FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF MUR #_____

DATE: 10/16/78

FILMED BY: [illegible]

FEDERAL ELECTION COMMISSION

Financial statements for International Two Thousand, Inc.

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

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

Signed Kore Wesenberg

date 9/27/78

FEC 9-21-77

FEDERAL ELECTION COMMISSION
1325 K STREET, N.W.
WASHINGTON, D.C. 20463

September 27, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Mr. Chandler,

Enclosed please find a copy of the signed conciliation agreement entered into by the Hamp Baker for Congress Committee and the Federal Election Commission. Also enclosed is a copy of the certification of the Commission's acceptance of this agreement.

The file in this matter is now closed.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Mr. Hamp Baker

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Hamp Baker for Congress Committee) MUR 540(78)

CONCILIATION AGREEMENT

This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and, after an investigation, the Commission having found reasonable cause to believe that the Hamp Baker for Congress Committee (hereinafter "Respondent") had violated 2 U.S.C. § 437(b)(a)(1):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. § 437(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter in this case.

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

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

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

A. At the beginning of his campaign, Mr. Hamp Baker ("the Candidate") was owed $8600 by International Two Thousand, Inc., ("the Corporation") for loans extended to the Corporation during 1975, plus interest.

B. The $8600 owed the Candidate by the Corporation constituted personal assets of the Candidate for purposes of the Federal Election Campaign Act.

C. The Corporation made expenditures on behalf of the Candidate and billed the cost of these expenditures to the Committee.

D. The Committee reported the cost of these campaign-related expenditures made by the Corporation as debts owed the Corporation.

E. The Committee never made payments to the Corporation for the costs of these expenditures.

F. The Corporation deducted the costs of these expenditures from the Candidate's account payable.

F. The expenditures made by the Corporation constituted use of the Candidate's personal assets.

H. The expenditures made by the Corporation using the Candidate's personal assets were made by means of the Corporation's account.

J. The making of campaign-related expenditures by means other than use of checks drawn on an designated campaign depository constitutes a violation of 2 U.S.C. § 437b(a)(1).

WHEREFORE, the Respondent agrees:

A. That the Corporation made campaign-related expenditures on behalf of the Candidate using personal assets of the Candidate.

B. That these expenditures were made by means of the Corporation's account, not by means of checks drawn on a designated campaign depository.

C. That the making of campaign-related expenditures by means other than by checks drawn on a designated campaign account constitutes a violation of 2 U.S.C. § 437b(a)(1).

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

E. That Respondent will pay a civil penalty in the amount of One Hundred ($100.00), pursuant to 2 U.S.C. § 437g(a)(5)(B).

V. General Conditions

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

B. It is further agreed that this Conciliation Agreement is entered into in accordance with 2 U.S.C. § 437g(a)(5)(A), and that this Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matter set forth in this Agreement.

C. It is mutually agreed that this Agreement will become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

FEDERAL ELECTION COMMISSION

9/26/78
Date

William C. Oldaker
General Counsel
Federal Election Commission

9-12-78
Date

Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, OK 73081

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter)
) MUR 540(78)
Hamp Baker for Congress Committee)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on September 25, 1978, the Commission determined by a vote of 6-0 to adopt the following recommendations of the General Counsel regarding the above-captioned matter as set forth in the General Counsel's Report dated September 18, 1978.

1. Give final approval to the conciliation agreement attached to the above-named report which has been signed by the Hamp Baker for Cong[illegible] C[illegible]mittee.

2. Send the letter attached to the above-named Report, together with a copy of the conciliation agreement signed by the General Counsel.

3. Close the file in this matter.

Attest:

9/25/78
Date

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

Report signed: 9-20-78
Received in Office of Commission Secretary: 1:52, 9-21-78
Circulated on 48 hour vote basis: 3:45, 9-21-78

September 21, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 540

Please have the attached General Counsel's Report on MUR 540 distributed to the Commission on a 48 hour tally basis.

Thank you.

7 8 0 4 0 0 7 0 4 6 7

BEFORE THE FEDERAL ELECTION COMMISSION

September 18, 1978

In the Matter of	)	
	)	MUR 540(78)
Hamp Baker for Congress Committee	)	

GENERAL COUNSEL'S REPORT

On August 10, 1978, the Commission found reasonable cause to believe that the Hamp Baker for Congress Committee ("the Committee") violated 2 U.S.C. § 437b(a)(1). A proposed conciliation agreement was sent to the Committee on August 30, 1978; this agreement included in its provisions a civil penalty of $100.00.

The proposed conciliation agreement has now been signed by the Committee's treasurer and returned to this Office, together with a check for $100.00.

RECOMMENDATION

1. Give final approval to the attached conciliation agreement which has been signed by the Committee.

2. Send attached letter, together with a copy of the conciliation agreement signed by the General Counsel, to the Committee.

3. Close the file in this matter.

9/20/78
Date

William C. Oldaker
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Hamp Baker for Congress Committee) MUR 540(78)

CONCILIATION AGREEMENT

This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and, after an investigation, the Commission having found reasonable cause to believe that the Hamp Baker for Congress Committee (hereinafter "Respondent") had violated 2 U.S.C. § 437(b)(a)(1):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. § 437(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter in this case.

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

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

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

A. At the beginning of his campaign, Mr. Hamp Baker ("the Candidate") was owed $8600 by International Two Thousand, Inc., ("the Corporation") for loans extended to the Corporation during 1975, plus interest.

B. The $8600 owed the Candidate by the Corporation constituted personal assets of the Candidate for purposes of the Federal Election Campaign Act.

C. The Corporation made expenditures on behalf of the Candidate and billed the cost of these expenditures to the Committee.

D. The Committee reported the cost of these campaign-related expenditures made by the Corporation as debts owed the Corporation.

E. The Committee never made payments to the Corporation for the costs of these expenditures.

F. The Corporation deducted the costs of these expenditures from the Candidate's account payable.

F. The expenditures made by the Corporation constituted use of the Candidate's personal assets.

H. The expenditures made by the Corporation using the Candidate's personal assets were made by means of the Corporation's account.

J. The making of campaign-related expenditures by means other than use of checks drawn on an designated campaign depository constitutes a violation of 2 U.S.C. § 437b(a)(1).

WHEREFORE, the Respondent agrees:

A. That the Corporation made campaign-related expenditures on behalf of the Candidate using personal assets of the Candidate.

B. That these expenditures were made by means of the Corporation's account, not by means of checks drawn on a designated campaign depository.

C. That the making of campaign-related expenditures by means other than by checks drawn on a designated campaign account constitutes a violation of 2 U.S.C. § 437b(a)(1).

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

E. That Respondent will pay a civil penalty in the amount of One Hundred ($100.00), pursuant to 2 U.S.C. § 437g(a)(5)(B).

V. General Conditions

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

B. It is further agreed that this Conciliation Agreement is entered into in accordance with 2 U.S.C. § 437g(a)(5)(A), and that this Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matter set forth in this Agreement.

c. It is mutually agreed that this Agreement will become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

FEDERAL ELECTION COMMISSION

Date

William C. Oldaker
General Counsel
Federal Election Commission

2-13-78
Date

Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, OK 73081

2 0 1 0 7 1 4 7 3

BAKER & WASHINGTON CO. 0 0 7 0 4 7 3 755

2000 LAURINGTON TEL-3947

OKLAHOMA CITY, OKLA. 73120

Citizens' Bank
Velma, Oklahoma

Sept. 12 1978 88-142/1031

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $100.00

ONE HUNDRED and no/100 . . . . . DOLLARS

Payment of civil penalty assessed against Hamp Baker for Congress Committee and Earl Chandler, Treasurer

Hamp Baker

⑆103100142⑆ 10 401 8⑈

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Mr. Chandler,

Enclosed please find a copy of the signed conciliation agreement entered into by the Hamp Baker for Congress Committee and the Federal Election Commission. Also enclosed is a copy of the certification of the Commission's acceptance of this agreement.

The file in this matter is now closed.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Mr. Hamp Baker

Gen # 4896

Oklahoma City, Okla.
September 11, 1978

Mr. William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Re: MUR 540 (78)

Dear Mr. Oldaker:

With reference to your letter of August 30, 1978, to Mr. Earl Chandler, Treasurer of Hamp Baker for Congress Committee, upon consideration of the statements in your report, Mr. Chandler has signed the Conciliation Agreement.

I am enclosing the signed Agreement, and would greatly appreciate the presentation of this Agreement to the Commission for their approval.

I am enclosing a check for $100.00 in payment of the civil penalty assessed against the Hamp Baker for Congress Committee and Earl Chandler, Treasurer.

Thank you for your assistance in this matter.

Sincerely,

Hamp Baker

HAMP BAKER
2900 Lamp Post Lane
Okla. City, Ok. 73120

HB:mc

Enclosures (2)

806210

780 0570473

BAKER CONSTRUCTION CO.
2300 EXPOSITION TOWER
OKLAHOMA CITY, OKLA. 73120

758

Citizens' Bank
Velma, Oklahoma 73591

Sept. 12 1978 $3.113 / 1031

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION $100.00

ONE HUNDRED and no/100 . . . . . DOLLARS

Payment of civil penalty assessed against Hamp Baker for Congress Committee and Earl Chandler, Treasurer

Hamp Baker

⑆103 1⑈0142⑆ 10 401 8⑈

HAMP BAKER
2900 LAMP POST LANE
Okla. City, OK 73120

Mr. William C. Oldaker, General Counsel
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO CHARLES STEELE

FROM: MARJORIE W. EMMONS mwe

DATE: SEPTEMBER 12, 1978

SUBJECT: MUR 540 (78) Interim Status Report dated 9-6-78. Signed: 9-8-78. Received in Office of Commission Secretary: 9-8-78 5:05

The above-named document was circulated on a 24 hour no-objection basis at 4:00 p.m., September 11, 1978.

The Commission Secretary's Office has received no objections to Interim Status Report as of 4:00 p.m. this date.

7 8 0 1 0 7 0 4 7 3

September 8, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 540

Please have the attached Interim Status Report on MUR 540 distributed to the Commission.

Thank you.

7 8 0 4 0 0 7 0 4 7 9

BEFORE THE FEDERAL ELECTION COMMISSION

SEPTEMBER 6, 1978

In the Matter of	)	
	)	
Hamp Baker for Congress Committee	)	MUR 540(78)

INTERIM STATUS REPORT

On August 10, 1978, the Commission found reasonable cause to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. § 437b(a)(1) by permitting the making of campaign-related expenditures by means other than use of checks drawn on a designated campaign depository. The Commission found no reasonable cause to believe that the other apparent violations included in this matter had in fact occurred.

Letters were sent to all respondents informing them of the Commission's findings. We are awaiting a response from the Committee with regard to the proposed conciliation agreement.

9/8/78
Date

William C. Oldaker
General Counsel

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

August 30, 1978

Mr. Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, OK 73081

Re: MUR 540(78)

Dear Mr. Chandler:

The Federal Election Commission has found no reasonable cause to believe that the Hamp Baker for Congress Committee ("the Committee") has violated 2 U.S.C. § 441b(a).

The Commission has, however, found reason to believe that the Committee has violated 2 U.S.C. § 437b(a)(1) by permitting expenditures using personal funds of the Candidate, Mr. Hamp Baker, to be made by means other than checks drawn on a designated campaign depository.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. You may supplement any information supplied to us during our meeting with Mr. Baker concerning this matter. If you have no further information or defense, and you wish to enter into conciliation at this time, we have attached a proposed agreement which this Office is prepared to recommend to the Commission in settlement of the Committee's violation of 2 U.S.C. § 437b(a)(1). If the terms of this conciliation agreement are agreeable, please sign it and return it to the Commission within ten days of your receipt of this letter.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Mr. Hamp Baker

AW 540

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ____¢
- ☒ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mr Earl Chandler
P.O. Box 13
Bellefy City, Oklahoma 73081

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438485	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY | POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS

☆ GPO : 1977—O-234-337

JB 540

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ____¢
- ☒ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mr Hamp Baker
2400 Hamp Post Lane
Oklahoma, Oklahoma 73120

WASHINGTON D.C. 20260 APR 13 1978

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438488	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

Hamp Baker

4. DATE OF DELIVERY 4-7-78 | POSTMARK

5. ADDRESS (Complete only if requested) 73120 2900 Hamp Post

6. UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS

☆ GPO : 1977—O-234-337

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Hamp Baker for Congress Committee) MUR 540(78)

CONCILIATION AGREEMENT

This matter having been initiated by the Commission in the ordinary course of carrying out its supervisory responsibilities, and, after an investigation, the Commission having found reasonable cause to believe that the Hamp Baker for Congress Committee (hereinafter "Respondent") had violated 2 U.S.C. § 437(b)(a)(1):

WHEREFORE, the Commission and Respondent, having duly entered into conciliation as provided for in 2 U.S.C. § 437(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the Respondent and the subject matter in this case.

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

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

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

A. At the beginning of his campaign, Mr. Hamp Baker ("the Candidate") was owed $8600 by International Two Thousand, Inc., ("the Corporation") for loans extended to the Corporation during 1975, plus interest.

B. The $8600 owed the Candidate by the Corporation constituted personal assets of the Candidate for purposes of the Federal Election Campaign Act.

C. The Corporation made expenditures on behalf of the Candidate and billed the cost of these expenditures to the Committee.

D. The Committee reported the cost of these campaign-related expenditures made by the Corporation as debts owed the Corporation.

E. The Committee never made payments to the Corporation for the costs of these expenditures.

F. The Corporation deducted the costs of these expenditures from the Candidate's account payable.

F. The expenditures made by the Corporation constituted use of the Candidate's personal assets.

H. The expenditures made by the Corporation using the Candidate's personal assets were made by means of the Corporation's account.

J. The making of campaign-related expenditures by means other than use of checks drawn on an designated campaign depository constitutes a violation of 2 U.S.C. § 437b(a)(1).

WHEREFORE, the Respondent agrees:

A. That the Corporation made campaign-related expenditures on behalf of the Candidate using personal assets of the Candidate.

B. That these expenditures were made by means of the Corporation's account, not by means of checks drawn on a designated campaign depository.

7 3 0 1 0 7 1 4 8 1

C. That the making of campaign-related expenditures by means other than by checks drawn on a designated campaign account constitutes a violation of 2 U.S.C. § 437b(a)(1).

D. That Respondent will now, and in the future, comply in all respects with the Federal Election Campaign Act of 1971, as amended.

E. That Respondent will pay a civil penalty in the amount of One Hundred ($100.00), pursuant to 2 U.S.C. § 437g(a)(5)(B).

V. General Conditions

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

B. It is further agreed that this Conciliation Agreement is entered into in accordance with 2 U.S.C. § 437g(a)(5)(A), and that this Agreement, unless violated, shall constitute a complete bar to any further action by the Commission with regard to the matter set forth in this Agreement.

C. It is mutually agreed that this Agreement will become effective on the date that all parties hereto have executed the same and the Commission has approved the entire Agreement.

FEDERAL ELECTION COMMISSION

_____
Date

_____
William C. Oldaker
General Counsel
Federal Election Commission

_____
Date

_____
Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, OK 73081

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

August 30, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joe L. Kinslow
President
International Two Thousand, Inc.
P.O. Box 94511
Oklahoma City, OK 73109

Re: MUR 540(78)

Dear Mr. Kinslow:

On August 10, 1978, the Federal Election Commission found no reasonable cause to believe that International Two Thousand, Inc. has violated 2 U.S.C. § 441b(a). The file in this matter is now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

cc: Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

7 3 3 1 0 1 7 1 4 8 7

AW 540 V

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
   - ☐ Show to whom and date delivered ____¢
   - ☑ Show to whom, date, and address of delivery ____¢
   - ☐ RESTRICTED DELIVERY. Show to whom and date delivered ____¢
   - ☐ RESTRICTED DELIVERY. Show to whom, date, and address of delivery $____
   - (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
   Mrs Joe Kinslow
   P.O. Box 10
   Oklahoma City, Oklahoma

3. ARTICLE DESCRIPTION.

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	48486	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY — POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE — CLERK'S INITIALS

OKLAHOMA CITY, OKLA. SEP 5 1978 U.S. POSTAL SERVICE

☆ GPO: 1977—O-234-337

7 8 0 1 0 1 0 7 7 4 8 8

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

August 30, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Dimple Bossa
P.O. Box 34
Ratliff City, OK 73081

Re: MUR 540(78)

Dear Mrs. Bossa:

On August 10, 1978, the Federal Election Commission found no reasonable cause to believe that you have violated 2 U.S.C. § 441a(a)(1)(A). The file in this matter now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

cc: Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

HW 540

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ____¢
- ☑ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery $____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

Mrs Kimple Bosse

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	48447	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. Mrs Kimple Bosse

DATE OF DELIVERY

POSTMARK

5. ADDRESS (Complete only if requested)

P
1

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO: 1977—O-234-337

FEDERAL ELECTION COMMISSION

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

August 30, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

Re: MUR 540(78)

Dear Mr. Baker:

On August 10, 1978, the Federal Election Commission found no reasonable cause to believe that you have violated 2 U.S.C. §§ 441b(a) and 441a(f). This matter is now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Hamp Baker for Congress Committee	)	MUR 540 (78)
Mr. Hamp Baker	)	
International Two Thousand, Inc.	)	
Ms. Dimple Bossa	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on August 10, 1978, the Commission took the following actions in the above-captioned matter:

1. Found no reasonable cause to believe that Hamp Baker for Congress Committee has violated 2 U.S.C. §441b(a).

   Commissioners Aikens, Springer, Staebler and Thomson voted for this finding. Commissioner Harris dissented. Commissioner Tiernan was not present at the time of the vote.

2. Found no reasonable cause to believe that Mr. Hamp Baker has violated 2 U.S.C. §441b(a) or 2 U.S.C. §441a(f).

   Commissioners Aikens, Springer, Staebler, and Thomson voted for this finding. Commissioner Harris dissented. Commissioner Tiernan was not present at the time of the vote.

3. Found no reasonable cause to believe that International Two Thousand, Inc. has violated 2 U.S.C. §441b(a).

   Commissioners Aikens, Springer, Staebler, and Thomson voted for this finding. Commissioner Harris dissented. Commissioner Tiernan was not present at the time of the vote.

4. Found no reasonable cause to believe that Ms. Dimple Boss has violated 2 U.S.C. §441a(a)(1)(A).

CONTINUED

Commissioners Aikens, Harris, Springer, Staebler, and Thomson voted for this finding. Commissioner Tiernan was not present at the time of the vote.

5. Failed to pass a motion to find no reason to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. §437b(a)(1).

   Commissioners Staebler and Springer voted for this finding. Commissioners Aikens, Harris, and Thomson dissented. Commissioner Tiernan was not present at the time of the vote.

6. Found reason to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. §437b(a)(1).

   Voting for this finding were Commissioners Aikens, Harris, Springer, and Thomson. Commissioner Staebler dissented. Commissioner Tiernan was not present at the time of the vote.

7. Directed the Office of the General Counsel to send the letters and conciliation agreement attached to the General Counsel's Report signed July 28, 1978.

Attest:

8/28/78
Date

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

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS MWE

DATE: AUGUST 2, 1978

SUBJECT: MUR 540-General Counsel's Report
Undated
Received in Office of
Commission Secretary:
8-1-78, 10:04

The above named document was circulated to the Commission on a 48 hour vote basis at 12:00 on August 1, 1978.

Commissioner Staebler submitted an objection at 3:33 p.m. on August 1, 1978, thereby placing MUR 540 on the Agenda for Wednesday, August 9, 1978.

A copy of Commissioner Staebler's vote sheet is attached.

ATTACHMENT:
VOTE SHEET

cc: Commissioner Staebler

48 HOUR TALLY SHEET

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

78 AUG 1 P3: 33

Date and Time Transmitted: August 1, 1978

Commissioner

RETURN TO OFFICE OF COMMISSION SECRETARY BY: August 3, 1978

MUR No. 540 General Counsel's Report, undated

( ) I approve the recommendation

(✓) I object to the recommendation #5

COMMENTS:

Date: 8/1/78 Signature:

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

July 31, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 540

Please have the attached General Counsel's Report distributed to the Commission on a 48 hour tally basis.

Thank you.

7 8 0 4 0 3 7 0 4 9 6

BEFORE THE FEDERAL ELECTION COMMISSION

JULY , 1978

In the Matter of	)	
	)	
Hamp Baker for Congress Committee	)	MUR 540(78)
Mr. Hamp Baker	)	
International Two Thousand, Inc.	)	
Ms. Dimple Bossa	)	

GENERAL COUNSEL'S REPORT

Summary of Allegations and Commission Action

1. Corporate Contributions

According to information obtained by the Audit Division during its initial review of the Hamp Baker for Congress Committee ("the Committee"), prior to his candidacy Mr. Hamp Baker ("the Candidate") made a $10,000 loan to International Two Thousand, Inc. ("the Corporation") in 1976. During the same year the Corporation's financial statements listed $5,865.42 in expenses incurred on behalf of the Candidate's campaign. The Corporation's accounts payable were adjusted to reflect a reduction in its liability to the Candidate equal to the amount of the campaign-related expenditures made by the Corporation. Information received later by the Audit Division showed that the Candidate had made numerous loans to the Corporation during 1975 and 1976, and also included an itemization of the campaign expenditures made by the Corporation. (See Attachment I) These explanations did not, however, establish the exact nature of the Corporation's involvement in the campaign.

Most of the expenditures made by the Corporation on behalf of the Candidate and Committee, which finally totaled $5,990.78, were reported to the Commission as debts owed by the Committee to the

Corporation*. On May 24, 1977, the Committee filed a termination report which stated that the Candidate had assumed the Committee debts owed the Corporation. The amended termination report submitted by the Candidate cited an expenditure of $5,990.78 made to the Corporation for "campaign salaries, telephone, supplies...," and also showed a contribution of $5,990.78 from the Candidate to his campaign. This contribution/expenditure consisted of the debits entered by the Corporation against the Candidate's account payable.

The legal issues involved in this situation, as set out in the First General Counsel's Report, were whether a corporation's repayment of a creditor constitutes a violation of 2 U.S.C. § 441b(a) and whether the costs of the process of making those expenditures in themselves constitute a contribution-in-kind to the Candidate and the Committee. The Office of General Counsel believed that further information was needed to determine the full extent of the Corporation's involvement in the campaign.

On May 10, 1978, the Commission found reason to believe that Mr. Hamp Baker and the Hamp Baker for Congress Committee were in violation of 2 U.S.C. § 441b(a) for having accepted contributions-in-kind from International Two Thousand, Inc., and reason to believe that International Two Thousand, Inc., had violated 2 U.S.C. § 441b (a) by having made contributions or expenditures in connection with the candidacy of Mr. Hamp Baker.

---

* The Committee reported all but $779.09 of the Corporation's expenditures on its behalf.

2. Excessive Contribution

During their examination of the Committee's records the auditors also noted that a $10,000 loan obtained by the Candidate from the Citizen's Bank, Velma, Oklahoma, and disclosed in his reports to the Commission had been repaid by the Candidate's sister, Ms. Dimple Bossa. According to the Candidate, this payment by Ms. Bossa was intended to serve as partial repayment of personal loans extended to her by the Candidate approximately 15-20 years ago. The only documents made available to the auditors in support of the alleged loans made by the Candidate to his sister were letters to this effect from these two individuals.

On May 10, 1978, the Commission found reason to believe that Ms. Dimple Bossa had violated 2 U.S.C. § 441a(a)(1)(A) by having made an excessive contribution to Mr. Hamp Baker, and that Mr. Hamp Baker was in violation of 2 U.S.C. § 441a(f) for having accepted an excessive contribution from Ms. Dimple Bossa.

Evidence

On May 11, 1978, letters were sent to all respondents informing them of the Commission's findings. On June 2, 1978, the Candidate and the counsel for all respondents met with representatives of the Office of General Counsel and of the Audit Division to discuss the issues involved in this matter. The Candidate brought to the meeting written responses from all respondents plus a letter written to the Corporation by its accounting firm concerning certain relevant issues. The following are analyses of the evidence now in hand.

1. Corporate Contributions

According to information supplied by the Candidate and the Corporation, the Candidate began making loans to the Corporation in August of 1975. (See Attachment I) By the end of that year the Corporation showed a credit to the Candidate of $8,600, a sum which involved $7100 in loans made between August 22 and September 12, 1975, $600.00 for stamps supplied by the Candidate, and $900.00 accrued interest on the loans. During 1976, the Candidate made a series of additional short-term loans to the Corporation. Each of these later loans, with the exception of one for $1,500 given on January 26, 1976, was repaid quickly. Thus, by July 1, 1976, the Corporation owed the Candidate $10,100.00 which included the 1975 debts and the $1500 January 26, 1976, loan. Both the Candidate and the Corporation state that the Corporation's campaign expenditures were used to reduce the portion of the Corporation's debt related to the 1975 loans.

As of December 31, 1975, the Corporation's unaudited balance sheet showed $35,082.41 in current liabilities and $3,942.51 in total current assets. Other entries on this balance sheet confirm the shaky financial position of the Corporation at the time the 1975 loans were made. No loan agreements or evidence of security has been provided in support of the alleged loans. It is therefore possible to raise questions as to whether or not the monies transferred by the Candidate to the Corporation in 1975 were in fact loans as opposed to gifts, given the great uncertainty that they could be repaid. If they were not loans, the expenditures made by the Corporation on behalf of the Candidate's campaign would clearly

be contributions in violation of 2 U.S.C. § 441b(a).

On the other hand, the independent accountant firm engaged by the Corporation, as well as the Corporation and the Candidate, have provided documents to the effect that these payments were considered to be and were treated as loans repayable to the Candidate from the time the money was transferred to the Corporation. These documents include copies of the checks used to make the alleged loans, two of which bear the term "loan" on their faces; copies of Corporation deposit slips showing those checks entering the Corporation's account; a copy of the Corporation's accounts payable for Hamp Baker showing the loans as credits to his accounts; and letters from the accountant, the Candidate and the Corporation's president showing that all parties considered that the Candidate was owed $8,600.00 by the Corporation as of December 31, 1975. Included in this sum was $900 in accrued interest, another indication that the Corporation treated the sums received from the Candidate as obligations owed him. Further evidence of a bona fide obligation between the parties rather than a gift is that Baker had a significant interest in the Corporation and was trying to keep it afloat by loaning it monies. It does not appear that these payments were intended as investments. The Office of General Counsel has concluded that the Corporation should be considered as of July 1, 1976, as having owed the Candidate $8,600 as the result of their 1975 business transactions.

Both the Corporation president and the Candidate have stated that at the time the Candidate's campaign began the Corporation was still unable to repay its 1975 obligations to the Candidate. In addition the Corporation's business was in a slow period. Therefore

a plan was agreed upon whereby certain corporation employees would perform services for the campaign and the costs billed to the Committee.

The Committee reported these expenditures during the campaign as debts owed the Corporation. After the campaign was concluded the Committee reported that the Candidate had assumed these debts and the Candidate reported their value as a contribution made by himself to the Committee and as expenditures to the Corporation. In fact the Corporation had deducted each campaign-related corporation expenditure from its debt owed the Candidate. The Candidate has amended his most recent report by itemizing the expenditures made by the Corporation.

The services performed by the Corporation involved the making of posters and other campaign materials and the distribution of these materials. The president of the Corporation has stated that

> (t)he corporation only paid expenses which were directly related to things that we were working on... The Corporation would submit a detailed summary of expenses on a regular basis and charge the sum total against the company debt to Mr. Baker as though it were cash repayment of an obligation to him. Neither the campaign committee nor Mr. Baker ever once forwarded bills to the corporation. In fact, quite to the contrary, the corporation received bills that were immediately forwarded to the committee when the bills were for work that we were not involved in.

(See Attachment II for example of invoice.) Information provided by the Committee treasurer confirms this arrangement.

Eight corporation employees were involved in performing services for the campaign. According to the letter from the Corporation's president employees were instructed that they were not to assist the campaign during business hours "unless their time was accounted for and fully charged to the campaign. One of these

employees, plus the president, was involved in the payment of campaign expenses. The president has written that that employee "was viewed by the company as on a leave of absence from all company duties and her full normal salary, travel expenses and other campaign related expenses were accounted for at full value and charged to Mr. Baker." The president's involvement consisted of reviewing claims and signing checks.

The legal question raised by the arrangement is whether or not the debt owed the Candidate by the Corporation may be considered part of his personal funds, so that the campaign-related expenditures made by the Corporation may be deemed in fact expenditures of the Candidate's own monies.

Section 110.10(b)(1) of the Federal Election Commission Regulations states that a candidate's "personal funds" include:

> Any assets to which at the time he or she become a candidate the candidate had legal and rightful title, or with respect to which the candidate had the right of beneficial enjoyment, under applicable state law, and which the candidate had legal right of access to or control over, including funds from family members....

Under this language debts due and owing to an individual as a result of a bona fide loan agreement at the time he or she becomes a candidate for public office are considered assets in which the candidate has legal and rightful title for the purposes of the Act in construing the definition of "personal funds".

Even if these debts are not in fact collectible at the time the individual becomes a candidate, they are still legally enforceable, i.e., reducible to judgment, and therefore would properly be considered personal funds. This general interpretation of the Regulation is in accordance with the applicable state law of

Oklahoma, the residence of the respondents in the present MUR.

Applying this analysis to the present situation, we find that the Corporation's expenditures made on behalf of the Candidate's campaign constituted use of the Candidate's own funds, not corporate funds. In addition, the information supplied by the Candidate, Committee and Corporation indicates that the costs involved in the process of making these expenditures were also charged to the Candidate's funds. There is no indication that the Corporation's participation in the Candidate's campaign involved any activities in addition to the activities of Corporation employees described above.

Therefore, the Office of General Counsel recommends a finding of no reasonable cause to believe that the Corporation, Candidate or Committee has violated 2 U.S.C. § 441b(a) by making or accepting corporate contributions-in-kind.

The Office of General Counsel does, however, recommend a finding of reason to believe that the Committee has violated 2 U.S.C. § 437 b(a)(1) by permitting expenditures to be made on behalf of the Committee by means other than use of a designated campaign depository. The expenditures made by the Corporation for campaign-related activities and initially reported by the Committee as a debt owed the Corporation were in fact expenditures made using the Candidate's personal funds. Such use of a candidate's own assets must be made via a designated campaign depository pursuant to Section 437b(a)(1). Here the expenditures were made through the Corporation's account.

2. Excessive Contribution

Both the Candidate and Ms. Dimple Bossa have written that Ms. Bossa's repayment of the Candidate's $10,000 loan was considered by the parties involved to constitute repayment by Ms. Bossa of a debt owed the Candidate. Mr. Baker wrote,

> "I was, of course, aware of the $1,000 limit on political contributions... But I believed that since she was repaying monies I had lent her over the years, she was not making a contribution at all. Rather, the campaign loan for (sic) Citizen's Bank was being paid off with my funds. (Emphasis in original.)

The Candidate states that the reasons Ms. Bossa paid off the loan directly were that the bank involved was located 100 miles away from him and that she was borrowing money from the same bank to make the repayment.

Neither Ms. Bossa nor the Candidate has been able to provide copies of loan agreements or other evidence of his earlier loans to her. Ms. Bossa has, however, submitted a notarized statement that these loans were made and received beginning in 1954 and totaled between $12,000 and $13,000. The candidate has stated that any records which could support the existence of these loans were destroyed by a fire in 1967. The Office of General Counsel finds that Ms. Bossa's statement constitutes sufficient evidence that she did owe the Candidate at least $10,000 at the time she paid off his debt owed the Citizen's Bank of Velma.

An application to this situation of the analysis of Section 110.10(b)(1) presented above results in a finding that the debt owed the Candidate by Ms. Bossa constituted a portion of his personal

funds. Ms. Bossa's direct repayment of the Candidate's debt involved use of the Candidate's own funds, not her own. Therefore the Office of General Counsel recommends a finding of no reasonable cause to believe that Ms. Dimple Bossa violated 2 U.S.C. § 441a(a)(1)(A) and a finding of no reasonable cause to believe that the Candidate violated 2 U.S.C. § 441a(f).

RECOMMENDATION

1. Find no reasonable cause to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. § 441b(a).
2. Find no reasonable cause to believe that Mr. Hamp Baker has violated 2 U.S.C. § 441b(a) or 2 U.S.C. § 441a(f).
3. Find no reasonable cause to believe that International Two Thousand, Inc., has violated 2 U.S.C. § 441b(a).
4. Find no reasonable cause to believe that Ms. Dimple Bossa has violated 2 U.S.C. § 441a(a)(1)(A).
5. Find reason to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. § 437b(a)(1).
6. Send attached letters and conciliation agreement.

7/28/78
Date

William C. Oldaker
General Counsel

FEDERAL ELECTION COMMISSION

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

Mr. Earl Chandler, Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, OK 73081

Re: MUR 540(78)

Dear Mr. Chandler:

The Federal Election Commission has found no reasonable cause to believe that the Hamp Baker for Congress Committee ("the Committee") has violated 2 U.S.C. § 441b(a).

The Commission has, however, found reason to believe that the Committee has violated 2 U.S.C. § 437b(a)(1) by permitting expenditures using personal funds of the Candidate, Mr. Hamp Baker, to be made by means other than checks drawn on a designated campaign depository.

Under the Act, you have the opportunity to demonstrate that no action should be taken against you. You may supplement any information supplied to us during our meeting with Mr. Baker concerning this matter. If you have no further information or defense, and you wish to enter into conciliation at this time, we have attached a proposed agreement which this Office is prepared to recommend to the Commission in settlement of the Committee's violation of 2 U.S.C. § 437b(a)(1). If the terms of this conciliation agreement are agreeable, please sign it and return it to the Commission within ten days of your receipt of this letter.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

cc: Mr. Hamp Baker

FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mrs. Dimple Bossa
P.O. Box 34
Ratliff City, OK 73081

Re: MUR 540(78)

Dear Mrs. Bossa:

On July , 1978, the Federal Election Commission found no reasonable cause to believe that you have violated 2 U.S.C. § 441a(a)(1)(A). The file in this matter now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

cc: Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joe L. Kinslow
President
International Two Thousand, Inc.
P.O. Box 94511
Oklahoma City, OK 73109

Re: MUR 540(78)

Dear Mr. Kinslow:

On July , 1978, the Federal Election Commission found no reasonable cause to believe that International Two Thousand, Inc. has violated 2 U.S.C. § 441b(a). The file in this matter is now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

cc: Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, OK 73120

Re: MUR 540(78)

Dear Mr. Baker:

On July , 1978, the Federal Election Commission found no reasonable cause to believe that you have violated 2 U.S.C. §§ 441b(a) and 441a(f). This matter is now closed.

Enclosed for your information are a copy of the General Counsel's Report on MUR 540, and a copy of the certification of the Commission's determination. These documents plus a copy of this letter will be included in the public disclosure file of the Hamp Baker for Congress Committee.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

JULY 19, 1978

In the Matter of	)	
	)	
Mr. Hamp Baker	)	MUR 540(78)
Hamp Baker for Congress Committee	)	
International Two Thousand, Inc.	)	
Ms. Dimple Bossa	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on July , 1978, the Commission determined by a vote of to adopt the recommendation of the General Counsel to take the following actions in the above-captioned matter:

1. Find no reasonable cause to believe that the Hamp Baker for Congress Committee has violated 2 U.S.C. § 441b(a).
2. Find no reasonable cause to believe that Mr. Hamp Baker has violated 2 U.S.C. § 441b(a) or 2 U.S.C. § 441a(f).
3. Find no reasonable cause to believe that International Two Thousand, Inc., has violated 2 U.S.C. § 441b(a).
4. Find no reasonable cause to believe that Ms. Dimple Bossa has violated 2 U.S.C. § 441a(a)(1)(A).
5. Send letters attached to General Counsel's Report.
6. Close file.

Date

Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 9, 1978

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS MWE

SUBJECT: MUR 540 (78) - Interim Status Report dated 6-5-78
Signed: 6-8-78
Received in Office of Commission
Secretary: 6-8-78, 4:30

The above-mentioned document was circulated on a 24 hour no-objection basis at 11:15 a.m., June 9, 1978.

There are no objections to the Interim Status Report.

A copy of comments from Commissioner Staebler is attached.

Commissioner Tiernan was not present during the time of this circulation.

Attachment:
Comments

FEDERAL ELECTION COMMISSION

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

DATE AND TIME OF TRANSMITTAL 12:00 June 9, 197

Commissioner Staebler

RETURN TO OFFICE OF COMMISSION SECRETARY BY: 12:00 June 12, 1978

MUR No. Interim Status Report dated 6-5-78, MUR 540 (78)

( ) I object to the recommendation in the attached report.

COMMENTS: ISN'T THE ~~PAYMENT~~ SUPPLY BY THE CORP TO THE CANDIDATE OF ADVERTISING AND SERVICES TANTAMOUNT TO A PAYMENT ON THE PRIOR LOAN BY THE CANDIDATE; HENCE A CONTRIBUTION BY THE CANDIDATE TO HIS COMMITTEE?

Date 6/9/78 Signature [illegible]

OBJECTIONS, SIGNED AND DATED, MUST BE RECEIVED IN THE COMMISSION SECRETARY'S OFFICE NO LATER THAN THE DATE AND TIME SHOWN ABOVE OR THE MATTER WILL BE DEEMED APPROVED. PLEASE RETURN ALL PAPERS TO THE OFFICE OF THE SECRETARY TO THE COMMISSION.

78 JUN 9 P2:17

RECEIVED
OFFICE OF THE

June 8, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 540(78)

Please have the attached Interim Status Report on MUR 540 distributed to the Commission.

Thank you.

7904007051 5

BEFORE THE FEDERAL ELECTION COMMISSION

JUNE 5, 1978

In the Matter of	)	
	)	
Mr. Hamp Baker	)	
Hamp Baker for Congress Committee,	)	MUR 540(78)
International Two Thousand, Inc.,	)	
Ms. Dimple Bossa	)	

INTERIM STATUS REPORT

According to information obtained by the Audit Division during its audit of the Hamp Baker for Congress Committee ("the Committee"), and more recently by the Office of General Counsel, Hamp Baker ("the Candidate") in 1975 made an alleged loan of $10,000 to International Two Thousand, Inc. ("the Corporation"), a rat bait company. In July, 1976, the Corporation agreed to perform advertising services for the Candidate and the Committee, these services being reported by the Committee as debts eventually totaling $5,990.78. On May 24, 1977, the Committee filed a termination report which stated that the Candidate had assumed Committee debts owed the Corporation. The Candidate later submitted an amended report showing an expenditure of $5,990.78 made to the Corporation for "campaign salaries, telephone, supplies..." and also a contribution of $5,990.78 from the Candidate. The Corporation's records of the Candidate's accounts payable show that the costs of the Corporation's activities on behalf of the Candidate and Committee were deducted from the amount owed the Candidate by the Corporation.

The auditors also learned that a $10,000 bank loan obtained by the Candidate for use in his campaign had been repaid by the Candidate's sister, Ms. Dimple Bossa. According to the Candidate and Ms. Bossa, this loan repayment was intended to serve as partial repayment of loans made by the Candidate to his sister in the early 1960's. The only documents available in support of the existence of those earlier personal loans are statements prepared by the two individuals involved.

On May 10, 1978, the Commission found reason to believe that Mr. Hamp Baker had violated 2 U.S.C. § 441b(a) and 441a(f); that the Hamp Baker for Congress Committee had violated 2 U.S.C. § 441b(a); that International Two Thousand, Inc., had violated 2 U.S.C. § 441b(a); and that Ms. Dimple Bossa had violated 2 U.S.C. § 441a (a)(1)(A). Letters were sent to the respondents informing them of the Commission's findings.

On June 2, 1978, Mr. Hamp Baker and his attorney met with representatives of the Office of General Counsel and of the Audit Division to discuss the matters at issue in this MUR. Mr. Baker brought to that meeting written answers from all respondents. The Office of General Counsel is in the process of studying the several issues involved in this MUR and will submit a General Counsel's Report shortly.

6/8/78
Date

William C. Oldaker
General Counsel

May 30, 1978

Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR 540 (78)

Dear Ms. Weissenborn:

This letter is in response to Mr. Oldaker's letters of May 11, addressed to me, my sister Mrs. Dimple Bossa, Mr. Earl Chandler, the treasurer of Hamp Baker for Congress Committee, and Mr. Joe L. Kinslow, president of International Two Thousand, Inc., requesting additional information in connection with the Commission's examinatioin of certain transactions during and after my campaign for the Democratic nomination for the congressional seat from the Third Congressional District of Oklahoma.

I am enclosing several letters, prepared by the various parties to whom the Commission's May 11 inquires were directed, that I hope will provide you with the information you are seeking. All of us are, of course, prepared to provide any further information that you may need to assist you in understanding the transactions that appear to be of concern to the Commission.

I would like to add several points for your consideration as to why we believe that the Commission should not take any action because of the transactions under investigation.

First, let me address the question of my sister's repayment of the $10,000 loan I had taken out during the course of the campaign from Citizen's Bank of Velma, Oklahoma. When my sister offered to repay me the $10,000 so that I could retire the debt I owed to Citizen's Bank, it never occurred to me that this might be viewed as a political contribution of $10,000 by her. I was, of course, aware of the $1,000 limit on political contributions and, as I think was confirmed by your auditors, our campaign kept detailed records of all contributions so that we would not exceed the $1,000 limit. But I believed that since she was simply repaying monies I had lent to her over the years, she was not making a contribution at all. Rather, the campaign loan for Citizen's Bank was being paid off with my funds. The reason why my sister paid off this loan directly, rather than giving me the monies so that I could pay it off, was that Citizen's Bank is located some 100 miles away from where I was from, and since my sister was borrowing the funds from the same bank, it seemed reasonable for her to complete both transactions at the bank at the same time.

Obviously, if I believed that my sister's repayment of my loans to her by paying off my loan to Citizen's Bank constituted an illegal contribution, I never would have considered it. Since the campaign had ended almost two months earlier (the primary

was August 24, 1976), I would have had the time to consider alternative means of paying off the loan or having it extended. Moreover, I think you would agree that if someone had any reason to believe that this transaction was a violation of the FEC rules, it certainly could have been handled in a different fashion that would have made it less apparent that my sister was paying off my campaign loan. The fact is it never even crossed my mind to have Ms. Bossa repay her loans from me by giving me the money so that I could deposit it in my own personal funds and then pay off the Citizen's Bank loan with a check drawn on my own account. I simply did not believe that what we were doing constituted a contributioin by her.

Nevertheless, I can appreciate the Commission's concern that, while my sister and I believed that she had a financial obligation to me arising from the monies I had lent her in years past, there is little hard evidence we can submit of the monies I had advanced to her in years past. Accordingly, if you or the Commission deem it reasonable and desirable, I would be prepared to repay the $10,000 to my sister so as to resolve any doubt that she has made a $10,000 "contribution".

Next, let me address the question of the services performed by International Two Thousand during the campaign. If I understand the FEC's concern correctly, it is that International Two Thousand may have made an illegal corporate contribution because of the services it performed for my campaign. but it seems to me that if my campaign was charged the fair value for all services performed by the company and if the total amount of these charges were applied to reduce a bona fide debt that the company had incurred to me prior to the campaign, the amount of such charges really represents a contribution by me, not the company, to my campaign. In fact, I believe that the information we have previously supplied to the FEC staff, together with the information we are supplying today, amply demonstrates (1) that the campaign was charged the fair value for all services performed by the company, and (2) the total amount of the charges was applied to reduce a pre-existing debt that the company had incurred to me as a result of loans I had made to the company prior to the campaign.

With respect to the amounts charged to my campaign by Internaitonal Two Thousand, we have previously supplied the Commission with the detailed, audited records of all payments made by the company in connection with its services for the campaign, including payments made to reimburse persons employed by the company for any hours they may have spent on the campaign related activities. (See the invoices submitted by the company to the campaign enclosed in Mr. Kinslow's letter to Mr. Ray Lisi dated January 9, 1978; and the report prepared for me by Lloyd R. Trenary & Co., Inc., certified public accountant for International Two Thousand, and enclosed in my letter to Mr. Lisi dated March 21, 1978, which report gives a complete itemization of myloans to the company and the charges billed to me or my campaign for campaign related activites, including copies of all relevant checks.) From the very beginning, I had advised the company that, because of the restriction on corporate contributions, they should keep detailed records of all charges and payments for services performed for my campaign. As the enclosed letter fgrom Mr. Kinslow indicates, even the time spent by employees in processing any checks for campaign related activites was charged to the campaign.

With respect to the application of these charges as partial repayment of the advances I had previously made to the company, the materials we have previously submitted (referred to above) show that all of the loans I had made to the company were treated by the company as obligations owed to me and that all of the charges incurred by the company for campaign related activities were, in fact, applied to reduce the outstanding amount of the debt owed to me. The auditor's reportfor 1975 submitted with Mr. Kinslow's letter (enclosed) demonstrates that all of theloans I had made to the company in 1975 ($8,600) were treated as binding obligations by the company and were included in the accounts payable in the audited 1975 reports of the company. The loans I made to the company in 1976 were also reflected in the accounts payable of the company in its 1976 financial reports. (See the January 9, 1978, letter to mr. Lisi fro Mr. Kinslow.)

In sum, I believe that by reducing the outstanding balance of the debt owed to me by the fair value of all charges and services performed for my campaign, International Two Thousand did not make any contribution to my campaign in violation of the FEC's rules. In light of my conversations with the Commissioner's auditors, the belief of the Commission that the transactions with the company may not have been in compliance with the requirements of the federal election laws, and knowing as much about the Commission's rules as I do now, I would not have handled the campaign-related transactions with the company in 1976 as I did, if for no other reason than to avoid even the appearance of any possible violation of the election laws. But at the time it appeared to me that so long as the company was charging me for the fair value of everything it did, it was I, not the company, who was paying for these services.

In any event, I do wish to assure you that if it is desirable to remove any question on this matter, I would be prepared to reimburse International Two Thousand for the charges made to my campaign and applied to the outstanding balance of the debt it owed to me. (This would, of course, mean that the amount of the debt still owed to me by the company would be increased by a corresponding amount.)

Let me add one final word. As you are probably better aware than I, the 1976 primary election period was a very difficult and confusing one for candidates to follow all of the changes that were taking place in the campaign finance laws and regulations. Throughout my campaign we tried our best to comply with both the spirit and the letter of the law. I believed then, as I still do today, that we did comply with the spirit of the law, although I can now appreciate certain subtleties in the letter of the law that I was not aware of in 1976. To the extent that the staff or the Commission believes that there may have been a violation as a result of my sister's repayment of my loan or the transactions with International Two Thousand, I can assure you that such violations were not intentional and were the result of not appreciating that the transactions, which at the time appeared to us to be within

the law, might be viewed in a different light by the Commission.

Sincerely,

HAMP BAKER

Subscribed and sworn to before me this 30th day of May, 1978.

Notary Public

My Commission Expires:
April 16, 1980

Ratliff City, Ok.
May 30, 1978

Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Ms. Weissenborn: Re: MUR 540(78)

I want to express to you that in the repayment of my loan to my brother, Hamp Baker, I certainly had no intention of violating any election law. I considered it at the time, and still consider it, a repayment of a just debt.

My son, Alan, was born in 1954 with cerebral palsy. At that time my husband's job just wasn't adequate enough to supply all our financial needs. My brother, Hamp, consistently made us various loans at different times to enable me to meet financial obligations which arose through this illness and difficult period, which continued for some six years until Alan's health improved and we were able to get him into a rehabilitation program.

Although I have no actual figures to substantiate the amount of money which was loaned to me, I know it amounted to between $12,000 and $13,000. Hamp did many other charitable deeds for my family and me during this time, but as a matter of pride I could not accept money without feeling that I should consider it a debt. Through the years from 1961 my husband's job status and wages increased, but I was never able to make repayment of the loan to my brother.

As for making the repayment to Hamp Baker of the $10,000, he had asked me if I could make a repayment of the loan to him as he realized that my financial condition was improving. We had discussed repayment of this several times over the last few years, but I was not yet able to make payment. When I told him that I could make a payment to him in the amount of $10,000, I went to my bank in Velma and put up certain properties, and made arrangements to repay the loan. I borrowed the money and simply paid off the note which was due on Hamp's personal note for $10,000. This was a simple bank transaction, although now I realize it would have been more proper for me to have sent him a check and he in turn repay his note, but I guess this is what we term "hindsight". This is why this transaction was handled in this manner.

In conclusion, let me say that I did not believe and still do not believe that in repaying my debt to my brother, I was making a campaign contribution to him. His campaign had ended several months earlier and I truly felt that I was simply repaying a personal financial obligation to him.

Sincerely yours,

Mrs. Dimple Bosso

Mrs. Dimple Bosso
P.O. Box 34
Ratliff City, Ok. 73081

DB:bh

SUBSCRIBED and SWORN to before me this 30th day of May, 1978.
My Commission Expires:
March 25, 1982

Sharon L. Dean
Notary Public

Ratliff City, Oklahoma
May 30, 1978

Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR 540 (78)

Dear Ms. Weissenborn:

In my capacity as Treasurer of the Hamp Baker for Congress Committee I was generally aware that some arrangements had been made between Mr. Baker and the company known as International 2000. I was not aware of the specifics of the arrangements but I hope the following will answer the questions you asked in your letter of May 11, 1978.

1. I was aware that I-2000 had paid certain bills in connection with the activities which they had undertaken on behalf of the campaign as they subsequently sent statements to me as Treasurer for the Committee for the payment of these bills. I did not forward any bills or invoices received by me as Treasurer to I-2000 nor did I ever direct that anyone else do so.

2. I have no personal knowledge of the internal procedures followed by I-2000 nor do I have any specific knowledge of who, among the company's employees, took any part in the payment of expenses by I-2000. I have been made aware that Mr. Kinslow is responding to this question and I have seen copies of invoices and breakdowns showing reimbursements to employees for the time they spent.

3. I do not know what, if any, relationship existed between I-2000 and the recipients of the expenditures that they show on their list. I again would say that I am aware of Mr. Kinslow's response and as far as I know it is correct.

If there is any additional information that I am able to furnish you, please let me know, as I am most anxious to assist you in clearing up any questions

concerning this campaign.

Very truly yours,

Earl Chandler

Earl Chandler, Treasurer
Hamp Baker for Congress Committee
Post Office Box B
Ratliff City, Oklahoma 73081

EC/jb

Subscribed and sworn to before me this 30th day of May, 1978.

Sharon E. Dorn
NOTARY PUBLIC

My Commission Expires:

March 25, 1982

INTERNATIONAL TWO THOUSAND, INC.

INTERNATIONAL TWO THOUSAND, INC.
P.O. Box 94511 – 5350 S. Western – Suite 307
Oklahoma City, Okla. 73109
Telephone (405) 631-4523 – Cable Address – INTLTWOM

June 1, 1978

Ms. Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR 540 (78)

Dear Ms. Weissenborn:

I am informed that on or about the 21st of March, 1978, Mr. Hamp Baker, in a letter to your office, enclosed a letter from our Certified Public Accountant, Lloyd R. Trenary & Company, enclosing our company financial statements for the year ended 1976 in explanation of the loans to our company by Mr. Baker. Attached to this letter is a copy of our financial statements for the year ended December, 1975, together with an additional letter from our accountant with specific reference to the loans made to the company by Mr. Baker.

I hope that the enclosure will further show you that Mr. Baker had made loans to our company from time to time and that the balance owed to him was a result of loans before December 31, 1975--well before campaign was contemplated by Mr. Baker, at least to our knowledge. I would like to mention that because of financial difficulties, several other individuals who are interested in our company had also made loans to us from time to time in the same manner as did Mr. Baker and we had always agreed to repay all of these people including Mr. Baker.

During Mr. Baker's campaign for congress, International Two Thousand, Inc., was unable to repay its debt obligations to him due to a lack of capital and a poor cash flow. I never once viewed our position as a campaign contribution, but rather as a manner of reducing our cash debt. The procedures followed and mutually agreed to were that the company would carefully determine any and all expenses, no matter how minute, at full value and charge Mr. Baker personally against our cash debt to him as though it were cash repayment. Perhaps this matter should have been handled with a more direct approach by simply charging the campaign committee for any expenditures and repaying Mr. Baker an equal amount directly.

Let me further point out that I did not intend to contribute any funds personally to Mr. Baker's campaign and that I was then, and am now, a registered, active republican and differ in many areas of political viewpoint with Mr. Baker, and that I did not reside then, nor do I now, within the district in which Mr. Baker hoped to be elected.

In answer to your specific questions of your letter of May 11, 1978, I submit the following:

QUESTION #1:

The corporation only paid expenses which were directly related to things that we were working on, for instance, if we were asked to prepare posters, we would pay for the labor and materials involved. The corporation would submit a detailed summary of expenses on a regular basis and charge the sum total against the company debt to Mr. Baker as though it were cash repayment of our obligation to him. Neither the campaign committee nor Mr. Baker ever once forwarded bills to the corporation. In fact, quite to the contrary, the corporation received bills that were immediately forwarded to the committee when the bills were for work that we were not involved in.

QUESTION #2:

Sheila Story and myself were the only company employees involved in the payment of campaign expenses. Ms. Story was viewed by the company as on a leave of absence from all company duties and her full normal salary, travel expenses and other campaign related expenses were accounted for at full value and charged to Mr. Baker.

Generally, Ms. Story was charged with the responsibility of accruing and summarizing total corporation expenditures and processing for payment as well as preparing checks for payment. My efforts were to review the claims and sign the checks.

QUESTION #3:

As shown on the auditor's report that was enclosed in Mr. Baker's letter of March 21, 1978, to your office, Tina Hastings, Jim Cheney, Jack Holt, Don Alfred, Jay Guiles, Sheila Story, Susie Bauer and Joe Kinslow are to my knowledge the only persons employed by the corporation who took any part at all in the

Hamp Baker for Congress campaign. When we agreed to handle certain things for Mr. Baker's campaign, I had a general staff meeting and each employee was admonished that if they intended to help Baker, they were not to assist the campaign during regular hours, unless their time was accounted for and fully charged to the campaign. A memorandum reflecting this directive was posted conspicuously in the company reception area.

I believe that our records show that the company was fully reimbursed by reducing the cash debt to Hamp Baker for all efforts related to the Baker campaign.

In summarizing, may I state that I feel very deeply that the corporation did not intend to make a campaign contribution and that no dishonesty has been committed but, at best, poor judgment.

I hope that this is the information that you desire. If further information is required, please advise me.

Sincerely,

INTERNATIONAL TWO THOUSAND, INC.

Joe L. Kinslow, President

JLK:sb

Enclosures

Subscribed and sworn to before me this 1st day of June, 1978.

Janet M. Banks
NOTARY PUBLIC

My Commission Expires:

May 17, 1982

LLOYD R.
TRENARY & CO., INC.

CERTIFIED PUBLIC ACCOUNTANTS • 4900 NORTH PORTLAND • OKLAHOMA CITY, OKLAHOMA 73112 • 405/943-9575

May 30, 1978

Mr. Joe Kinslow, President
International Two Thousand, Inc.
5350 South Western Avenue
Oklahoma City, Oklahoma 73109

Subject: Transactions During 1975 Relative to Mr. Hamp Baker

Dear Mr. Kinslow:

The following information is being furnished to you pursuant to your request that we set out specifically the transactions relative to loans and other account entries by and between International Two Thousand, Inc. and Mr. Baker. The following is a brief description relative to your request, and specifically pertaining to the Calendar Year 1975:

(1) The amounts reflected by International Two Thousand, Inc.'s Financial Statements dated December 31, 1975, as being owed to Mr. Baker by the Corporation was $8,600.00. This liability was computed as: (a) the $7,100.00 loan received during the Calendar Year 1975 from Mr. Baker, (b) $600.00 in postage stamps received from Mr. Baker, and (c) accrued interest owing to Hamp Baker of $900.00 on the $7,100.00 loan made by Mr. Baker.

The amounts of $600.00 and $900.00 were entered by us pursuant to information provided by the management of the Corporation. We did, however, review deposit slips so as to recognize the $7,100.00 which was received pursuant to these deposit slips by International Two Thousand, Inc.

MEMBER
AMERICAN INSTITUTE OF CPAS
OKLAHOMA SOCIETY OF CPAS

(2) Note, however, that under the heading of "Notes Payable to Stockholders" of the Financial Statements of International Two Thousand, Inc., dated December 31, 1975, only $8,500.00 is reflected as a liability to Mr. Baker. The difference between the $8,600.00 and the $8,500.00 ($100.00) was inadvertently classified as an income statement item. However, please be advised that this error of $100.00 was corrected on subsequent statements prepared by the firm.

Further, we have prepared copies of International Two Thousand, Inc.'s December 31, 1975 Financial Statements for your use in connection with the comments above.

Should you have any questions relative to the above, please do not hesitate to contact this office.

Sincerely yours,

LLOYD R. TRENARY & CO., INC.

Lloyd R. Trenary

Lloyd R. Trenary
Certified Public Accountant

LRT/dt

Enclosures

Doc. 3580
NRN

PIERSON SEMMES CROLIUS AND FINLEY

CANAL SQUARE
1054 THIRTY-FIRST STREET, N.W.
WASHINGTON, D.C. 20007

(202) 333-4000

W. DEVIER PIERSON
THEODORE F. T. CROLIUS
DAVID H. SEMMES
WILLIAM T. FINLEY, JR.
KNOX DEMIS
PETER J. LEVIN
SHELDON E. HOCHBERG
ROSS F. HAMACHEK
MARK ELY GREENWOLD
WILLIAM C. LIEBLICH

WARREN E. OLSEN
DAVID J. HILL
RICHARD A. YARMEY
JAMES M. COSTAN
WALTER G. BIRKEL, JR.
DAVID F. B. SMITH
PAUL RYBERG, JR.

CABLES: "PIERSEM"
TELECOPIER (202) 965-3445
TELEX 248528 PSCF

May 17, 1978

HAND DELIVERED

Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Reference: FEC File No. MUR540(78)

Dear Mr. Weissenborn:

Our firm has been retained by Messrs. Hamp Baker, Joe L. Kinslow, and Earl Chandler and Mrs. Dimple Bossa in connection with the Commission's inquiries regarding the reports filed by Mr. Baker's campaign committee in connection with Mr. Baker's 1976 election campaign for the congressional seat for the Third District of Oklahoma.

I understand that the Commission, by letter dated May 11, 1978, has asked these individuals to provide certain information and documents in connection with the above referenced matter within ten days, or by May 21. Since our firm has only just been retained on this matter and the prior correspondence between the Commission and these individuals is in the process of being sent to me, I would appreciate a ten day extension -- until May 31 -- of the time within which we may respond to the inquiries and requests in your May 11 letter.

Sincerely,

Sheldon E. Hochberg

Sheldon E. Hochberg

SEH:jl

PIERSON SEMMES CROLIUS AND FINLEY
CANAL SQUARE
1054 THIRTY-FIRST STREET, N. W.
WASHINGTON, D. C. 20007

Anne A. Weissenborn, Esquire
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

HAND DELIVERED

FEDERAL ELECTION COMMISSION

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

May 11, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Dimple Bossa
P.O. Box 34
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Ms. Bossa:

The Federal Election Commission has found reason to believe that you have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that you made a contribution to Mr. Hamp Baker and the Hamp Baker for Congress Committee by paying off a $10,000 loan obtained by Mr. Baker from the Citizen's Bank of Velma, Oklahoma, and used for campaign purposes. Repayment of a loan of $10,000 would constitute a violation of 2 U.S.C. §441a(a)(1)(A).

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. In particular we would like to receive any documentation such as cancelled checks, promissory notes, etc., which support your contention that Mr. Baker made loans to you totaling $12,000 - $13,000 which you have partially repaid by means of your repayment of his $10,000 debt owed Citizen's Bank. Where appropriate, statements should be made under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

cc: Mr. Hamp Baker

AW 540

PS Form 3811, Apr. 1977

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ____¢
- ☒ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom, date, and address of delivery $____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, Okla 73120

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438096	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Hamp Baker

4. DATE OF DELIVERY | POSTMARK

5. ADDRESS (Complete only if requested)
2900 Lamp Post Ln

6. UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS
Okla City

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO 1977-O-234-337

AW 540

PS Form 3811, Apr. 1977

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ____¢
- ☒ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom, date, and address of delivery $____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Mr. Dimple Dixon
P.O. Box 34
Ratliff City, Okla 73051

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438092	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Calvin A Barra

4. DATE OF DELIVERY | POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO 1977-O-234-337

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 11, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joe L. Kinslow
President
International Two Thousand, Inc.
P.O. Box 94511
Oklahoma City, Oklahoma

Re: MUR 540(78)

Dear Mr. Kinslow:

The Federal Election Commission has found reason to believe that your corporation may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that International Two Thousand, Inc., made expenditures on behalf of the candidacy of Mr. Hamp Baker in violation of 2 U.S.C. §441b(a). We have numbered this matter MUR 540(78).

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials not previously submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

We specifically request answers to the following questions:

1. What was the procedure followed in determining which campaign expenses were to be paid by the corporation? Did the Committee and/or Mr. Baker forward bills to the corporation or was the corporation billed directly?

2. Who among the corporation's employees were involved in the payment of campaign expenses? How much time did those persons devote to this activity? What charges if any were made by the corporation for the

processing of these expenditures?

3. Were any of the recipients of the campaign-related expenditures made by the corporation employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during company hours.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

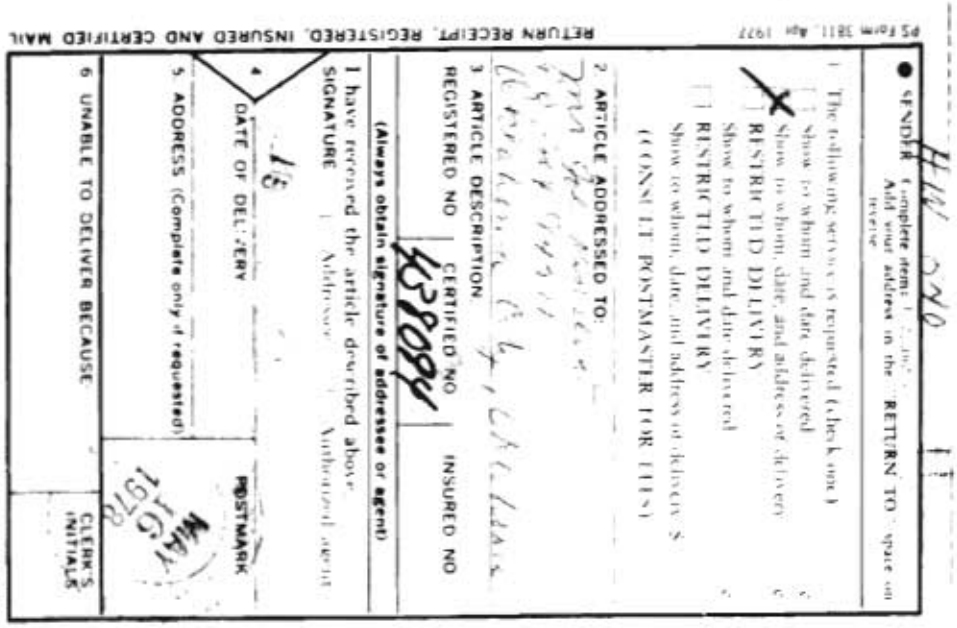
This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

cc: Mr. Hamp Baker



FEDERAL ELECTION COMMISSION

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

May 11, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Earl Chandler
Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Mr. Chandler,

The Federal Election Commission has found reason to believe that the Hamp Baker for Congress Committee has violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that the Committee permitted expenditures on its behalf to be made by International Two Thousand, Inc., in violation of 2 U.S.C. §441b(a). We have numbered this matter MUR 540(78).

Under the Act you have an opportunity to demonstrate why no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

We specifically request answers to the following questions:

1. What was the procedure followed in determining which campaign expenses were to be paid by the corporation? Did the Committee and/or Mr. Baker forward bills to the corporation or was the corporation billed directly?

2. Who among the corporation's employees were

were involved in the payment of campaign expenses? How much time did those persons devote to this activity? What charges, if any, were made by the corporation for the processing of these expenditures?

3. Were any of the recipients of the campaign expenditures employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during their regular work period.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

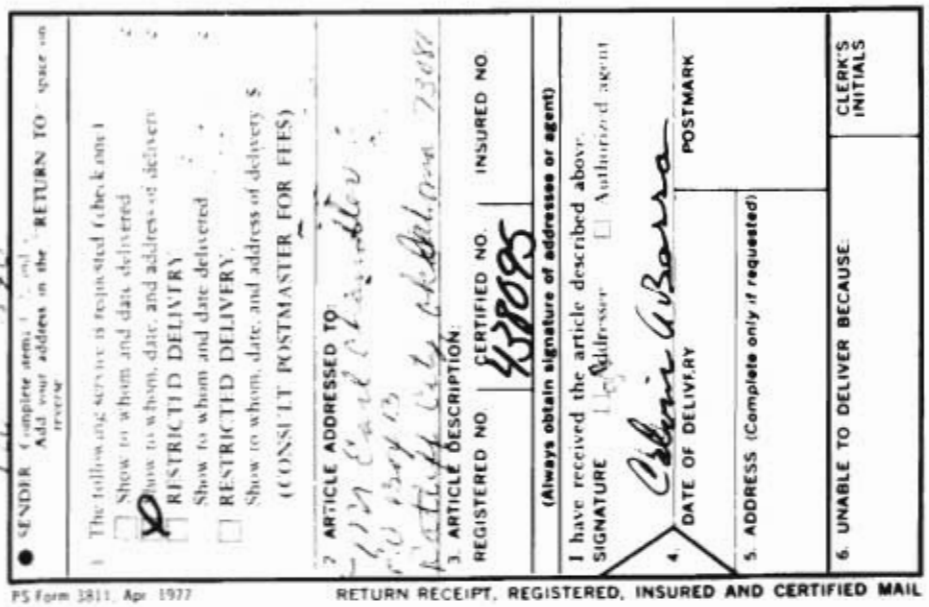
This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

cc: Mr. Hamp Baker


SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.
1. The following service is requested (check one)
Show to whom and date delivered
Show to whom, date, and address of delivery
RESTRICTED DELIVERY
Show to whom and date delivered
RESTRICTED DELIVERY
Show to whom, date, and address of delivery $
(CONSULT POSTMASTER FOR FEES)
2. ARTICLE ADDRESSED TO:
3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. 438095 INSURED NO.
(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE Addressee Authorized agent
4. DATE OF DELIVERY
POSTMARK
5. ADDRESS (Complete only if requested)
6. UNABLE TO DELIVER BECAUSE:
CLERK'S INITIALS
PS Form 3811, Apr. 1977
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

May 11, 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, Oklahoma 73120

Re: MUR 540(78)

Dear Mr. Baker,

The Federal Election Commission has found reason to believe that you have violated the Federal Election Campaign Act of 1971, as amended ("the Act). Specifically, it appears that you permitted expenditures to be made on your behalf by International Two Thousand, Inc., in violation of 2 U.S.C. §441b(a) and that you accepted a contribution from Ms. Dimple Bossa in excess of $1000 per election, such acceptance constituting a violation of 2 U.S.C. §441a(f). We have numbered these matters MUR 540(78).

Under the Act you have an opportunity to demonstrate why no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be made under oath.

In particular we request answers to the following questions:

1. What was the procedure followed in determining which campaign expenses were to be paid by International Two Thousand, Inc.? Did you and the committee forward bills to the corporation or was the corporation billed directly?

2. Who, if any, among the corporation's employees were involved in the payment of the Committee's and your campaign-related expenses? How much time did these persons devote to this activity? What charges, if any, were made by the corporation for the processing of these expenditures?

3. Were any of the recipients of the campaign-related expenditures employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during their regular work hours.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

Enclosed you will find copies of letters being sent to others involved in this matter.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 540 (78)
Hamp Baker for Congress Committee	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on May 10, 1978 the Commission approved the recommendations in the First General Counsel's Report, dated May 5, 1978, to take the following actions in the above-captioned matter:

1. Find reason to believe that Mr. Hamp Baker is in violation of 2 U.S.C. §441b(a) for having accepted contributions-in-kind from International Two Thousand, Inc., and 2 U.S.C. §441a(f) for having knowingly accepted an excessive contribution from Ms. Dimple Bossa.

2. Find reason to believe that the Hamp Baker for Congress Committee is in violation of 2 U.S.C. §441b(a) for having accepted contributions-in-kind from International Two Thousand, Inc.

3. Find reason to believe that International Two Thousand, Inc., has violated 2 U.S.C. §441b(a) by having made contributions or expenditures in connection with the candidacy of Mr. Hamp Baker.

4. Find reason to believe that Ms. Dimple Bossa has violated 2 U.S.C. §441a(a)(1)(A) by having made an excessive contribution to Mr. Hamp Baker.

5. Send letters attached to First General Counsel's Report.

The recommendations were approved by a vote of 6-0.

Marjorie W. Emmons

Date: 5/10/78

Marjorie W. Emmons
Secretary to the Commission

Received in Office of Commission Secretary: 5-5-78, 3:30
Circulated on 48 hour vote basis: 5-8-78, 3:00

May 5, 1978

MEMORANDUM TO: Marge Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 540

Please have the attached 7 day report on MUR 540 distributed to the Commission on a 48 hour tally vote basis.

Thank you.

7 8 0 4 0 0 7 0 5 4 1

FEDERAL ELECTION COMMISSION

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO COMMISSION MAY 5 1978

MUR NO. 540
STAFF MEMBER Weissenborn

SOURCE OF MUR: INTERNALLY GENERATED (Audit)
(See Attachments I and II)

RESPONDENTS' NAMES: Mr. Hamp Baker
Hamp Baker for Congress Committee
International Two Thousand, Inc.
Ms. Dimple Bossa

RELEVANT STATUTE: 2 U.S.C. §441b
2 U.S.C. §441(a)(1)(A)
2 U.S.C. §441a(f)

INTERNAL REPORTS CHECKED: Audit findings; Committee and Candidate Reports

ALLEGATIONS

That the respondent, Mr. Hamp Baker ("the Candidate") violated 2 U.S.C. §441b(a) by accepting contributions-in-kind in the form of expenditures made on his behalf by a corporation, International Two Thousand, Inc., and 2 U.S.C. §441a(f) by accepting an excessive contribution from Ms. Dimple Bossa.

That the respondent, Hamp Baker for Congress Committee ("the Committee") violated 2 U.S.C. §441b(a) by accepting contributions-in-kind in the form of expenditures made on its behalf by a corporation, International Two Thousand, Inc.

That the respondent, International Two Thousand, Inc. ("the Corporation") violated 2 U.S.C. §441b(a) by making expenditures on behalf of the Candidate and the Committee.

That Ms. Dimple Bossa, made an excessive contribution to the Candidate in violation of 2 U.S.C. §441a(a)(1)(A).

PRELIMINARY LEGAL ANALYSIS

A. Corporate Contributions

According to information obtained by the Audit Division, the Candidate is a principal stockholder of International Two Thousand, Inc., a rat bait company. In 1975 and 1976 the Candidate and his solely owned company, Baker Construction Company, made numerous loans to the Corporation. On July 1, 1976, the Corporation began paying campaign expenses of the Candidate and applying these payments toward the reduction of the Corporation's debt to the Candidate by debiting his accounts payable. (See Attachment III).

Most of the expenditures made by the Corporation on behalf of the Candidate and the Committee, which eventually totaled $5,990.78, were reported to the Commission by the Committee as debts owed to the Corporation. (See Attachment IV).* On May 24, 1977, the Committee filed a termination report which stated that the Candidate had assumed Committee debts owed the Corporation. (See Attachment IV). The amended termination report submitted by the Candidate cited an expenditure of $5,990.78 made to International Two Thousand for "campaign salaries, telephone, supplies...." and also a contribution of $5,990.78 from the Candidate. (See Attachment V, pages 1 and 2). This contribution/expenditure apparently consisted of the debits entered by the Corporation against his accounts payable.

* The Committee reported all but $779.09 of the corporation expenditures on its behalf.

2 U.S.C. §441b(a) states that it is unlawful for any corporation to make a contribution or expenditure in connection with any election of a Representative. A "contribution or expenditure" made by a corporation is defined as including "any direct or indirect payment...or any services, or anything of value...to any candidate, campaign committee, or political party...." 11 C.F.R. §114.1(a)(1). Here the legal issues involved are whether a corporation's repayment of a creditor* by means of making expenditures on behalf of his campaign constitutes a violation of Section 441b(a) and whether the costs of the process of making those expenditures in themselves constitute a contribution-in-kind to the Candidate and the Committee.

Further investigation is needed to determine the actual extent of the involvement of the Corporation in the Baker campaign. For now the Office of the General Counsel believes that information presently available warrants a finding of reason to believe that the Corporation made contributions or expenditures in connection with the campaign which place the Committee, the Candidate and the Corporation in apparent violation of 2 U.S.C. §441b(a).

B. Excessive Contribution from an Individual

During their examination of the Committee's records the auditors learned that a $10,000 loan obtained by the Candidate from the Citizen's Bank, Velma, Oklahoma, and disclosed in his reports to the Commission had been repaid by the Candidate's sister, Ms. Dimple Bossa. According to the Candidate, this payment by Ms. Bossa was made directly to the bank and was intended to serve as partial repayment of personal loans extended to her by the Candidate several years earlier. The only documents made available in support of the

* In this case, the creditor is the candidate.

alleged loans made by the Candidate to Ms. Bossa are the attached letters from these two people. (See Attachment II).

Ms. Bossa's loan repayment would seem on its face to be in violation of the contribution limitations of 2 U.S.C. §441a(a)(1)(a). 11 C.F.R. §110.10, however, provides that a candidate may make unlimited campaign expenditures from "personal funds" - "personal funds" to include "...any assets to which at the time he or she became a candidate the candidate had legal and rightful title...and legal right of access to or control over...." Additional information is needed in the present situation to determine what legal rights if any the Candidate had to the money used by his sister to repay his debt. In the meantime we recommend a finding of reason to believe that Ms. Dimple Bossa is in apparent violation of 2 U.S.C. §441a(a)(1)(A) and that the Candidate is in apparent violation of 2 U.S.C. §441a(f) for having accepted that contribution.

RECOMMENDATIONS

1. Find reason to believe that Mr. Hamp Baker is in violation of 2 U.S.C. §441b(a) for having accepted contributions-in-kind from International Two Thousand, Inc., and 2 U.S.C. §441a(f) for having accepted an excessive contribution from Ms. Dimple Bossa.

2. Find reason to believe that the Hamp Baker for Congress Committee is in violation of 2 U.S.C. §441b(a) for having accepted contributions-in-kind from International Two Thousand, Inc.

3. Find reason to believe that International Two Thousand, Inc., has violated 2 U.S.C. §441b(a) by having made contributions or expenditures in connection with the candidacy of Mr. Hamp Baker.

4. Find reason to believe that Ms. Dimple Bossa has violated 2 U.S.C. §441a(a)(1)(A) by having made an excessive contribution to Mr. Hamp Baker.

5. Send attached letters.

FEDERAL ELECTION COMMISSION

[illegible] STREET [illegible]
WASHINGTON, D.C. [illegible]

February 6, 1978

MEMORANDUM

TO: BILL OLDAKER

THROUGH: ORLANDO B. POTTER

FROM: [illegible] COSTA/JOANNE MCSORLEY

SUBJECT: HAMP BAKER FOR CONGRESS COMMITTEE AUDIT

A matter has arisen from an audit of the Hamp Baker for Congress Committee ("the Committee") for which a legal opinion is requested.

The Committee indicated in its termination report filed on May 24, 1977, that the candidate had assumed a Committee debt totaling $5,953.70 owed to International Two Thousand, Inc. ("the corporation") in Oklahoma City. The candidate filed a termination report on May 2, 1977, which did not report payment of the debt or show any outstanding balance.

When questioned about the matter, the candidate stated that the payment of the debt was an offset entry of a debt owed by the corporation to the candidate. The Audit Division requested further information concerning the matter. At that point, the candidate provided the corporation's financial statement for December 31, 1976 (Attachment #1). Note 9 indicates that Hamp Baker advanced $10,000 to the corporation in 1976 and that the corporation paid expenses relating to his campaign totaling $5,865.42.

Further information has been requested from the candidate regarding the dates of his advances to the corporation, the dates of the payments made by the corporation on his behalf, and copies of the corporation's cancelled checks. As of this date, the additional information has not been received by the Audit staff.

As is indicated by the financial statement of the corporation, it was not in a solvent cash position at the time the statement was prepared. Further, there is no explanation as to why expenditures were made by the corporation rather than to the candidate who could then use the funds for campaign purposes. Also, the candidate did not report the payments made by the corporation.

If the further information received from the candidate indicates expenditures on his behalf by the corporation prior to his advances, this would clearly indicate a violation of Section 441b. If the expenditures were made based on an outstanding advance owed to the candidate, the question concerns the legality of a corporation making expenditures on behalf of a candidate as repayment of a debt owed to that candidate.

This matter is referred to your office for comment. If you have any questions, please contact Joanne McSorley or Ray Lisi at Extension 3-4155.

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 29, 1978

MEMORANDUM

TO: WILLIAM OLDAKER

THROUGH: ORLANDO B. POTTER, STAFF DIRECTOR

FROM: JOE STOLTZ/BOB COSTA

SUBJECT: HAMP BAKER FOR CONGRESS COMMITTEE, EXCESSIVE CONTRIBUTION

During an audit of the Hamp Baker for Congress Committee, the Audit staff noted a $10,000.00 loan that, according to the Candidate's disclosure reports, was obtained from the Citizen's Bank, Velma, Oklahoma, on July 6, 1976 and repaid on October 1, 1976. No records relating to this loan were retained by the Candidate or Committee.

The Candidate stated that the loan was repaid by his sister whom he had loaned $12,000.00 to $13,000.00 a few years ago to defray medical expenses. The Candidate was unable to supply evidence of the loans to his sister.

The Candidate's sister acknowledged receipt of several loans from him, and repayment of $10,500.00 to him during September, 1976 (see Attachment A).

Based on the Candidate's inability to provide records supporting the loans made to his sister, this matter is referred to you for treatment as a possible excessive contribution under Section 441a(a)(1)(A) of Title 2 of the United States Code.

If you have any questions regarding this matter, please contact Ray Lisi or Joe Stoltz on extension 3-4155.

Attachment as stated

January 9, 1978

Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

Attn: Mr. Ray Lisi

Dear Sirs:

Some years ago my brother, Hamp Baker, knew that I had problems due to the illness of my son and other family needs. He made several loans to me.

About the time he was running for Congress, my financial stability had improved and my problems were pretty well straightened out, so I was able to begin repaying him. In September, 1976, he asked me if I could repay some of the money and I repaid him $10,500.

I still owe him some money, and intend to pay him this year if I can.

Sincerely,

Dimple Baker

International Two Thousand, Inc.
Oklahoma City, Oklahoma

Accounts Payable - Hamp Baker

'78 MAR 24 AM 11:10

December 31, 1976

1975		Check No.	Description	Debit	Credit	Balance
Aug. 22	Hamp Baker	-	Deposit	$	$ 4,000.00	$
Sept. 3	Cash		Deposit		100.00	
12	Baker Construction Co.	-	Deposit		3,000.00	
Dec. 31	Interest Accrual on Loans	-			900.00	
31	Stamps Received from Hamp Baker	-			600.00	
1976						
Jan. 26	Hamp Baker	-	Deposit		1,500.00	
Feb. 3	Hamp Baker	-	Deposit		5,000.00	
Mar. 12	Citizens Bank	-	Repay Loan	5,027.78		
12	Interest Accrual on Loan				27.78	
Apr. 2	H. M. Baker	-	Deposit		5,000.00	
19	Citizens Bank	204	Repay Loan	5,000.00		
26	Baker Construction Co.	-	Deposit		5,000.00	
May 11	Hamp Baker	-	Deposit		4,000.00	
19	Baker Construction Co.	-	Deposit		10,000.00	
24	Citizens Bank	384	Repay Loan	9,041.67		
24	Interest Accrual on Loan				41.67	
24	Exchange National Bank	385	Repay Loan	10,016.53		
24	Interest Accrual on Loan				16.53	
Jun. 11	Baker Construction Co.	-	Deposit		10,000.00	
Jul. 1	Tina Hastings	103	Camp. Salary	112.50		
2	Jim Cheney	104	Cont. Labor	111.25		
2	Jack Holt	105	Cont. Labor	37.50		
2	Don Alfred	106	Cont. Labor	150.00		
7	Don Alfred	110	Cont. Labor	150.00		
8	Jim Cheney	113	Cont. Labor	90.75		
9	Jim Cheney	114	Cont. Labor	22.00		
			Supplies	4.51		
9	Cash - Stamps	117	Stamps	50.00		
9	Jack Holt	118	Cont. Labor	11.25		
9	Morris Helm	119	Expense	20.00		
9	Nations Business	120	Expense	39.75		
9	Jay Guiles	121	Cont. Labor	83.75		
10	Sheila Story	122	Expenses	50.00		
15	Jay Guiles	127	Expenses	4.64		

International Two Thousand, Inc.
Oklahoma City, Oklahoma

Accounts Payable - Hamp Baker

December 31, 1976

1976		Check No.	Description	Debit	Credit	Balance
Jul. 15	Tina Hastings	129	Camp. Salaries	$ 176.25	$	$
16	Jack Holt	135	Cont. Labor	83.75		
16	Jay Guiles	136	Cont. Labor	20.00		
16	Jim Cheney	137	Cont. Labor	100.38		
16	Don Alfred	138	Cont. Labor	150.00		
19	Carlson Supply Co.	141	Staples	46.12		
19	Sheila Story	142	Expenses	100.49		
19	Sheila Story	143	Camp. Salary	250.00		
19	Don Alfred	145	Expenses	16.64		
23	Jay Guiles	151	Cont. Labor	15.00		
23	Jim Cheney	152	Cont. Labor	52.25		
23	Jack Holt	153	Cont. Labor	53.75		
23	Don Alfred	154	Cont. Labor	150.00		
26	Fox Builders Supply	157	Paint	35.73		
26	Don Alfred	160	Expenses	20.00		
28	Susie Bauer	180	Gasoline	15.90		
28	Sheila Story	181	Expenses	120.88		
28	Interest Accrual on Loan	-			131.52	
28	Hamp Baker	170	Repay Loan	10,131.52		
28	Service Container Corp.	196	Boxes	14.56		
28	S. W. Bell Telephone Co.	197	Phone Install and Bill	101.12		
29	Lease Way of Oklahoma, Inc.	210	Truck Rental	35.00		
30	Jack Holt	218	Cont. Labor	45.00		
30	Jay Guiles	219	Cont. Labor	98.75		
30	Don Alfred	220	Cont. Labor	150.00		
30	Jim Cheney	221	Cont. Labor	58.25		
30	Jim Cheney	222	Cont. Labor	27.00		
30	Tina Thompson	224	Camp. Salary	106.25		
30	Sheila Story	227	Camp. Salary	300.00		
Aug. 2	Sheila Story	231	Expenses	94.76		
3	Don Alfred	233	Sign Supplies	50.00		
4	S & S Promotions	244	Paper	541.48		
5	Joe L. Kinslow	268	Expense	31.52		
6	Jack Holt	273	Cont. Labor	43.75		
6	Jim Cheney	276	Cont. Labor	115.50		
6	Don Alfred	277	Cont. Labor	150.00		
9	Sheila Story	278	Expense	86.18		
9	Joe L. Kinslow	284	Expense	57.03		
13	Don Alfred	290	Expenses	50.00		
13	Jim Cheney	291	Cont. Labor	99.00		

International Two Thousand, Inc.
Oklahoma City, Oklahoma

Accounts Payable - Hamp Baker

December 31, 1976

1976		Check No.	Description	Debit	Credit	Balance
Aug. 13	Jay Guiles	292	Cont. Labor	$ 31.25	$	$
13	Don Alfred	293	Cont. Labor	150.00		
13	Tina Thompson	294	Camp. Salary	170.00		
13	Sheila Story	296	Camp. Salary	300.00		
13	Cash	297	Postage	39.00		
17	Joe Kinslow	305	Expenses	13.00		
17	Tina Thompson	306	Gasoline	7.00		
17	Jim Cheney	307	Cont. Labor	10.00		
19	Jim Cheney	318	Cont. Labor	71.13		
20	Don Alfred	319	Cont. Labor	150.00		
23	Sheila Story	321	Expenses	99.81		
25	Lake Murray State Lodge	325	Expenses	74.24		
27	Don Alfred	327	Expenses	42.35		
27	Susie Bauer	334	Expenses	16.56		
31	Tina Thompson	346	Camp. Salary	116.25		
Sept. 8	John Gumm	385	Photo. Work	100.00		
	Balance - Accounts Payable - Hamp Baker			$45,208.28	$49,317.50	$(4,109.22)

Accounts Payable - Hamp Baker - As shown in Footnote #9 of December 31, 1976, Financial Statements		$(4,134.58)
Add: Amount Not Recorded as Payable to Hamp Baker (9/3/75 Deposit)	$ (100.00)	
Amount Incorrectly Shown as Reimbursement of Expenses (Check 279)	(53.39)	(153.39)
Subtotal		(4,287.97)
Less: Amount Not Charged for Postage (Check 297)	39.00	
Amount Never Billed - Written off per Joe Kinslow	139.75	178.75
Balance - Accounts Payable - Hamp Baker		$(4,109.22)

International Two Thousand, Inc.
Oklahoma City, Oklahoma

Accounts Payable - Hamp Baker

December 31, 1976

Summary of Receipts and Disbursements - Hamp Baker

	Debit	Credit	Balance
Receipts			
Deposits Received from Hamp Baker	$	$47,600.00	$
Interest Accrual on Loan		1,117.50	
Stamps Received from Hamp Baker		600.00	(49,317.50)
Disbursements			
Campaign Salaries	1,531.25		
Campaign Supplies	692.40		
Contract Labor	2,481.26		
Miscellaneous Expenses*	960.75		
Photography Work	100.00		
Stamps	89.00		
Telephone	101.12		
Truck Rental	35.00		
Total Campaign Expenses	5,990.78		
Repayments on Loans	39,217.50		45,208.28
Balance - Accounts Payable - Hamp Baker			$(4,109.22)

* Miscellaneous expenses include food and lodging for campaign workers while distributing campaign materials, gasoline and various other campaign expenses.

ATTACHMENT IV

Schedule C
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Debts and Obligations for Line Numbers 26 and/or 27 of FEC Form 3

(see instructions on back)

Page 1 of 1 for
LINE NUMBER MEMO ENTRY
(Use separate schedule(s) for each numbered line)

Name of Candidate or Committee in full: Hank Baker for Congress Committee	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Full Name, mailing address and ZIP code, and nature of obligation: Int'l Ad Thousand, Inc Box 94511 Oklahoma City, OK 73109 Campaign supplies	6-15-76 6-15-76	$ [illegible].40 [illegible]7.55	$ -0-	$ 1579.95.
Full Name, mailing address and ZIP code, and nature of obligation: Same Campaign labor expenses	5-18-76	$ [illegible].13	$ -0-	$ 365.13
Full Name, mailing address and ZIP code, and nature of obligation: Same (Assumed from candidate)	7- 7-76	$ 521.05	$ -0-	$ 521.05
Full Name, mailing address and ZIP code, and nature of obligation: Same (Assumed from candidate) In Vol.,Pro.Ic.Lodging,Misc	7- 7-76	$ [illegible]7.57	$ -0-	$ [illegible]7.57
Full Name, mailing address and ZIP code, and nature of obligation: [illegible] Box [illegible] [illegible] City, OK 73[illegible] [illegible]	7- [illegible]-76	$ [illegible]	$ [illegible].41	$ 1321.[illegible]
Full Name, mailing address and ZIP code, and nature of obligation: [illegible] [illegible] Fifth, Suite 3 00 Oklahoma City, OK 73112 Personnel,postage,copy & rental	7-9-76	$ 720.94	$ -0-	$ 720.94
Full Name, mailing address and ZIP code, and nature of obligation: NOTE: All the above listed Debts and Obligations of the Hank Baker for Congress Committee were transferred to the Committee on 3-31-77.	Date (month,	$	$	$
Full Name, mailing address and ZIP code, and nature of obligation	Date (month, day, year)	$	$	$
Subtotals this period this page (optional) ▷		$ 10509.72	$ 1510.41	$ 7999.31
Total this period (last page this line number only) ▷		$ 10509.72	$ 1510.41	$ 7999.31

Carry outstanding balance only, to appropriate line of summary.

for Lines 20, 21, 22, and/or 23 of FEC Form 3
(see Instructions on back)

ATTACHMENT V

page 1

Candidate or Committee in full

HAMP BAKER

AMENDMENT

Full Name, mailing address and ZIP code	Purpose of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Sheila Story c/o International Two Thousand, Inc. P.O. Box 94511 Okla. City, Ok. 73109	Salary	6-30-76	204.53
Bond & Huddleston Co. 5350 S. Western Okla. City, Ok. 73109	Newspaper advertising	7-24-76	597.04
Okla. Press Service, Inc. 3601 N. Lincoln Okla. City, Ok. 73105	Newspaper advertising	7-30-76	1,661.14
S & S Promotions 206 S.W. 30th Okla. City, Ok. 73109	Yard signs, Bumper strips Fence Benders	June & July, 1976	3,126.92
Lockwood Graphics 4413 N.W. 23 Okla. City, Ok. 73107	Campaign stationery Art Work and Brochures	June, July & August 1976	3,000.00
Hamp Baker for Congress Committee P.O. Box "B" Ratliff City, Ok. 73081	To cover checks written by the Committee	Nov. 1, 1976	800.40
Carson & Trattner, Attorneys 300 Dan H. Leininger Bldg. Okla. City, Ok. 73112	In-kind exempt legal services	July 1-29 1976	720.94
International Two Thousand, Inc. Post Office Box 94511 Okla. City, Ok. 73109	Campaign salaries, telephone, supplies, as itemized on the enclosed statement	12-31-76	5,990.78

Subtotal of expenditures this page (optional) ▶ $

Total this period (last page this line number only) ▶ $

Page

Contributions, Ticket Purchases, Loans, Rebates, and Transfers for Line Numbers 15, 16, 17 and/or 18 of FEC Form 3

(see Instructions on back)

ATTACHMENT V
page 2

Name of Candidate or Committee in full

HAMP BAKER

AMENDMENT

Full Name, mailing address and ZIP code	Occupation / Principal place of business	Date (month, day, year)	Amount of each receipt this period
Hamp Baker P.O. Box "B" Ratliff City, Ok. 73081	Same Occupation: Candidate ☐ Check if Contributor is self-employed Aggregate Year-to-Date ▶ $	see checks enclosed	9,390.03
Same as above	Principal place of business Occupation ☐ Check if Contributor is self-employed Aggregate Year-to-date ▶ $	1-31-77	447.22
Same as above	Principal place of business Occupation ☐ Check if Contributor is self-employed Aggregate Year-to-date ▶ $	8-10-77	427.36
Same as above	Principal place of business Occupation ☐ Check if Contributor is self-employed Aggregate Year-to-date ▶ $	2-8-78	436.81
Same as above	Principal place of business Occupation ☐ Check if Contributor is self-employed Aggregate Year-to-date ▶ $	11-4-76	307.50
Same as above	Principal place of business Occupation ☐ Check if Contributor is self-employed Aggregate Year-to-date ▶ $	various see the enclosed statement	5,990.78

Subtotal of receipts this page (optional) ▶ $

Total this period (last page this line number only) ▶ $

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Earl Chandler
Treasurer
Hamp Baker for Congress Committee
P.O. Box B
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Mr. Chandler,

The Federal Election Commission has found reason to believe that the Hamp Baker for Congress Committee has violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that the Committee permitted expenditures on its behalf to be made by International Two Thousand, Inc., in violation of 2 U.S.C. §441b(a). We have numbered this matter MUR 540(78).

Under the Act you have an opportunity to demonstrate why no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

We specifically request answers to the following questions:

1. What was the procedure followed in determining which campaign expenses were to be paid by the corporation? Did the Committee and/or Mr. Baker forward bills to the corporation or was the corporation billed directly?

2. Who among the corporation's employees were

were involved in the payment of campaign expenses? How much time did those persons devote to this activity? What charges, if any, were made by the corporation for the processing of these expenditures?

3. Were any of the recipients of the campaign expenditures employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during their regular work period.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

cc: Mr. Hamp Baker

7 3 1 1 0 1 1 7 1 5 5 7

FEDERAL ELECTION COMMISSION

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

May

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Hamp Baker
2900 Lamp Post Lane
Oklahoma City, Oklahoma 73120

Re: MUR 540(78)

Dear Mr. Baker,

The Federal Election Commission has found reason to believe that you have violated the Federal Election Campaign Act of 1971, as amended ("the Act). Specifically, it appears that you permitted expenditures to be made on your behalf by International Two Thousand, Inc., in violation of 2 U.S.C. §441b(a) and that you accepted a contribution from Ms. Dimple Bossa in excess of $1000 per election, such acceptance constituting a violation of 2 U.S.C. §441a(f). We have numbered these matters MUR 540(78).

Under the Act you have an opportunity to demonstrate why no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be made under oath.

In particular we request answers to the following questions:

1. What was the procedure followed in determining which campaign expenses were to be paid by International Two Thousand, Inc.? Did you and the committee forward bills to the corporation or was the corporation billed directly?

2. Who, if any, among the corporation's employees were involved in the payment of the Committee's and your campaign-related expenses? How much time did these persons devote to this activity? What charges, if any, were made by the corporation for the processing of these expenditures?

3. Were any of the recipients of the campaign-related expenditures employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during their regular work period.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter at 202/523-4039.

Enclosed you will find copies of letters being sent to others involved in this matter.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

7 1 0 0 7 1 5 5 1

FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Dimple Bossa
P.O. Box 34
Ratliff City, Oklahoma 73081

Re: MUR 540(78)

Dear Ms. Bossa:

The Federal Election Commission has found reason to believe that you have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that you made a contribution to Mr. Hamp Baker and the Hamp Baker for Congress Committee by paying off a $10,000 loan obtained by Mr. Baker from the Citizen's Bank of Velma, Oklahoma, and used for campaign purposes. Repayment of a loan of $10,000 would constitute a violation of 2 U.S.C. §441a(a)(1)(A).

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials not already submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. In particular we would like to receive any documentation such as cancelled checks, promissory notes, etc., which support your contention that Mr. Baker made loans to you totaling $12,000 - $13,000 which you have partially repaid by means of your repayment of his $10,000 debt owed Citizen's Bank. Where appropriate statements should be made under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification. If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

cc: Mr. Hamp Baker

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joe L. Kinslow
President
International Two Thousand, Inc.
P.O. Box 94511
Oklahoma City, Odlahoma

Re: MUR 540(78)

Dear Mr. Kinslow:

The Federal Election Commission has found reason to believe that your corporation may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that International Two Thousand, Inc., made expenditures on behalf of the candidacy of Mr. Hamp Baker in violation of 2 U.S.C. §441b(a). We have numbered this matter MUR 540(78).

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials not previously submitted to the Audit Division of this Commission which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

We specifically request answers to the following questions regarding the expenditures made by International Two Thousand, Inc.:

1. What was the procedure followed in determining which campaign expenses were to be paid by the corporation? Did the Committee and/or Mr. Baker forward bills to the corporation or was the corporation billed directly?

2. Who, if any, among the corporation's employees were involved in the payment of campaign expenses? How much time did those persons devote to this activity? What charges, if any, were made by the corporation for

the processing of these expenditures?

3. Were any of the recipients of the campaign-related expenditures employees of the corporation? If so, please provide their names and indicate if they undertook campaign-related activities during their regular work period.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after receipt of this notification. If you have any questions, please contact Ms. Anne A. Weissenborn, the attorney assigned to this matter, at (202) 523-4039.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker

cc: Mr. Hamp Baker

A-224

FEDERAL ELECTION COMMISSION

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

March 29, 1978

MEMORANDUM

TO: WILLIAM OLDAKER

THROUGH: ORLANDO B. POTTER, STAFF DIRECTOR

FROM: JOE STOLTZ/BOB COSTA

SUBJECT: HAMP BAKER FOR CONGRESS COMMITTEE, EXCESSIVE CONTRIBUTION

During an audit of the Hamp Baker for Congress Committee, the Audit staff noted a $10,000.00 loan that, according to the Candidate's disclosure reports, was obtained from the Citizen's Bank, Velma, Oklahoma, on July 6, 1976 and repaid on October 1, 1976. No records relating to this loan were retained by the Candidate or Committee.

The Candidate stated that the loan was repaid by his sister whom he had loaned $12,000.00 to $13,000.00 a few years ago to defray medical expenses. The Candidate was unable to supply evidence of the loans to his sister.

The Candidate's sister acknowledged receipt of several loans from him, and repayment of $10,500.00 to him during September, 1976 (see Attachment A).

Based on the Candidate's inability to provide records supporting the loans made to his sister, this matter is referred to you for treatment as a possible excessive contribution under Section 441a(a)(1)(A) of Title 2 of the United States Code.

If you have any questions regarding this matter, please contact Ray Lisi or Joe Stoltz on extension 3-4155.

Attachment as stated

P.O. Box 34
Ratliff City, OK 73081
January 9, 1978

Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

ATTACHMENT A

Attn: Mr. Ray Lisi

Dear Sirs:

Some years ago my brother, Hamp Baker, knew that I had problems due to the illness of my son and other family needs. He made several loans to me.

About the time he was running for Congress, my financial stability had improved and my problems were pretty well straightened out, so I was able to begin repaying him. In September, 1976, he asked me if I could repay some of the money and I repaid him $10,500.

I still owe him some money, and intend to pay him this year if I can.

Sincerely,

Dimple Baker

'78 MAR 24 AM 11:10

ATTACHMENT B

Oklahoma City, Okla.
March 17, 1977

Federal Election Commission
1325 "K" Street, N.W.
Washington, D.C. 20463

Attention: Mr. Ray Lisi

Gentlemen:

I am attaching copy of a note made at the Citizens' Bank, Velma, Oklahoma, by my sister, Dimple Bossa, and her son, Alan Bossa.

This is a transaction of their note in repayment of a part of loans which I had made to her in previous years.

Very truly yours,

Hamp Baker

HAMP BAKER
2900 Lamp Post Lane
Okla. City, Ok. 73120

HB:mhc

Encl.

INSTALLMENT NOTE

Name Alan Bosna, Box 34, Ratliff City, Oklahoma

Velma, Oklahoma 10/21/76, 19____ No. _____ $ 13,487.80

For value received, I, we, or either of us as principals, promise to pay to CITIZENS' BANK, VELMA, OKLA., or order, the sum of Thirteen Thousand four hundred eighty seven and 80/100---------- DOLLARS at its banking house in Velma, Oklahoma, in installments as follows: $ 561.99 due on the 1st day of December, 19 78 and on same day and date on the same day of each succeeding month thereafter until paid in full. The makers, endorsers, and guarantors agree that upon failure to pay any installment at the due date, the holder hereof, at its option, may declare the balance remaining unpaid on this date, immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

LATE CHARGE: If any installment remains past due for a period in excess of ten (10) days, the parties hereto severally agree to pay a "late charge" of FIVE CENTS (5¢) for each dollar so past due for the purpose of defraying the expense of handling collection of such delinquent payment, but such late charge shall not exceed the sum of FIVE DOLLARS ($5.00) in respect to any one installment.

DEFERRAL CHARGE: If any installment herein payable, by mutual agreement between the bank and the borrower/s, be extended to be paid at a later date, the borrower agrees to pay a deferral charge on that payment from its due date until its paid date at a rate equal to the Annual Percentage Rate as stated in the Disclosure Statement herein. It shall not be construed to give consent by the Bank to defer any payment without its consent.

REBATE FOR PREPAYMENT IN FULL: If the loan evidenced is prepaid in full by cash, a new loan, refinancing or otherwise before the final installment date, the borrower shall receive a rebate of prorated finance charges computed under the Rule of 78 if in excess of $1.00.

ATTORNEY FEE: If this note or any installment agreed to be paid, is not paid when due and this note is placed in the hands of an attorney for collection, a reasonable amount shall be allowed as attorney's fee, plus all other costs of collection.

The makers, endorsers, sureties and guarantors of this note severally waive demand and presentment for payment, protest and notice of protest and of non-payment and agree and consent that after the maturity of this note or any instalment hereof, the time for its payment or for the payment of any instalment may be extended from time to time without notice, and that after such extensions or extensions, each of them shall remain bound for the payment hereof, notwithstanding such extension or extensions, and the bank shall have the right of setoff against any funds held by the Bank for their account.

SECURITY: This loan is secured by a Security Agreement covering:

Listed on back of note.

/s/ Alan Bosna

/s/ Marjell Bosna

The security agreement will secure future or other indebtedness and will cover after-acquired property.

DISCLOSURE STATEMENT OF LOAN

TOTAL PAYMENTS	FINANCE CHARGE	AMOUNT FINANCED	ANNUAL PERCENTAGE RATE	CREDIT LIFE INSURANCE CHARGE	PROPERTY INS. CHARGE
$ 13,487.80	$ 1,310.02	$ 11,966.98	10.15 %	$ 210.80	$ no

LIENS, FILING FEES AND OTHER RELEASE FEES	OTHER FEES (SPECIFY)
$ no	$ no

Payable in (Consecutive Monthly Payments)	COMMENCING WITH		ENDING WITH	AMOUNT OF PAYMENTS		
	FIRST	OTHER	FINAL	FIRST	OTHER	FINAL
24	12/1/76	SAME DAY EACH MO.	11/1/78	$ 561.99	$ 561.99	$ 562.03

PROPERTY INSURANCE: If written in connection with this loan, may be obtained through any person of your choice. If borrower desires, property insurance may be obtained through the creditor, for which we charge $ no for the term of _____ beginning _____, 19____.

CREDIT LIFE INSURANCE: Is not required for obtaining this loan. No charge is made for credit insurance and no credit insurance is provided unless the borrower/s sign the appropriate statement below. The cost for Credit Insurance will be $ 210.80 for the term of the credit.

I desire Credit Life Insurance

10/21/76 /s/ [illegible]
Date Borrower

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT

/s/ Alan Bosna /s/ Marjell Bosna
Borrower Borrower

Secured by: Assignment of Oil & Gas Leases NE¼, SE¼, NE¼ of Section 10-3N-1W, Garvin County, Oklahoma and NE¼ NE¼ SW¼ and NW¼ NW¼ SE¼ of Section 25-2S-3W, Carter County, Oklahoma and equipment listed, Brinley #1, NE, SE, NE, Section 10-3N1W, Garvin County, Oklahoma 118½-ft. 10-3/4" Casing, 4386' 5-½" casing, 4352' 2-3/8" tubing head, 1-2000# orbit valve, 4300 ½' 3/4 and 5/8 rods, 1 - bottom hole pump, 1 - American D-40 Pumping Unit w/Base, 1 - F & M Engine, 2 - 210 BBL Tanks, 1/4" x 3/16¼, 1 - 10 x 15 salt water tank on skids, 1 - 210 BBL Tank, (jink), 1 - 4x18 heater, 1 - 30"x11' seperator 125X W.P., 1 - chemical pump, 1 - cattle guard.

$1,666.98 of proceeds applied to pay note #4863, $10,300.00 to be applied to pay-off eqpt. and lease, described on this note.

A-155

FEDERAL ELECTION COMMISSION

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

February 6, 1978

MEMORANDUM

TO: BILL OLDAKER

THROUGH: ORLANDO B. POTTER

FROM: BOB COSTA/JOANNE MCSORLEY

SUBJECT: HAMP BAKER FOR CONGRESS COMMITTEE AUDIT

A matter has arisen from an audit of the Hamp Baker for Congress Committee ("the Committee") for which a legal opinion is requested.

The Committee indicated in its termination report filed on May 24, 1977, that the candidate had assumed a Committee debt totaling $5,953.70 owed to International Two Thousand, Inc. ("the corporation") in Oklahoma City. The candidate filed a termination report on May 2, 1977, which did not report payment of the debt or show any outstanding balance.

When questioned about the matter, the candidate stated that the payment of the debt was an offset entry of a debt owed by the corporation to the candidate. The Audit Division requested further information concerning the matter. At that point, the candidate provided the corporation's financial statement for December 31, 1976 (Attachment #1). Note 9 indicates that Hamp Baker advanced $10,000 to the corporation in 1976 and that the corporation paid expenses relating to his campaign totaling $5,865.42.

Further information has been requested from the candidate regarding the dates of his advances to the corporation, the dates of the payments made by the corporation on his behalf, and copies of the corporation's cancelled checks. As of this date, the additional information has not been received by the Audit staff.

As is indicated by the financial statement of the corporation, it was not in a solvent cash position at the time the statement was prepared. Further, there is no explanation as to why expenditures were made by the corporation rather than to the candidate who could then use the funds for campaign purposes. Also, the candidate did not report the payments made by the corporation.

If the further information received from the candidate indicates expenditures on his behalf by the corporation prior to his advances, this would clearly indicate a violation of Section 441b. If the expenditures were made based on an outstanding advance owed to the candidate, the question concerns the legality of a corporation making expenditures on behalf of a candidate as repayment of a debt owed to that candidate.

This matter is referred to your office for comment. If you have any questions, please contact Joanne McSorley or Ray Lisi at Extension 3-4155.

FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 540