3. Knowing and Willful violations.

The legislative history of the 1976 amendments to the Act discusses knowing and willful violations of the Act.

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Congressman Hays, during the House debates on the Conference Report to the 1976 amendments, which incorporated knowing and willful violations into the enforcement framework, stated that the phrase "knowing and willing" referred "to actions taken with full knowledge of all of the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed May 3, 1976)(remarks of Congressman Hays). The knowing and willful standard has also been discussed in Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F.Supp. 985 (D.N.J. 1986), where the court noted that the knowing and willful standard requires knowledge that one is violating a law.

D. Conclusions

The referral points to possible serious violations of the Act which warrant investigation. The CFPPC has brought to light circumstances which indicate that the contributions made by employees of FEA or their spouses or relatives to the Dymally Committee may not have been made by those individuals. In particular, the involvement of some of these same names in the earlier state violations and the close timing of the bulk of the suspicious contributions are all significant. Thus there may be violations of 2 U.S.C. § 441f. Because FEA is a corporation, several of these contributions may also violate 2 U.S.C. § 441b.

The facts presented in the referral indicated that the state violations were knowing and intentional. Similarly, based on the information submitted, the possible federal violations by main authors of the contributions, including Morio Akiba appear to have been knowing and willful

Therefore, there is reason to believe that Morio Akiba, personally and as F.E.A. Logistics' chief financial officer knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a)

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3036

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

92 MAR -4 AM 11:11



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 14, 1992

POSTMASTER
Los Angeles, CA 90043

MUR 3436

ADDRESS INFORMATION REQUEST

Pursuant to 39 C.F.R. § 265.6(d)(1), please furnish this agency with a new address, if available, for the individual or entity listed below, or verify whether the address given below is one at which mail for this individual or entity is currently being delivered.

NAME: Vela Orduna
LAST KNOWN ADDRESS: 4436 W. 58th Place
Los Angeles, CA 90043

Under 39 C.F.R. § 265.8(g)(5)(i), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted. A return envelope is enclosed for your convenience.

Richard M. Denholm II
Richard M. Denholm II
Attorney

FOR POST OFFICE USE ONLY

- () Mail is Delivered to Above Address
- () Moved, left no forwarding address
- () No such address
- () Other (Please Specify)

New Address : _____



4357
24/92
41-7

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RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

92 MAR -6 AM 10:04

MUR 3436

1. FULL NAME : FUKUJIRO AKIBA
ADDRESS : 16011 S.WESTERN AVE., GARDENA, CA.90247
TELEPHONE : (310)523-4217
EMPLOYER : NONE

2. NONE

3. NONE

4. A.THE CONTRIBUTION WAS MADE BY CHECK IN 1988(NO RECORD)
B.RECEIVED THE INVITATION FOR CAMPAIGN PARTY(DON'T HAVE ANY COPY)

C.THE SUGGESTION WAS MADE BY MY SON (MORIO AKIBA) NOT FEA OR TEXIM

D.DID NOT RECEIVED ANY ADVANCE, BONUS, PAYMENT, COMPENSATION, OR REIMBURSEMENT

5. NONE

6. MORIO AKIBA

92 MAR -6 PM 3:43

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE NATIONAL CHIEF

93043503562

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CLIFORNIA THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

DATE: 3-2-92

Fukujiro Akiba
FUKUJIRO AKIBA

92 MAR -9 PM 3:10

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

- 1. FULL NAME : MORIO AKIBA
 ADDRESS : 1623 ELM AVE
 TORRANCE, CA. 90503
 TELEPHONE : (310)328-7539
 EMPLOYER : FEA LOGISTICS SUPPORT CORPORATION.
 TEXIM CORPORATION.
- 2 EMPLOYER DURING 1987-1988

1987

EMPLOYER : FEA LOGISTICS SUPPORT CORP
POSITION : TREASURER
ANNUAL SALARY: [REDACTED]
DATE OF EMPLOYMENT : JANUARY 16, 1985

EMPLOYER : TEXIM CORPORATION
POSITION : TREASURER
ANNUAL SALARY: [REDACTED]
DATE OF EMPLOYMENT : JANUARY 16, 1985

EMPLOYER : KANAKEE CORPORATION
POSITION : TREASURER
ANNUAL SALARY: [REDACTED]
DATE OF EMPLOYMENT : AUGUST 25, 1986

1988

EMPLOYER : FEA LOGISTICS SUPPORT
POSITION : TREASURER
ANNUAL SALARY : [REDACTED]
DATE OF EMPLOYMENT : JANUARY 16, 1985

EMPLOYER : TEXIM CORPORATION
POSITION : TREASURER
ANNUAL SALARY : [REDACTED]
DATE OF EMPLOYMENT : JANUARY 16, 1985

EMPLOYER : KANAKEE CORPORATION
POSITION : TREASURER
ANNUAL SALARY : [REDACTED]

OTHER INCOME : [REDACTED]

- 3. (a) AND (b) ... SAME AS ABOVE (2)
- c. NO-RELATIONSHIP
 NO-INCOME

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- 4. a. FATHER
 - b. EMPLOYEE OF FEA
 - c. (b)'S WIFE
 - d. NO-RELATIONSHIP, DO NOT RECOGNIZE THIS NAME
 - e. SHARE HOLDER OF FEA AND TEXIM CORP
 - f. (e)'S WIFE
 - g. CONGRESSMAN DYMALLY'S CHIEF OF STAFF
 - h. (g)'S WIFE
 - i. CONGRESSMAN DYMALLY'S AIDE
 - j. (g)'S FRIEND
 - k. (j)'S MOTHER
- 5. a. A CONTRIBUTION WAS MADE BY PERSONAL CHECK IN 1988.
(I HAVE NO RECORD, THE COPY IS NOT AVAILABLE)
 - b. RECEIVED AN INVITATION FOR FUNDRAISING PARTY FOR
CONGRESSMAN DYMALLY CAMPAIGN IN 1988.
(DID NOT KEEP ANY RECORD, THE COPY OF INVITATION IS NOT
AVAILABLE)
 - c. A CONTRIBUTION WAS NOT MADE BY THE DIRECTION OR SUGGESTION
OF ANY PERSON ASSOCIATED WITH FEA OR TEXIM.
 - d. FUNDRAISER AROUND OCT.1988, BY INVITATION AT A HOTEL IN
BEVERLY HILLS. I ATTENDED THE EVENT FOR DYMALLY CAMPAIGN.
 - e. DID NOT RECEIVE ANY ADVANCE, BONUS, PAYMENT, SALARY
INCREASE , OTHER COMPENSATION OR REIMBURSEMENT IN
CONNECTION WITH THE CONTRIBUTION.
- 6. a. DISCUSSED WITH STEVEN DEIGNAN, EMPLOYEE OF FEA, REGARDING
SUPPORT FOR CONGRESSMAN DYMALLY IN 1988. HE AGREED.
 - b. STEVEN DEIGNAN \$1,000 IN 1988 (NO RECORD OF DATE)
HIS WIFE \$1,000 IN 1988 (NO RECORD OF DATE)
 - c. I PERSONALLY GAVE STEVEN DEIGNAN \$2,000 IN 1988 AFTER HIS
CONTRIBUTION (NO RECORD OF DATE), BECAUSE I FELT THAT
I MAY HAVE PERSUADED HIM TO MAKE A CONTRIBUTION THAT
HE COULD NOT AFFORD.

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DATE: 3/4/92

Mario Akiba
MARIO AKIBA



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Imai
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Mrs. Imai:

On December 4, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission 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.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. Initially, you had 30 days from the date of receipt to respond. If no response from you is received within 10 days of receipt of this letter, the Office of the General Counsel will recommend that the Commission authorize suit in Federal District Court to enforce the subpoena and order. A copy of the subpoena and order has been attached. It is required that you submit all answers to questions under oath.

If you have any questions, please contact me at
(202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Enclosure
Subpoena and Order

93043503565



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Kiyotaka Imai
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Mr. Imai:

On December 4, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission 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.

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If you have any questions, please contact me at
(202) 219-3690.

Sincerely

Richard M. Denholm II
Attorney

Enclosure
Subpoena and Order

93043503566



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mrs. Imai:

On December 4, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission 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.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. Initially, you had 30 days from the date of receipt to respond. If no response from you is received within 10 days of receipt of this letter, the Office of the General Counsel will recommend that the Commission authorize suit in Federal District Court to enforce the subpoena and order. A copy of the subpoena and order has been attached. It is required that you submit all answers to questions under oath.

If you have any questions, please contact me at
(202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Enclosure
Subpoena and Order

93043503567



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mr. Imai:

On December 4, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission 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.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. Initially, you had 30 days from the date of receipt to respond. If no response from you is received within 10 days of receipt of this letter, the Office of the General Counsel will recommend that the Commission authorize suit in Federal District Court to enforce the subpoena and order. A copy of the subpoena and order has been attached. It is required that you submit all answers to questions under oath.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Enclosure
Subpoena and Order

93043503568



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

May 6, 1992

Mrs. Vela Orduna
4436 W. 58th Place
Los Angeles, CA 90043

RE: MUR 3436

Dear Mrs. Orduna:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time and a letter dated December 10, 1991 reminding you to respond. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process. In addition, you must respond to the enclosed subpoena and order. If you do not, the Office of the General Counsel will recommend to the Commission that this matter be referred for subpoena enforcement in Federal District Court.

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Richard M. Denholm II
Attorney

93043503569



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 13, 1992

RE: MUR 3436

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Ethel Wong
P.O. Box 20391
Los Angeles, CA 90006

Dear Mrs. Wong:

This is in reference to your response to the Federal Election Commission's Subpoena to Produce Documents and Order to Submit Written Answers. Pursuant to 2 U.S.C § 437d(a)(1), the Commission has the power to require any person to submit, under oath, such written reports and answers to questions as the Commission may prescribe.

Both the November 15, 1991 notification letter and the Preamble to the Subpoena to Produce Documents and Order to Submit Written Answers require you to submit answers under oath. However, your response is neither signed nor sworn. You may answer the questions in the same manner as previously submitted; however, you must sign your answers and have them notarized.

Please forward a signed and sworn response in the enclosed envelope as soon as possible.

If you have any questions, please contact me at
(202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

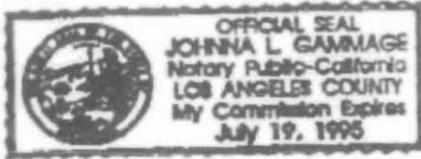
93043503570

State of California
County of Los Angeles

On May 19, 1992 before me, ****Johnna L. Gammage**** (name, title of officer),
personally appeared ****Clarence Wong****

personally known to me — OR — proved to me on the basis of satisfactory evidence to
be the person(s) whose name(s) is/are subscribed to the within instrument and acknowl-
edged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and
that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the
instrument.

WITNESS my hand and official seal.



Johnna L. Gammage
Signature

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL SIGNING FOR HIMSELF/ITSELF/ITSELF
- CORPORATE OFFICER: _____
TITLE: _____
COMPANY: _____
- PARTNER: _____
PARTNERSHIP: _____
- ATTORNEY-IN-FACT: _____
PRINCIPAL: _____
- TRUSTEE: _____
TRUST: _____
- OTHER: _____
TITLE: _____
- ENTITIES REPRESENTED: _____
- ENTITIES REPRESENTED: _____

93043503571
RECEIVED
MAY 20 1992

92 MAY 20 AM 10:30

WLR 3436

1. Clarence Wong
P.O. Box 20391
Los Angeles, CA 90006

Congressman Mervyn M. Dymally

2. Inflight Duty Free Shoppers
New York, N.Y.
Import Consultant
June - August 1987

Texim Gifts International
Marketing Director

3. F.E.A. Logistics - No Position
Texim Corporation - No Position
Dymally Staff/Campaign - No Position

4. Morio Akiba - friend
Fukujiro Akiba - father of Morio Akiba
Steven Deignan - friend
Mitsuni Deignan - wife of Steven Deignan
Celestine Griffin - I don't know her
Kiyotaka Imai - friend
Mrs. Kiyotaka Imai - wife of Kiyotaka Imai
Kenneth Orduna - friend and co-worker
Vela Orduna - wife of Kenneth Orduna
Lonnie Sanders - friend and co-worker
Ethel Wong - my mother

5. \$2,000 contribution made by check - see attached letter
I received a dinner invitation in the mail
None
The contribution was made for the dinner event listed on the invitation.
The event was held on Saturday October 15, 1988, however I did not attend.
The event was sponsored by "Friends of Congressman Dymally" honoring
the Congressman and Dr. Daisaku Ikeda.
None

6. No discussion with anyone regarding contributions.

The following 3 pages is my response to
your inquiry.


05-19-92

93043503572

November 7, 1991

Dymally Campaign Committee
322 W. Compton Blvd. Ste 103
Compton, CA 90220

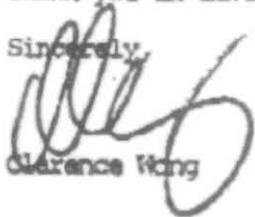
To Whom It May Concern:

On October 11, 1988, I made a contribution of \$2,000.00 to Dymally for Congress on behalf of my mother and myself for the October 15, 1988 dinner honoring the Congressman and Dr. Daisaku Ikeda.

Unknown to me at that time, I cannot make a contribution on behalf of somebody else. Therefore, I am requesting that you take my mother's name off of the contributor's report and redirect \$1,000.00 to the following reporting period, listing myself as the contributor.

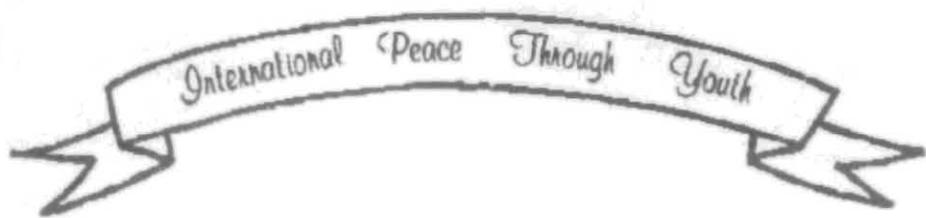
Thank you in advance for your prompt response.

Sincerely,


Clarence Wang

93043503573

Honoring



93043503574



Friends of Congressman Dymally
request the honor of your presence

at a
Dinner
honoring

Congressman Mervyn M. Dymally
Chairman, Congressional Black Caucus

and

Dr. Daisaku Ikeda
President, Soka Gakkai International
Soka University

ON

Saturday, October 15, 1988

Beverly Wilshire Hotel
Grand Ballroom
9500 Wilshire Boulevard
Beverly Hills, California

Music provided by the
Grammy and Oscar Winner
Herbie Hancock

Master of Ceremonies
Patrick Duffy
Star of "Dallas"

6:30 p.m. Cocktails
7:30 p.m. Dinner

R.S.V.P.
213/639-9640

Black Tie Optional

93043503575



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 2, 1992

Ms. Vela Carlisle
1133 S. Tremaine
Los Angeles, CA 90019

RE: MUR 3436

Dear Ms. Carlisle:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

The Commission has been attempting to notify you since November. Accordingly, unless we receive a response from you within 30 days, this matter will proceed to the next stage of the enforcement process. In addition, you must respond to the enclosed subpoena and order. If you do not, the Office of the General Counsel will recommend to the Commission that this matter be referred for subpoena enforcement in Federal District Court.

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard M. Denholm II".

Richard M. Denholm II
Attorney

93043503576

RECEIVED
GENERAL ELECTION
COMMISSION
MAIL ROOM

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JUL 20 12 24 PM '92

July 15, 1992

Office of the General Counsel
Federal Elections Commission
999 East Street, Northwest
Washington, D.C. 20463

Attention Mr. Richard M. Denholm, II

Re: In the Matter of MUR 3436

Dear Sir:

I am in receipt of a referral submitted to the FEC which states in part that based upon the evidence submitted to you by the California Fair Political Practices Commission that there is reason to believe that I knowingly and willingly violated 2 USC Sections 441(a) and 441(f) (hereinafter the "Act"). In reviewing the evidence submitted by the California Fair Political Practices Committee, I categorically deny violating this Act.

I did, in fact, make political contributions to the Congressman Mervyn M. Dymally Campaign Committee. I have submitted a xerox copy of my personal check as evidence of my contribution. I am not in charge of any corporation which would launder money to a federal candidate thereby concealing the true identity of the source of the contribution. I am not an officer, employee or agent of either Texim Corporation or FEA Corporation.

During my unsuccessful campaign for the Los Angeles City Council in 1987, I did ask my friend, Mr. Akiba, Chief Officer of FEA Corporation and Texim Corporation to make a political contribution to my campaign. In fact, I asked Mr. Akiba if he would be responsible for raising five to ten thousand dollars (\$5,000.00 to \$10,000.00) for my candidacy which he said he would try his best. When the \$5,000.00 contribution was made to the Orduna for City Council Campaign Committee, neither I nor any member of my staff knew the arrangements that Mr. Akiba had made with his employees. Therefore, when we were given ten names along with the contribution, we have no knowledge of the real origin of these contributions. How is a candidate to know that these ten individuals did not actually make a contribution?

In my opinion the California Fair Political Practices Committee was totally wrong to penalize the Orduna for City Council Campaign Committee, myself or its treasurer for this violation. Had we known that this \$5,000.00 contribution came from Texim or FEA, it would have been our moral and legal obligation to decline the contribution.

With respect to the list of names provided to me by your legal counsel on page 5 beginning with Mr. Akiba and ending with Mr. Sanders, the total contribution amounted to \$12,500.00. I have no knowledge if these contributions were made by personal checks

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FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
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or any other instrument. I am sure that throughout your investigation you have obtained copies of these contributions which speak for themselves.

During the California Fair Political Practices Committee's investigation of various violations in my unsuccessful City Council campaign, I was never personally questioned by any individual during the course of this lengthy investigation. In fact, during the deposition made by my treasurer and colleague, Mr. Sanders, he stated under oath that he used the names of the Dymally employees and that he took full responsibility for these transactions. Mr. Sanders further testified that I did not see all of the contributions and that there were occasions that he signed my name to the campaign reports.

The California Fair Political Practices Committee charged me with a violation with respect to a \$5,000.00 check which I received from Texim Corporation as a consultant fee. I cashed the check and gave money orders to Mr. Sanders in payment for his services on a consulting project for Texim Corporation. This was a legitimate business transaction. I was on a leave of absence from the Congress, and I had to make a living. The consulting contract with Texim called for me to gather information and I utilized the talents of Mr. Sanders who assisted me on this project on his own time. I paid him in the form of money orders so that I would have proof of payment. The California Fair Political Practices Committee charged that because Mr. Sanders in turn donated these same money orders to the Orduna for City Council Campaign that I laundered money. This allegation is ludicrous and non-sensible. Mr. Sanders only donated his honestly earned money to my Campaign Committee because he believed in it.

To make the point: during the 1987 City Council race, a candidate could donate or loan any amount of money to his or her own campaign. It is pretty silly for me to give \$500.00 to Mr. Sanders so that he could contribute it back to my campaign when, in fact, I could have given or loaned the entire \$5,000.00 to the Committee if I had so desired. The logic of the California Fair Political Practices Committee escapes reason and common sense. In addition, to the best of my knowledge, Mr. Sanders is the legal guardian for his mother Celestine Griffith. As such, Mr. Sanders can make donations and contributions on her behalf.

In my personal opinion, I am under the unswayed impression that the California Fair Political Practices Committee conducted a witch hunt and at best it was racially motivated.

Finally, on page 9 of your summary, the last paragraph states "there is reason to believe that Kenneth Orduna, as treasurer, knowingly and willfully violated 2 U.S.C. Sections 441(f) and 441(ba). The fact is that I am not now nor have I ever been a treasurer to any campaign committee and I have not knowingly or willfully violated 2 U.S.C. Sections 441(f) and 441(q).

93043503578

Pursuant to your request, the following is the:

**SUPPLEMENTAL
QUESTIONS AND RESPONSES**

6. State whether in 1987 and 1988 you discussed with any employee of FEA, Texim, Dymally Campaign Committee or Dymally Congressional Staff their making contributions to the Dymally Campaign Committee.

a. Identify the individual and describe what was said.

Response: I do not recall discussing, with any employee of FEA, Texim, Dymally Campaign Committee or Dymally Congressional Staff, the making of a contribution. However, they did receive an invitation to the Dymally Dinner.

b. State the dates, amounts of each and names of each person identified above who made a contribution to the Dymally Campaign Committee

Response: Not applicable because of the response to 6.a. above.

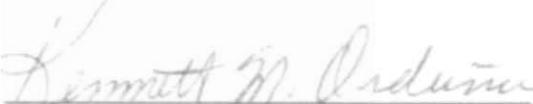
c. State whether these contributions were reimbursed and/or compensated for by you, or FEA, or Texim and/or any person or organization. If so, identify the person or entity making the reimbursements, and the dates and amounts of the reimbursements.

Response: Not applicable due to the response of 6.a. above.

Further, my bank has informed me that the records I had requested are no longer available because they only retain such records for a limited time.

I declare that I have read the foregoing responses and they are true to the best of my knowledge at this time.

Dated: July 15, 1992


KENNETH ORDUNA

93043503579

Office of the General Counsel
Federal Election Commission
Page 3
July 15, 1992

I trust that this brief statement will shed light and truth on your investigation and that your diligent investigation will find that I have violated no state or federal laws concerning campaign contributions.

Very truly yours,



Kenneth Orduna

KO:ljh

93043503580



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 28, 1992

BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Vela Carlisle
1133 S. Tremaine
Los Angeles, CA 90019

RE: MUR 3436

Dear Ms. Carlisle:

In a letter dated November 15, 1991, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C § 441f a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Enclosed are copies of materials that were sent to you at that time and a letter dated July 2, 1992 informing you of the Commission's attempt to notify you. Under the Act, and Commission regulations, you have an opportunity to demonstrate that no action should be taken against you.

A review of our files indicates that to date you have not responded. Unless we receive a response from you within 10 days, this matter will proceed to the next stage of the enforcement process. In addition, you must respond to the enclosed subpoena and order. If you do not, the Office of the General Counsel will recommend to the Commission that this matter be referred for subpoena enforcement in Federal District Court.

Should you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Enclosures

93043503581



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3436^I

DATE FILMED 11-9-93 CAMERA NO. 2

CAMERAMAN JM H

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

Microfilm
 Public Records
 Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3436.

12/10/93

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**THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS
FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE**

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.
2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.
3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.
4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.
5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1992

Jeff Marschner, General Counsel
California Fair Political
Practices Commission
428 J. Street, Suite 800
Sacramento, CA 95804-0807

RE: MUR 3436

Dear Mr. Marschner:

This is in reference to the matter involving the Dymally Campaign Committee which your office referred to the Federal Election Commission on November 20, 1990. On October 21, 1991, the Commission found reason to believe that the following persons violated 2 U.S.C. § 441f: Ethel Wong, Clarence Wong, Fukujiro Akiba, Steven Deignan, Mutsumi Deignan, Kiyotaka Imai, Mrs. Kiyotaka Imai, and Vela Carlisle. On that same date, the Commission found reason to believe that the following respondents knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f: Morio Akiba, F.E.A. Logistics Support Corporation, Dymally Campaign Committee and Michael Robbins, as treasurer, Lonnie Sanders, and Kenneth Orduna.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the respondents listed above. The Commission has, however, admonished Morio Akiba, F.E.A. Logistics Support Corporation, Dymally Campaign Committee and Michael Robbins, as treasurer, Lonnie Sanders, and Kenneth Orduna to take steps to ensure future compliance with 2 U.S.C. §§ 441b(a) and 441f.

Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Federal Election Campaign Act of 1971, as amended.

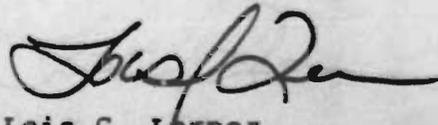
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Jeff Marschner
Page 2

If you have any questions, please contact
Richard M. Denholm II, the attorney assigned to this matter, at
(202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Date the Commission voted to close the file: DEC 09 1993

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Robert M. Hertzberg, Esquire
Margolis, Hertzberg & Morin
3550 Wilshire Boulevard
Suite 1418
Los Angeles, CA 90010

RE: MUR 3436
Dymally Campaign Committee
and Michael Robbins, as
treasurer

Dear Mr. Hertzberg:

On October 21, 1991, your clients were notified that the Federal Election Commission had found reason to believe they knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Dymally Campaign Committee and Michael Robbins, as treasurer. Accordingly, the Commission closed its file in this matter.

The Commission reminds your clients, however, that 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with any election to any political office. Further, the Commission reminds your clients that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Therefore, your clients should take steps to ensure future compliance with these statutory provisions.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

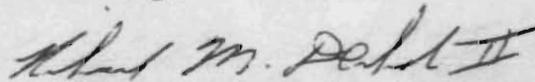
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Robert M. Hertzberg
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542566



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Morio Akiba, Chief Financial Officer
F.E.A. Logistics Support Corporation
13639 Cimarron Avenue
Gardena, CA 90249

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe F.E.A. Logistics Support Corporation knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against F.E.A. Logistics Support Corporation. Accordingly, the Commission closed its file in this matter.

The Commission reminds you, however, that 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with any election to any political office. Further, the Commission reminds you that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Therefore, you should take steps to ensure future compliance with these statutory provisions.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

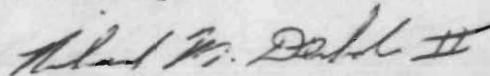
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Morio Akiba
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542568



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Edward L. Masry, Esquire
Masry & Vititoe
P.O. Box 7411
Studio City, CA 91604

RE: MUR 3436
Lonnie Sanders

Dear Mr. Masry:

On October 21, 1991, your client was notified that the Federal Election Commission had found reason to believe he violated 2 U.S.C. §§ 441b(a) and 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against Lonnie Sanders. Accordingly, the Commission closed its file in this matter.

The Commission reminds your client, however, that 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with any election to any political office. Further, the Commission reminds your client that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Therefore, your client should take steps to ensure future compliance with these statutory provisions.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

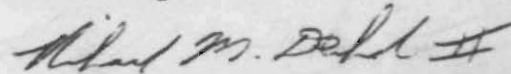
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Edward L. Masry
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542570



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1992

Edward L. Masry, Esquire
Masry & Vititoe
P.O. Box 7411
Studio City, CA 91604

RE: MUR 3436
Kenneth Orduna

Dear Mr. Masry:

On October 21, 1991, your client was notified that the Federal Election Commission had found reason to believe he violated 2 U.S.C. §§ 441b(a) and 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against Kenneth Orduna. Accordingly, the Commission closed its file in this matter.

The Commission reminds your client, however, that 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with any election to any political office. Further, the Commission reminds your client that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Therefore, your client should take steps to ensure future compliance with these statutory provisions.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

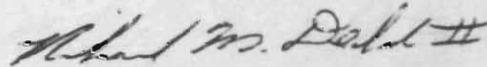
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Edward L. Masry
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Morio Akiba
1623 Elm Avenue
Torrance, CA 90503

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The Commission reminds you, however, that 2 U.S.C. § 441b(a) prohibits corporations from making contributions or expenditures in connection with any election to any political office. Further, the Commission reminds you that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Therefore, you should take steps to ensure future compliance with these statutory provisions.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

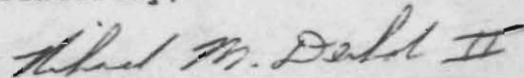
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Morio Akiba
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Clarence Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Mr. Wong:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542575



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

DEC 10 1993

Ethel Wong
P.O. Box 20391
Los Angeles, CA 90006

RE: MUR 3436

Dear Ms. Wong:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542576



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Steven Deignan
21249 Doble Avenue
Torrance, CA 90004

RE: MUR 3436

Dear Mr. Deignan:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file:

DEC 09 1993

93043542577



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 9 1991

Mutsumi Deignan
21249 Doble Avenue
Torrance, CA 90004

RE: MUR 3436

Dear Ms. Deignan:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1991

93043542578



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Fukujiro Akiba
2701 Toldeo St. #705
Torrance, CA 90503

RE: MUR 3436

Dear Mr. Akiba:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542579



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mr. Imai:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542580



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Mrs. Kiyotaka Imai
1211 20th Place
Hermosa Beach, CA 90254

RE: MUR 3436

Dear Mrs. Imai:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Vela Carlisle
1133 S. Tremaine
Los Angeles, CA 90019

RE: MUR 3436

Dear Ms. Carlisle:

On October 21, 1991, you were notified that the Federal Election Commission had found reason to believe you violated 2 U.S.C. § 441f.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against you. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Richard M. Denholm II
Attorney

Date the Commission voted to close the file: DEC 09 1993

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