



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.  
WASHINGTON, D.C. 20461

THIS IS THE END OF MUR # 943

Date Filmed 6/3/82 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

MUR 943

Matter deleted: Conciliation correspondence and related materials; tax returns and other personal financial information.

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

Signed

*Sandra L. Miles*

date

*5-19-87*

32040331183

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Corcoran for Congress Committee, ) MUR 943  
Daniel M. Corcoran, and )  
Mary Lou Nelsen )

CERTIFICATION

I, Marjorie W. Emons, Recording Secretary for the Federal Election Commission Executive Session on April 6, 1982, do hereby certify that the Commission decided by a vote of 5-0 not to file suit in the above-captioned matter.

Commissioners Aikens, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision. Commissioner Elliott was not present at the time of the vote.

Attest:

4-6-82

Date

Marjorie W. Emons

Marjorie W. Emons  
Secretary of the Commission

82040331184

March 29, 1982

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Phyllis A. Kayson  
SUBJECT: FEC v. Corcoran (MUR 943)

Please have the attached Memo to the Commission distributed to the Commission for the agenda of April 6, 1982. This should be listed under Litigation. Thank you.

Attachment

cc: Noble

32040331185



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

82 MAR 29 P 1: 24

**SENSITIVE**

March 29, 1982

MEMORANDUM TO: The Commission

FROM: Charles N. Steele  
General Counsel *CNS*  
Lawrence M. Noble *LWN*  
Assistant General Counsel  
SUBJECT: FEC v. Corcoran (MUR 943)

**EXECUTIVE SESSION**

APR 6 1982

Pursuant to the memorandum from Commissioner Aikens, the Office of General Counsel is reporting on the present status of MUR 943 (Corcoran for Congress).

As previously noted to the Commission, suit on this matter was authorized on January 7, 1981, and this Office was preparing to file suit by the first week in April. The matter involves Daniel M. Corcoran, a candidate in the primary election for the 37th Congressional District in California in 1978, Mary Lou Nelsen, Mr. Corcoran's mother, and the Corcoran for Congress Committee. The Commission alleges that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(A) by exceeding the contribution limitations by \$4,200 when she contributed \$200 to her son's campaign and made a \$5,000 loan to her son which he gave to his campaign. It is also alleged that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f) by knowingly accepting the \$4,200 in excess contributions.

The Office of General Counsel had been preparing the papers to be filed in California.

3204033186

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Mary Lou Nelsen )  
Daniel M. Corcoran )  
Corcoran for Congress )  
Committee )

MUR 943

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on January 6, 1981, do hereby certify that the Commission decided by a vote of 6-0 to authorize the Office of General Counsel to file civil suit pursuant to 2 U.S.C. §437g(a) (6) against Mary Lou Nelsen, Daniel M. Corcoran and the Corcoran for Congress Committee for relief in United States District Court.

Attest:

1-6-81

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary to the Commission

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BEFORE THE FEDERAL ELECTION COMMISSION  
December 3, 1980

In the Matter of            )  
                                  )  
Mary Lou Nelsen            )  
Daniel M. Corcoran        )  
Corcoran for Congress     )  
Committee                    )

MUR 943

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On July 29, 1980, the Commission determined that there is probable cause to believe that Mary Lou Nelsen violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel M. Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f) in connection with the making, receipt, and acceptance of contributions totaling \$5,500 to Mr. Corcoran's 1978 congressional primary election campaign. Letters of notification dated August 7, 1980, with conciliation agreements attached, were forwarded to all respondents.

The certified mail receipts were returned to this office indicating that all three respondents had received the letters of notification and proposed conciliation agreements.

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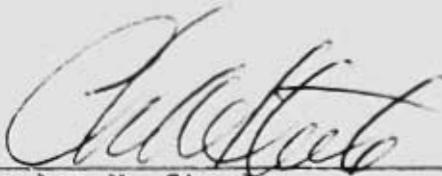
By October 20, 1980, none of the respondents had replied. Therefore, on October 23, 1980 the Commission approved sending letters to respondents urging them to contact Commission staff regarding conciliation. Again, the returned certified mail receipts indicate that respondents received these letters. To date, this office has not received any reply from any of the respondents.

The 90 day conciliation period expired in this matter on November 10, 1980. An earlier attempt to conciliate with respondents at the reasonable cause to believe stage failed as a result of respondents' refusal to conciliate. This office concludes that efforts to conciliate with respondents pursuant to the Commission's finding of probable cause have failed, as well.

Recommendation

That the Commission authorize the Office of General Counsel to file civil suit pursuant to 2 U.S.C. § 437g(a)(6) against Mary Lou Nelsen, Daniel M. Corcoran and the Corcoran for Congress Committee for relief in United States District Court.

10 December 1980  
Date

  
\_\_\_\_\_  
Charles N. Steele  
General Counsel

32040331189

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**SENDER:** Complete items 1, 2, and 3.  
Add your address in the "RETURN TO" address area.

1. The following service is requested (check one.)

- Show to whom and date delivered.....
- Show to whom, date and address delivered.....
- RESTRICTED DELIVERY  
Show to whom and date delivered.....
- RESTRICTED DELIVERY  
Show to whom, date, and address delivered.....

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:  
ANNE K. CORCORAN  
P.O. BOX 5006  
RIVERSIDE, CA 92512

3. ARTICLE DESCRIPTION:  
REGISTERED NO. CERTIFIED NO. REGISTERED NO.  
1946055

(Always obtain signatures of addressee or agent.)

I have received the article described above.

SIGNATURE: *Russell* ADDRESS: [ ] CHECKED SIGNATURE: [ ]

4. DATE OF DELIVERY: [ ]

5. ADDRESS (Complete only if appropriate): [ ]

6. UNABLE TO DELIVER BECAUSE: [ ]

MUR943 MILLS

RETURN RECEIPT, REGISTERED, SIGNED AND CERTIFIED MAIL

RECEIVED

SEP 10 1980



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

After considering all the evidence available, the Commission decided, on August 25, 1980, that there was no probable cause to believe that you violated section 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended, in connection with the pledging of certain real property to secure a \$5,000 loan from Mary Lou Nelsen, the proceeds of which were used in the 1978 federal campaign of your husband, Daniel M. Corcoran.

If you have any questions regarding this matter, please direct them to Sondra L. Mills, the staff attorney assigned to this case, at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

32040331191

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

After considering all the evidence available, the Commission decided, on \_\_\_\_\_, 1980, that there was no probable cause to believe that you violated section 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended, in connection with the pledging of certain real property to secure a \$5,000 loan from Mary Lou Nelsen, the proceeds of which were used in the 1978 federal campaign of your husband, Daniel M. Corcoran.

If you have any questions regarding this matter, please direct them to Sondra L. Mills, the staff attorney assigned to this case, at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

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August 21, 1980

MEMORANDUM TO: Majjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

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

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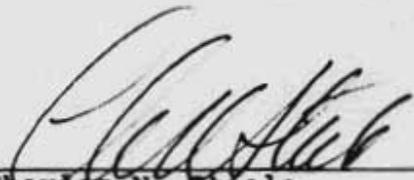
II. Legal Analysis

The factual and legal basis for the General Counsel's recommendation of no probable cause are set forth in the General Counsel's brief dated July 16, 1980. Respondent has not submitted any response to the General Counsel's brief in this matter.

III. Recommendations

1. That the Commission determine that there is no probable cause to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A).
2. That the Commission approve the attached letter to respondent.

30 August 1980  
Date

  
Charles N. Steele  
General Counsel

Attachments  
General Counsel's brief  
Letter to respondent

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

80 JUL 17 P 4: 15

July 17, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele *CS*  
General Counsel

SUBJECT: MUR 943

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondent of the General Counsel's intent to recommend to the Commission a finding of no probable cause to believe was mailed on July 17, 1980. Following receipt of the respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to Respondent

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believe that Ms. Nelsen was in violation of § 441a(a)(1) (A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979. At this date, conciliation has not been successful and the General Counsel has forwarded to respondents and to the Commission copies of the General Counsel's Brief recommending that the Commission find probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(A) and that Mr. Corcoran and the Committee violated 2 U.S.C. § 441a(f).

In reviewing this matter, the General Counsel's office noted an additional potential violation. The \$5,000 loan from Ms. Nelsen was secured by a deed of trust on realty located in Riverside, California. The deed of trust states that the property was owned by "Anne K. Jackson aka Anne K. Corcoran, a married woman" and the promissory note, payable in 90 days with 10% interest, was executed solely by "Anne K. Jackson aka Anne K. Corcoran" and Ms. Nelsen. Further, the deed documenting the conveyance to Ms. Corcoran, recorded with the County Recorder in Riverside County, reveals that on November 25, 1977, the property was conveyed to "Anne K. Jackson, a single woman". This deed was recorded on February 6, 1978 and re-recorded on March 8, 1978 to amend the property description. On July 18, 1978, the property was conveyed by "Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman".

On May 10, 1978, Ms. Corcoran executed the promissory note. On May 22, 1978, Ms. Nelsen issued a check for \$5,000

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payable to Daniel M. Corcoran. On the same date, he deposited the \$5,000 check into an account held jointly by him and his wife. Again, on that same date, he issued a \$5,000 check to the Corcoran for Congress Committee. Mr. Corcoran executed a "Statement of a Candidate for Nomination to Federal Office" on March 27, 1978.

The foregoing evidence indicated the possibility that Mr. Corcoran had not, prior to his candidacy, acquired any interest in the property owned by his wife which secured the \$5,000 loan from his mother. Based on an application of the community property laws of the state of California to this evidence, the Commission, on May 20, 1980, found reason to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A) by pledging her separate property as security for the \$5,000 loan from Ms. Nelsen or, alternatively, by making a gift of the actual loan proceeds to Mr. Corcoran's campaign. Pursuant to this finding, the Commission issued a subpoena and order to Ms. Corcoran in order to obtain further information regarding any ownership interest Mr. Corcoran may have acquired prior to his candidacy in the property used to secure the loan. Ms. Corcoran's responses to the subpoena and order set forth the following relevant facts:

Ms. Corcoran was married to Daniel Corcoran on December 23, 1977. On November 25, 1977, she entered into a contract to purchase the realty in question contingent upon obtaining an FHA loan. FHA approval and financing were obtained, and escrow was completed on or about February 6, 1978.

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From the copies of the contract and escrow agreement which Ms. Corcoran has submitted, it appears that, as she so states, full title and possession were conveyed to her at the close of the escrow period. Negotiations to purchase the realty were begun by Mr. Corcoran as a sales agent for the realtor handling the sale prior to his marriage to Ms. Corcoran. Following their marriage on December 23, Ms. Corcoran states that she conveyed an interest in the realty to her husband and that they treated the property with the mutual understanding that it was a community asset. Ms. Corcoran further states that, following their marriage, her husband performed all general managerial functions concerning the property. All proceeds, rents, and expenses were paid out of, or deposited into, their mutual bank account. The property was sold on July 18, 1978. Because the title did not reflect Mr. Corcoran's interest in the property, he executed a quitclaim deed to Ms. Corcoran for the purpose of vesting title in her as her sole and separate property so that she could, in turn, convey clear title to the buyers.

Legal Analysis

Section 441a(a)(1)(A) of the Act prohibits the making of contributions in excess of \$1,000 to a candidate and his authorized political committees. 11 C.F.R. § 100.4(a)(1), as in effect during Mr. Corcoran's candidacy, provides that a contribution includes a loan made for the purpose of influencing the nomination for election, or election, of any person to Federal office.

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Under § 100.4(a)(1)(i) of the Regulations, the term "loan" is defined to include, "... a guarantee, endorsement, and any other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser as well as with a political committee, or other primary obligor." While there is no limit on the amount of personal funds a candidate may contribute to his own campaign, the term "personal funds," consistent with the Supreme Court's decision in Buckley v. Valeo, 424 U.S. 1, 52-54 (1976), is defined by the regulations. In this connection, assets of an immediate family member of a candidate are considered "personal funds" of the candidate only if they were "... assets to which at the time he ... became a candidate the candidate had legal and rightful title, or ... the right of beneficial enjoyment, under applicable State law, and which the candidate had legal right of access to or control over ...." 11 C.F.R. § 110.10(b), Advisory Opinions 1976-26, 1976-74.

In this case, Ms. Corcoran did not acquire full title and possession to the realty used to secure the loan from Ms. Nelsen until on or about February 6, 1978, approximately six weeks after her marriage to Mr. Corcoran. California Civil Code § 5110 provides, in relevant part, that:

... all real property situated in this state ... acquired during the marriage by a married person while domiciled in this state ... is community property ...

Thus, the marital status of the acquiring party determines the character of the property; the precise state of the title is not controlling. As Ms. Corcoran acquired full title and possession

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to the property after her marriage to Mr. Corcoran, the property is presumed to be a community asset.

Such a presumption is not conclusive and may be rebutted by showing that the Corcorans agreed, either orally or in writing, that Ms. Corcoran hold the property as her separate property. The fact that the deed documenting the conveyance, recorded on two separate occasions after Ms. Corcoran's marriage, did not reflect Mr. Corcoran's interest in the property suggests that the Corcorans may have agreed that Ms. Corcoran hold the realty as her separate property. However, the Corcorans appear to have treated the property as a community asset and, upon the subsequent reconveyance of the property in July at 1978, did undertake to divest Mr. Corcoran of any interest in the property by executing the quitclaim deed described above. The fact that Ms. Corcoran alone executed the deed of trust securing the loan from Ms. Nelsen is somewhat problematic. California Civil Code § 5127 provides, in relevant part, that:

... either spouse has management and control of the community real property ... but both spouses must join in executing any instrument by which such community real property or any interest therein is ... sold, conveyed or encumbered ....

While the fact that Mr. Corcoran did not execute the deed of trust could indicate that the Corcorans agreed that the property be held as Ms. Corcoran's separate property, this fact, standing alone, is probably insufficient to overcome the statutory presumption that the property was a community asset.

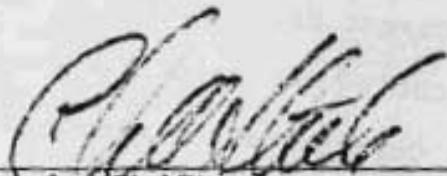
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Finally, California Civil Code § 5105 provides that, "The respective interests of the husband and wife in community property during continuance of the marriage are present, existing and equal interests...." Here, the property in question was acquired by the Corcorans as a community asset during their marriage and prior to Mr. Corcoran's candidacy. Thus, the property used to secure the loan was within the definition of "personal funds" of the candidate under 11 C.P.R. § 110.10(b).

Recommendation

That the Commission determine that there is no probable cause to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A).

16 July 1980  
Date

  
\_\_\_\_\_  
Charles H. Steele  
General Counsel

32040331204



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 17, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission on May 20, 1980 found reason to believe that you may have violated § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended and instituted an investigation of this matter.

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

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

Should you have any questions, please contact Sondra L. Mills at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Brief

82040331205



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

After considering all the evidence available, the Commission decided, on , 1980, that there was no probable cause to believe that you violated section 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended, in connection with the pledging of certain real property to secure a \$5,000 loan from Mary Lou Nelsen, the proceeds of which were used in the 1978 federal campaign of your husband, Daniel M. Corcoran.

If you have any questions regarding this matter, please direct them to Sondra L. Mills, the staff attorney assigned to this case, at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

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72 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. Mary Lee Nelson  
 0718 Riverside Court  
 Riverside, O A 92504

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED NO.  
 947020

(Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY POSTMARK  
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 OCT

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

MUR 9413 (mills)



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 24, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

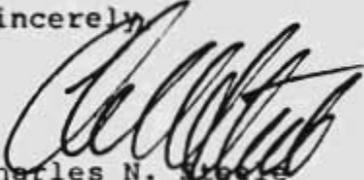
Dear Ms. Nelsen:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

  
Charles N. Moore  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 24, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(f) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles N. Steele".

Charles N. Steele  
General Counsel

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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. David Ciccarone  
 P.O. #04 5006  
 Riverside, CA 92502

3. ARTICLE DESCRIPTION:  

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	947019	

 (Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY  
 11-12-80

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS  
 MW

MUR 943 (Mills)

©GPO: 1977-0-249-586

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(f) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 24, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that the Corcoran for Congress Committee committed a violation of 2 U.S.C. § 441a(f) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

32040331213

3 2 0 4 0 3 3 1 2 1 4



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" section.

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. Gary Montgomery  
 P.O. Box 5006  
 Riverside, CA 92512

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
 | 94798 | |  
 (Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
 Russell [Signature]

4. DATE OF DELIVERY  
 11-12-80

5. ADDRESS (Complete only if registered)

6. UNABLE TO DELIVER BECAUSE:  
 NO NOV 19 8 30 AM '80

CLERK'S INITIALS  
 MW

RECEIVED  
 Mill 943 (Mills)





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

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Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

OK  
JSM

32040331215

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 943  
Corcoran for Congress Committee )  
Daniel M. Corcoran )  
Mary Lou Nelson )

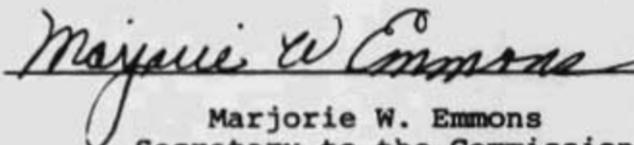
CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 23, 1980, the Commission decided by a vote of 6-0 to approve the letters as attached to the General Counsel's October 20, 1980 memorandum.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, McGarry, Reiche, and Tiernan.

Attest:

10/23/80  
Date

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

Received in Office of the Commission Secretary: 10-20-80, 3:46  
Circulated on 48 hour vote basis: 10-21-80, 11:00

82040331216

October 20, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 943

. Please have the attached Memo distributed to the Commission on a 48 hour tally basis. Thank you.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

80 OCT 20 P 3: 46

October 20, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele *CNS*  
General Counsel

SUBJECT: MUR 943

On August 13, 1980, the three respondents in this matter received notification of the Commission's finding of probable cause together with copies of proposed conciliation agreements. To date, none of the respondents has replied.

Recommendation

That the Commission approve the attached letters to respondents advising them that the 90 day conciliation period runs on November 10, 1980, and urging them to contact Commission staff regarding conciliation.

Attachments: Proposed letters to respondents Corcoran for Congress Committee, Daniel M. Corcoran and Mary Lou Nelsen

82040331219



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that the Corcoran for Congress Committee committed a violation of 2 U.S.C. § 441a(f) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

To date, we have received no response from you. Please be advised that the ninety day conciliation period expires on November 10, 1980, and that we must hear from you on or prior to that date. If we are unable to reach an agreement by that date, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

82040331219



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(f) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

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Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

3 2 0 4 0 3 3 1 2 2 0



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

By letter dated August 7, 1980, the Office of General Counsel advised you that the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A) and enclosed a conciliation agreement which this office is prepared to recommend to the Commission in settlement of this matter. At that time, this office informed you that the Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement.

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Please contact Sondra L. Mills, the attorney assigned to this matter, by letter or at 202-523-4073 as soon as possible.

Sincerely,

Charles N. Steele  
General Counsel

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3 2 0 4 0 3 3 1 2 2 2

PS Form 3811, Aug. 1978

● 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. Daniel Cochran  
 P.O. Box 5006  
 Riverside, CA 92512

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED NO.  
 945739

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
 Russell T. [Signature]

4. DATE OF DELIVERY  
 8-12-80

5. ADDRESS (Complete only if required)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

MUR 943 Mills

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 7, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

On July 29, 1980, the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the acceptance of contributions totalling \$5,500 from Mary Lou Nelsen to your 1978 federal campaign.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

  
Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

3204031223



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 7, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

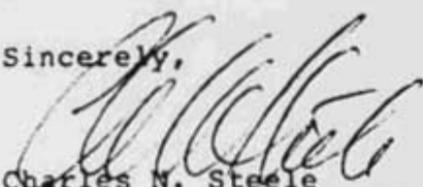
On July 29, 1980, the Commission determined there was probable cause to believe that the Corcoran for Congress Committee committed a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the acceptance of contributions totalling \$5,500 from Mary Lou Walsh to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

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Sincerely,

  
Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL  
POSTAL SERVICE

CERTIFIED MAIL  
RETURN RECEIPT 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. Gary Montgomery  
P.O. Box 5006  
Pineville, CA 925*

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	<i>945 726</i>	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE  Addressee  Authorized agent  
*Russell*

4. DATE OF DELIVERY  
*8-12-80*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

*WRK 943*      *Mullis*

**NEW YORK CITY**  
**AUG 12 1980**



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

On July 29, 1980, the Commission determined there was probable cause to believe that the Corcoran for Congress Committee committed a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the acceptance of contributions totalling \$5,500 from Mary Lou Nelsen to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

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If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 7, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

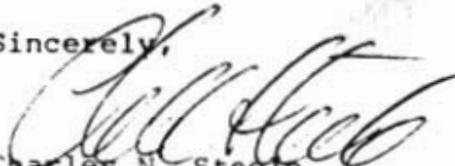
On July 29, 1980, the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the making of contributions totalling \$5,500 to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

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If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

  
Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

32040331227

A

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REGISTERED MAIL  
RETURN RECEIPT NUMBER  
U.S. MAIL FOR DELIVERY  
FIRST CLASS PERMIT NO. 1000  
WASHINGTON, D.C. 20540

**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).  
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 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. Mary Lou Nelson  
 6748 Riverside Court  
 Riverside, CA 92504

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED NO.  
 945743  
 (Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
 DATE OF DELIVERY

4. SIGNATURE: *Mills*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

Mark 943

Mills

3 2 0 4 0 3 3 1 2 2 8

✓



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

On July 29, 1980, the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the making of contributions totalling \$5,500 to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

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If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

32040331229

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Mary Lou Nelsen ) MUR 943  
Daniel M. Corcoran )  
Corcoran for Congress Committee )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission's executive session on July 29, 1980, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 943:

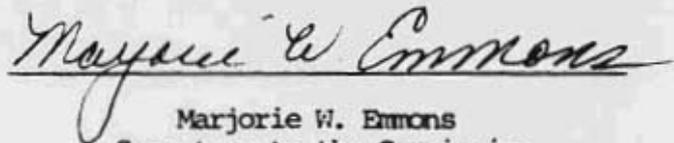
1. Determine there is probable cause to believe that Daniel M. Corcoran violated 2 U.S.C. §441a(f).
2. Determine there is probable cause to believe that the Corcoran for Congress Committee violated 2 U.S.C. §441a(f).
3. Determine there is probable cause to believe that Mary Lou Nelsen violated 2 U.S.C. §441a(a)(1)(A).
4. Approve the letter and conciliation agreement to respondent Daniel M. Corcoran as attached to the General Counsel's July 11, 1980 report, subject to amendment of the agreement to say that Mary Lou Nelsen is the mother of Daniel M. Corcoran.
5. Approve the letter and conciliation agreement to respondent Corcoran for Congress Committee, as attached to the General Counsel's July 11, 1980 report.
6. Approve the letter and conciliation agreement to respondent Mary Lou Nelsen, as attached to the General Counsel's July 11, 1980 report, subject to amendment to say that Mary Lou Nelsen is the mother of Daniel M. Corcoran.

Commissioners Aikens, Friedersdorf, Harris, McGarry, and Reiche voted affirmatively for the decision; Commissioner Tiernan was not present at the time of the vote.

Attest:

8/1/80

Date



Marjorie W. Emmons  
Secretary to the Commission

2040331230

BEFORE THE FEDERAL ELECTION COMMISSION  
July 11, 1980

In the Matter of            )  
                                  )  
Mary Lou Nelsen            )  
Daniel M. Corcoran         )  
Corcoran for Congress     )  
Committee                    )

MUR 943

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was referred to the Commission's Office of General Counsel from the Reports Analysis Division.

On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. § 441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,500 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelsen, in addition to making direct contributions to the Committee, executed a \$5,000 loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979. Conciliation has failed with respect to all three respondents.

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On May 29, 1980, the General Counsel, pursuant to the procedures set forth in 2 U.S.C. § 437g(a)(3), forwarded to respondents and to the Commission the General Counsel's Brief recommending that the Commission find probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(A) and that Mr. Corcoran and the Committee violated § 441a(f). Respondents submitted a response dated June 14, 1980 to the General Counsel's brief. The General Counsel is now recommending that the Commission proceed to a vote finding probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(A) and that Mr. Corcoran and the Committee violated 2 U.S.C. § 441a(f).

## II. LEGAL ANALYSIS

The position of the General Counsel on the legal and factual issues of this matter is set forth in the three attached General Counsel's briefs. In their response to the General Counsel's briefs, respondents have made new factual allegations which are briefly discussed below.

In "Answer #1", respondents state that, at the request of Mr. Corcoran, the Committee's treasurer telephoned the Federal Election Commission in May of 1978 to inquire into the legality of the transaction in question, and that the FEC indicated the transaction would not be a violation. Respondents provide no information as to the identity of the individual at the Commission who gave such advice, what question the treasurer asked and what response was given.

82040331232

Nevertheless, respondents then proceed to argue that the Commission issued an illegal oral advisory opinion, in violation of 2 U.S.C. § 437f(b), which respondents, in turn, allegedly relied upon in good faith. Even if any such oral advice was given by Commission staff, it did not, by definition, constitute an advisory opinion upon which respondents were entitled to rely under the provisions of the Act.

In "Argument #2," respondents essentially argue that the loan from Ms. Nelsen was made in the normal course of Mr. Corcoran's business as a real estate investor. Prior to and during his candidacy, Mr. Corcoran was licensed as a real estate salesman. He now argues that he was actively engaged in a separate business of investing in real estate. The brief makes several new factual representations as to Mr. Corcoran's investment activities but offers no documentation to support these claims. In fact, Mr. Corcoran's 1977 tax return, submitted previously by respondents, indicates that during 1977, he earned \$3,074 in wages from the Riverside Community Hospital and \$4,591 as a real estate salesman. In May of 1977, he sold one piece of real estate which he had acquired in 1974. He reported his sale as a long term capital gain. Whether or not this one particular sale was sufficient to categorize Mr. Corcoran as a "real estate investor", the issue still remains as to whether the loan from Ms. Nelsen was made for the purpose of influencing Mr. Corcoran's election.

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Considerable evidence, discussed at length in the General Counsel's brief, indicates that the loan was, in fact, made for this purpose.

Respondents offer two final arguments to support their claim that the \$5,000 loan was part of Mr. Corcoran's "personal funds" as defined in 11 C.F.R. § 110.10: that it was a common practice for Ms. Nelsen or her husband to lend money or purchase an interest in Mr. Corcoran's investments; and that, in any event, the bank account from which Ms. Nelsen withdrew the \$5,000 was a family trust in which Mr. Corcoran had an interest. Again, respondents have never before made such factual representations and offer no documentation to support them. In fact, Ms. Nelsen has previously stated that the loan funds were withdrawn from her personal savings account.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

IV. RECOMMENDATIONS

1. That the Commission determine there is probable cause to believe that Daniel M. Corcoran violated 2 U.S.C. § 441a(f).

82040331234

2. That the Commission determine there is probable cause to believe that the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f).

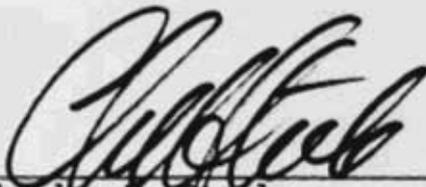
3. That the Commission determine there is probable cause to believe that Mary Lou Nelsen violated 2 U.S.C. § 441a(a)(1)(A).

4. That the Commission approve the attached letter and conciliation agreement to respondent Daniel M. Corcoran.

5. That the Commission approve the attached letter and conciliation agreement to respondent Corcoran for Congress Committee.

6. That the Commission approve the attached letter and conciliation agreement to respondent Mary Lou Nelsen.

16 July 1980  
Date

  
Charles N. Steele  
General Counsel

Attachments:

1. General Counsel's Brief.
2. Respondents' answer to General Counsel's Brief.
3. Proposed letters to respondents.
4. Proposed conciliation agreements.

32040331235

BEFORE THE FEDERAL ELECTION COMMISSION

April 2, 1980

In the Matter of )  
Corcoran for )  
Congress Committee ) MUR 943

General Counsel's Brief

I. Statement of the Case

This matter was referred to the Commission's Office of General Counsel from the Reports Analysis Division. On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. § 441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,500 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelsen, in addition to making direct contributions to the Committee, executed a \$5,000 personal loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

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BEFORE THE FEDERAL ELECTION COMMISSION

Conciliation has failed with respect to all three respondents. The General Counsel is now recommending that the Commission proceed, pursuant to the procedures set forth in 2 U.S.C. § 437g(a)(3), as amended, to a vote finding probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(a) and that Mr. Corcoran and the Committee violated § 441a(f).

In May of 1978, Daniel Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. He won the primary election held on June 6, 1978, but lost in the general election that November. Throughout the period of his candidacy, he was employed as a realtor by Home Sellers Realty, Inc. and was licensed as a real estate salesman by the State of California.

On May 12, 1978, Mary Nelsen, Mr. Corcoran's mother, issued a \$5,000 certified check, drawn on her personal savings account, to Mr. Corcoran as a personal loan, which he deposited into his personal checking account on the same date. The loan was secured by a deed of trust on real property owned by Mr. Corcoran's wife, Anne K. Jackson aka Anne K. Corcoran, and a promissory note dated May 10, 1978, to be repaid within 90 days at 10% interest.

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On the same date, Mr. Corcoran issued a \$5,000 check to the Corcoran for Congress Committee as a loan, drawn on the same personal checking account into which he had deposited the loan from his mother.

The Committee reported receipt of the loan on May 12, 1978. In its report of receipts and expenditures for the period April 1, 1978 - May 22, 1978, the Committee reported the nature of various obligations to Daniel Corcoran in the following manner:

Loan payable on demand at 0% interest. \$7,365.19.

(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

This same explanation of obligations to Mr. Corcoran was made by the Committee in its report for the periods May 23 - June 6, 1978, and June 27 - June 30, 1978.

As stated above, the note secured by deed of trust dated May 10, 1978 provided that the loan be repaid in 90 days. It thus fell due on August 7, 1978. However, Mr. Corcoran did not repay the loan until September 13, 1978. On that date, he issued a check drawn on the same personal checking account used in the earlier loan transactions to his mother for \$5,163.20. This sum was to cover principal and interest on the loan through that date.

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During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69, including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). ~~At no time did Ms. Nelsen indicate~~ that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

The manner in which the Committee reported the transaction (see discussion above) prompted the Commission's Reports Analysis Division to issue a surface violation letter on November 1, 1978. In response to this letter, E. T. Jacobs, the treasurer, described the transaction as a typical escrow occurrence. He stated that the property securing the note was owned by Mr. Corcoran, that it was held for sale and that the note was to be repaid upon the sale.

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In a letter dated July 23, 1979, responding to interrogatories propounded by the Commission, Mr. Jacobs stated that Mr. Corcoran had consulted with a Committee staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan.

According to Mr. Jacobs:

Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses.

Mr. Jacobs also stated in the letter that he was not aware of any other personal loans, from banks or otherwise, received by Mr. Corcoran while he was a candidate for federal office.

In a letter dated May 10, 1979, Mr. Corcoran stated that his principal occupation is that of real estate investor, and that it is quite common for him to borrow or lend money to make a given transaction. He went on to say that the loan from his mother was not to the Committee and was separate from the campaign. Later, in response to interrogatories, Mr. Corcoran stated that during the campaign, he was party to no other escrows involving Ms. Nelsen and received no other similar loans from anyone. Finally, in a letter dated September 11, 1979, Mr. Corcoran indicated that the loan from his mother had arisen in the normal course of his business as a real estate investor.

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In a letter dated July 23, 1979, Ms. Nelsen described the loan as a personal loan directly to her son in the normal course of business. Again, in a letter dated September 26, 1979, she insisted that the loan was never intended to be a campaign contribution but rather constituted a "personal business transaction between a Real Estate Investment person, who happened to be my son, and myself."

**II. Legal Analysis**

The Federal Election Campaign Act, 2 U.S.C. § 441a(f) (herein "the Act") provides, in part:

No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

§ 441a(a)(1)(A) of the Act provides:

No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Under § 431(e) of the Act, a contribution is defined, in part, as a "gift...loan...or anything of value made for the purpose of influencing the nomination for election, or election, of any person to Federal office." The Regulations promulgated pursuant to the Act further provide that, "A loan is a contribution to the extent that the obligation remains outstanding." 11 C.F.R. § 100.4(a)(1)(i).

In this case, the Committee was clearly aware \$5,000 advanced to the campaign by Mr. Corcoran on May 12 constituted the proceeds of Ms. Nelsen's loan. The Committee's treasurer, in fact, reported the loan as a loan to Mr. Corcoran from his mother. Thus, the Committee knew that the \$5,000 loan was a contribution from Ms. Nelsen. In light of the Committee's knowledge of the facts surrounding the transaction, the Committee knowingly accepted a contribution from Ms. Nelsen which exceeded the \$1,000 contribution limitation set forth in 2 U.S.C. § 441a(a)(1)(A).

Even if Mr. Corcoran and Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

Mr. Corcoran, responding on behalf of the Committee, contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10).

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The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became 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 immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963). There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

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Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife but, received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy. In fact, no evidence has been presented to demonstrate that proceeds from the sale were used to pay off the loan. Rather, the Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made a \$4,000 payment to him on the loans he in turn had made to the Committee.

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The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee. The loan, in turn, was accepted by a candidate who intended to transfer the funds to his Committee and who, in fact, so transferred the funds. Finally, the funds were accepted by a Committee whose treasurer was fully apprised of the facts and circumstances surrounding the transaction.

For the reasons set forth above, the General Counsel knowingly concludes that the Committee knowingly accepted a \$5,000 loan which was made by Ms. Nelsen for the purpose of influencing Mr. Corcoran's election to federal office. Therefore, the Committee knowingly accepted contributions to Mr. Corcoran's primary election campaign from Ms. Nelsen totalling \$5,500 and exceeding by \$4,500 the Act's contribution limitation.

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III. Recommendation

That the Commission find probable cause to believe that the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f).

28 May 1980  
Date

  
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Charles N. Steele  
General Counsel

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On the same date, Mr. Corcoran issued a \$5,000 check to the Corcoran for Congress Committee as a loan, drawn on the same personal checking account into which he had deposited the loan from his mother.

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reproduced from the records of the Commission on Governmental Ethics

During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69 including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). At no time did Ms. Nelsen indicate that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

The manner in which the Committee reported the transaction (see discussion above) prompted the Commission's Reports Analysis Division to issue a surface violation letter on November 1, 1978. In response to this letter, E. T. Jacobs, the treasurer, described the transaction as a typical escrow occurrence. He stated that the property securing the note was owned by Mr. Corcoran, that it was held for sale and that the note was to be repaid upon the sale.

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In a letter dated July 23, 1979, responding to interrogatories propounded by the Commission, Mr. Jacobs stated that Mr. Corcoran had consulted with a Committee staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan.

According to Mr. Jacobs:

Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses.

Mr. Jacobs also stated in the letter that he was not aware of any other personal loans, from banks or otherwise, received by Mr. Corcoran while he was a candidate for federal office.

In a letter dated May 10, 1979, Mr. Corcoran stated that his principal occupation is that of real estate investor, and that it is quite common for him to borrow or lend money to make a given transaction. He went on to say that the loan from his mother was not to the Committee and was separate from the campaign. Later, in response to interrogatories, Mr. Corcoran stated that during the campaign, he was party to no other escrows involving Ms. Nelsen and received no other similar loans from anyone. Finally, in a letter dated September 11, 1979, Mr. Corcoran indicated that the loan from his mother had arisen in the normal course of his business as a real estate investor.

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## II. Legal Analysis

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bution to the extent that the obligation remains outstanding."  
11 C.F.R. § 100.4(a)(1)(i).

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In this case, Ms. Nelsen was clearly aware of Mr. Corcoran's candidacy at the time she made the \$5,000 loans. She had, in fact, already contributed \$500 to his primary campaign, thereby indicating both her desire to advance his candidacy and her awareness of the campaign's need for funds. She issued the \$5,000 check directly to Mr. Corcoran and imposed no restrictions on his use of the funds. Thus, the facts and circumstances surrounding the loan indicate that Ms. Nelsen was aware or should have been aware of the fact that the \$5,000 would be transferred to Mr. Corcoran's campaign Committee and used for the campaign. As such, the loan was a contribution under 2 U.S.C. § 431(e).

Moreover, Mr. Corcoran accepted the loan with full knowledge of all of the circumstances surrounding its making. The fact that he issued a \$5,000 loan to his Committee on the same day that he received the \$5,000 loan from his mother clearly indicates that he accepted the funds with the intent of using them for his campaign. Thus, Mr. Corcoran knowingly accepted a contribution from his mother which exceeded the \$1,000 limitation set forth in 2 U.S.C. § 441a(a)(1)(A).

Even if Mr. Corcoran and Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

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Mr. Corcoran contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10). The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became 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 immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963).

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There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife, but received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy.

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In fact, no evidence has been presented to demonstrate that proceeds from the sale were used to pay off the loan. The Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made a \$4,000 payment to him on the loans he in turn had made to the Committee.

The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee. The loan, in turn, was accepted by a candidate who intended to transfer the funds to his Committee and who, in fact, so transferred the funds.

For the reasons set forth above, the General Counsel concludes that Daniel Corcoran knowingly accepted a \$5,000 loan which was made by Ms. Nelsen for the purpose of influencing his election to federal office. Therefore, Mr. Corcoran

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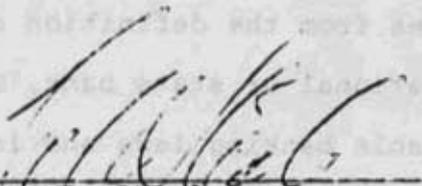
In fact, no evidence has been presented to demonstrate that knowingly accepted contributions to his primary election campaign from Ms. Nelsen totalling \$5,500 and exceeding by \$4,500 the Act's \$1,000 contribution limitation.

III. Recommendation

That the Commission find probable cause to believe that Daniel Corcoran violated 2 U.S.C. § 441a(f).

29 Nov 1980

Date

  
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Charles N. Steele  
General Counsel

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During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69, including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). At no time did Ms. Nelsen indicate that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

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According to Mr. Jacobs:

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**II. Legal Analysis**

The Federal Election Campaign Act, 2 U.S.C. § 441a(f) (herein "the Act") provides:

No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Under § 431(e) of the Act, a contribution is defined, in part, as a "gift...loan...or anything of value made for the purpose of influencing the nomination for election, or election, of any person to Federal office." The Regulations promulgated pursuant to the Act further provide that, "A loan is a contribution to the extent that the obligation remains outstanding." 11 C.F.R. § 100.4(a)(1)(i).

In this case, Ms. Nelsen was clearly aware of Mr. Corcoran's candidacy at the time she made the \$5,000 loans. She had, in fact, already contributed \$500 to his primary campaign, thereby indicating both her desire to advance his candidacy and her

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awareness of the campaign's need for funds. She issued the \$5,000 check directly to Mr. Corcoran and imposed no restrictions on his use of the funds. Thus, the facts and circumstances surrounding the loan indicate that Ms. Nelsen was aware or should have been aware of the fact that the \$5,000 would be transferred to Mr. Corcoran's campaign Committee and used for the campaign. As such, the loan was a contribution under 2 U.S.C. § 431(e).

Even if Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

Mr. Nelsen contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10). The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became a candidate the candidate had legal and rightful title, or with respect to which the candidate had the right of beneficial enjoyment,

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check directly to Mr. Corcoran and imposed no restrictions on

under applicable State law, and which the candidate had legal right of access to or control over, including funds from immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963). There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

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Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife, but received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy. In fact, no evidence has been presented to demonstrate that proceeds from the sale of the property securing the loan were used to pay off the loan. The Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made

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a \$4,000 payment to him on the loans he in turn had made to the Committee.

The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee.

For the reasons set forth above, the General Counsel concludes that Mary Lou Nelsen issued the \$5,000 loan to Daniel Corcoran, for the purpose of influencing his election to federal office. Therefore, the loan constitutes a contribution under the Act which, when added to the \$500 Ms. Nelsen contributed directly to Mr. Corcoran's primary election campaign, exceeded by \$4,500 the Act's \$1,000 contribution limitation.

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III. General Counsel's Recommendation

MAY 28, 1980

That the Commission find probable cause to believe that Mary Lou Nelsen violated 2 U.S.C. § 441a(a)(1)(A).

28 May 1980

Date

Charles N. Steele  
General Counsel

92040331269



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(a)(1)(A).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

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Letter to: Mary Lou Nelsen  
Page 2

RECEIVED  
FEBRUARY 21 1982

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely  
*Charles N. Steele*  
Charles N. Steele  
General Counsel

Enclosure  
Brief

32040331270



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Letter to Mr. Daniel M. Corcoran  
May 23, 1980  
Page 1

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Ms. Mary Lou Nelsen and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Brief

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Letter to Daniel M. Jacobs  
Page 2

May 28, 1980

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe the Corcoran for Congress Committee may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to Ms. Mary Lou Nelsen, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that the Corcoran for Congress Committee was in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

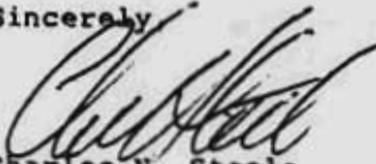
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Letter to: Gary Montgomery  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely



Charles N. Steele  
General Counsel

Enclosure  
Brief

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In the Matter of

Daniel M. Corcoran )

Corcoran For Congress Committee )

and )

Mary Lou Nelsen )

MUR 943

Answer to the General Council's Brief

Daniel M. Corcoran, the candidate, and Daniel M. Corcoran for the Corcoran for Congress Committee (the "Committee") and Mary Lou Nelsen are herein answering jointly;

And that neither Daniel M. Corcoran, the Committee nor Mary Lou Nelsen can afford council and are therefore answering for themselves, without benefit of legal assistance.

1. Answer #1, to the General Council's Brief

That during the first week of May, 1978, and prior to effecting the transaction in question, Daniel M. Corcoran requested the Accountancy firm of E.T. Jacobs, the then treasurer of the Committee, to inquire of the Federal Election Commission (FEC) as to the legality of the transaction in question. E.T. Jacobs's, firm, did in fact contact the FEC by telephone and did present the question to the FEC and the FEC did indicate that the transaction in question would not be a violation.

It is reasonable to presume that the FEC is in a position offering the FEC a greater understanding of the Federal Election law than the average citizen running for Federal Office.

It is reasonable to presume that the FEC knew that making such

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an unwritten opinion, as to the legality of the transaction in question, is in violation of 2 U.S.C. Section 437 (f) (b), which states in part:

"...No opinion of an advisory nature may be issued by the Commission or any of its employees except in accordance with the provisions of this section."

Daniel M. Corcoran, and the Committee, sought an advisory opinion from the FEC, unaware that the advisory opinion it self was a violation, proceeded in good faith believing that the advisory opinion given was pursuant to the Law.

The FEC should stop any further action in the matter pursuant to 2 U.S.C. Section 437 (c) (2)

"Notwithstanding any other provisions of law, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraph (1) and who acts in good faith in accordance with the provisions and findings of such advisory opinions shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of title 26."

The Committee and Daniel M. Corcoran, did proceed in good faith believing that they had been given a valid Advisory Opinion and did in fact repay the obligation prior to any inquiry by the FEC, a procedure inconsistent with knowing and willful violation of the law.

Therefore, Daniel M. Corcoran and the Committee did not knowingly and willfully accept any contribution in violation of 2 U.S.C. Section 441 (a) (f) as alledged in the General Council's Brief.

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II Argument #2

Notwithstanding the above, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds". Section 11 C.F.R. 110.10 offers the following definition:

(b) For purposes of this section, "personal funds" means---

(1) Any assets to which at the time he or she became 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 control over, including funds from immediate family members; and

(2) Salary and other earned income from bonafide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance.

The property that was mortgaged, was acquired, after Daniel M. Corcoran married Anne K. Jackson and before Daniel M. Corcoran was a candidate for Federal office. The property was held for the mutual benefit and enjoyment of Daniel M. Corcoran and Anne K. Corcoran. It was a community asset and treated as such.

Therefore it is "personal funds" pursuant to 11 CFR 110.11 (b) (1)

"Any asset to which at the time he or she became a candidate the candidate had legal rightful title or with respect to which the candidate had the right of beneficial enjoyment .....including funds from immediate family members..."

The General Council is incorrect in it's analysis of the California Business and Professions code as it relates to the requirements for a California salesmen's or broker's license. The General

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Council quoted Section 10132 of the California Business and Professions Code incorrectly. Section 10132 states that:

"...A real estate salesman with in the meaning of this part is a natural person who, for a compensation or in expectation of a compensation is employed by a licensed real estate broker to do one or more of the acts set forth in (the code)."

And Section 10133 clearly modifies section 10132 stating:

"The definition of a real estate broker and a real estate salesman as set forth in Sections 10131 and 10132 do not include the following:

(a) Anyone who directly performs any of the acts within the scope of this chapter with reference to his own property"--- since Daniel M. Corcoran and Anne K. Corcoran did have lawful title and right of beneficial enjoyment the property was therefore their own property, to be sold or encumbered without any requirements for a real estate license. As their own property the marketing of an interest in that property was the simple sale of an investment and thus personal funds as described in Section 11 C.F.R. 110.10. The General Council argues that since Daniel M. Corcoran did not charge himself a commission to "broker" the transaction in question it was not in the normal course of business and therefore not exempt under Federal Law. This argument is not based in fact, logic or law.

The allegation that Daniel M. Corcoran, was not engaged in the active business of Real Estate Investing (as opposed to Real Estate Sales for remuneration) is not based in fact or law. Although there were no other transaction of a similar nature during the

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time Daniel M. Corcoran was a candidate for federal office, (similar meaning the marketing of a portion of an asset by means of a note and Trust Deed), there were, however, numerous transactions where a property or properties were sold or acquired. In fact in the period beginning 18 months prior to the 1978 campaign and continuing to date, approximately 80% of the total earned income of Daniel M. Corcoran was derived from the sale of investment property owned by Daniel M. Corcoran, individually or jointly with his wife. The dollar volume of such income is in excess of \$50,000. The dollar volume of gross acquisition prices exceeds \$1,000,000.00. In fact, in the course of the campaign approximately seven living units of income property were acquired and 2 sold, all purchased or sold directly to Daniel M. Corcoran and (or) Anne K. Corcoran as principals. There were, in addition to the above, several transactions wherein Daniel M. Corcoran was paid a commission for acting as agent on behalf of others.

In addition to the above it was common practice for Daniel M. Corcoran's mother (Mary Lou Nelsen) and or her husband ( Carl E. Nelsen) to lend money to Daniel M Corcoran or purchase an interest in investments of Daniel M. Corcoran. Some transactions were secured (by a note and Trust Deed) and some were not.

In addition to all the above; the bank account from which the \$5000 was derived is in fact a family trust wherein Daniel M. Corcoran had (has) an interest. Such interest existed prior to the campaign and further exempt under 11 C.F.R. 110.10 (2)

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III Conclusion

The allegation of the General Council that the transaction in question is a violation of Federal Campaign Finance Law is incorrect. The transaction was the conversion of one form of property (asset) to another form and was therefore the candidates personal funds. Mary Lou Nelsen, entered into a bona fide Trust Deed Acquisition transaction and did not have any personal knowledge as to the disposition of the funds. She was not privy to the means and methods used to finance the campaign and entered into the transaction, as did the committee and the candidate, believing, after consultation with the FEC that the transaction was not in violation of the law.

IV Recommendations

That no action be taken and the matter dismissed.

040331280

June 14, 1980

*Robert L. ...* for Daniel M. Corcoran

June 14, 1980

*Robert L. ...* for Corcoran for Congressional Committee

June 14, 1980 *Mary Lou Nelsen for ...*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

On , 1980, the Commission determined there was probable cause to believe that the Corcoran for Congress Committee committed a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the acceptance of contributions totalling \$5,500 from Mary Lou Nelsen to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

On , 1980, the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the making of contributions totalling \$5,500 to the 1978 federal campaign of Daniel M. Corcoran.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

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If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

On , 1980, the Commission determined there was probable cause to believe that you committed a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the acceptance of contributions totalling \$5,500 from Mary Lou Nelsen to your 1978 federal campaign.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Sondra L. Mills, the attorney assigned to this matter, at 202-523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Conciliation Agreement

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PS Form 3811, Aug. 1978

**SENDERS:** 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:  
*Ms. Anne K. Carlson*  
*P.O. Box 5006*  
*Lindaide, CA 92512*

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
 | *45568* |

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
*Russell T. ...*

4. DATE OF DELIVERY  
*7-21-80*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS  
*mm*

*MUR 943*      *Mills*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 17, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission on May 20, 1980 found reason to believe that you may have violated § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended and instituted an investigation of this matter.

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

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

Should you have any questions, please contact Sondra L. Mills at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Brief

32040331285

July 17, 1980

MEMORANDUM TO: Marjorie W. Emms

FROM: Elissa T. Garr

SUBJECT: MUR 943

Please have the attached Memo and brief distributed to the Commission on an informational basis. Thank you.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

80 JUL 17 P 4: 15

July 17, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele *CS*  
General Counsel

SUBJECT: MUR 943

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondent of the General Counsel's intent to recommend to the Commission a finding of no probable cause to believe was mailed on July 17, 1980. Following receipt of the respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to Respondent

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believe that Ms. Nelsen was in violation of § 441a(a)(1) (A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979. At this date, conciliation has not been successful and the General Counsel has forwarded to respondents and to the Commission copies of the General Counsel's Brief recommending that the Commission find probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(A) and that Mr. Corcoran and the Committee violated 2 U.S.C. § 441a(f).

In reviewing this matter, the General Counsel's office noted an additional potential violation. The \$5,000 loan from Ms. Nelsen was secured by a deed of trust on realty located in Riverside, California. The deed of trust states that the property was owned by "Anne K. Jackson aka Anne K. Corcoran, a married woman" and the promissory note, payable in 90 days with 10% interest, was executed solely by "Anne K. Jackson aka Anne K. Corcoran" and Ms. Nelsen. Further, the deed documenting the conveyance to Ms. Corcoran, recorded with the County Recorder in Riverside County, reveals that on November 25, 1977, the property was conveyed to "Anne K. Jackson, a single woman". This deed was recorded on February 6, 1978 and re-recorded on March 8, 1978 to amend the property description. On July 18, 1978, the property was conveyed by "Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman".

On May 10, 1978, Ms. Corcoran executed the promissory note. On May 22, 1978, Ms. Nelsen issued a check for \$5,000

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payable to Daniel M. Corcoran. On the same date, he deposited the \$5,000 check into an account held jointly by him and his wife. Again, on that same date, he issued a \$5,000 check to the Corcoran for Congress Committee. Mr. Corcoran executed a "Statement of a Candidate for Nomination to Federal Office" on March 27, 1978.

The foregoing evidence indicated the possibility that Mr. Corcoran had not, prior to his candidacy, acquired any interest in the property owned by his wife which secured the \$5,000 loan from his mother. Based on an application of the community property laws of the state of California to this evidence, the Commission, on May 20, 1980, found reason to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A) by pledging her separate property as security for the \$5,000 loan from Ms. Nelsen or, alternatively, by making a gift of the actual loan proceeds to Mr. Corcoran's campaign. Pursuant to this finding, the Commission issued a subpoena and order to Ms. Corcoran in order to obtain further information regarding any ownership interest Mr. Corcoran may have acquired prior to his candidacy in the property used to secure the loan. Ms. Corcoran's responses to the subpoena and order set forth the following relevant facts:

Ms. Corcoran was married to Daniel Corcoran on December 23, 1977. On November 25, 1977, she entered into a contract to purchase the realty in question contingent upon obtaining an FHA loan. FHA approval and financing were obtained, and escrow was completed on or about February 6, 1978.

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From the copies of the contract and escrow agreement which Ms. Corcoran has submitted, it appears that, as she so states, full title and possession were conveyed to her at the close of the escrow period. Negotiations to purchase the realty were begun by Mr. Corcoran as a sales agent for the realtor handling the sale prior to his marriage to Ms. Corcoran. Following their marriage on December 23, Ms. Corcoran states that she conveyed an interest in the realty to her husband and that they treated the property with the mutual understanding that it was a community asset. Ms. Corcoran further states that, following their marriage, her husband performed all general managerial functions concerning the property. All proceeds, rents, and expenses were paid out of, or deposited into, their mutual bank account. The property was sold on July 18, 1978. Because the title did not reflect Mr. Corcoran's interest in the property, he executed a quitclaim deed to Ms. Corcoran for the purpose of vesting title in her as her sole and separate property so that she could, in turn, convey clear title to the buyers.

Legal Analysis

Section 441a(a)(1)(A) of the Act prohibits the making of contributions in excess of \$1,000 to a candidate and his authorized political committees. 11 C.F.R. § 100.4(a)(1), as in effect during Mr. Corcoran's candidacy, provides that a contribution includes a loan made for the purpose of influencing the nomination for election, or election, of any person to Federal office.

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Under § 100.4(a)(1)(i) of the Regulations, the term "loan" is defined to include, "... a guarantee, endorsement, and any other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser as well as with a political committee, or other primary obligor." While there is no limit on the amount of personal funds a candidate may contribute to his own campaign, the term "personal funds," consistent with the Supreme Court's decision in Buckley v. Valeo, 424 U.S. 1, 52-54 (1976), is defined by the regulations. In this connection, assets of an immediate family member of a candidate are considered "personal funds" of the candidate only if they were "... assets to which at the time he ... became a candidate the candidate had legal and rightful title, or ... the right of beneficial enjoyment, under applicable State law, and which the candidate had legal right of access to or control over ...." 11 C.F.R. § 110.10(b), Advisory Opinions 1976-26, 1976-74.

In this case, Ms. Corcoran did not acquire full title and possession to the realty used to secure the loan from Ms. Nelsen until on or about February 6, 1978, approximately six weeks after her marriage to Mr. Corcoran. California Civil Code § 5110 provides, in relevant part, that:

... all real property situated in this state ...  
acquired during the marriage by a married person  
while domiciled in this state ... is community property ...

Thus, the marital status of the acquiring party determines the character of the property; the precise state of the title is not controlling. As Ms. Corcoran acquired full title and possession

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to the property after her marriage to Mr. Corcoran, the property is presumed to be a community asset.

Such a presumption is not conclusive and may be rebutted by showing that the Corcorans agreed, either orally or in writing, that Ms. Corcoran hold the property as her separate property. The fact that the deed documenting the conveyance, recorded on two separate occasions after Ms. Corcoran's marriage, did not reflect Mr. Corcoran's interest in the property suggests that the Corcorans may have agreed that Ms. Corcoran hold the realty as her separate property. However, the Corcorans appear to have treated the property as a community asset and, upon the subsequent reconveyance of the property in July at 1978, did undertake to divest Mr. Corcoran of any interest in the property by executing the quitclaim deed described above. The fact that Ms. Corcoran alone executed the deed of trust securing the loan from Ms. Nelsen is somewhat problematic. California Civil Code § 5127 provides, in relevant part, that:

... either spouse has management and control of the community real property ... but both spouses must join in executing any instrument by which such community real property or any interest therein is ... sold, conveyed or encumbered ....

While the fact that Mr. Corcoran did not execute the deed of trust could indicate that the Corcorans agreed that the property be held as Ms. Corcoran's separate property, this fact, standing alone, is probably insufficient to overcome the statutory presumption that the property was a community asset.

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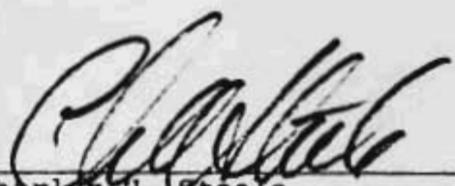
Finally, California Civil Code § 5105 provides that, "The respective interests of the husband and wife in community property during continuance of the marriage are present, existing and equal interests...." Here, the property in question was acquired by the Corcorans as a community asset during their marriage and prior to Mr. Corcoran's candidacy. Thus, the property used to secure the loan was within the definition of "personal funds" of the candidate under 11 C.F.R. § 110.10(b).

Recommendation

That the Commission determine that there is no probable cause to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A).

Date

16 July 1980

  
Charles N. Steele  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 17, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission on May 20, 1980 found reason to believe that you may have violated § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended and instituted an investigation of this matter.

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

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

Should you have any questions, please contact Sondra L. Mills at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Brief

9204031295

In the Matter of  
 Daniel M. Corcoran )  
 Corcoran For Congress Committee )  
 and )  
 Mary Lou Nelsen )

MUR 943

508732

Answer to the General Council's Brief

Daniel M. Corcoran, the candidate, and Daniel M. Corcoran for the Corcoran for Congress Committee (the "Committee") and Mary Lou Nelsen are herein answering jointly;

And that neither Daniel M. Corcoran, the Committee nor Mary Lou Nelsen can afford council and are therefore answering for themselves, without benefit of legal assistance.

1. Answer #1, to the General Council's Brief

That during the first week of May, 1978, and prior to effecting the transaction in question, Daniel M. Corcoran requested the Accountancy firm of E.T. Jacobs, the then treasurer of the Committee, to inquire of the Federal Election Commission (FEC) as to the legality of the transaction in question. E.T. Jacobs, firm, did in fact contact the FEC by telephone and did present the question to the FEC and the FEC did indicate that the transaction in question would not be a violation.

It is reasonable to presume that the FEC is in a position offering the FEC a greater understanding of the Federal Election law than the average citizen running for Federal Office.

It is reasonable to presume that the FEC knew that making such

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an unwritten opinion, as to the legality of the transaction in question, is in violation of 2 U.S.C. Section 437 (f) (b), which states in part:

"...No opinion of an advisory nature may be issued by the Commission or any of its employees except in accordance with the provisions of this section."

Daniel M. Corcoran, and the Committee, sought an advisory opinion from the FEC, unaware that the advisory opinion it self was a violation, proceeded in good faith believing that the advisory opinion given was pursuant to the Law.

The FEC should stop any further action in the matter pursuant to 2 U.S.C. Section 437 (c) (2) ~~as in part:~~

"Notwithstanding any other provisions of law, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraph (1) and who acts in good faith in accordance with the provisions and findings of such advisory opinions shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of title 26."

The Committee and Daniel M. Corcoran, did proceed in good faith believing that they had been given a valid Advisory Opinion and did in fact repay the obligation prior to any inquiry by the FEC, a procedure inconsistent with knowing and willful violation of the law.

Therefore, Daniel M. Corcoran and the Committee did not knowingly and willfully accept any contribution in violation of 2 U.S.C. Section 441 (a) (f) as alleged in the General Council's Brief.

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II Argument #2

Notwithstanding the above, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds". Section 11 C.F.R. 110.10 offers the following definition:

(b) For purposes of this section, "personal funds"

means---

(1) Any assets to which at the time he or she became 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 control over, including funds from immediate family members; and

(2) Salary and other earned income from bonafide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance.

The property that was mortgaged, was acquired, after Daniel M. Corcoran married Anne K. Jackson and before Daniel M. Corcoran was a candidate for Federal office. The property was held for the mutual benefit and enjoyment of Daniel M. Corcoran and Anne K. Corcoran. It was a community asset and treated as such.

Therefore it is "personal funds" pursuant to 11 CFR 110.11 (b) (1)

"Any asset to which at the time he or she became a candidate the candidate had legal ~~rightful title~~ or with respect to which the candidate had the right of beneficial enjoyment .....including funds from immediate family members..."

The General Council is incorrect in it's analysis of the California Business and Professions code as it relates to the requirements for a California salesmen's or broker's license. The General

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Council quoted Section 10132 of the California Business and Professions Code incorrectly. Section 10132 states that:

"...A real estate salesman with in the meaning of this part is a natural person who, for a compensation or in expectation of a compensation is employed by a licensed real estate broker to do one or more of the acts set forth ~~in~~ ~~(the~~ code)."

And Section 10133 clearly modifies section 10132 stating:

"The definition of a real estate broker and a real estate salesman as set forth in Sections 10131 and 10132 do not include the following:

(a) Anyone who directly performs any of the acts within the scope of this chapter with reference to his own property"--- since Daniel M. Corcoran and Anne K. Corcoran did have lawful title and right of beneficial enjoyment the property was therefore their own property, to be sold or encumbered without any requirements for a real estate license. As their own property the marketing of an interest in that property was the simple sale of an investment and thus personal funds as described in Section 11 C.F.R. 110.10. The General Council argues that since Daniel M. Corcoran did not charge himself a commission to "broker" the transaction in question it was not in the normal course of business and therefore not exempt under Federal Law. This argument is not based in fact, logic or law.

The allegation that Daniel M. Corcoran, was not engaged in the active business of Real Estate Investing (as opposed to Real Estate Sales for remuneration) is not based in fact or law. Although there were no other transaction of a similar nature during the

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time Daniel M. Corcoran was a candidate for federal office, (similar meaning the marketing of a portion of an asset by means of a note and Trust Deed), there were, however, numerous transactions where a property or properties were sold or acquired. In fact in the period beginning 18 months prior to the 1978 campaign and continuing to date, approximately 80% of the total earned income of Daniel M. Corcoran was derived from the sale of investment property owned by Daniel M. Corcoran, individually or jointly with his wife. The dollar volume of such income is in excess of \$50,000. The dollar volume of gross acquisition prices exceeds \$1,000,000.00. In fact, in the course of the campaign approximately seven living units of income property were acquired and 2 sold, all purchased or sold directly to Daniel M. Corcoran and (or) Anne K. Corcoran as principals. There were, in addition to the above, several transactions wherein Daniel M. Corcoran was paid a commission for acting as agent on behalf of others.

In addition to the above it was common practice for Daniel M. Corcoran's mother (Mary Lou Nelsen) and or her husband ( Carl E. Nelsen) to lend money to Daniel M Corcoran or purchase an interest in investments of Daniel M. Corcoran. Some transactions were secured (by a note and Trust Deed) and some were not.

In addition to all the above; the bank account from which the \$5000 was derived is in fact a family trust wherein Daniel M. Corcoran had (has) an interest. Such interest existed prior to the campaign and further exempt under 11 C.F.R. 110.10 (2)

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III Conclusion

The allegation of the General Council that the transaction in question is a violation of Federal Campaign Finance Law is incorrect. The transaction was the conversion of one form of property (asset) to another form and was therefore the candidates personal funds. Mary Lou Nelsen, entered into a bona fide Trust Deed Acquisition transaction and ~~did~~ not have any personal knowledge as to the disposition of the funds. She was not privy to the means and methods used to finance the campaign and entered into the transaction, as did the committee and the candidate, believing, after consultation with the FEC that the transaction was not in violation of the law.

IV Recommendations

That no action be taken and the matter dismissed.

040331301

June 14, 1980

*[Signature]* For DANIEL M. CORCORAN

June 14, 1980

*[Signature]* For CORCORAN For Congress (Committee)

JUNE 14, 1980

*[Signature]* For MARY LOU NELSEN

P.O. Box 5006  
Riverside, Ca

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RETURN RECEIPT  
REQUESTED

**CERTIFIED**  
P25  
**MAIL**

FEDERAL ELECTION Commission  
OFFICE of General Council  
1325 K<sup>th</sup> STREET N.W  
WASHINGTON, D.C.

20963

RE: MUR 943

Certified Mail

RECEIVED

CCCT 1666

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June 8, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Anne and Dan Corcoran  
P.O. Box 5006  
Riverside, CA 92517

FEDERAL ELECTION COMMISSION  
1325 K Street N.W.  
Washington, D.C. 20463

008465

RE: MUR 943(79)

Dear Sirs:

In response to your subpoena of (not dated)(received June 3, 1980):

Question #1.

Answer: Yes

Question #2.

Answer: December 23, 1977 (Marriage Certificate enclosed)

Question #3.

Answer: n/a

Question #4.

Answer: n/a

Question #5.

Answer: Yes. It was community property and held for our mutual benefit and enjoyment.

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June 8, 1980

Dan and Anne Corcoran  
 P.O. Box 5006  
 Riverside, CA 92517

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RE: MUR 943(79)  
 Page #2

Question #6.

Answer: Oral Agreement. Treatment of the community asset. Mutual understanding

Question #7.

Answer: 1. All rental, maintenance, disposition and acquisition, and all other aspects regarding the property was handled by my husband (Dan Corcoran), for us, as ~~our~~ mutual responsibility and asset.

2. All proceeds, rents, expenses and other things regarding the property were paid for, or receipted into, ~~our~~ mutual (community funds) bank account. Copies of checks issued from this account for payments of and for the property are enclosed.

3. On our joint 1977 Income Tax return (copy enclosed) the property was treated as a community asset. It was depreciated as such. All income and expenses and proceeds were treated as community property with myself and my husband sharing the benefits and liabilities.

4. The fire and hazard insurance was issued in both our names (as I recall... copies of same cannot be located).

Question #8.

Answer: 1. Negotiations to purchase the property were begun by my husband, prior to our marriage. A copy of the original offer to purchase is enclosed and bears both my, and my husband's signature. These negotiations took place while I was still a single woman. Escrow was opened while I was still a single woman. (escrow documents enclosed). I married Dan Corcoran on December 23, 1977, prior to my acquiring title or possession of the property.

2. Title and possession was conveyed to my on or about, February 6, 1978, AFTER MY MARRIAGE TO DAN CORCORAN. The vesting of the title, drawn prior to our marriage, should have been corrected to reflect my husband's interest. Since we choose to treat the asset as community property, when we discovered that title was vesting in me alone, we were advised that the vesting made no difference if we choose to treat the property as community property.

3. The property was sold on July 18, 1978. There was no escrow. We exchanged a Grant Deed for money. Since the vesting had not changed to publicly reveal my husband's interest in the property we, voluntarily, disclosed his interest to the buyers and executed a Quit Claim Deed concurrently with the Grant Deed to afford the buyers good title.

4. The property was a community asset at the time the \$5000 interest was marketed to Mrs. Nelsen. You have copies of all the documents regarding that transaction.

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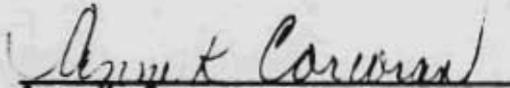
June 8, 1980

Dan And Anne Corcoran  
P.O. Box 5006  
Riverside, CA 92517

RE: MUR 943(79)

Page #3 of 8

I swear that the above is true and correct to my best belief and knowledge.

  
Anne K. Corcoran

at Riverside California on June 8, 1980.

end.

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WINE CONCORAN  
P.O. Box 5006  
Riverside, CA 92517

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RETURN RECEIPT  
REQUESTED

CERTIFIED  
PI2  
MAIL

Federal Election Commission  
1325 "K" STREET, N.W.  
WASHINGTON, D.C.

20463

ATT: SONDRAL. MILLS

RE: MUR 943 (79)

CERTIFIED MAIL



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(a)(1)(A).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Ms. Mary Lou Nelsen and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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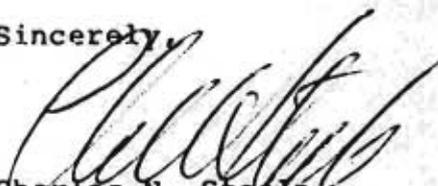
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Letter to: Daniel M. Corcoran  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely,

  
Charles N. Steele  
General Counsel

Enclosure  
Brief

22040331310

1. NAME OF ADDRESSEE	
2. ADDRESS	
3. CITY, STATE, ZIP	
4. PHONE NO.	
5. BUSINESS TITLE	
6. SIGNATURE <input type="checkbox"/> ADDRESS <input type="checkbox"/> AUTHORIZED AGENT	
7. DATE OF DELIVERY	POSTMARK
8. ADDRESS CHANGES ONLY IF RETURNED	
9. UNABLE TO DELIVER BECAUSE	

MAR 9 1980



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe the Corcoran for Congress Committee may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to Ms. Mary Lou Nelsen, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that the Corcoran for Congress Committee was in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

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Letter to: Gary Montgomery  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely,

Charles N. Steele  
General Counsel

Enclosure  
Brief

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PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, GUARDED AND CERTIFIED MAIL

1. The following service is requested (check one):  
 Show to whom and date delivered.  
 RESTRICTED DELIVERY  
 RESTRICTED DELIVERY  
 RESTRICTED DELIVERY  
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE REGISTERED TO:  
Mr. Gary Montgomery  
P.O. Box 5006  
Birmingham, AL 35202

REGISTERED NO. 945002

3. I have received this article:  
SIGNATURE: Russell T. ...  
DATE OF RECEIPT: 6-3-80

4. ADDRESS CORRECTIONS ONLY IF NECESSARY

5. USABLE FOR MAILING PURPOSES

S.M. TR

May 29, 1980

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached Memo and Briefs distributed to the Commission on an informational basis. Thank you.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

80 MAY 29 AM: 10

May 28, 1980

MEMORANDUM TO: The Commission  
FROM: Charles N. Steele *CS*  
General Counsel  
SUBJECT: MUR 943

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of these briefs and letters notifying the respondents of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe was mailed on ~~May~~ 29, 1980. Following receipt of the respondents' reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Briefs
2. Letters to Respondents

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BEFORE THE FEDERAL ELECTION COMMISSION  
April 2, 1980

In the Matter of )  
Corcoran for )  
Congress Committee ) MUR 943

General Counsel's Brief

I. Statement of the Case

This matter was referred to the Commission's Office of General Counsel from the Reports Analysis Division.

On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. § 441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,500 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelsen, in addition to making direct contributions to the Committee, executed a \$5,000 personal loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

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Conciliation has failed with respect to all three respondents. The General Counsel is now recommending that the Commission proceed, pursuant to the procedures set forth in 2 U.S.C. § 437g(a)(3), as amended, to a vote finding probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(a) and that Mr. Corcoran and the Committee violated § 441a(f).

In May of 1978, Daniel Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. He won the primary election held on June 6, 1978, but lost in the general election that November. Throughout the period of his candidacy, he was employed as a realtor by Home Sellers Realty, Inc. and was licensed as a real estate salesman by the State of California.

On May 12, 1978, Mary Nelsen, Mr. Corcoran's mother, issued a \$5,000 certified check, drawn on her personal savings account, to Mr. Corcoran as a personal loan, which he deposited into his personal checking account on the same date. The loan was secured by a deed of trust on real property owned by Mr. Corcoran's wife, Anne K. Jackson aka Anne K. Corcoran, and a promissory note dated May 10, 1978, to be repaid within 90 days at 10% interest.

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On the same date, Mr. Corcoran issued a \$5,000 check to the Corcoran for Congress Committee as a loan, drawn on the same personal checking account into which he had deposited the loan from his mother.

The Committee reported receipt of the loan on May 12, 1978. In its report of receipts and expenditures for the period April 1, 1978 - May 22, 1978, the Committee reported the nature of various obligations to Daniel Corcoran in the following manner:

Loan payable on demand at 0% interest. \$7,365.19.

(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

This same explanation of obligations to Mr. Corcoran was made by the Committee in its report for the periods May 23 - June 6, 1978, and June 27 - June 30, 1978.

As stated above, the note secured by deed of trust dated May 10, 1978 provided that the loan be repaid in 90 days. It thus fell due on August 7, 1978. However, Mr. Corcoran did not repay the loan until September 13, 1978. On that date, he issued a check drawn on the same personal checking account used in the earlier loan transactions to his mother for \$5,163.20. This sum was to cover principal and interest on the loan through that date.

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During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69, including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions, in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). At no time did Ms. Nelsen indicate that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

The manner in which the Committee reported the transaction (see discussion above) prompted the Commission's Reports Analysis Division to issue a surface violation letter on November 1, 1978. In response to this letter, E. T. Jacobs, the treasurer, described the transaction as a typical escrow occurrence. He stated that the property securing the note was owned by Mr. Corcoran, that it was held for sale and that the note was to be repaid upon the sale.

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In a letter dated July 23, 1979, responding to interrogatories propounded by the Commission, Mr. Jacobs stated that Mr. Corcoran had consulted with a Committee staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan.

According to Mr. Jacobs:

Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses.

Mr. Jacobs also stated in the letter that he was not aware of any other personal loans, from banks or otherwise, received by Mr. Corcoran while he was a candidate for federal office.

In a letter dated May 10, 1979, Mr. Corcoran stated that his principal occupation is that of real estate investor, and that it is quite common for him to borrow or lend money to make a given transaction. He went on to say that the loan from his mother was not to the Committee and was separate from the campaign. Later, in response to interrogatories, Mr. Corcoran stated that during the campaign, he was party to no other escrows involving Ms. Nelsen and received no other similar loans from anyone. Finally, in a letter dated September 11, 1979, Mr. Corcoran indicated that the loan from his mother had arisen in the normal course of his business as a real estate investor.

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In a letter dated July 23, 1979, Ms. Nelsen described the loan as a personal loan directly to her son in the normal course of business. Again, in a letter dated September 26, 1979, she insisted that the loan was never intended to be a campaign contribution but rather constituted a "personal business transaction between a Real Estate Investment person, who happened to be my son, and myself."

## II. Legal Analysis

The Federal Election Campaign Act, 2 U.S.C. § 441a(f) (herein "the Act") provides, in part:

No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

§ 441a(a)(1)(A) of the Act provides:

No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Under § 431(e) of the Act, a contribution is defined, in part, as a "gift...loan...or anything of value made for the purpose of influencing the nomination for election, or election, of any person to Federal office." The Regulations promulgated pursuant to the Act further provide that, "A loan is a contribution to the extent that the obligation remains outstanding." 11 C.F.R. § 100.4(a)(1)(i).

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In this case, the Committee was clearly aware \$5,000 advanced to the campaign by Mr. Corcoran on May 12 constituted the proceeds of Ms. Nelsen's loan. The Committee's treasurer, in fact, reported the loan as a loan to Mr. Corcoran from his mother. Thus, the Committee knew that the \$5,000 loan was a contribution from Ms. Nelsen. In light of the Committee's knowledge of the facts surrounding the transaction, the Committee knowingly accepted a contribution from Ms. Nelsen which exceeded the \$1,000 contribution limitation set forth in 2 U.S.C. § 441a(a)(1)(A).

Even if Mr. Corcoran and Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

Mr. Corcoran, responding on behalf of the Committee, contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10).

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The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became 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 immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

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However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963). There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife but, received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy. In fact, no evidence has been presented to demonstrate that proceeds from the sale were used to pay off the loan. Rather, the Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made a \$4,000 payment to him on the loans he in turn had made to the Committee.

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The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee. The loan, in turn, was accepted by a candidate who intended to transfer the funds to his Committee and who, in fact, so transferred the funds. Finally, the funds were accepted by a Committee whose treasurer was fully apprised of the facts and circumstances surrounding the transaction.

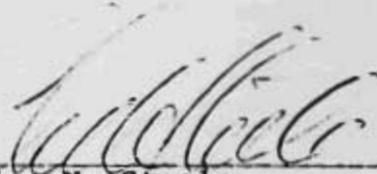
For the reasons set forth above, the General Counsel knowingly concludes that the Committee knowingly accepted a \$5,000 loan which was made by Ms. Nelsen for the purpose of influencing Mr. Corcoran's election to federal office. Therefore, the Committee knowingly accepted contributions to Mr. Corcoran's primary election campaign from Ms. Nelsen totalling \$5,500 and exceeding by \$4,500 the Act's contribution limitation.

III. Recommendation

That the Commission find probable cause to believe that the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f).

28 May 1980

Date



Charles N. Steele  
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION  
April 2, 1980

In the Matter of     )  
                          )  
Daniel M. Corcoran    )    MUR 943

General Counsel's Brief

I. Statement of the Case

This matter was referred to the Commission's Office of General Counsel from the Reports Analysis Division.

On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. § 441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,500 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelsen, in addition to making direct contributions to the Committee, executed a \$5,000 personal loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

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Conciliation has failed with respect to all three respondents. The General Counsel is now recommending that the Commission proceed, pursuant to the procedures set forth in 2 U.S.C. § 437g(a)(3), as amended, to a vote finding probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(a) and that Mr. Corcoran and the Committee violated § 441a(f).

In May of 1978, Daniel Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. He won the primary election held on June 6, 1978, but lost in the general election that November. Throughout the period of his candidacy, he was employed as a realtor by Home Sellers Realty, Inc. and was licensed as a real estate salesman by the State of California.

On May 12, 1978, Mary Nelsen, Mr. Corcoran's mother, issued a \$5,000 certified check, drawn on her personal savings account, to Mr. Corcoran as a personal loan, which he deposited into his personal checking account on the same date. The loan was secured by a deed of trust on real property owned by Mr. Corcoran's wife, Anne K. Jackson aka Anne K. Corcoran, and a promissory note dated May 10, 1978, to be repaid within 90 days at 10% interest.

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On the same date, Mr. Corcoran issued a \$5,000 check to the Corcoran for Congress Committee as a loan, drawn on the same personal checking account into which he had deposited the loan from his mother.

The Committee reported receipt of the loan on May 12, 1978. In its report of receipts and expenditures for the period April 1, 1978 - May 22, 1978, the Committee reported the nature of various obligations to Daniel Corcoran in the following manner:

Loan payable on demand at 0% interest. \$7,365.19.

(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

This same explanation of obligations to Mr. Corcoran was made by the Committee in its report for the periods May 23 - June 6, 1978, and June 27 - June 30, 1978.

As stated above, the note secured by deed of trust dated May 10, 1978 provided that the loan be repaid in 90 days. It thus fell due on August 7, 1978. However, Mr. Corcoran did not repay the loan until September 13, 1978. On that date, he issued a check drawn on the same personal checking account used in the earlier loan transactions to his mother for \$5,163.20. This sum was to cover principal and interest on the loan through that date.

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During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69, including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). At no time did Ms. Nelsen indicate that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

The manner in which the Committee reported the transaction (see discussion above) prompted the Commission's Reports Analysis Division to issue a surface violation letter on November 1, 1978. In response to this letter, E. T. Jacobs, the treasurer, described the transaction as a typical escrow occurrence. He stated that the property securing the note was owned by Mr. Corcoran, that it was held for sale and that the note was to be repaid upon the sale.

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In a letter dated July 23, 1979, responding to interrogatories propounded by the Commission, Mr. Jacobs stated that Mr. Corcoran had consulted with a Committee staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan.

According to Mr. Jacobs:

Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses.

Mr. Jacobs also stated in the letter that he was not aware of any other personal loans, from banks or otherwise, received by Mr. Corcoran while he was a candidate for federal office.

In a letter dated May 10, 1979, Mr. Corcoran stated that his principal occupation is that of real estate investor, and that it is quite common for him to borrow or lend money to make a given transaction. He went on to say that the loan from his mother was not to the Committee and was separate from the campaign. Later, in response to interrogatories, Mr. Corcoran stated that during the campaign, he was party to no other escrows involving Ms. Nelsen and received no other similar loans from anyone. Finally, in a letter dated September 11, 1979, Mr. Corcoran indicated that the loan from his mother had arisen in the normal course of his business as a real estate investor.

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In a letter dated July 23, 1979, Ms. Nelsen described the loan as a personal loan directly to her son in the normal course of business. Again, in a letter dated September 26, 1979, she insisted that the loan was never intended to be a campaign contribution but rather constituted a "personal business transaction between a Real Estate Investment person, who happened to be my son, and myself."

## II. Legal Analysis

The Federal Election Campaign Act, 2 U.S.C. § 441a(f) (herein "the Act") provides, in part:

No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

§ 441a(a)(1)(A) of the Act provides:

No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Under § 431(e) of the Act, a contribution is defined, in part, as a "gift...loan...or anything of value made for the purpose of influencing the nomination for election, or election, of any person to Federal office." The Regulations promulgated pursuant to the Act further provide that, "A loan is a contribution to the extent that the obligation remains outstanding." 11 C.F.R. § 100.4(a)(1)(i).

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In this case, Ms. Nelsen was clearly aware of Mr. Corcoran's candidacy at the time she made the \$5,000 loans. She had, in fact, already contributed \$500 to his primary campaign, thereby indicating both her desire to advance his candidacy and her awareness of the campaign's need for funds. She issued the \$5,000 check directly to Mr. Corcoran and imposed no restrictions on his use of the funds. Thus, the facts and circumstances surrounding the loan indicate that Ms. Nelsen was aware or should have been aware of the fact that the \$5,000 would be transferred to Mr. Corcoran's campaign Committee and used for the campaign. As such, the loan was a contribution under 2 U.S.C. § 431(e).

Moreover, Mr. Corcoran accepted the loan with full knowledge of all of the circumstances surrounding its making. The fact that he issued a \$5,000 loan to his Committee on the same day that he received the \$5,000 loan from his mother clearly indicates that he accepted the funds with the intent of using them for his campaign. Thus, Mr. Corcoran knowingly accepted a contribution from his mother which exceeded the \$1,000 limitation set forth in 2 U.S.C. § 441a(a)(1)(A).

Even if Mr. Corcoran and Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

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Mr. Corcoran contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10). The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became 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 immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963).

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There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife, but received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy.

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In fact, no evidence has been presented to demonstrate that proceeds from the sale were used to pay off the loan.

The Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made a \$4,000 payment to him on the loans he in turn had made to the Committee.

The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee. The loan, in turn, was accepted by a candidate who intended to transfer the funds to his Committee and who, in fact, so transferred the funds.

For the reasons set forth above, the General Counsel concludes that Daniel Corcoran knowingly accepted a \$5,000 loan which was made by Ms. Nelsen for the purpose of influencing his election to federal office. Therefore, Mr. Corcoran

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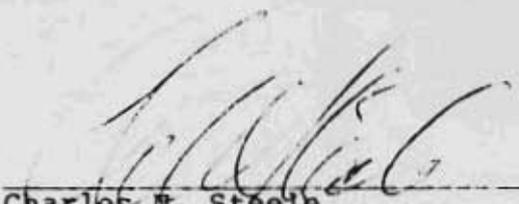
knowingly accepted contributions to his primary election campaign from Ms. Nelsen totalling \$5,500 and exceeding by \$4,500 the Act's \$1,000 contribution limitation.

III. Recommendation

That the Commission find probable cause to believe that Daniel Corcoran violated 2 U.S.C. § 441a(f).

28 May 1980

Date

  
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Charles N. Steele  
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

April 2, 1980

In the Matter of     )  
                          )  
Mary Lou Nelsen     )     MUR 943

General Counsel's Brief

I. Statement of the Case

This matter was referred to the Commission's Office of General Counsel from the Reports Analysis Division.

On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. § 441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,500 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelson, in addition to making direct contributions to the Committee, executed a \$5,000 personal loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

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Conciliation has failed with respect to all three respondents. The General Counsel is now recommending that the Commission proceed, pursuant to the procedures set forth in 2 U.S.C. § 437g(a)(3), as amended, to a vote finding probable cause to believe that Ms. Nelsen violated 2 U.S.C. § 441a(a)(1)(a) and that Mr. Corcoran and the Committee violated § 441a(f).

In May of 1978, Daniel Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. He won the primary election held on June 6, 1978, but lost in the general election that November. Throughout the period of his candidacy, he was employed as a realtor by Home Sellers Realty, Inc. and was licensed as a real estate salesman by the State of California.

On May 12, 1978, Mary Nelsen, Mr. Corcoran's mother, issued a \$5,000 certified check, drawn on her personal savings account, to Mr. Corcoran as a personal loan, which he deposited into his personal checking account on the same date. The loan was secured by a deed of trust on real property owned by Mr. Corcoran's wife, Anne K. Jackson aka Anne K. Corcoran, and a promissory note dated May 10, 1978, to be repaid within 90 days at 10% interest.

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On the same date, Mr. Corcoran issued a \$5,000 check to the Corcoran for Congress Committee as a loan, drawn on the same personal checking account into which he had deposited the loan from his mother.

The Committee reported receipt of the loan on May 12, 1978. In its report of receipts and expenditures for the period April 1, 1978 - May 22, 1978, the Committee reported the nature of various obligations to Daniel Corcoran in the following manner:

Loan payable on demand at 0% interest. \$7,365.19.

(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

This same explanation of obligations to Mr. Corcoran was made by the Committee in its report for the periods May 23 - June 6, 1978, and June 27 - June 30, 1978.

As stated above, the note secured by deed of trust dated May 10, 1978 provided that the loan be repaid in 90 days. It thus fell due on August 7, 1978. However, Mr. Corcoran did not repay the loan until September 13, 1978. On that date, he issued a check drawn on the same personal checking account used in the earlier loan transactions to his mother for \$5,163.20. This sum was to cover principal and interest on the loan through that date.

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During the course of his primary campaign, Mr. Corcoran made several loans to his committee totalling \$9,155.69, including the \$5,000 from Ms. Nelsen. The largest single payment on the loans was made by the committee to Mr. Corcoran on September 13, 1978 in the amount of \$4,000. On that same date, Mr. Corcoran repaid the \$5,000 loan from Ms. Nelsen.

During the course of her son's campaign, Ms. Nelsen made several contributions in the form of six (6) checks to the Corcoran for Congress Committee. Three of these checks were drawn on her personal checking account (\$15 on July 31, 1978; \$200 on April 6, 1978; and \$15 on August 31, 1978). The other three checks were drawn on an account held jointly with Carl E. Nelsen (\$100 on August 31, 1978; \$15 on September 2, 1978; and \$300 on April 6, 1978). At no time did Ms. Nelsen indicate that any of the contributions made out of the joint account were intended to be from Mr. Nelsen.

The manner in which the Committee reported the transaction (see discussion above) prompted the Commission's Reports Analysis Division to issue a surface violation letter on November 1, 1978. In response to this letter, E. T. Jacobs, the treasurer, described the transaction as a typical escrow occurrence. He stated that the property securing the note was owned by Mr. Corcoran, that it was held for sale and that the note was to be repaid upon the sale.

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In a letter dated July 23, 1979, responding to interrogatories propounded by the Commission, Mr. Jacobs stated that Mr. Corcoran had consulted with a Committee staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan.

According to Mr. Jacobs:

Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses.

Mr. Jacobs also stated in the letter that he was not aware of any other personal loans, from banks or otherwise, received by Mr. Corcoran while he was a candidate for federal office.

In a letter dated May 10, 1979, Mr. Corcoran stated that his principal occupation is that of real estate investor, and that it is quite common for him to borrow or lend money to make a given transaction. He went on to say that the loan from his mother was not to the Committee and was separate from the campaign. Later, in response to interrogatories, Mr. Corcoran stated that during the campaign, he was party to no other escrows involving Ms. Nelsen and received no other similar loans from anyone. Finally, in a letter dated September 11, 1979, Mr. Corcoran indicated that the loan from his mother had arisen in the normal course of his business as a real estate investor.

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In a letter dated July 23, 1979, Ms. Nelsen described the loan as a personal loan directly to her son in the normal course of business. Again, in a letter dated September 26, 1979, she insisted that the loan was never intended to be a campaign contribution but rather constituted a "personal business transaction between a Real Estate Investment person, who happened to be my son, and myself."

II. Legal Analysis

The Federal Election Campaign Act, 2 U.S.C. § 441a(f) (herein "the Act") provides:

No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Under § 431(e) of the Act, a contribution is defined, in part, as a "gift...loan...or anything of value made for the purpose of influencing the nomination for election, or election, of any person to Federal office." The Regulations promulgated pursuant to the Act further provide that, "A loan is a contribution to the extent that the obligation remains outstanding." 11 C.F.R. § 100.4(a)(1)(i).

In this case, Ms. Nelsen was clearly aware of Mr. Corcoran's candidacy at the time she made the \$5,000 loans. She had, in fact, already contributed \$500 to his primary campaign, thereby indicating both her desire to advance his candidacy and her

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awareness of the campaign's need for funds. She issued the \$5,000 check directly to Mr. Corcoran and imposed no restrictions on his use of the funds. Thus, the facts and circumstances surrounding the loan indicate that Ms. Nelsen was aware or should have been aware of the fact that the \$5,000 would be transferred to Mr. Corcoran's campaign Committee and used for the campaign. As such, the loan was a contribution under 2 U.S.C. § 431(e).

Even if Ms. Nelsen intended, as was indicated by the Committee's treasurer, that the funds be used by Mr. Corcoran for his living expenses during the period of his candidacy, the loan was a contribution. The Commission has consistently stated in advisory opinions that gifts and loans provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act. (See AOR 1976-84 and AOR 1978-40) As contributions, the loan proceeds constitute campaign funds, not personal funds.

Mr. Nelsen contends that a candidate for federal office does not lose his right to earn a living by virtue of his candidacy. The General Counsel does not dispute this contention. In fact, the Commission issued a regulation providing that candidates may make unlimited campaign expenditures from "personal funds" (see 11 C.F.R. § 110.10). The following definition is given:

(b) For purposes of this section, "personal funds" means--

(1) Any assets to which at the time he or she became a candidate the candidate had legal and rightful title, or with respect to which the candidate had the right of beneficial enjoyment,

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under applicable State law, and which the candidate had legal right of access to or control over, including funds from immediate family members; and

(2) Salary and other earned income from bona fide employment; dividends and proceeds from the sale of the candidate's stocks or other investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy of which the candidate is the beneficiary; gifts of a personal nature which had been customarily received prior to candidacy; proceeds from lotteries and similar legal games of chance. [Emphasis added].

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However, the facts of this case do not support respondent's contention that the loan to Mr. Corcoran was made in the normal course of his business. During the period of his candidacy, Mr. Corcoran was employed by Home Sellers Realty, Inc. as a licensed real estate salesman. As such, Mr. Corcoran was authorized under California law only to act for, on behalf of, and in place of the real estate broker under whom he is licensed. See California Business & Professional Code, § 10132; Gipson v. Davis Realty Co., 30 Cal. Rptr. 253 (1963). There is no evidence to indicate that Mr. Corcoran conducted the loan transaction involving Ms. Nelsen for, on behalf, of and in place of Home Sellers Realty. Therefore, Mr. Corcoran cannot be deemed to have acted in the normal course of his business, namely, that of real estate salesman employed by Home Sellers Realty.

Moreover, a real estate broker is a person who, for compensation, negotiates or enters into real estate transactions on behalf of others. California Business & Professional Code, § 10131. However, Mr. Corcoran did not receive a commission for negotiating the loan transaction between his mother and his wife, but received instead the loan proceeds themselves. Thus, even if Mr. Corcoran were acting for, on behalf of and in place of Home Sellers Realty, the present transaction clearly does not fall within the concept of a broker transaction as defined by California law.

Neither Ms. Nelsen, Mr. Corcoran nor the Committee presented any evidence that Mr. Corcoran, in addition to his employment with Home Sellers Realty, was engaged in a separate business as a real estate investor during the period of his candidacy. To the contrary, Mr. Corcoran and the Committee's treasurer have stated that he entered into no similar escrow transactions while he was a candidate and have offered no evidence of any other real estate investment activities prior to or during his candidacy. In fact, no evidence has been presented to demonstrate that proceeds from the sale of the property securing the loan were used to pay off the loan. The Committee's records of receipts and expenditures indicate that Mr. Corcoran did not repay his mother until the same date that the committee made

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a \$4,000 payment to him on the loans he in turn had made to the Committee.

The present transaction clearly does not fall within the exception set forth in 2 U.S.C. § 431(e)(5)(G), which excludes from the definition of contribution only those loans by a national or state bank, made in accordance with the applicable banking laws and in the ordinary course of business. Nor does the present transaction involve the generation of "personal funds" by Mr. Corcoran via the simple sale of an investment as set forth above in Regulation 110.10(b)(2). Rather, the present case involves a personal loan to a candidate for federal office by an individual who was aware of the candidacy and the campaign's need for funds and who had already indicated her desire to assist the campaign by contributing \$500 to the Committee.

For the reasons set forth above, the General Counsel concludes that Mary Lou Nelsen issued the \$5,000 loan to Daniel Corcoran, for the purpose of influencing his election to federal office. Therefore, the loan constitutes a contribution under the Act which, when added to the \$500 Ms. Nelsen contributed directly to Mr. Corcoran's primary election campaign, exceeded by \$4,500 the Act's \$1,000 contribution limitation.

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III. General Counsel's Recommendation

That the Commission find probable cause to believe that  
Mary Lou Nelsen violated 2 U.S.C. § 441a(a)(1)(A).

28 May 1980  
Date

  
\_\_\_\_\_  
Charles N. Steele  
General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(a)(1)(A).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

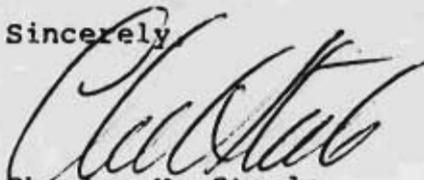
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Letter to: Mary Lou Nelsen  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely



Charles N. Steele  
General Counsel

Enclosure  
Brief

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel M. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe you may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to you, to Ms. Mary Lou Nelsen and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that you were in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

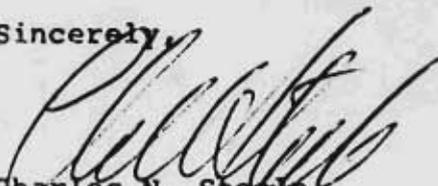
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Letter to: Daniel M. Corcoran  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely,



Charles N. Steele  
General Counsel

Enclosure  
Brief

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on April 28, 1979, found reason to believe the Corcoran for Congress Committee may have violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

On August 30, 1979, based on information received pursuant to subpoenas and orders issued by the Commission to Ms. Mary Lou Nelsen, to Mr. Daniel Corcoran and to Mr. E. T. Jacobs, former treasurer of the Corcoran for Congress Committee, the Commission found reasonable cause to believe that the Corcoran for Congress Committee was in violation of 2 U.S.C. § 441a(f).

In the interim, Congress enacted Public Law 96-187, January 8, 1980, 93 Stat. 1339-69, which amended the Federal Election Campaign Act. Pursuant to the procedures set forth at 2 U.S.C. § 437g(a)(3), as amended, and after considering all the evidence available to the Commission, the Office of General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

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

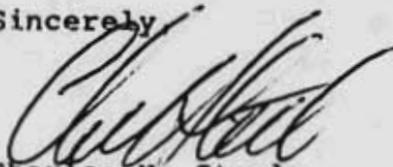
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Letter to: Gary Montgomery  
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact Sondra Mills at (202) 523-4073.

Sincerely



Charles N. Steele  
General Counsel

Enclosure  
Brief

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 28, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission on May 20, 1980 found reason to believe that you may have violated § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended. A report on the Commission's findings is attached for your information.

We have numbered this matter MUR 943.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, the Federal Election Commission has issued the attached subpoena and order requiring you to provide information which will assist the Commission in carrying out its statutory duty of supervisory compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96, of Title 26, U.S. Code.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to the subpoena and order. It is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

In the absence of any information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with informal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe.

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Letter to: Anne K. Corcoran  
Page 2

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437 g(a)(12)(A) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact Sondra L. Mills, the staff member assigned to this matter, at 202/523-4073.

Sincerely,

*Max L. Friedersdorf*

Max L. Friedersdorf  
Chairman

Enclosures: Notification of Reason  
to Believe Finding  
Subpoena and Order  
Attachment to Subpoena and Order  
Attachment 1

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1. The following service is required: <input type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address delivered <input type="checkbox"/> RESTRICTED DELIVERY <input type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address delivered (CONSULT POSTMASTER FOR DETAILS)	2. ARTICLE ADDRESSED TO: <i>Ms. Anne Corcoran P.O. Box 5806 Lincoln, NE 68506-9151</i>	3. REGISTERED NO.   CERTIFIED NO. <i>744998</i>	4. I have received the article described above: SIGNATURE <input type="checkbox"/> Addressee <i>Max L. Friedersdorf</i>	5. DATE OF DELIVERY <i>6-3-90</i>	6. ADDRESS (Complete any missing information)
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U.S. MAIL 2011, Aug. 1989 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE April 9, 1980

MUR NO. 943  
STAFF MEMBER(S) & TEL. NO.  
David Branch -202/523-4166  
Sondra Mills -202/523-4073

RESPONDENT Anne K. Corcoran

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

BACKGROUND

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In May of 1978, Daniel M. Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. On May 12, 1978, Mary Lou Nelsen, the candidate's mother, issued a \$5,000 loan to the candidate, in exchange for which she was given a promissory note secured by a deed of trust on realty located in Riverside, California. The deed of trust states that the property was owned by "Anne K. Jackson aka Anne K. Corcoran, a married woman" and the promissory note, payable in 90 days with 10% interest, was executed solely by "Anne K. Jackson aka Anne K. Corcoran" and Ms. Nelsen. (Ms. Corcoran and Mr. Corcoran were apparently married some time between March 8, 1978 and May 10, 1978.) Further, the deed documenting the conveyance to Ms. Corcoran, recorded with the County Recorder in Riverside County, reveals that on November 25, 1977, the property was conveyed to "Anne K. Jackson, a single woman". This deed was recorded on February 6, 1978 and re-recorded on March 8, 1978 to amend the property description. On July 18, 1978, the property was conveyed by "Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman".

On May 10, 1978, Ms. Corcoran executed the promissory note. On May 12, 1978, Ms. Nelsen issued a check for \$5,000 payable to Daniel M. Corcoran. On the same date, he deposited the \$5,000 check into an account held jointly by him and his wife. Again, on that same date, he issued a \$5,000 check to the Corcoran for Congress Committee.

Mr. Corcoran executed a "Statement of a Candidate for Nomination to Federal Office" on March 27, 1978. No evidence indicates that prior to that time he acquired any interest in the property owned by his wife which secured the \$5,000 loan from his mother.

The facts as set forth above call into question the applicability of 2 U.S.C. § 441a(a)(1)(A), 11 C.F.R. §§ 100.4(a)(1)(i) and 110.10(b), and California Civil Code §§ 5102, 5107, and 5110 to the acts of Anne K. Corcoran.

FACTUAL BASIS AND LEGAL ANALYSIS

Section 441a(a)(1)(A) of the Act prohibits the making of contributions in excess of \$1,000 to a candidate and his authorized political committees. 11 CFR § 100.4(a)(1) provides that a contribution includes a loan made for the purpose of influencing the nomination for election, or election, of any person to Federal office. Under § 100.4(a)(1)(i) of the Regulations, the term "loan" is defined to include, "... a guarantee, endorsement, and any other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser as well as with a political committee, or other primary obligor." While there is no limit on the amount of personal funds a candidate may contribute to his own campaign, the term "personal funds," consistent with the Supreme Court's decision in Buckley v. Valeo, 424 U.S. 1, 52-54 (1976), is defined by the Regulations. In this connection, assets of an immediate family member of a candidate are considered "personal funds" of the candidate only if they were "... assets to which at the time he ... became a candidate the candidate had legal and rightful title, or ... the right of beneficial enjoyment, under applicable State law, and which the candidate had legal right of access to or control over ...". Regulations § 110.10(b), Advisory Opinions 76-26, 76-74.

Here, the \$5,000 loan from Ms. Nelsen was secured by a deed of trust on property acquired by Ms. Corcoran prior to her marriage to Mr. Corcoran. California Civil Code § 5107 provides:

All property of the wife, owned by her before marriage, and that acquired afterwards by gift, bequest, devise or descent, with the rents, issues, and profits thereof, is her separate property. The wife may, without consent of her husband, convey her separate property.

As the property in question was acquired by "Anne K. Jackson, a single woman", prior to her marriage to Mr. Corcoran, the property is presumed to be her separate property. Moreover, California Civil Code § 5102 provides, in relevant part, that, "Neither husband nor wife has any interest in the separate property of the other...." Therefore, under California law, the property used to secure the loan from Ms. Nelsen was not part of the "personal funds" of Mr. Corcoran under § 110.10(b) of the Regulations.

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It should be noted that under California law, the separate property of either spouse may be converted into community property by "agreement" of the spouses. The agreement may be purely oral; no writing is required. However, the agreement must be "fully executed" i.e., the subsequent declarations, acts and conduct of the parties must be consistent with the agreement. Woods v. Security First National Bank, 46 Cal. 2d 697 (1956); Somps v. Somps, 58 Cal. Rptr. 304, 308 (1967).

In this case, Ms. Corcoran acquired title to the property as a single woman on November 27, 1977. On February 6, 1978, the deed conveying the property to her as "a single woman" was recorded. On March 8, 1978, the deed was re-recorded to correct the legal description of the property and again described her as "a single woman". On May 10, 1978, she executed the deed of trust which described her as the owner of the property. (She apparently married Mr. Corcoran sometime between March 8 and May 10, 1978, and Mr. Corcoran became a candidate on March 27, 1978.) Finally, on July 18, 1978, she conveyed the property to the Melendez' by grant deed which described her as the owner. Throughout this period, it appears that she treated the property as her separate property and made no attempt to indicate that her husband had acquired any ownership interest in the property. Thus, even if there were some oral agreement between Ms. Corcoran and her husband to transmute this property into a community asset, she committed acts inconsistent with any such agreement. See, In re Marriage at Aufmuth, 89 Cal. App. 3d 446, 152 Cal. Rptr. 668 (1979). In re Marriage of Ketscher, 79 Cal. App. 3d 527, 144 Cal. Rptr. 887 (1979).

In light of the foregoing analysis, there is reason to believe that Ms. Corcoran, by pledging her separate property as security for the \$5,000 loan from Ms. Nelsen, violated 2 U.S.C. § 441a(a)(1)(A).

Alternatively, it might also be argued that the loan proceeds themselves constituted the separate property of Ms. Corcoran. Under § 5110 of the California Civil Code, the proceeds of a loan acquired during marriage, like any other form of property acquired during marriage, are presumed to be community property. However, the California courts have consistently held that this presumption may be rebutted by showing that the loan was extended on faith of existing separate property belonging to the acquiring spouse. In re Estate of Abdale, 28 Cal. 2d 587, 592, 170 P. 2d 918, 922 (1940); Gudelj v. Gudelj, 259 P. 2d 656 (1953); In re Marriage of Aufmuth, supra. The central issue in cases of this nature

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is whether the lender, at the time the loan was made, intended to rely upon separate or community property as the source of repayment. Here, the fact that Ms. Nelsen extended the loan upon a secured interest in the separate property of Ms. Corcoran is strong, though not conclusive, evidence that she intended to rely upon Ms. Corcoran's separate property as the likely repayment source. Under this alternate theory, the loan itself may have been the separate property of Ms. Corcoran. According to this analysis, Ms. Corcoran, by permitting Ms. Nelsen to issue the \$5,000 check directly to Mr. Corcoran, made a gift of her separate property to her husband's campaign and thereby may have violated 2 U.S.C. § 441a(a)(1)(A).

Based on the foregoing analysis, the Federal Election Commission has found reason to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A).

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UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

TO: Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

MUR 943 (79)

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The Federal Election Commission, pursuant to its powers set forth in 2 U.S.C. § 437d(a)(1) and (a)(3), hereby orders the interrogatories on the attached sheet to be answered, and the documents supplied, under oath, and requires that this information be sent by pre-paid certified mail, addressed to the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, Attention: Sondra L. Mills within ten (10) days of your receipt of this subpoena and order.

WHEREAS, the Chairman of the Federal Election Commission has hereunto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of May, 1980.

*Max L. Friedersdorf*  
Max L. Friedersdorf  
Chairman

ATTEST:

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

FEDERAL ELECTION COMMISSION

TO: Anne K. Corcoran

MUR 943(79)

ATTACHMENT TO SUBPOENA AND ORDER

1. Are you presently married to Daniel M. Corcoran?
2. If the answer to Question #1 is "yes", on what date were you married to Daniel M. Corcoran?
3. If the answer to Question #1 is "no", have you ever been married to Daniel M. Corcoran?
4. If the answer to Question #3 is "yes", on what date were you married to Daniel M. Corcoran?
5. Prior to May 10, 1978, did you transfer to Daniel M. Corcoran any interest in the real property described in the document attached hereto and labeled "Attachment 1"?
6. If the answer to Question #5 is "yes", in what manner did you effectuate such a transfer of any interest in the described real property to Daniel M. Corcoran?
7. If the answer to Question #5 is "yes", provide copies of all documents evidencing such a transfer of any interest in the described real property to Daniel M. Corcoran.
8. Provide copies of all documents, including but not limited to letters, contracts, mortgages, deeds of trust, and conveyances, documenting any and all transactions between you and any other parties in connection with the real property located in Riverside, California which is described in Attachment 1.

32040331361

BETWEEN Ann S. Jackson and Anne E. Colcoran and Western Title Insurance Company

herein called TRUSTEE,

whose address is 215 - Potomac Street Riverside, CA 92504  
(Street and Number) (City) (State)

Western Title Insurance Company, 5600 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelsen, a married woman as her sole and separate property called ANNUITY,

Witnesseth: That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the  
City of Riverside

County of Riverside, State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeastly corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

### Note Secured by Deed of Trust

\$ 5,000.00 Riverside, California, May 10, 1978

In installments as herein stated, for value received, I promise to pay to Mary Lou Nelsen, a married woman as her sole and separate property, or order,

the sum of Five Thousand Dollars at Riverside California  
the sum of Five Thousand Dollars May 10, 1978

at the rate of 10 per cent per annum, payable with principal on unpaid principal at the rate of

10 principal payable in installments of Dollar

or more on the 19 day of each month, beginning on the 19 day of 19

all due and payable in 90 days

and continuing until said principal and interest have been paid. Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST

4345 10th Street, Riverside California

STATE OF CALIFORNIA, County of Riverside

On May 23, 1978, before me, the undersigned a Notary Public in and for the State of California, personally appeared Ann S. Jackson and Anne E. Colcoran known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.



OFFICIAL SEAL  
STELLA R. SIMS  
NOTARY PUBLIC - CALIFORNIA  
RIVERSIDE COUNTY

ATTACHMENT 1

INSTRUMENT NOTE-INDUSTRIAL E. TR-INCLOSURE FORM 837

8 (print type or large)

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name: Mary Lou Nelson  
Street: c/o P.O. Box 5006  
Address: Riverside, CA  
City:  
State: 92517

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Deed of Trust, Made this 10th day of May, 1973

BETWEEN Anne K. Jackson aka Anne K. Corcoran, a married woman,

herein called TRUSTOR,

whose address is 2249 Eucalypt Street, Riverside, CA 92506  
(Street and Number) (City) (State)

Western Title Insurance Company, 6600 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate property called BENEFICIARY,

WITNESSETH That Trustee hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the City of Riverside

County of Riverside State of California, described as: That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeastly corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westarly and parallel with the Norhterly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

2] By accepting payment of any... secured hereby after due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default or failure to pay.

[4] Any term or terms... without liability. Beneficiary and present owner of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: convey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement... the lien or charge hereof.

[5] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The results of the... of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

[6] Trustee may pay Trustor in payment of any indebtedness... of any agreement hereunder... all sums secured hereby immediately... and payable by delivery to Trustee of written declaration of debt... and demand for sale and of written notice of default... to cause to be sold said property, which... shall cause to be duly filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After deducting all costs, fees and expenses of Trust... of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

[6] This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall include not only the original Beneficiary hereunder but also any future owner and holder, including pledgees, of the note secured hereby. In this Deed, whenever the context so requires, the masculine gender includes the feminine and or neuter; and the singular number includes the plural.

[7] Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto or pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

C. The Undersigned Trustor Requests that a copy of any notice of default and of any notice of sale hereunder be mailed to the following mailing address specified by signature hereto. Failure to insert such address shall be deemed a waiver of any request hereunder for a copy of such notices.

Mailing Address for Notices  
STREET AND NUMBER CITY STATE

STATE OF CALIFORNIA  
COUNTY OF...  
On this... day of... 19...

before me, ... a Notary Public in and for said County, personally appeared ...

known to me to be the person... whose name... subscribed to the within instrument, and acknowledged that... executed the same.

Notary Seal

Witness my hand and official seal.

(Seal) Notary Public in and for said State.

If executed by a Corporation the Corporation Form of Acknowledgment must be used.

Title Order No. Escrow or Loan No.

20403313

FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by one promissory note substantially in the following form and performance of each agreement of Trustor herein contained.

\$ 3,000.00 Riverside California, May 10, 1973  
May 10, 1973

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ woman as her sole and separate property.

FIVE THOUSAND DOLLARS at Riverside California or order.  
at FIVE THOUSAND DOLLARS  
the sum of FIVE THOUSAND DOLLARS DOLLARS.  
with interest from May 10, 1973

10 per cent per annum, payable with Principal on unpaid principal at the rate of \_\_\_\_\_ Dollars or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

and continuing until said principal and interest have been paid. Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note judgment may be given with sum of the Court may be as attorney's fees. This note is secured by a DEED OF TRUST to \_\_\_\_\_

**A. To protect the security of this Deed of Trust, Trustor agrees:**

- [1] To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, tillage, plow and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- [2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- [3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

- including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
- [4] To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.
- Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.
- [5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at seven per cent per annum.

**B. It is mutually agreed that:**

- [1] Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- [2] By accepting payment of any sum secured hereby after the date of recording hereof Trustor does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- [3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustor may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.
- [4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be

At least three months having elapsed after recording of such notice of default, Trustee shall give notice of sale as then required by law, and, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone the sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recital in such deed of any matters or facts shall be conclusive proof of the truthfulness hereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *MWE*  
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*  
DATE: MAY 27, 1980  
SUBJECT: SUBPOENA IN RELATION TO MUR 943

The attached subpoena, approved in executive session by a vote of 4-0 on May 20, 1980, has been signed and sealed this date.

32040331366

ATTACHMENT:  
Subpoena

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
                          )  
Anne K. Corcoran )

MUR 943

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on May 20, 1980, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 943:

1. Find reason to believe that Anne K. Corcoran violated 2 U.S.C. §441a(a)(1)(A).
2. Approve the letter to respondent, as attached to the General Counsel's First Report in this matter.
3. Issue to Anne K. Corcoran the subpoena and order attached to the General Counsel's First Report.

Commissioners Aikens, Friedersdorf, McGarry, and Tiernan voted affirmatively for these actions; Commissioner Harris abstained on the vote; Commissioner Reiche was not present at the time of the vote.

Attest:

5/22/80

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary to the Commission

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FEDERAL ELECTION COMMISSION

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

MEMORANDUM TO: CHARLES STEELE *MWE*  
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *me*  
DATE: MAY 15, 1980  
SUBJECT: OBJECTION - MUR 943 - First General  
Counsel's Report dated 5-12-80;  
Received in Office of Commission  
Secretary 5-12-80, 3:18

The above-named document was circulated on a 48  
hour vote basis at 11:00, May 13, 1980.

Commissioner Harris submitted an objection at  
2:09, May 15, 1980, thereby placing MUR 943 on the  
Executive Session Agenda for Tuesday, May 20, 1980.

Also, Commissioner Aikens submitted comments  
regarding several errors. A copy is provided for your  
information.

ATTACHMENT:  
Copy of Vote Sheet

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*ml*



FEDERAL ELECTION COMMISSION 4

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

Date and Time Transmitted: 5-13-80

11:00

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, MCGARRY, REICHE, FARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: 5-19-80

11:00

MUR No. 943 First General Counsel's Report dated 5-12-80

I approve the recommendation

I object to the recommendation

COMMENTS: Type in date of marriage in FEC "Not. Fict. true."  
Should be 1978 not 1979; on page 3 as shown; insert  
an Subpoena

Date: 5-15-80 Signature: *Friedersdorf*

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.

82040331369



FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE April 9, 1980

MUR NO. 943  
STAFF MEMBER(S) & TEL. NO.  
David Branch -202/523-4166

RESPONDENT Anne K. Corcoran

Sondra Mills -202/523-4073

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

BACKGROUND

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In May of 1978, Daniel M. Corcoran was a candidate for Representative to Congress from the 37th Congressional District in California. On May 12, 1978, Mary Lou Nelsen, the candidate's mother, issued a \$5,000 loan to the candidate, in exchange for which she was given a promissory note secured by a deed of trust on realty located in Riverside, California. The deed of trust states that the property was owned by "Anne K. Jackson aka Anne K. Corcoran, a married woman" and the promissory note, payable in 90 days with 10% interest, was executed solely by "Anne K. Jackson aka Anne K. Corcoran" and Ms. Nelsen. (Ms. Corcoran and Mr. Corcoran were apparently married some time between March 8, 1979 and May 10, 1978.) Further, the deed documenting the conveyance to Ms. Corcoran, recorded with the County Recorder in Riverside County, reveals that on November 25, 1977, the property was conveyed to "Anne K. Jackson, a single woman". This deed was recorded on February 6, 1978 and re-recorded on March 8, 1978 to amend the property description. On July 18, 1978, the property was conveyed by "Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman".

On May 10, 1978, Ms. Corcoran executed the promissory note. On May 12, 1978, Ms. Nelsen issued a check for \$5,000 payable to Daniel M. Corcoran. On the same date, he deposited the \$5,000 check into an account held jointly by him and his wife. Again, on that same date, he issued a \$5,000 check to the Corcoran for Congress Committee.

Mr. Corcoran executed a "Statement of a Candidate for Nomination to Federal Office" on March 27, 1978. No evidence indicates that prior to that time he acquired any interest in the property owned by his wife which secured the \$5,000 loan from his mother.

The facts as set forth above call into question the applicability of 2 U.S.C. § 441a(a)(1)(A), 11 C.F.R. §§ 100.4(a)(1)(i) and 110.10(b), and California Civil Code §§ 5102, 5107, and 5110 to the acts of Anne K. Corcoran.

It should be noted that under California law, the separate property of either spouse may be converted into community property by "agreement" of the spouses. The agreement may be purely oral; no writing is required. However, the agreement must be "fully executed" i.e., the subsequent declarations, acts and conduct of the parties must be consistent with the agreement. Woods v. Security First National Bank, 46 Cal. 2d 697 (1956); Somps v. Somps, 58 Cal. Rptr. 304, 308 (1967).

*woman*

In this case, Ms. Corcoran acquired title to the property as a single woman on November 27, 1977. On February 6, 1978, the deed conveying the property to her as "a single woman" was recorded. On March 8, 1978, the deed was re-recorded to correct the legal description of the property and again described her as "a single woman". On May 10, 1978, she executed the deed of trust which described her as the owner of the property. (She apparently married Mr. Corcoran sometime between March 8 and May 10, 1978, and Mr. Corcoran became a candidate on March 27, 1978.) Finally, on July 18, 1978, she conveyed the property to the Melendez' by grant deed which described her as the owner. Throughout this period, it appears that she treated the property as her separate property and made no attempt to indicate that her husband had acquired any ownership interest in the property. Thus, even if there were some oral agreement between Ms. Corcoran and her husband to transmute this property into a community asset, she committed acts inconsistent with any such agreement. See, In re Marriage at Aufmuth, 89 Cal. App. 3d 446, 152 Cal. Rptr. 668 (1979). In re Marriage of Ketscher, 79 Cal. App. 3d 527, 144 Cal. Rptr. 887 (1979).

In light of the foregoing analysis, there is reason to believe that Ms. Corcoran, by pledging her separate property as security for the \$5,000 loan from Ms. Nelsen, violated 2 U.S.C. § 441a(a)(1)(A).

Alternatively, it might also be argued that loan proceeds themselves constituted the separate property of Ms. Corcoran. Under § 5110 of the California Civil Code, the proceeds of a loan acquired during marriage, like any other form of property acquired during marriage, are presumed to be community property. However, the California courts have consistently held that this presumption may be rebutted by showing that the loan was extended on faith of existing separate property belonging to the acquiring spouse. In re Estate of Abdale, 28 Cal. 2d 587, 592, 170 P. 2d 918, 922 (1940); Gudelj v. Gudelj, 259 P. 2d 656 (1953); In re Marriage of Aufmuth, supra. The central issue in cases of this nature

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UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

TO: Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

MUR 943 (79)

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The Federal Election Commission, pursuant to its powers set forth in 2 U.S.C. § 437d(a)(1) and (a)(3), hereby orders the interrogatories on the attached sheet to be answered, and the documents supplied, under oath, and requires that this information be sent by pre-paid certified mail, addressed to the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, Attention: Sondra L. Mills within ten (10) days of your receipt of this subpoena and order.

WHEREAS, the Chairman of the Federal Election Commission has hereunto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of ~~April~~, 1980.

\_\_\_\_\_  
Robert C. Tiernan  
Chairman

ATTEST:

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

May 12, 1980

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached First GC Report distributed to the Commission on a 48 hour tally basis. Thank you.

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FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL  
BY OGC TO THE COMMISSION MAY 12 1980

MUR # 943  
STAFF MEMBER(S) David Branch  
Sondra Mills

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

RESPONDENT'S NAME: Anne K. Corcoran

RELEVANT STATUTE: 2 U.S.C. § 441a(a)(1)(A)  
11 CFR § 100.4(a)(1)(i)  
11 CFR § 110.10(b)  
California Civil Code §§ 5107, 5110, 5102

80 MAY 12 10 3 18

INTERNAL REPORTS CHECKED: MUR 943, RAD files.

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

On April 26, 1979, the Commission found reason to believe that Mary Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee may have violated 2 U.S.C. § 441a(f) in connection with a \$5,000 loan to Mr. Corcoran from his mother Mary Nelsen used in connection with his federal election campaign. The matter was generated pursuant to a referral from the Reports Analysis Division. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelsen and former Committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelsen was in violation of § 441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of § 441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

At this date, conciliation has not been successful and the General Counsel is preparing to make further recommendations to the Commission.

In reviewing this matter, the General Counsel's office has noted an additional potential violation. The \$5,000 loan from Ms. Nelsen to Mr. Corcoran was secured by a deed of trust on realty located in Riverside, California. In their communications with the General Counsel, Mr. Corcoran, Ms. Nelsen and the Committee's treasurer stated that the realty was owned

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by Mr. Corcoran. However, the deed of trust states that the property was owned by "Anne K. Jackson aka Anne K. Corcoran, a married woman" and the promissory note, payable in 90 days with 10% interest, was executed solely by "Anne K. Jackson aka Anne K. Corcoran" and Ms. Nelsen. (See Attachment 1). (Ms. Corcoran and Mr. Corcoran were apparently married some time between March 8, 1978 and May 10, 1978.)

In an effort to resolve this discrepancy, the General Counsel obtained from the County Recorder in Riverside County, California copies of the deeds documenting the conveyances to and from Ms. Corcoran. (See Attachments 2-5). These deeds reveal that on November 25, 1977, the property was conveyed to "Anne K. Jackson, a single woman". This deed was recorded on February 6, 1978 and re-recorded on March 8, 1978 to amend the property description. On July 18, 1978, the property was conveyed by "Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman".

On May 10, 1978, Ms. Corcoran executed the promissory note. On May 12, 1978, Ms. Nelsen issued a check for \$5,000 payable to Daniel M. Corcoran. On the same date, he deposited the \$5,000 check into an account held jointly by him and his wife. Again, on that same date, he issued a \$5,000 check to the Corcoran for Congress Committee.

Mr. Corcoran executed a "Statement of a Candidate for Nomination to Federal Office" on March 27, 1978. No evidence indicates that prior to that time he acquired any interest in the property owned by his wife which secured the \$5,000 loan from his mother.

#### FACTUAL AND LEGAL ANALYSIS

Section 441a(a)(1)(A) of the Act prohibits the making of contributions in excess of \$1,000 to a candidate and his authorized political committees. 11 CFR § 100.4(a)(1) provides that a contribution includes a loan made for the purpose of influencing the nomination for election, or election, of any person to Federal office. Under § 100.4(a)(1)(i) of the Regulations, the term "loan" is defined to include, "... a guarantee, endorsement, and any other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser as well as with a political committee, or other primary obligor." While there is no limit on the amount

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of personal funds a candidate may contribute to his own campaign, the term "personal funds," consistent with the Supreme Court's decision in Buckley v. Valeo, 424 U.S. 1, 52-54 (1976), is defined by the Regulations. In this connection, assets of an immediate family member of a candidate are considered "personal funds" of the candidate only if they were "... assets to which at the time he ... became a candidate the candidate had legal and rightful title, or ... the right of beneficial enjoyment, under applicable State law, and which the candidate had legal right of access to or control over ...". Regulations § 110.10(b), Advisory Opinions 76-26, 76-74.

Here, the \$5,000 loan from Ms. Nelsen was secured by a deed of trust on property acquired by Ms. Corcoran prior to her marriage to Mr. Corcoran. California Civil Code § 5107 provides:

All property of the wife, owned by her before marriage, and that acquired afterwards by gift, bequest, devise or descent, with the rents, issues, and profits thereof, is her separate property. The wife may, without consent of her husband, convey her separate property.

As the property in question was acquired by "Anne K. Jackson, a single woman", prior to her marriage to Mr. Corcoran, the property is presumed to be her separate property. Moreover, California Civil Code § 5102 provides, in relevant part, that, "Neither husband nor wife has any interest in the separate property of the other...". Therefore, under California law, the property used to secure the loan from Ms. Nelsen was not part of the "personal funds" of Mr. Corcoran under § 110.10(b) of the Regulations.

It should be noted that under California law, the separate property of either spouse may be converted into community property by "agreement" of the spouses. The agreement may be purely oral; no writing is required. However, the agreement must be "fully executed" *i.e.*, the subsequent declarations, acts and conduct of the parties must be consistent with the agreement. Woods v. Security First National Bank, 46 Cal. 2d 697 (1956); Somps v. Somps, 58 Cal. Rptr. 304, 308 (1967).

In this case, Ms. Corcoran acquired title to the property as a single women on November 27, 1977. On February 6, 1978, the deed conveying the property to her as "a single woman" was recorded. On March 8, 1978, the deed was re-recorded to correct the legal description of the property and again described her as "a single woman". On May 10, 1978, she executed the deed of

82040331375

trust which described her as the owner of the property. (She apparently married Mr. Corcoran sometime between March 8 and May 10, 1978, and Mr. Corcoran became a candidate on March 27, 1978.) Finally, on July 18, 1978, she conveyed the property to the Melendez' by grant deed which described her as the owner. Throughout this period, it appears that she treated the property as her separate property and made no attempt to indicate that her husband had acquired any ownership interest in the property. Thus, even if there were some oral agreement between Ms. Corcoran and her husband to transmute this property into a community asset, she committed acts inconsistent with any such agreement. See, In re Marriage at Aufmuth, 89 Cal. App. 3d 446, 152 Cal. Rptr. 668 (1979). In re Marriage of Ketscher, 79 Cal. App. 3d 527, 144 Cal. Rptr. 887 (1979).

In light of the foregoing analysis, there is reason to believe that Ms. Corcoran, by pledging her separate property as security for the \$5,000 loan from Ms. Nelsen, violated 2 U.S.C. § 441a(a)(1)(A).

Alternatively, it might also be argued that loan proceeds themselves constituted the separate property of Ms. Corcoran. Under § 5110 of the California Civil Code, the proceeds of a loan acquired during marriage, like any other form of property acquired during marriage, are presumed to be community property. However, the California courts have consistently held that this presumption may be rebutted by showing that the loan was extended on faith of existing separate property belonging to the acquiring spouse. In re Estate of Abdale, 28 Cal. 2d 587, 592, 170 P. 2d 918, 922 (1940); Gudelj v. Gudelj, 259 P. 2d 656 (1953); In re Marriage of Aufmuth, supra. The central issue in cases of this nature is whether the lender, at the time the loan was made, intended to rely upon separate or community property as the source of repayment. Here, the fact that Ms. Nelsen extended the loan upon a secured interest in the separate property of Ms. Corcoran is strong, though not conclusive, evidence that she intended to rely upon Ms. Corcoran's separate property as the likely repayment source. Under this alternate theory, the loan itself, may have been the separate property of Ms. Corcoran. According to this analysis, Ms. Corcoran, by permitting Ms. Nelsen to issue the \$5,000 check directly to Mr. Corcoran, made a gift of her separate property to her husband's campaign and thereby may have violated 2 U.S.C. § 441a(a)(1)(A).

3 2 0 4 0 3 3 1 3 7 7

In addition to recommending that the Commission, based on the foregoing analysis, find reason to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A), the General Counsel's Office further recommends that the attached subpoena and order be issued by the Commission. The General Counsel's Office believes that the subpoena and order are appropriate in this case in light of the fact that the other three respondents in this case (Mr. Corcoran, Ms. Nelsen, and the Committee) failed to comply voluntarily with the Commission's requests for information and documents. Moreover, the fact that proceedings are already pending against the other respondents necessitates the Commission's expeditious handling of the proceedings against Ms. Corcoran.

Recommendation

1. Find reason to believe that Anne K. Corcoran violated 2 U.S.C. § 441a(a)(1)(A).
2. Approve attached letter to respondent.
3. Issue the attached subpoena and order to Anne K. Corcoran.

Attachments:

Attachment 1  
Attachment 2  
Attachment 3  
Attachment 4  
Attachment 5  
Letter to Anne K. Corcoran  
Authorization to issue Subpoena and Order  
Subpoena  
Attachment to Subpoena and Order

3 2 0 4 0 3 3 1 3 7 9

BETWEEN ARBE S. J. COON aka ARBE S. COON, a married woman

herein called TRUSTOR,

whose address is 145 10th Street, Riverside, CA 92504  
(Street and Number) (City) (State)

Western Title Insurance Company, 5600 Mainville Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman on her sole and separate PERSONALTY herein called GRANTEE,

Witnesseth: That Trustor hereby GRANTS to Trustee, in TRUST, with power of sale, all that property in the  
City of Riverside

County of Riverside State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in  
Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as  
follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet easterly  
from the Southwest corner of said Block 9, Range 13; THENCE easterly, along said  
northerly line of Tenth Street, 47 feet to a point 141 feet westerly from the  
Southeast corner of said Block 9; THENCE northerly and parallel with the  
easterly line of Pine Street, 158 feet; THENCE westerly and parallel with the  
westerly and parallel with the northerly line of Tenth Street; THENCE southerly  
and parallel with the easterly line of Pine Street, 158 feet, more or less, to the point  
of beginning.

### Note Secured by Deed of Trust

12/15/70 Riverside California May 10 1970

For installment as herein stated for value received, I promise to pay to Mary Lou Nelson, a married woman

Five Thousand Dollars at Riverside California

Five Thousand Dollars

10 percent per annum, payable with principal

32040331379

STELLA R. DAVIS

Attachment 1

82040331380

NET COUNTY RECORDS DEPARTMENT - RIVERSIDE, CALIFORNIA

8 (small type or large)

RECORDING REQUESTED BY

DATE WHEN RECEIVED APR 17

Mary Lee Nelson  
c/o P.O. Box 2006  
Riverside, CA  
92517

SPACE ABOVE THIS LINE FOR RECORDERS USE

This Deed of Trust, made this 14th day of May, 1973

BETWEEN Anne E. Jackson aka Anne E. Cotcoran, a married woman,

herein called TRUSTOR,  
whose address is 1200 E. Orange Street, Riverside, CA 92506  
(Street and Number) (City) (State)

Western Title Insurance Company, 6000 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lee Nelson, a married woman as her sole and separate PROPERTY, called SURETYMAN,

WITNESSETH: That Trustor hereby GRANTS IN TRUST, WITH POWER OF SALE, all that property in the  
City of Riverside

County of Riverside, State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in  
Book 1 Page 17 of Maps, Records of San Bernardino County, California, described as  
follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly  
from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said  
Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the  
Southeasterly corner of said Block 9; THENCE Northerly and parallel with the  
Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the  
Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly  
and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point  
of beginning.



FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by one promissory note substantially in the following form and performance of each agreement of Trustee herein contained.

\$ 3,000.00 Riverside California May 10, 1975  
May 10, 1975

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ or order.

Five thousand Dollars of RIVERSIDE CALIFORNIA  
the sum of Five thousand Dollars DOLLARS  
with interest from May 10, 1975

to \_\_\_\_\_ on unpaid principal at the rate of \_\_\_\_\_ per cent per annum, payable \_\_\_\_\_ on unpaid principal at the rate of \_\_\_\_\_ Dollars  
or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

and continuing until said principal and interest have been paid. Should interest not be in paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note by the holder thereof, the Court may in its attorney's fees. This note is secured by a DEED OF TRUST

**A. To protect the security of this Deed of Trust, Trustor agrees:**

[1] To keep said property in good condition and repair; not to remove or demolish any building thereon; to construct or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit upon said property, in violation of laws to cultivate, irrigate, fertilize, manure, pasture and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumeration herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or constitute any act done pursuant to such notice.

[3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation as to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or in the same or such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended in Beneficiary or Trustee, with interest from date of expenditures at seven per cent per annum.

**B. It is mutually agreed that:**

[1] Any award of damages in connection with any condemnation for public use or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for the disposition of proceeds of fire or other insurance.

[2] By accepting possession of any such deed hereunder after the date of recording of this deed and before the date of recording of the same, Trustor agrees to require prompt payment within thirty days of all other sums so secured or to declare default for failure so to pay.

[3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and production of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustor may accept any part of said property, contribute to the making of any map or plat therefor; join in granting any agreement or lien or join in any extension agreement or any agreement which creates the lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and release and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The records in such reconveyance of any matters or facts shall be

At least three months having elapsed after recording of such notice of default, Trustor shall give notice of sale as then required by law, and without demand on Trustor, shall sell said property at the time and place or a date fixed by or in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, and public auction to the highest bidder for cash in the morning of the Trustee's office, or in the office of the Trustee, or in any other place or at any time or place of sale, and from time to time thereafter may postpone such sale by public announcement if the time fixed by the preceding instrument. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The records in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person including Trustor, Trustee or Beneficiary as hereunder defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustor and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

92040331382

1101  
2305

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL THIS DEED AND UTILISE OTHERWISE SHOWN BELOW MAIL TAX STATEMENTS TO

NAME Ann E. Jackson  
STREET ADDRESS P.O. Box 5006  
Riverside, CA 92517  
CITY Riverside  
STATE CA  
TITLE ORDER NO. 34816 EXCHG. NO. 3571



RECORDED FOR MAIL  
FED. & STATE  
MAIL TAX STATEMENTS  
RECORDED FOR MAIL  
FED. & STATE  
MAIL TAX STATEMENTS  
RECORDED FOR MAIL  
FED. & STATE  
MAIL TAX STATEMENTS  
Wm. Dwyer

SPACE ABOVE THIS LINE FOR RECORDS USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$ 35.00

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

MYRTLENN JEAN CALLIER,

hereby GRANT(S) to

ANN E. JACKSON, a single woman  
the following described real property in the

County of Riverside State of California:

**BEGINNING** at a point on the Northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of Block 9, Range 13 of the Town of Riverside, as shown by Map on file in Book 7 page 17 of Maps, records of San Bernardino County, California; thence Easterly along the Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeast corner of said Block 9; thence Westerly and parallel with the Northerly line of Tenth Street, 47 feet; thence Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

**THIS GRANT DEED IS BEING RE-RECORDED TO CORRECT LEGAL DESCRIPTION AS FOLLOWS:**  
That portion of Block 9, Range 13 of the Town of Riverside, as shown by Map on file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: **BEGINNING** at a point on the Northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; **THENCE** Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeast corner of said Block 9; **THENCE** Northerly and parallel with the Easterly line of Pine Street, 158 feet; **THENCE** Westerly and parallel with the Northerly line of Tenth Street; **THENCE** Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

Dated November 25, 1977

Marilynn Jean Callier  
Marilynn Jean Callier

STATE OF CALIFORNIA  
COUNTY OF Riverside } ss

On December 14, 1977 before me, the undersigned, a Notary Public in and for said State, personally appeared Marilynn Jean Callier

\_\_\_\_\_ knows to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same. WITNESS my hand and aff. at seat

Signature Luanne Forester



MAIL TAX STATEMENTS TO: Donny Savings & Loan, P.O. Box 3116, 92506 ASD, CA 92706

Attachment 2

41019

RECORDED  
INDEXED  
MAY 19 1954  
COUNTY CLERK  
COLUMBIA COUNTY  
MISSOURI

END RECORDED DOCUMENT

W. D. BALOGH, COUNTY RECORDER

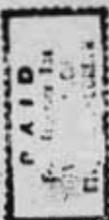
148862

RECORD REQUESTED BY

*File*

AND WHEN RECEIVED CALL THE CLERK AND, UNLESS OTHERWISE ORDERED, CALL THE INSTRUMENTS TO.

William and Vivian Melendez  
5875 Green Valley  
Riverside, CA 92504



RECEIVED FOR RECORD  
JUL 28 1978  
35  
Devi...  
W.D. Balogh

This Order No. \_\_\_\_\_ Error No. \_\_\_\_\_

This space for Recorder's use

# Grant Deed

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$ 6.00

computed on full value of property conveyed, or

computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson, a single woman

hereby GRANT(S) to

WILLIAM D. AND VIVIAN R. MELANDEZ, Husband and Wife as Joint Tenants.

the following described real property in the City of Riverside  
county of Riverside, state of California:

That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by Map on file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the Northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeastly corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

Dated July 18, 1978

STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE } ss.

On July 18, 1978 before me, the undersigned, a Notary Public in and for said County and State, personally appeared ANNE K. CORCORAN

*Anne K. Corcoran*  
Anne K. Corcoran

I know to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same.

*Stella R. Sims*

STELLA R. SIMS  
Name (Typed or Printed)

Notary Public in and for said County and State



(Space above for official notarial seal)

MAIL TAX STATEMENTS TO PARTY KNOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

\_\_\_\_\_

1-78 (2-71)

Name

Street Address

City & State

END RECORDED DOCUMENT.

Attachment 3  
W. D. BALOGH, COUNTY RECORDER

23015

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL THIS DEED AND OTHERS OTHERWISE SHOWN BELOW MAIL THE STATEMENTS TO

NAME Ann E. Jackson  
STREET ADDRESS P.O. Box 5086  
Riverside, CA 92517  
CITY, STATE AND ZIP

TITLE ORDER NO. 34816 ORDER NO. 3571



RECORDED FOR RETURN  
FEB 6 1977  
COUNTY CLERK  
W. D. BALOGH  
3

SPACE ABOVE THIS LINE FOR RECORDERS USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX IS \$ 35.00

computed on full value of property conveyed, or

computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

MYRTLENN JEAN CALLIER,

hereby GRANT(S) to

ANN E. JACKSON, a single woman

the following described real property in the

County of Riverside State of California.

**BEGINNING** at a point on the Northerly line of Tenth Street, 162 feet Easterly from the Southwesterly corner of Block 9, Range 13 of the Town of Riverside, as shown by Map on file in Book 7 page 17 of Maps, records of San Bernardino County, California; thence Easterly along the Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southwesterly corner of said Block 9; thence Westerly and parallel with the Northerly line of Tenth Street, 47 feet; thence Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

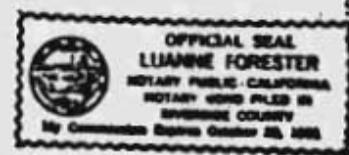
Dated November 25, 1977

*Marilynn Jean Callier*  
Marilynn Jean Callier

STATE OF CALIFORNIA }  
COUNTY OF Riverside }

On December 14, 1977 before me, the undersigned, a Notary Public in and for said State, personally appeared Marilynn Jean Callier

known to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same. WITNESS my hand and official seal.



Signature Luanne Forester

MAIL TAX STATEMENTS TO: Downey Savings & Loan, P.O. Box 5158, Downey, CA 92706

MAIL TAX STATEMENTS AS DIRECTED ABOVE

*Attachment 4*

END RECORDED DOCUMENT

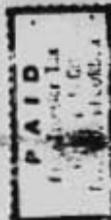
W. D. BALOGH COUNTY RECORDER

164182  
148526

RECORDING REQUESTED BY

AND WHEN RECORDING HAS BEEN MADE, GRANTOR  
OFFICER'S OFFICE, RECORD, TAX COMMISSIONER TO

William and Vivian Melendez  
3875 Green Valley  
Riverside, CA 92504



RECORDED FOR RECORD

JUL 20 1978  
35 min. per 11 min. A  
Dimitris T. [unclear]  
Wm. Doyle

This Order No. \_\_\_\_\_ Entry No. \_\_\_\_\_

This space for Recorder's use

### Grant Deed

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$ 6.00

computed on full value of property conveyed, or

computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Anne K. Corcoran, a married woman who acquired title as Anne K. Jackson,  
a single woman

hereby GRANT(S) to

*Melendez*

WILLIAM D. AND VIVIAN R. MELLENZ, Husband and Wife as Joint Tenants.

the following described real property in the City of Riverside  
county of Riverside, state of California:

That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by Map on  
file in Book 7 Page 17 of Maps, Records of San Bernardino County, California,  
described as follows: BEGINNING at a point on the Northerly line of Teptl.  
Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13;  
THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point  
141 feet Westerly from the Southeast corner of said Block 9; THENCE Northerly  
and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly  
and parallel with the Northerly line of Tenth Street; THENCE Southerly and  
parallel with the Easterly line of Pine Street, 158 feet, more or less, to the  
point of beginning.

*This deed is being recorded to correct grant deed  
name*

Dated July 18, 1978

STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE } ss.

On July 18, 1978 before me, the under-  
signed, a Notary Public in and for said County and State, personally  
appeared ANNE K. CORCORAN

*Anne K. Corcoran*  
Anne K. Corcoran

known to me  
to be the person whose name is subscribed to the within  
instrument and acknowledged that SHE executed the same.

*Stella R Sims*

STELLA R SIMS

Notary Public in and for said County and State



(Space above for official notarial seal)

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

as above

1-78 (8-71)

Name

Street Address

City & State

*Attachment 5.*

104125

RECEIVED FOR RECORD

AUG 4 1978

*Don Sullivan*  
*County Recorder*  
*104125*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Anne K. Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Ms. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission on April , 1980 found reason to believe that you may have violated § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended. A report on the Commission's findings is attached for your information.

We have numbered this matter MUR 943.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, the Federal Election Commission has issued the attached subpoena and order requiring you to provide information which will assist the Commission in carrying out its statutory duty of supervisory compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96, of Title 26, U.S. Code.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to the subpoena and order. It is required that you submit the information under oath and that you do so within ten days of your receipt of this subpoena and order.

In the absence of any information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with informal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe.

32040331389

Letter to: Anne K. Corcoran  
Page 2

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437 g(a)(12)(A) unless you notify the Commission in writing that you wish the investigation to be made public.

If you have any questions, please contact Sondra L. Mills, the staff member assigned to this matter, at 202/523-4073.

Sincerely,

8 2 0 4 0 3 3 1 3 9 0



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

AUTHORIZATION TO ISSUE SUBPOENA AND ORDER

The Commission hereby authorizes the order and subpoena attached to be issued to: Anne K. Corcoran.

\_\_\_\_\_  
Robert O. Tiernan  
Chairman

\_\_\_\_\_  
Joan D. Aikens  
Commissioner

\_\_\_\_\_  
Max L. Friedersdorf  
Vice-Chairman

\_\_\_\_\_  
John W. McGarry  
Commissioner

\_\_\_\_\_  
Thomas E. Harris  
Commissioner

\_\_\_\_\_  
Frank P. Reiche  
Commissioner

92040331391



82040331393

NOTARY PUBLIC STATE OF CALIFORNIA

REC'DING PROCEEDING BY

BY WHOM RECEIVED AND

Notary Public  
San Bernardino, CA  
92517

SPACE ABOVE THIS LINE FOR RECORDS USE

This Deed of Trust, made this 10th day of May, 1913.

BETWEEN ANNE K. JACKSON and ANNE K. CARCORAN, a married woman,

herein called "MORTGAGOR."

whose address is 224 E. CHURCH STREET, SAN BERNARDINO, CA 92504  
(Street and Number) (City) (State)

Western Title Insurance Company, 6000 Magnolia Riverside, CA herein called "MORTGAGEE" and

and her sole and separate property called "MORTGAGOR."

Witnesseth That Trustee hereby GRANTS TO TRUST, WITH POWER OF SALE, all that property in the

County of San Bernardino, State of California, described as

that portion of Block 9, Range 13 of the TRACT OF RIVERSIDE, as shown by map of file in Book 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeastern corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 155 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

82040331394

1] By accepting payment of any sum secured hereby after this date, Beneficiary shall not waive his right either to receive postage payment when due of all other sums so secured or to elect to demand the balance as to cash.

13] At any time he deems them to close, without liability, thereby and without affecting upon validity of these terms, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subdividing the lien or charge hereon.

14] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and satisfaction to Trustee for cancellation and return and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The receipt in such event of payment of any money or fees shall be conclusive proof of the satisfaction thereof. The provision in such reconveyance may be extended to the person or persons legally entitled to receive it.

15] Upon receipt by Trustee in payment of any indebtedness secured hereby, or the satisfaction of such agreement hereunder, Trustee shall reconvey all sums secured hereby and discharge all obligations hereunder. Trustee's written declaration of discharge and release of the sale and of written notice of discharge and release to be filed and property, which notice Trustee shall cause to be duly filed for record, Beneficiary will then report with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

16] This Deed applies to issues to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall include not only the original Beneficiary hereunder but also any future owner and holder, including pledgees, of the note secured hereby. In this Deed, whenever the context so requires, the masculine gender includes the feminine and vice versa, and the singular number includes the plural.

17] Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed or Trust or of any action or proceeding in which Trustee, Beneficiary or Trustee shall be a party unless brought by Trustee.

**C. The Undersigned Trustee Requests** that a copy of any notice of default and of any notice of sale hereunder be mailed to the following address, whether separate, by signature hereto. Failure to insert such address shall be deemed a waiver of the receipt hereunder for a copy of such notices.

Mailing Address for Notices	City	State	Signature of Trustee
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Notary Public in and for the State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_

I, \_\_\_\_\_, a Notary Public in and for said County, personally appeared \_\_\_\_\_

known to me to be the person whose name \_\_\_\_\_ subscribed to the within instrument, and he acknowledged that \_\_\_\_\_ executed the same.

Witness my hand and official seal.

Notary Public in and for the State of \_\_\_\_\_

My Commission Expires on \_\_\_\_\_

Title Order No. \_\_\_\_\_

Contract or Loan No. \_\_\_\_\_

On the Payment or Satisfaction of the indebtedness evidenced by one promissory note substantially in the following form and performance of each agreement of Trustee herein contained.

\$ 2,000.00 Riverside California May 10, 1973  
May: Loy G. Galt, a married

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ or order, woman as her sole and separate property.

FIVE THOUSAND DOLLARS OF RIVERSIDE CALIFORNIA

at FIVE THOUSAND DOLLARS the sum of FIVE THOUSAND DOLLARS with interest from May 10, 1973

per cent per annum, payable \_\_\_\_\_ on unpaid principal at the rate of \_\_\_\_\_ principal payable in installments of \_\_\_\_\_ Dollars

or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the \_\_\_\_\_

\_\_\_\_\_ 10 \_\_\_\_\_

\_\_\_\_\_ and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note the holder may sue in the Court of any state or territory. This note is secured by a DEED OF TRUST.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**2. To protect the security of this Deed of Trust, Trustee agrees:**

[1] To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to connive or permit waste thereon; not to connive, suffer or permit any act upon said property, in violation of law, to cultivate, irrigate, fertilize, mine, dig, mine and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustee. Such application or release shall not constitute or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[3] To accept in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay, at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, taxes and expenses of this Trust.

Should Trustee fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation as to do and without notice to or demand upon Trustee and without releasing Trustee from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon and property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at seven per cent per annum.

**B. It is mutually agreed that:**

[1] Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effort as above provided for the payment of proceeds of fire or other insurance.

[2] The proceeds payable to any person shall hereby agree to be held in trust for the use of the Beneficiary to require prompt payment of which all other claims so secured or to declare default for failure so to pay.

[3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and production of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereon; join in granting any easement thereon or join in any extension agreement or any agreement authorizing the lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The refusal in such reconveyance of any moneys or fees shall be

at least three months having elapsed after recording of such notice of default. Trustee shall give notice of sale as then required by law, and, without demand on Trustee, shall sell said property at the time and place of sale fixed by it as said notice of sale, either as a whole or in separate parcels and in any order as it may determine, at public auction to the highest bidder for cash or for a term of years, in accordance with the provisions of the Deed of Trust, and the proceeds of such sale shall be used to pay the indebtedness secured by this note and the property for public use, condemnation or at such time and place of sale, and from time to time thereafter, may purchase such sale by public announcement at the time fixed by the preceding paragraph. Trustee shall deliver to such purchaser its deed conveying the property as sold, but without any covenant or warranty, express or implied. The refusal in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Beneficiary or Beneficiary as Beneficiary deemed, may purchase at such sale.

After deducting all costs, taxes and expenses of Trustee and of this Trust, in making and evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, both on unpaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

32040331395

BETWEEN Anne S. Corcoran and One S. Corcoran, 9650

herein called TRUSTOR,

whose address is 7215 Potomac Street Riverside, CA 92506  
(Street and Number) (City) (State)

Western Title Insurance Company, 5609 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate property called ASSUREE,

WITNESSETH: That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the  
City of Riverside

County of Riverside, State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in  
Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as  
follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly  
from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said  
Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the  
Southeasterly corner of said Block 9; THENCE Northerly and parallel with the  
Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the  
Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly  
and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point  
of beginning.

### Note Secured by Deed of Trust

\$ 5,000.00 Riverside, California, May 10, 1978

In installments as herein stated, for value received, I promise to pay to MARY LOU NELSON, a married  
woman as her sole and separate property, or trustee,

at Five Thousand Dollars at Riverside California

the sum of Five Thousand Dollars 1978

with interest from May 10, 1978 on unpaid principal at the rate of  
10 per cent per annum, payable with principal

principal payable in installments of Dollars

or more on the \_\_\_\_\_ day of \_\_\_\_\_ month, beginning on the

\_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_  
all due and payable in 90 days

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of  
any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the  
option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on  
this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST

4345 10th Street, Riverside California

STATE OF CALIFORNIA, County of Riverside

On May 23, 1978, before me, the undersigned, a

Notary Public in and for the State of California, personally

appeared Anne S. Corcoran and One S. Corcoran

known to me to be the persons whose names are subscribed to the

above instrument, and acknowledged to me that they executed the

OFFICIAL SEAL  
STELLA R. SIMS  
NOTARY PUBLIC - CALIFORNIA  
RIVERSIDE COUNTY

Attachment 1

INSTRUMENT NOTE-PUBLIC SALE BY AUCTIONEER FORM 837

8 point type or larger

RECORDING REQUESTED BY

AND WHEN RECEIVED APR 10

Mary Lou Nelson  
c/o P.O. Box 5006  
Riverside, CA  
92517

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Deed of Trust, Made this 10th day of May, 1973

BETWEEN Anne K. Jackson aka Anne K. Corcoran, a married woman,

herein called TRUSTOR,

whose address is 224 Kennebec Street, Riverside, CA 92504  
(Street and Number) (City) (State)

Western Title Insurance Company, 6600 Magnolia Riverside, CA, herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate PROPRIETOR, called BENEFICIARY,

WITNESSETH: That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the City of Riverside

County of Riverside, State of California, described as: That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeastly corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.



FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by one promissory note substantially in the following form and performance of each agreement of Trustor herein contained.

\$ 5,000.00 Riverside California, May 10, 1973  
 May 10, 1973

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ woman as her sole and separate property.

FIVE THOUSAND DOLLARS at Riverside California or order.  
 at Five Thousand Dollars  
 the sum of \_\_\_\_\_ DOLLARS.  
 with interest from May 17, 1973

\_\_\_\_\_ per cent per annum, payable with principal on unpaid principal at the rate of \_\_\_\_\_ Dollars  
 principal payable in installments of \_\_\_\_\_ Dollars  
 or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the  
 all due and payable on day \_\_\_\_\_ 19 \_\_\_\_\_

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note by the holder thereof, the Court may be paid attorney's fees. This note is secured by a DEED OF TRUST

#### A. To protect the security of this Deed of Trust, Trustor agrees:

[1] To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property, in violation of law; to cultivate, irrigate, fertilize, farm, graze, plow and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at seven per cent per annum.

#### B. It is mutually agreed that:

[1] Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

[2] By accepting payment of any sum secured hereby after the date of recording hereof, Trustor does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

[3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustor may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any agreement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be

At least three months having elapsed after recording of such notice of default, Trustee shall give notice of sale as then required by law, and, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

BETWEEN Anne K. Jackson and Anne E. Corcoran, Joint Deeds

herein called TRUSTOR,

whose address is 7214 Foromac Street, Riverside, CA 92504 (Street and Number) (City) (State)

Western Title Insurance Company, 5600 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate property called BENEFICIARY,

WITNESSETH That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the City of Riverside

County of Riverside, State of California, described as: That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeast corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

Note Secured by Deed of Trust

\$ 5,000.00 Riverside, California, May 10, 1978

In installments as herein stated for value received, I promise to pay to Mary Lou Nelson, a married woman as her sole and separate property,

at Five Thousand Dollars at Riverside California

the sum of Five Thousand Dollars

with interest from May 10, 1978 on unpaid principal at the rate of

10 per cent per annum payable with principal

principal payable in installments of

Dollars

or more on the day of each month, beginning on the

day of 19

all due and payable in 90 days

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note, I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST

4345 10th Street, Riverside California

STATE OF CALIFORNIA, County of Riverside

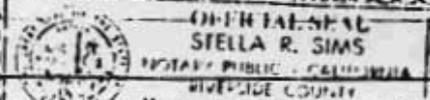
On May 23, 1978, before me, the undersigned, a

Notary Public in and for the State of California, personally

appeared Anne K. Jackson aka Anne E. Corcoran

known to me to be the person whose name and address are

set forth above.



8 point type or larger

RECORDING REQUESTED BY

AND WHEN RECEIVED WHEN

Mary Lou Nelson  
c/o P.O. Box 5006  
Riverside, CA

92517

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Deed of Trust, Made this 10th day of May, 1973

BETWEEN Anne K. Jackson aka Anne K. Corcoran, a married woman,

herein called TRUSTOR,  
whose address is 229 E. Main Street, Riverside, CA 92504  
(Street and Number) (City) (State)

Western Title Insurance Company, 6600 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate PROPERTY called BENEFICIARY,

WITNESSETH That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the  
City of Riverside

County of Riverside, State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in  
Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as  
follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly  
from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said  
Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the  
Southeasterly corner of said Block 9; THENCE Northerly and parallel with the  
Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the  
Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly  
and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point  
of beginning.

2) By accepting payment of a sum due hereunder after due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to bring suit for failure to pay.

3) At any time or from time to time, without liability therefor and without notice upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4) Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in this Deed as to any matters or facts shall be conclusive proof of the truthfulness thereof. The grantor in such recitals may be described as "the person or persons legally entitled thereto."

5) Upon receipt by Trustee in payment of any indebtedness secured hereby, Trustee shall execute all sums secured hereby immediately and immediately by delivery to Trustee of written declaration of default and demand for sale and of written notice of sale and of order to cause to be sold said property, which order Trustee shall cause to be duly filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

6) After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7) This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall include not only the original Beneficiary hereunder but also any future owner and holder, including pledgees, of the note secured hereby. In this Deed, whenever the context so requires, the masculine gender includes the feminine and or neuter, and the singular number includes the plural.

8) Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed or Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

**C. The Undersigned Trustor Requests** that a copy of any notice of default and of any notice of sale hereunder be mailed to him at the mailing address opposite his signature hereto. Failure to insert such address shall be deemed a waiver of this request and order for a copy of such notices.

Mailing Address for Notices  
STREET AND NUMBER CITY STATE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of California, County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
before me, \_\_\_\_\_, a Notary Public in and for said County,  
personally appeared \_\_\_\_\_

known to me to be the person whose name \_\_\_\_\_ subscribed to the within instrument, and acknowledged that \_\_\_\_\_ executed the same.  
Witness my hand and official seal.

(Seal) \_\_\_\_\_  
Notary Public in and for said State.

If executed by a Corporation the Corporation Form of Acknowledgment must be used.  
Title Order No. \_\_\_\_\_ Escrow or Loan No. \_\_\_\_\_

FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by the promissory note substantially in the following form and performance of each agreement of Trustor herein contained.

\$ 5,000.00 Riverside California May 10, 1973  
May: 10, 1973

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ woman as her sole and separate property.

FIVE THOUSAND DOLLARS OF RIVERSIDE California or order.  
at FIVE THOUSAND DOLLARS  
the sum of FIVE THOUSAND DOLLARS DOLLARS.  
with interest from May 10, 1973

10% per cent per annum, payable with principal on unpaid principal at the rate of \_\_\_\_\_ Dollars  
principal payable in installments of \_\_\_\_\_ Dollars  
or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the  
all due and payable on day \_\_\_\_\_ 10 \_\_\_\_\_

and continuing until said principal and interest have been paid.  
Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the trustee of this trust. Principal and interest payable in lawful money of the United States. If action be instituted on this trust agreement by any party, the Court may be as attorney's fees. This note is secured by a DEED OF TRUST to \_\_\_\_\_

\_\_\_\_\_

**A. To protect the security of this Deed of Trust, Trustor agrees:**

[1] To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvement to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property, in violation of laws to cultivate, irrigate, fertilize, transplant, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at seven per cent per annum.

**B. It is mutually agreed that:**

[1] Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

[2] By accepting payment of any sum secured hereby after the date of recording of this deed, Trustor waives his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

[3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement which creating the lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be

At least three months having elapsed after recordation of such notice of default, Trustee shall give notice of sale as then required by law, and, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone the sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *made*  
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *me*  
DATE: APRIL 2, 1980  
SUBJECT: MUR 943 - Interim Conciliation Report #1  
dated 3-28-80; Signed 3-31-80; Received  
in OCS 3-31-80, 4:11

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 11:00, April 1, 1980.

There were no objections to the Interim Conciliation Report at the time of the deadline.

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March 31, 1980

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached Intefim Concil Report distributed to the Commission. Thank you.

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RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION  
March 28, 1980

80 MAR 31 P 4: 11

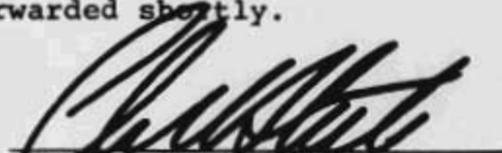
In the Matter of	)	
	)	
Mary Lou Nelsen	)	
Daniel M. Corcoran	)	
Corcoran for Congress	)	
Committee	)	MUR 943

INTERIM CONCILIATION REPORT #1

Prior to the enactment of the 1980 amendments to the Federal Election Campaign Act, the Commission found reasonable cause to believe that Mary Lou Nelsen violated 2 U.S.C. § 441a(a) (1) (A) and that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f). Conciliation agreements were forwarded to the three respondents. At this time, it appears that conciliation efforts have not been successful. Accordingly, the Office of General Counsel is preparing further recommendation to the Commission which will be forwarded shortly.

31 March 1980

Date



Charles N. Steele  
General Counsel

82040331406

DEPARTMENT OF REAL ESTATE

P.O. Box 160009  
Sacramento, CA 95816

FEDERAL ELECTION  
COMMISSION



'80 MAR 17 PM 2:41

March 11, 1980

Office of General Counsel  
Federal Election Commission  
1325 K St, NW, 7th Floor  
Washington, DC 20463  
Attn: Sondral Mills

RE: Daniel Martin Corcoran  
ID# 451125

To whom this may concern:

On April 12, 1973 Daniel Martin Corcoran was first issued an active real estate salesperson license. On December 28, 1979 he was issued an active broker license at 4255 Main St, Riverside 92501 with the DBA Comont Investment Company. He is currently licensed as such at the above address.

This agency has taken no formal actions against the licensee within the last five years, the period of time for which our records are maintained.

Sincerely,

LARRY W SMITH  
Senior Deputy  
Licensing

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RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL

10 MAR 17 P 4:20

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DEPARTMENT OF REAL ESTATE  
P. O. Box 180009  
SACRAMENTO, CALIFORNIA 95818

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80 MAR 17 PM 2.01  
FEDERAL ELECTION COMMISSION



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 10, 1980

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

County Recorder  
1725 West Third Street  
San Bernardino, CA 92415

Re: MUR 943

Dear Sir or Ms.:

Please forward to this office a certified copy of the deed and any attached legal descriptions for the conveyance of the following parcel of land located in the town of Riverside, California:

Date: 1978

Grantor: Anne K. Jackson, aka  
Anne K. Corcoran

Grantee: unknown

Parcel: That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the Northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeasterly corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

The Commission would appreciate it if you could also enclose a certified copy of the deed and any attached legal descriptions by which the same parcel described above was conveyed to Anne K. Jackson, aka Anne K. Corcoran. We have been unable to ascertain the name of the grantor or the precise date of the conveyance. However, the property was

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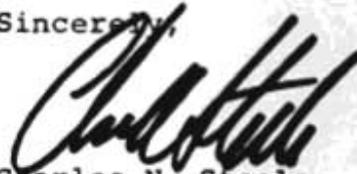
Letter to: County Recorder  
Page 2

probably conveyed to her sometime between 1972-1978.

Enclosed is a stamped, self-addressed envelope and a check from Robert Baker, Assistant Staff Director for Administration, for an amount not to exceed \$10 to cover the cost of these copies.

Your prompt attention is greatly appreciated. Thank you.

Sincerely,



Charles N. Steele  
General Counsel

Enclosures

32040331410



32040331410

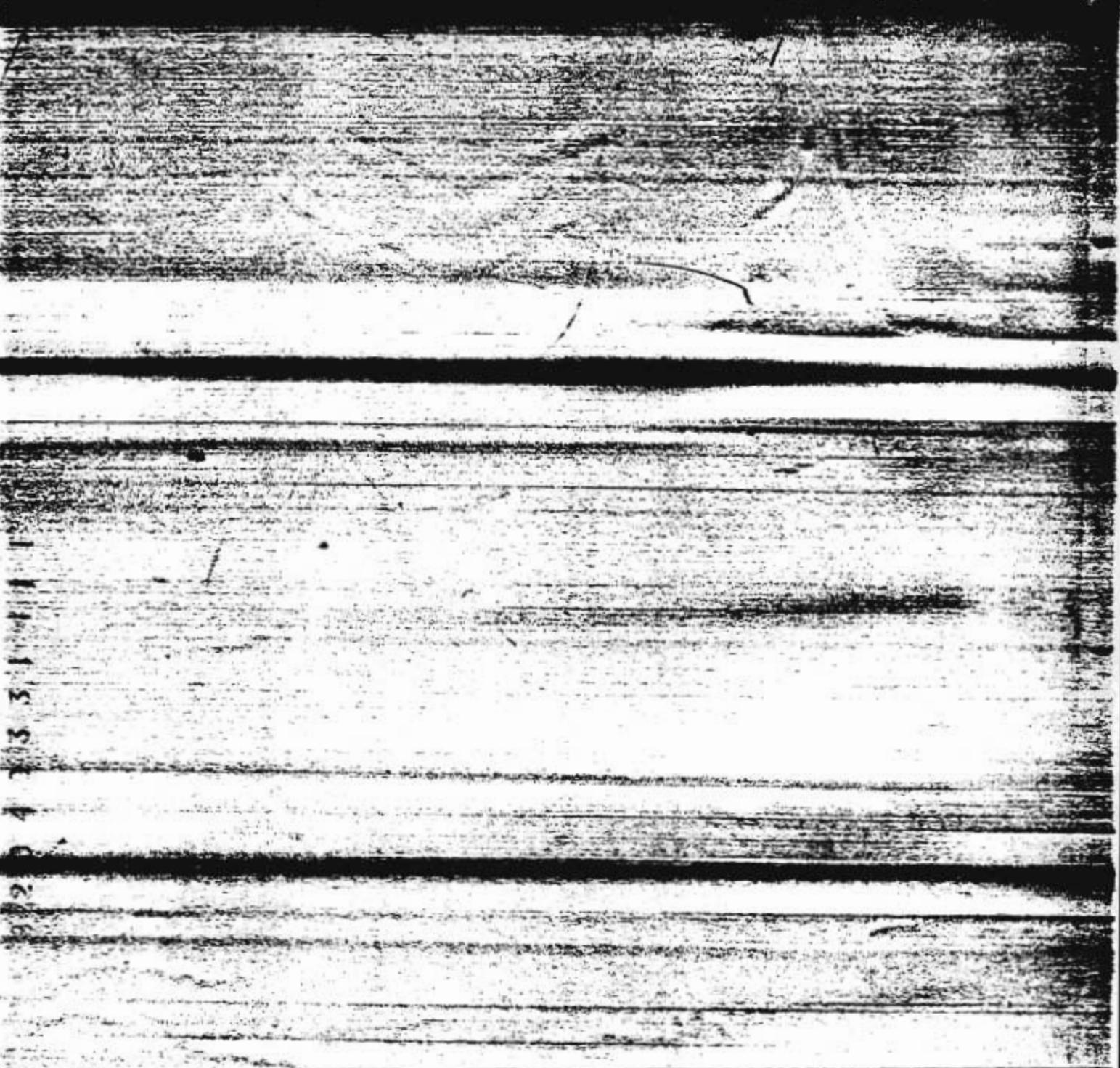
County Recorder  
1725 Walnut St.  
San Bernardino, CA  
94416

DATE OF DELIVERY: 3/13/80

1980 MAR 14

UNABLE TO DELIVER BECAUSE: MUR943 SM

REGISTERED, INSURED AND CERTIFIED MAIL



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**F&M**

Pentagon Office  
FIRST & MERCHANTS  
NATIONAL BANK  
Arlington, Virginia

No. *203*  
68-216  
560 09

6 March 1980

NOT TO EXCEED \$10.00

PAY TO THE ORDER OF County Recorder, San Bernardino County \$

DOLLARS

ROBERT N. BAKER

FOR Federal Election Commission

\*056002463\* 2523 0756\*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

79 OCT 22 P12: 29

October 22, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Jane Colgrove  
SUBJECT: MUR 943

Please have the attached General Counsel's Report on MUR 943 distributed to the Commission on a 48 hour tally basis.

Thank you.

---

MEMORANDUM TO: Jane Colgrove *MWE*  
FROM: Marjorie E. Emmons/Margaret Chaney *mc*  
DATE: October 22, 1979  
SUBJECT: MUR 943

Pursuant to your telephone request, the documents delivered to this office for circulation were checked for findings of "Probable Cause".

MUR 943 contains such a recommendation and is being returned to you for processing.

32040331412

October 22, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Jane Colgrove  
SUBJECT: MUR 943

Please have the attached General Counsel's Report on MUR 943 distributed to the Commission on a 48 hour tally basis.

Thank you.

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BEFORE THE FEDERAL ELECTION COMMISSION  
October 17, 1979

79 OCT 22 P12: 30

In the Matter of	)	
	)	
Corcoran for Congress	)	MUR 943
Committee	)	
Daniel Corcoran	)	
Mary Nelson	)	

GENERAL COUNSEL'S REPORT

On April 28, 1979, the Commission determined there was reason to believe that Mary Lou Nelson may have violated 2 U.S.C. §441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee ("the Committee") may have violated 2 U.S.C. §441a(f) in connection with the making, receipt and acceptance of contributions totalling \$5,350 to Mr. Corcoran's federal primary election campaign. It appeared that Ms. Nelson, in addition to making direct contributions to the Committee, executed a \$5,000 personal loan to Mr. Corcoran while he was a federal candidate. Based on information received pursuant to subpoenas and orders issued by the Commission to Respondents Corcoran and Nelson and former committee treasurer E. T. Jacobs, the Commission found reasonable cause to believe that Ms. Nelson was in violation of §441a(a)(1)(A) and Mr. Corcoran and the Committee were in violation of §441a(f). Letters of notification with conciliation agreements attached, were mailed to all respondents on August 30, 1979.

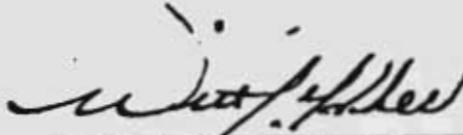
32040331414

As attempts made by the Office of General Counsel to correct this matter through informal methods have failed, we recommend that the Commission find probable cause to believe that respondents are in violation of the Act and authorize the institution of a civil action for relief in United States District Court.

Recommendation

1. Find probable cause to believe that Mary Lou Nelson violated 2 U.S.C. §441a(a)(1)(A), approve and send attached letter;
2. Find probable cause to believe that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. §441a(f); approve and send attached letters;
3. Authorize the institution of a civil action for relief in United States District Court.

10/22/79  
Date

  
\_\_\_\_\_  
William C. Oldaker  
General Counsel

32040331415

ATTACHMENTS

- I. Corcoran's Response - September 14, 1979
- II. Corcoran's Response - October 10, 1979
- III. Nelson's Response - October 2, 1979
- IV. Letters to: Corcoran  
Nelson  
Committee

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FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelson  
6718 Burnside Court  
Riverside, California 92504

Re: MUR 943

Dear Ms. Nelson:

This is to notify you that on the Federal Election Commission considered your letter of September 26, 1979 and found probable cause to believe that you violated 2 U.S.C. §441a(a)(1)(A) in connection with the above captioned matter.

Accordingly, the Commission has authorized the institution of a civil action for relief in United States District Court. Although a civil suit has been authorized, you still have an opportunity to attempt to correct this matter through informal methods and to enter into a conciliation agreement. If you wish to reconsider the proposed agreement sent to you on August 30, 1979, or offer some alternative terms which may be acceptable to the Commission, you should notify the Office of General Counsel within 10 days of your receipt of this notification. Otherwise, the Commission will proceed with a civil action for relief pursuant to 2 U.S.C. §437g(a)(5)(B) —

Should you have any questions, or should you wish to attempt to settle this matter prior to suit, please contact Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery  
Treasurer  
Corcoran for Congress  
Committee  
P.O. Box 5006  
Riverside, California 92517

Re: MUR 943

Dear Mr. Montgomery:

This is to notify you that on the Federal Election Commission ~~rejected~~ Mr. Corcoran's proposed revisions to its conciliation agreement and found probable cause to believe that you violated 2 U.S.C. §441a(f) in connection with the above captioned matter.

Accordingly, the Commission has authorized the institution of a civil action for relief in United States District Court. Although a civil suit has been authorized, you still have an opportunity to attempt to correct this matter through informal methods and to enter into a conciliation agreement. If you wish to reconsider the proposed agreement sent to you on August 30, 1979, or offer some alternative terms other than those suggested in Mr. Corcoran's letter of October 1, 1979, (i.e; some admission of violation and some penalty) you should notify the Office of General Counsel within 10 days of your receipt of this notification. Otherwise, the Commission will proceed with a civil action for relief pursuant to 2 U.S.C. §437g(a)(5)(B).

Should you have any questions, or should you wish to attempt to settle this matter prior to suit, please contact Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, California 92517

Re: MUR 943

Dear Mr. Corcoran:

This is to notify you that on the Federal Election Commission rejected your proposed revisions to its conciliation agreement and found probable cause to believe that you violated 2 U.S.C. §441a(f) in connection with the above captioned matter.

Accordingly, the Commission has authorized the institution of a civil action for relief in United States District Court. Although a civil suit has been authorized, you still have an opportunity to attempt to correct this matter through informal methods and to enter into a conciliation agreement. If you wish to reconsider the proposed agreement sent to you on August 30, 1979, or offer some alternative terms other than those suggested in your letter of October 1, 1979, (i.e; some admission of violation and some penalty) you should notify the Office of General Counsel within ten days of your receipt of this notification. Otherwise, the Commission will proceed with a civil action for relief pursuant to 2 U.S.C. §437g(a)(5)(B).

Should you have any questions, or should you wish to attempt to settle this matter prior to suit, please contact Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE  
FROM: MARJORIE W. EMMONS/<sup>g</sup>MARGARET CHANEY *me*  
DATE: SEPTEMBER 25, 1979  
SUBJECT: MUR 943 - Interim Conciliation Report  
dated 9-20-79; Signed 9-24-79;  
Received in OCS 9-24-79, 12:19

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 4:00, September 24, 1979.

There were no objections to the Interim Conciliation Report at the time of the deadline.

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Mrs. May Lou Nelson  
6718 Buena Vista Ct.  
Riverside Ca. 92504



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RETURN RECEIPT  
REQUESTED

REGISTERED  
NO. 8275

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RIVERSIDE CA

Federal Election Commission  
11325 K Street N.W.  
Washington D.C. 20463

Personal Attn: Mrs. Miriam Aguilar

September 24, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached Interim Concil Report on  
MUR 943 distributed to the Commission.

Thank you.

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BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED  
OFFICE OF THE  
CLERK OF THE COMMISSION  
SECRETARY

September 20, 1979

79 SEP 24 P12: 10

In the Matter of )  
 )  
Corcoran for Congress Committee )  
Dan Corcoran )  
Mary Nelson )

MUR 943

INTERIM CONCILIATION REPORT

On August 30, 1979, the Commission determined there was reasonable cause to believe that Mary Nelson violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f) in connection with a \$5,000 loan to Mr. Corcoran from his mother, Mary Nelson used in connection with his federal election campaign. Mr. Corcoran submitted a response on September 14, 1979 and Mrs. Nelson contacted the Commission by phone on September 5, 1979. The Corcoran Committee has not responded to date. The time within which all respondents must respond has not lapsed. We will submit a report to the Commission when formal responses from Mrs. Nelson and the Corcoran Committee have been received.

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9/24/79  
DATE

William C. Oldaker  
WILLIAM C. OLDAKER  
GENERAL COUNSEL

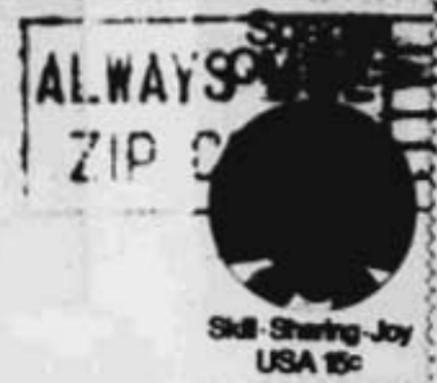
Dan Corcoran  
P.O. Box 5006  
Riverside, CA 92517

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**CERTIFIED**  
P04 8473813  
**MAIL**

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

NOISS  
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Federal Election Commission  
Ms. Miriam Aguilar  
1325 K Street N.W.  
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

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

August 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary L. Nelsen  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelsen:

On August 29 1979, the Commission determined there was reasonable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended, ("the Act"). Specifically, the Commission found reasonable cause to believe that your \$5,000 personal loan to then federal candidate Daniel Corcoran on May 12, 1978 was a contribution under the Act and as such, in excess of the § 441a(a)(1)(A) individual contribution limitation per candidate per election. As you also contributed \$350 to Mr. Corcoran's principal campaign committee on April 6, 1978, you contributed an aggregate \$5,350 to Mr. Corcoran's federal campaign prior to the June 6, 1978 primary election.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court and seek payment of a civil penalty not in excess of \$5,000.

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission

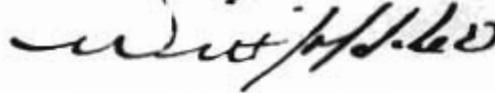
page 2  
letter to: Ms. Mary L. Nelsen

in settlement of this matter.

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/ 523-4057.

Sincerely,



William C. Oldaker  
General Counsel

Enclosure

943 HANCO

1. The following service is requested (check one): <input type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered <input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address of delivery. (CONSULT POSTMASTER FOR FEES)		2. ARTICLE ADDRESSED TO: Ms. Mary Lou Nelsen 6718 BUDWISOR COURT RIVERSIDE, CA 92504	
3. ARTICLE DESCRIPTION: REGISTERED NO. QMS711		INSURED NO.	
4. DATE OF DELIVERY SEP 1 1979		5. ADDRESS: Complete only if requested	
6. UNABLE TO DELIVER BECAUSE:		CARRIER 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

August 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

On August 29, 1979, the Commission determined there was reasonable cause to believe that the Corcoran for Congress Committee ("the Committee") committed a violation of 2 U.S.C. § 441a(f) of the Federal Election Campaign Act of 1971, as amended, ("the Act"). Specifically, the Commission found reasonable cause to believe that when the Committee accepted the \$5,000 loan from Mr. Corcoran on May 12, 1978, the Committee knew that the \$5,000 had been obtained from the candidate's mother, Mary Lou Nelson, as a personal loan. As such loans are contributions under § 431(e) of the Act, and as the \$5,000 loan used by the Committee in connection with Mr. Corcoran's federal election, was in excess of the § 441a(a)(1)(A) \$1,000 limitation, the Committee's acceptance of the \$5,000 violated § 441a(f). The excessive amount included an additional \$350 contributed by Ms. Nelson to the campaign.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court and seek payment of a civil penalty not in excess of \$5,000.

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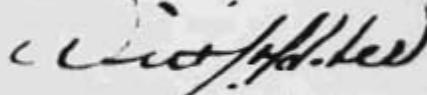
page 2  
letter to: Mr. Gary Montgomery

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter.

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/523-4057.

Sincerely,



William C. Oldaker  
General Counsel

Enclosure



FEDERAL ELECTION COMMISSION

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

August 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

On August 29 1979, the Commission determined there was reasonable cause to believe that you committed a violation of 2 U.S.C. § 441a(f) of the Federal Election Campaign Act of 1971, as amended, ("the Act"). Specifically, the Commission found reasonable cause to believe that you accepted a \$5,000 personal loan on May 12, 1978 from Ms. Mary Nelsen while a candidate for federal office. As these loans are considered contributions under Section 431(e) of the Act the \$5,000 loan was in excess of the § 441a (a) (1) (A) \$1,000 individual contribution limitation. Therefore, by accepting the loan which violated § 441a, you violated § 441a(f).

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a) (5) (B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court and seek payment of a civil penalty not in excess of \$5,000.

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter.

page 2

letter to: Mr. Daniel Corcoran

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosure

943 AGUIAR

PS Form 3811, May 1977 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

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:  
 Daniel Corcoran  
 Box 5006  
 Riverside, CA 92512

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED NO.  
 94370

(Always obtain signature of addressee or agent)  
 I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent

4. DATE OF DELIVERY POSTMARK  
 SEP 1977

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

★GPO 1977-0-248 085

3/20 40331430

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Corcoran for Congress Committee )  
Daniel Corcoran ) MUR 943  
Mary Nelson )

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify, that on August 29, 1979, the Commission determined by a vote of 4-0 to adopt the recommendations contained in the General Counsel's Report dated August 16, 1979:

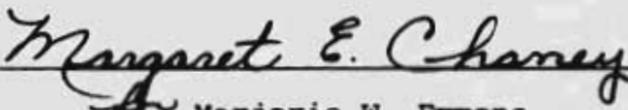
1. Find reasonable cause to believe that Mary Lou Nelson violated 2 U.S.C. §441a(a)(1)(A).
2. Find reasonable cause to believe that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. §441a(f).
3. Approve and send the letters and conciliation agreements to respondents attached to the above-named report.

Voting for this determination were Commissioners Friedersdorf, Harris, McGarry, and Tiernan.

Attest:

8-30-79

Date

  
for Marjorie W. Emmons  
Secretary to the Commission

Received in the Office of Commission Secretary:  
Circulated on 48 hour vote basis:

8-27-79, 11:40  
8-27-79, 4:00

32040331431

■ August 27, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached General Counsel's Report on MUR 943 distributed to the Commission on a 48 hour tally basis.

Thankyyou.

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BEFORE THE FEDERAL ELECTION COMMISSION

August 16, 1979

79 AUG 27 All: 40

In the Matter of	)	
	)	
Corcoran for Congress Committee	)	MUR 943
Daniel Corcoran	)	
Mary Nelsen	)	

GENERAL COUNSEL'S REPORT

I. Background

On April 26, 1979, the Commission found reason to believe that Mary Nelsen may have violated 2 U.S.C. § 441a(a)(1)(A) and that Daniel Corcoran and the Corcoran for Congress Committee may have violated 2 U.S.C. § 441a(f) in connection with a \$5,000 loan to Mr. Corcoran from his mother Mary Nelsen used in connection with his federal election campaign. 1/ The matter was generated pursuant to a referral from the Reports Analysis Division. Letters of notification were mailed to respondents on April 30, 1979.

II. Evidence

In his response to the Commission's April 30 letter, Mr. Corcoran stated that the \$5,000 was a personal loan

1/ Mr. Corcoran won the primary and was defeated in the general election, receiving 35% of the vote.

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secured by a deed of trust and repaid with interest. He attached a copy of the deed of trust and a copy of the repayment check (See Attachment I). Ms. Nelson and the Corcoran Committee treasurer Jacobs failed to respond to the Commission's letter. In a phone conversation, Mr. Corcoran stated that he would be responding on his mother's behalf and on behalf of his Committee, and that he would submit all the material originally requested by the Commission.

As the Commission did not receive formal responses from Ms. Nelson and Mr. Jacobs, and as Mr. Corcoran failed to submit all material requested, the Commission issued subpoenas and orders to Ms. Nelson, Mr. Corcoran and Mr. Jacobs on June 18, 1979. The subpoena and orders were signed and mailed July 12, 1979, together with a notification letter addressed to the new Corcoran Committee treasurer Gary Montgomery. The respondents and Mr. Jacobs submitted responses to the subpoena. (See Attachments II, III, IV). These responses disclosed the following:

1. Ms. Nelson issued a \$5,000 certified check, drawn on her personal savings account, to her son Mr. Corcoran as a personal loan on May 12, 1978, which he deposited to his personal checking account #082514.

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The personal loan was secured by a deed of trust to Concoran's personal property and a promissory note dated May 10, 1978, to be repaid within 90 days at 10% interest.

2. On May 12, 1978, Mr. Corcoran issued a \$5,000 check #342 to his Committee as a loan, drawn on his personal joint checking account #082514. (The Committee reports receipt of the loan on May 12, 1978. See Attachment V).

3. Ms. Nelson issued six (6) other checks to the Corcoran Committee: three (3) of which were drawn on her personal checking account (\$15.00 on July 31, 1978; \$200.00 on April 6, 1978; and \$15.00 on August 31, 1978) and three (3) of which were drawn on a joint account (\$100.00 on August 31, 1978; \$15.00 on September 2, 1978; and \$300.00 on April 6, 1978).

4. Mr. Corcoran received no other personal loans while he was a candidate for federal office and was not a party to other real estate escrow transactions during that period.

5. According to Mr. Jacobs, Mr. Corcoran received the loan from his mother to cover personal living expenses during the campaign as his income was reduced and his personal finances tied up in campaign expenses.

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Mr. Jacobs reiterated that the loan was therefore personal in nature and not a part of Mr. Corcoran's campaign.

III. Analysis

A contribution is defined, in part, as a gift ... loan... or anything of value made for the purpose of influencing the nomination for election, or election, of any person to federal office. § 431(e) of the Act. Furthermore, funds provided to a candidate to be used solely for personal living expenses of the candidate are contributions for purposes of the Act unless the funds are "personal funds." § 110.10(b) of the Regulations. "Personal funds" are those funds or assets to which the candidate had legal and rightful title or the right of beneficial enjoyment at the time he or she became a candidate, or are personal assets under § 110.10(b)(1).

As Mr. Corcoran received the loan after he became a candidate, the proceeds cannot be considered part of his "personal funds", but rather a contribution from Ms. Nelson under § 431(e). The amount was clearly in excess of Ms. Nelson's § 441a(a)(1)(A) contribution limitation.

The present transaction clearly does not fall within the § 431(e)(5)(G) exception, which excludes only those loans by a national or state bank, made in

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accordance with the applicable banking laws and in the ordinary course of business, from the definition of contribution. Therefore, Mr. Corcoran's acceptance of a \$5,000 contribution, which was in excess of the § 441a(a)(1)(A) limitation, was in violation of § 441a(f). It is evident from the Committee's reports that the Committee knew the original source of the \$5,000 loan it received from Mr. Corcoran on May 12, 1978, for use in connection with his primary election. Therefore, the Committee's acceptance of the proceeds from the excessive contribution was also in violation of § 441a(f).

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III. Recommendation

1. Find reasonable cause to believe that Mary Lou Nelsen violated 2 U.S.C. § 441a(a)(1)(A).
2. Find reasonable cause to believe that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. § 441a(f).
3. Approve and send attached letters and conciliation agreements to respondents.

8/25/79  
Date

William C. Oldaker  
General Counsel

Attachments

- I. Corcoran's May 10 response
- II. Corcoran's July 20 response
- III. Jacobs' July 23 response
- IV. Nelson's July 23 response
- V. Committee Reports
- VI. Letters and Conciliation Agreements to:  
Mary Lou Nelson  
Daniel Corcoran  
Corcoran for Congress Committee

82040331133

*Original* 600\* 10152  
ATTACHMENT I.

May 10, 1979

902411

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

RE: MUR 943

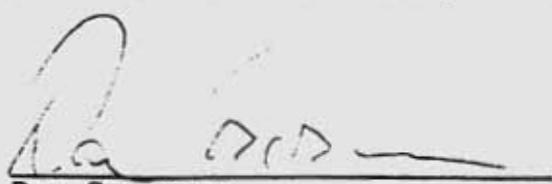
In response to your letter of April 30, 1979.

You have already written to us regarding this matter on November 1, 1978. Copy enclosed. We responded, via Certified Mail, copy and verification of receipt enclosed. Since we did not hear from you regarding our response we perceived the matter closed.

It appears from you recent letter that you have misplaced our previous response. To assist in clarifying the matter I again state:

The funds borrowed were secured by an interest in Real Property and repaid with interest prior to the receipt of your first inquiry. My principal occupation is Real Estate Investor and it is quite common for me to borrow or lend money to make a given transaction. This loan was NOT to my committee and was separate from the campaign. I do not know why my accountant mentioned this transaction as it had nothing to do with the campaign. I am sure his interest was in complete compliance with the law.

I have enclosed copies of the original note and deed of trust and the cancelled check that cleared the encumbrance. If you have any further questions please contact me by mail or phone at (714) 787 0510 during normal business hours.

  
Dan Corcoran

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79 MAY 18 P12:12

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL

E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

2900 CENTRAL AVE. - SUITE 900  
RIVERSIDE, CALIF. 92506

PHONE 944-5555

November 13, 1978

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

SUBJECT: Corcoran for Congress Committee  
45V1/78-10250

Per instruction from Ron Krous in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$1,000.

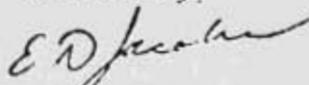
In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,



E. T. Jacobs  
Treasurer

ETJ/kg  
Enclosure

3204033140





FEDERAL ELECTION COMMISSION

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

1 November 1978

Mr. E.T. Jacobs, C.P.A., Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, California 92512

Dear Mr. Jacobs:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 10 Day Pre-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals from making political contributions to a candidate for Federal election in excess of \$1,000 per election.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Susan Owen (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4048.

Sincerely,

Orlando B. Potter  
Staff Director

02040331442





8 2 0 4 0 3 3 1 4 4 5

By accepting payment of any such...  
this deed, Beneficiary does not waive his right either to receive...  
or to object to the sale of the property...

Trustee may: recover any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement terminating the lien or charge hereof.

Trustee, without prejudice of beneficiary stating that all...  
this deed and will pay to Trustee the easements and extension...  
shall receive, without prejudice, the property then held hereunder.

Trustee may, by Trustee in payment of any indebtedness...  
hereunder, including all taxes and charges, and all other...  
debts and charges, and all other charges, and all other charges...

C. The Undersigned Trustee Remits that a copy of any notice of...  
of any notice of...  
of any notice of...

Mailing Address for Trustee  
STATE OF CALIFORNIA  
COUNTY OF...  
CITY OF...  
STREET...  
CITY... STATE... ZIP...

Witness my hand and official seal...  
Notary Public in and for said County...  
My Commission Expires...  
FIDELITY AND SURETY COMPANY

bidder for cash in law...  
at time of sale. Trustee...  
of said property...  
shall be...  
trustee thereof. Any person, including Trustee, Trustee's...  
or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and...  
of this Trust, including cost of evidence of title...  
with sale, Trustee shall apply the proceeds of sale to payment...  
of all sums expended under the terms hereof, and then...  
with accrued interest at seven per cent per annum...  
sums then secured hereby and the remainder, if any, to the...  
person or persons legally entitled thereto.

This deed applies to, inures to the benefit of, and binds...  
all parties hereto, their heirs, legatees, devisees, assigns, executors...  
administrators and assigns. The term "beneficiary" as used...  
includes not only the named Beneficiary herein but also...  
any future owner and assign, including pledgee of the...  
secured hereby in this deed, whose interest in the property...  
the mortgage number includes the primary and all...  
and the singular number includes the plural.

Trustee accepts this Trust with this Deed, duly...  
and acknowledged, is made a public record as required...  
by law. Trustee is not obligated to verify any public record of...  
pending on under any other Deed or Trust or of any other...  
or proceeding in which Trustee, Beneficiary or Trustee's...  
is a party unless brought to Trustee's attention.

For the Payment or Satisfaction of the indebtedness evidenced by one promissory note substantially in the following tenor and performance of each agreement of Trustor herein contained.

\$ 5,000.00 Riverside California May 17 1970

In installments as herein stated, for value received, I promise to pay to woman as her sole and separate property.

Five thousand Dollars of Riverside California or order.

at the sum of Five thousand Dollars with interest from May 17, 1970

per cent per annum, payable on unpaid principal at the rate of

principal payable in installments of Dollars

on the day of each month, beginning on the 19

and continuing until said principal and interest have been paid. Should default be made in payment of any installment of principal or interest when the whole sum of principal and interest shall become immediately due at the option of the holder of this note, principal and interest payable in legal money of the United States. If action be instituted on this note the holder shall be entitled to the Court may in its attorney's fees. This note is secured by a DEED OF TRUST

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To keep said property in good condition and repair; to cause the same and any building thereon to be insured against fire, theft and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit water thereon; not to excavate, dig or remove any act upon said property; not to cause or suffer any alterations, additions, or changes in the use of said property; not to allow the use of said property for any purpose not lawfully authorized; not to create any liens or encumbrances on said property.

2. To provide, maintain and deliver to beneficiary fire insurance on the same and with loss payable to beneficiary. The beneficiary shall not be liable for any fire or other insurance policy which is applied for by beneficiary upon any incidence of loss or damage and in such order as beneficiary may determine, or at the option of beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not constitute a waiver of default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To answer in and defend any action or proceeding brought by beneficiary hereunder or to the extent of payment of this note; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees, in a reasonable sum, in any such action or proceeding in which beneficiary or Trustee may appear.

4. To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, when due, all monthly water charges and fees, with interest, on said property or any part thereof, which appear to be prior or superior hereto, all taxes, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then beneficiary as Trustee, but without obligation as to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, beneficiary or Trustee being authorized to enter upon and possess the said premises, to erect and defend any action or proceeding for the purpose of asserting the security hereof or the rights or powers of beneficiary or Trustee; pay, purchase, contract or compromise any claim, charge or lien, which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

5. To pay immediately and without demand all sums which may be due to beneficiary as Trustee, and to pay all expenses of such payment at least ten days before delinquency.

B. It is mutually agreed that:

1. Any claims of damages in connection with any condemnation for public use or injury to said property or any part thereof is hereby assigned and shall be paid to beneficiary who may apply or release, such moneys received by him in the same manner and with the same effect as above provided the disposition of proceeds of fire or other insurance.

2. The beneficiary shall have the right to take any action or proceeding to enforce the performance of any of the obligations herein provided and to recover the costs and expenses of such action or proceeding.

3. At any time or from time to time, without liability therefor and without demand, upon written request of beneficiary the principal of this note and said sum of said interest, and without affecting the personal liability of any person for the payment of the indebtedness secured hereon, Trustor may, at his option, pay to said beneficiary, or to the holder of any receipt or paid therefor, upon its granting any agreement in this behalf, or in any extension agreement of any agreement, all or part of the principal or interest hereon.

4. This note shall be void if beneficiary, during the life of said note, shall have been paid, and upon surrender of this note and said note to Trustor for cancellation and retention and upon payment of all fees, Trustor shall release, defend and hold harmless the beneficiary from and against all claims, demands, actions, suits, judgments, damages, costs and expenses of any kind, which may be asserted against or incurred by the beneficiary, or any person claiming through him, in connection with the performance of the obligations herein provided.

5. At least three months in advance of the expiration of such notice of default, Trustor shall give notice of sale as the requirement of law, and, without demand on Trustor, shall sell said property at the time and place so specified in such notice of sale, either in a public or in a private sale, and the proceeds of such sale shall be paid to beneficiary or to the holder of any receipt or paid therefor, upon its granting any agreement in this behalf, or in any extension agreement of any agreement, all or part of the principal or interest hereon, and the proceeds of such sale shall be paid to beneficiary or to the holder of any receipt or paid therefor, upon its granting any agreement in this behalf, or in any extension agreement of any agreement, all or part of the principal or interest hereon, and the proceeds of such sale shall be paid to beneficiary or to the holder of any receipt or paid therefor, upon its granting any agreement in this behalf, or in any extension agreement of any agreement, all or part of the principal or interest hereon.

6. After paying all costs and expenses of Trustor and of this Trust, including the reasonable attorney's fees and expenses, Trustor shall apply the proceeds of such sale to the payment of all sums so tendered under the terms hereof, and, after the payment of such sums, shall pay the balance of the proceeds of such sale to the person or persons entitled to the same.

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*Handwritten scribble*

200 PAID TO ORDER OF  
UNITED COMMERCIAL BANK  
PROVIDENT FIDELITY SAVINGS &  
LOAN ASSOCIATION  
20000000

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JUN 11  
1948

Ag...  
RECEIVED  
FEDERAL ELECTION  
COMMISSION

600#  
10702  
ATTACHMENT II

July 20, 1979

'79 JUL 27 AM 11:49

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

903295

Dan Corcoran  
P.O. Box 5006  
Riverside, CA 92517

FEDERAL ELECTION COMMISSION  
1325 K Street N.W.  
Washington, D.C. 20463

RE: MUR 943(79)

Dear Sirs;

In response to your subpoena of July 12, 1979:

With regards to Question #1:

Enclosed is a copy of both sides of my personal check #342, drawn on account # 327-082514, a personal checking account, at Security Pacific National Bank, 1680 University Ave., Riverside, CA 92507. This check is dated 5-12-79 and was a loan to my committee of \$5,000.00.

With regards Question #2:

The \$5,000 loan from my mother (Mrs. Mary Lou Nelsen), was received by certified check (as is customary in funds for Trust Deeds), and banked in the aforementioned personal bank account. I do not have a copy of the certified check but have enclosed the bank statement for that month showing the \$5,000 deposit on May 12, 1979.

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5E6590 E04 5660 2227

MARY LOU NELSEN  
6718 BURNSIDE CT.  
RIVERSIDE, CALIF. 92504

814

Mary Lou Nelsen  
1978

4-6-1978

90-779  
1222

MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVENUE, RIVERSIDE, CALIFORNIA 92504

MARY LOU NELSEN  
6718 BURNSIDE CT.  
RIVERSIDE, CALIF. 92504

DOLLARS

Fifteen and 00/100

Concepcion for Congress Committee \$15.00

Concepcion for Congress Committee \$100.00

CROCKER NATIONAL BANK  
MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVENUE, RIVERSIDE, CALIFORNIA 92504

Mary Lou Nelsen

798

000000200000

CARL E. NELSEN  
MARY LOU NELSEN

2477

6718 BURNSIDE COURT 689-9515  
RIVERSIDE, CALIFORNIA 92504

8-31-78

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1220

Mary Lou Nelsen  
1978  
Fifteen and 00/100

Mary Lou Nelsen  
8-31-1978  
Fifteen and 00/100

CROCKER NATIONAL BANK  
MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVE., RIVERSIDE, CALIF. 92504

CROCKER NATIONAL BANK  
MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVENUE, RIVERSIDE, CALIFORNIA 92504

Mary Lou Nelsen

Mary Lou Nelsen

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0000001500

CARL E. NELSEN  
MARY LOU NELSEN

2478

6718 BURNSIDE COURT 689-9515  
RIVERSIDE, CALIFORNIA 92504

9-2-78

16-8  
1220

Mary Lou Nelsen  
1978  
Fifteen and 00/100

Mary Lou Nelsen  
4-6-78  
Fifteen and 00/100

CROCKER NATIONAL BANK  
MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVE., RIVERSIDE, CALIF. 92504

CROCKER NATIONAL BANK  
MAGNOLIA CENTER OFFICE  
3860 CENTRAL AVE., RIVERSIDE, CALIF. 92504

Mary Lou Nelsen

Mary Lou Nelsen

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10/15

Security Pacific Nat'l Bk  
LOS ANGELES

SEP 10 1964

SECURITY PACIFIC NATIONAL BANK  
P.O. BOX 5006  
RIVERSIDE, CA 92517

*Corcoran for Congress Committee*  
324-110-265  
324-110-265  
324-110-265  
324-110-265

SEP 1

SEP 1

COMMITTEE

DAN CORCORAN  
DEMOCRAT FOR CONGRESS  
37th Congressional District  
P.O. Box 5006  
Riverside, Ca. 92517  
FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE

SEP 1  
3 1 7 8

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

SEP 1

DAN CORCORAN  
DEMOCRAT FOR CONGRESS  
37th Congressional District  
P.O. Box 5006  
Riverside, Ca. 92517  
FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE

SEP 1

LOS ANGELES

SEP 10 1964

SECURITY PACIFIC NATIONAL BANK  
P.O. BOX 5006  
RIVERSIDE, CA 92517

*Corcoran for Congress Committee*  
324-110-265  
324-110-265  
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324-110-265

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

LOS ANGELES

161

SEP 10 1964

SECURITY PACIFIC NATIONAL BANK  
P.O. BOX 5006  
RIVERSIDE, CA 92517

4033145

SEP 10 1964

BETWEEN Anne K. Johnson aka Anne K. Corcoran, a married woman

herein called TRUSTOR,

whose address is 7216 Potomac Street Riverside, CA 92506 (Street and Number) (City) (State)

Western Title Insurance Company, 5600 Magnolia Riverside, CA, herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate property herein called BENEFICIARY,

WITNESSETH: That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the City of Riverside

County of Riverside, State of California, described as: That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeast corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

Note Secured by Deed of Trust

\$ 5,000.00 Riverside California, May 10, 1978

In installments as herein stated, for value received, I promise to pay to Mary Lou Nelson, a married woman as her sole and separate property, or assign,

the sum of Five Thousand Dollars at Riverside California the sum of Five Thousand Dollars DOLLARS

on or before May 10, 1978 on unpaid principal at the rate of 10 per cent per annum, payable with principal principal payable in installments of Dollar

or more on the day of each month, beginning on the day of 19 all due and payable in 20 days

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST

4345 10th Street, Riverside California

STATE OF CALIFORNIA, County of Riverside

On May 23, 1978, before me, the undersigned, a

notary public, appeared the above named parties,

and acknowledged to me that they executed the

above instrument for the purposes and consideration therein stated.

Anne K. Johnson aka Anne K. Corcoran

OFFICIAL SEAL STELLA R. SIMS Notary Public - California RIVERSIDE COUNTY

8 point type or larger

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Harry Lou Nelson  
c/o P.O. Box 5000  
Riverside, CA  
92517

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Deed of Trust, made this 10th day of May, 1978

BETWEEN Anne K. Jackson aka Anne K. Corcoran, a married woman

herein called TRUSTOR,  
whose address is 240 E. Tenth Street, Riverside, Ca 92506  
(Street and Number) (City) (State)

Western Title Insurance Company, 6000 Magnolia Riverside, CA herein called TRUSTEE, and

Harry Lou Nelson, a married woman as her sole and separate PROPERTY herein called BENEFICIARY,

WITNESSETH THAT TRUSTOR hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the  
County of Riverside

County of Riverside State of California, described as:  
That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in  
Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as  
follows: BEGINNING at a point on the northerly line of Tenth Street, 142 feet Easterly  
from the southwest corner of said Block 9, Range 13; THENCE Easterly, along said  
Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the  
Southeasterly corner of said Block 9; THENCE Northerly and parallel with the  
Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the  
Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly  
and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point  
of beginning.

2) By accepting payment of any sum secured hereby after due date, Beneficiary does not waive his right either to receive prompt payment of such sum or of other sums so secured or to enforce default or foreclosure thereon.

The Trustee shall have the right to execute and deliver, with or without endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon or join in any extension agreement or any agreement of substituting the lien or charge hereof.

The Trustee, upon request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and all notes to Trustee for cancellation and retention of the proceeds of its sale, Trustee shall reconvey, without charge, the property then held hereunder. The trustee shall be liable for any interest or taxes shall be the responsibility of the beneficiary thereof. The promise in this deed shall be binding on the person or persons hereinafter named.

The Trustee shall be liable for payment of any indebtedness secured hereby under the terms of any agreement hereunder, but shall not be liable for any sums secured hereby under any other agreement, by delivery to Trustee of written declaration of satisfaction and removal of the sale and of written notice of release, which shall cause to be duly filed for record. Beneficiary will deal directly with Trustee this deed, and hereafter all the amounts outstanding expenditures secured hereby.

Trustee shall have the right to execute and deliver, with or without endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon or join in any extension agreement or any agreement of substituting the lien or charge hereof.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not to interest, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The terms Beneficiary shall include not only the original Beneficiary hereunder but also any future owner and holder, including pledgee, of the note secured hereby. In this Deed, whenever the context so requires, the masculine gender includes the feminine and vice versa, and the singular number includes the plural.

Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed or Trust or of any action or proceeding in which Trustee, Beneficiary or Trustee shall be a party unless brought by Trustee.

C. The undersigned Trustee Requests that a copy of any notice of default and of any notice of sale hereunder be published in the newspaper published weekly by signature hereto. Failure to insert such address shall be deemed a waiver of such publication for a copy of such notices.

Mailing Address for Notices: STREET NO. CITY STATE. Signature of Trustee.

On this day of before me, a Notary Public in and for said County personally appeared.

known to me to be the person whose name subscribed to the within instrument, and acknowledged that he executed the same. Witness my hand and official seal.

Notary Public in and for said State. Title Order No. Excess or Loan No.

FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by one promissory note substantially in the following form and performance of each agreement of Trustor herein contained.

\$ 5,000.00 Riverside California May 10, 1973

In installments as herein stated, for value received, I promise to pay to \_\_\_\_\_ woman as her sole and separate property.

Five Thousand Dollars at Riverside California or order. at Five Thousand Dollars the sum of \_\_\_\_\_ DOLLARS with interest from \_\_\_\_\_

\_\_\_\_\_ on unpaid principal at the rate of \_\_\_\_\_ per cent per annum, payable \_\_\_\_\_ principal payable in installments of \_\_\_\_\_ Dollars or more on the \_\_\_\_\_ day of each \_\_\_\_\_ month, beginning on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note by the holder thereof, the Court may do as attorney's fees. This note is secured by a DEED OF TRUST to \_\_\_\_\_

A. To protect the security of this Deed of Trust, Trustor agrees:

[1] To keep said property in good condition and repair; to construct or rebuild any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, manage, prune and do all other acts which from the character of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. This insurance and collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, and interest thereon at the rate of expenditure at seven per cent per annum.

B. It is mutually agreed that:

[1] Any award of damages in connection with any condemnation for public use or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

[2] By accepting payment of any sum secured hereby after maturity of the same, Trustor waives his right either to require prompt payment or to declare default for failure so to pay.

[3] At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement authorizing the lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, with warranty, the property then held hereunder. The reconveyance shall be subject to the same terms and conditions as the original conveyance.

At least three months having elapsed after recording of such notice of default, Trustee shall give notice of sale as then required by law, and, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, outside of time of sale, Trustor may postpone the sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The records in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

RECEIVED  
FEDERAL ELECTION  
COMMISSION

10702  
ATTACHMENT II

July 20, 1979

'79 JUL 27 AM 11:49

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

903295

Dan Corcoran  
P.O. Box 5006  
Riverside, CA 92517

FEDERAL ELECTION COMMISSION  
1325 K Street N.W.  
Washington, D.C. 20463

RE: MUR 943(79)

Dear Sirs;

In response to your supoena of July 12, 1979:

With regards to Question #1:

Enclosed is a copy of both sides of my personal check #342, drawn on account # 327-082514, a personal checking account, at Security Pacific National Bank, 1680 University Ave., Riverside, CA 92507. This check is dated 5-12-79 and was a loan to my committee of \$5,000.00.

With regards Question #2:

The \$5,000 loan from my mother (Mrs. Mary Lou Nelsen), was received by certified check (as is customary in funds for Trust Deeds), and banked in the aforementioned personal bank account. I do not have a copy of the certified check but have enclosed the bank statement for that month showing the \$5,000 deposit on May 12, 1979.

32040331156

July 20, 1979

FEC  
1325 K Street N.W.  
Washington, D.C. 20463

Page #2

With regards Question #3:

I was a party to no other escrows involving Mrs. Nelsen during the course of the campaign. (What was said was that such loans are common in the Real Estate business to emphasize that they are normal and not at all unusual). Although you did not request it I will offer that I received no other similiar loans from anyone during the course of the Campaign.

This matter was handled pursuant to the advice of my then Treasurer and Accountant, Mr. E.T. Jacobs. Mr. Jacobs staff informs me that they conferred with a Mr. Ron Krous of your office by telephone regarding this matter prior to banking or receiving the funds in question.

I am not a lawyer. My mother informs me that she has answered your request of her. My current treasurer was not involved in finances during the campaign. I am answering for my committee, but not for Mr. Jacobs. Mr. Jacobs charged us \$2,600 for accounting advice during the campaign and I am sure he is quite capable of answering for himself.

I swear that the above is true and correct to my best belief and knowledge

  
Dan Corcoran

at Riverside, California on July 20, 1979.

82040331457

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE	AMOUNT
5-12-78	5,000

IF INCORRECT PLEASE RETURN NO RECEIPT NECESSARY

DANIEL M. CORCORAN  
 ANNE K. CORCORAN  
 P. O. BOX 5108 683-5426  
 RIVERSIDE, CALIF. 92517

342

5-12 19 78 <sup>15-4</sup>/<sub>1220</sub>

PAY TO THE ORDER OF

Contra for Contra Committee 5,000  
 five thousand & 00/100

DOLLARS

*Daniel M. Corcoran*

SECURITY PACIFIC NATIONAL BANK  
 University Office  
 1680 University Ave., Riverside, CA 92507

⑆000342⑆ ⑆1220⑆00041327⑆082514⑆

⑆000050000⑆

32040

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90-1499

324-110-265

09912

*Warrant for  
Congress  
Congress*

PAYMENT DUE DATE  
 CURRENT MINIMUM PAYMENT  
 AMOUNT PAST DUE  
 TOTAL MINIMUM PAYMENT DUE  
 NEW BALANCE

DANIEL M. CORCORAN  
 ANNE K. CORCORAN  
 P O BOX 5006  
 RIVERSIDE CA 92517

"New Minimum Payment" is due on the payment due date indicated above. To avoid a late payment charge, the new minimum payment due must be received by "Next Billing Date" shown under CREDIT LINE SUMMARY below. To avoid all delinquent charges, pay the "New Balance" prior to the "Next Billing Date."

INDICATE ADDRESS CHANGE ABOVE

SECURITY PACIFIC NATIONAL BANK  
 UNIVERSITY OFFICE  
 580 UNIVERSITY AVE  
 RIVERSIDE CA 92507

Ready Reference Statement

Checking Account / Ready Reference Account / Credit Card / Savings Account / Loan

ACCOUNT NUMBER  
 002 514

PERIOD  
 THRU

APR 24 78 MAY 23 78

CHECKING ACCOUNT ACTIVITY

TYPE	DATE	AMOUNT	TYPE	DATE	AMOUNT	TYPE	DATE	AMOUNT
POSIT	04 29	179.29	310	04 26	20.00	334	05 16	17.86
POSIT	05 02	397.64	311	04 26	25.00	325	05 19	18.12
POSIT	05 02	1215.03	312	05 02	26.16	336	05 18	32.17
POSIT	05 12	500.00	313	04 28	21.04	337	05 19	274.00
POSIT	05 15	400.00	314	05 04	19.00	338	05 19	38.99
POSIT	05 16	582.65	315	05 03	30.00	339	05 19	75.00
POSIT	05 18	140.00	316	05 05	237.00	340	05 16	30.00
273	04 28	10.00	317	05 03	32.61	341	05 17	60.00
279*	04 28	59.52	318	05 03	50.00	342	05 12	5000.00
280	05 03	30.00	319	05 11	49.82	343	05 17	19.50
280*	05 02	151.00	320	05 02	1023.64	344	05 12	7.95
291*	04 25	100.00	321	05 04	44.96	345	05 15	7.54
294*	04 25	30.00	322	05 05	44.05	346	05 16	9.00
295	04 25	100.41	323	05 09	100.00	347	05 17	42.05
296	05 01	50.00	324	05 10	12.70	348	05 15	50.00
301*	04 26	23.45	325	05 09	76.21	349	05 16	31.33
302	04 25	67.71	326	05 10	25.00	350	05 15	65.00
304*	04 25	35.30	327	05 10	20.95	351	05 16	22.76
305	05 10	120.00	328	05 10	29.97	352	05 19	14.73
306	04 26	189.00	329	05 09	30.00	353	05 23	30.26
307	04 27	91.22	330	05 10	23.32	354	05 23	30.00
308	05 02	274.00	332*	05 04	50.00	355	05 18	62.29
309	05 02	30.00	333	05 15	25.00	SEV. CHRG	05 23	6.34

CHECKING ACCOUNT BEGINNING BALANCE	DEPOSITS		CHECKS		SERVICE CHARGE		ENDING BALANCE
	TOTAL NUMBER	TOTAL AMOUNT	TOTAL NUMBER	TOTAL AMOUNT	NUMBER OF ITEMS	AMOUNT	

CREDIT LINE SUMMARY

PREVIOUS BALANCE	TOTAL PAYMENTS AND CREDITS	ADVANCES-PURCHASE DRAFTS THIS PERIOD	FINANCE CHARGE	LATE CHARGE	NEW BALANCE	AVAILABLE CREDIT

AMOUNTS SUBJECT TO PERIODIC RATE	AMOUNT SUBJECT TO TRANSFER FEES	AMOUNT SUBJECT TO FINANCE CHARGE	ANNUAL PERCENTAGE RATE	TOTAL MINIMUM PAYMENT DUE	BILLING DATE	NEXT BILLING DATE	TOTAL ITEMS ENCLOSED	PAGE NO.

NOTICE See reverse side and accompanying statement(s) for important information.

KEY: \* = break in check number sequence    X = automatic transfer deposit    CB = credit line credit balance    M = Master Charge draft    V = Visa Card draft

KEY: \* = break in check number sequence    X = automatic transfer deposit    CB = credit line credit balance    M = Master Charge draft    V = Visa Card draft

Aguiar 10717

RECEIVED  
FEDERAL ELECTION

ATTACHMENT  
III.

E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

'79 JUL 30 PM 12:55

200 CENTRAL AVE. - SUITE 800  
REVERSH, CALIF. 92250  
PHONE: (714) 924-8888

E. T. JACOBS, C.P.A.  
JOHN VAN HORN, C.P.A.

July 23, 1979

Ms. Miriam Aguiar  
Office of General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

563312

Dear Ms. Aguiar:

RE: MUR 943 (79)

This letter is in response to your correspondence of July 12, 1979 requesting information with regard to the above-referenced matter.

Enclosed is a copy of the interrogatories made by your office. The following are my responses to those interrogatories:

1) My position as treasurer of the Corcoran for Congress Committee was terminated by mutual agreement between the candidate and myself after the filing of the thirtieth day report following the general election on November 11, 1978. That report was filed on December 7, 1978. At present, my only connection with that committee is as a creditor.

2) Mr. Corcoran consulted with a staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan. Notes were not taken at the meeting. Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses. The information reported on FEC Form 3 was not intended to indicate that Mrs. Nelsen loaned \$5,000 to the campaign committee. It was intended as supplemental information regarding the candidate's personal finances in that he received a personal loan during a time when he was a political candidate.

3) I am not aware of any other personal loans, either bank loans or other, received by Mr. Corcoran while he was a candidate for federal office.

32740331761

RECEIVED  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION

Earlier correspondence from your office dated April 30, 1979 requested information with regard to the manner in which funds were transmitted to the committee. All records relating to cash receipts and expenditures were returned to Mr. Corcoran in December, 1978. In addition, Mr. Corcoran and his staff at campaign headquarters were responsible for deposits to the checking account. Records relating to the \$5,000 personal loan by Mr. Corcoran to the Corcoran for Congress should be in the possession of Mr. Corcoran.

I have enclosed a copy of previous correspondence with your Reports Analysis department. It provides additional information with regard to the duration of the loan by Mrs. Nelsen.

If I can be of further assistance in resolving this matter, please feel free to contact me.

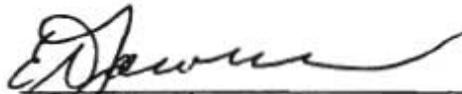
Sincerely,



E. T. Jacobs  
Certified Public Accountant

OATH

I declare under penalty of perjury that the facts as stated above are true to the best of my knowledge.



---

E. T. Jacobs

32040331462

E. T. JACOBS, ACCOUNTANCY CORPORATION

A CALIFORNIA PROFESSIONAL CORPORATION

2812 CENTRAL AVE. - SUITE 200  
RIVERSIDE, CALIF. 92506

PHONE 944-2222

November 13, 1978

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

SUBJECT: Corcoran for Congress Committee  
45V1/78-10250

Per instruction from Ron Krous in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$1,000.

In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,



E.T. Jacobs  
Treasurer

ETJ/kg  
Enclosure

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3

FEDERAL ELECTION COMMISSION

TO: Mr. E. T. Jacobs

MUR 943 (79)

ATTACHMENT TO SUBPOENA AND ORDER

1. Reports filed by the Corcoran for Congress Committee indicate that you were the Committee's Treasurer in 1978. When did you cease serving in this capacity and what is your present connection, if any, with the Corcoran for Congress Committee?
  
2. Committee reports indicate you were aware that Daniel Corcoran received a \$5,000 personal loan, through an escrow transaction, from Mary Lou Nelson on or about May 10, 1978. Were any statements made to you or your staff regarding the purpose(s) for which Mr. Corcoran obtained the loan? If so, who made the statements and what were the substance of the statements?
  
3. As treasurer, were you or your staff aware of other escrow transactions, similar to the matter described in Number 2 involving Mr. Corcoran or personal loans (other than bank loans) made to Mr. Corcoran while he was a candidate for federal office in 1978? If so, list the names and addresses of those persons involved in the transactions and/or loans, state the amounts of and dates on which they occurred, and whether Mr. Corcoran repaid the loans.

3 2 0 4 0 3 3 1 4 6 4

10709

RECEIVED  
FEDERAL ELECTION  
COMMISSION

ATTACHMENT  
IV.

July 23, 1979

'79 JUL 30 PM 1:01

Office of General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D. C. 20463  
Attention: Miriam Aguiar

Dear Ms. Aguiar:

In regards to the subpoena I received July 17, 1979, the \$5,000. you question was a personal loan directly to my son, Daniel M. Corcoran, in the normal course of business.

Said loan was secured by a promissory note and deed of trust. The loan was paid off in accordance with the promissory note, plus interest, on Sept 13, 1978. The promissory note and deed of trust were released at that time.

My son informed me he sent you copies of the promissory note and deed of trust, on May 10, 1979, so I do not understand the problem.

You asked for copies of the \$5,000. check, (both sides) I cannot comply with that request because I withdrew the \$5,000. from my personal savings accounts and since Provident Fed. Savings don't have checking accounts and I did not wish to leave the bank with \$5,000. in cash, I had a certified check made out to Daniel M. Corcoran. I am enclosing a copy of the receipt of that check. I am also enclosing a copy of the receipt of the deposit of that \$5,000. certified check into my son's personal checking account.

(continued on page #2)

32040331165

you also requested. Copies of both sides of any checks used to effectuate contributions or personal loans to Daniel Corcoran and/or Corcoran for Congress Committee during the period in which my son was a candidate for federal office in 1978. I am enclosing a total of six checks, which were all contributions. Three of the checks are in the amount of \$15.00 each. One check is in the amount of \$300.00. One check in the amount of \$200.00. One check in the amount of \$100.00.

I sincerely trust this letter and all the enclosures will clear up this matter.

Mary Lou Nelson  
6718 Burnside Ct.  
Riverside, Ca. 92504

32040331465

3 2 0 4 0 3 3 1 1 6 7

11-70 FEDERAL HOME LOAN BANK  
1210 OF SAN FRANCISCO

**PROVIDENT  
FEDERAL SAVINGS**

0167841

PROVIDENT FEDERAL SAVINGS and Loan Association • 375E Central Ave. • Riverside, CA

MAY 12 1978

The sum of 5000 dollars 00 cts

\$ 5,000.00

PAY TO THE ORDER OF DANIEL M. CORCORAN

PROVIDENT FEDERAL SAVINGS

RE: MARY LOU NELSEN

*Mary Lou Nelsen*  
COPY  
NON NEGOTIABLE  
FOR DEPOSIT ONLY

00

INTEROFFICE DEPOSIT TICKET

ACCOUNT CARRIED AT

#327

(office)

SECURITY PACIFIC NATIONAL BANK

NAME Daniel M. Corcoran

DATE

5/12/78

CHECKING ACCOUNT NUMBER

082514

SAVINGS ACCOUNT NUMBER

MM 12 78 002A-353

*M. Nelsen*

If you are depositing more than 3 checks list them on the reverse. Enter the total here.		DOLLARS	CENTS
TOTAL CHECKS (from reverse)			
CURRENCY			
COIN			
LIST CHECKS BY BANK NUMBER			
1	11-70	5,000	—
2			
DUPLICATE			
FOR BANK USE ONLY			
AMOUNT OF \$ 5,000.00			
TOTAL		5,000	—
MAYSON & ARLINGTON BRANCH			
SECURITY PACIFIC NATIONAL BANK			

09046 1-77 100 NRS



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FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

Security Pacific Nat. Bk.  
LOS ANGELES  
DR. J. C. 61

SEP 1 1953  
10-10-53  
10-10-53

DAN CORCORAN  
DEM. CAT FOR CONGRESS  
27 W. Congressional District  
P. O. Box 5006  
Berkeley, Ca. 92317  
FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

SEP 1

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

SEP 5

*Concoran for*  
324-110-265  
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SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

DAN CORCORAN  
DEMOCRAT FOR CONGRESS  
27 W. Congressional District  
P. O. Box 5006  
Berkeley, Ca. 92317  
FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

SEP 1

*Concoran for*  
324-110-265  
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SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

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SECURITY PACIFIC NATIONAL BANK  
LOS ANGELES



DEBITS AND OBLIGATIONS

Supporting Line Numbers 12 and 13  
of FEC FORM 3

Page 2 of 2 for  
Line Number 13

(Use Separate Schedules for  
each numbered line)

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee in Full

**CORCORAN FOR CONGRESS COMMITTEE**

Full Name, Mailing Address and ZIP Code of Debtor or Creditor

E.T. Jacobs, Accountancy Corp.  
3610 Central Avenue, Suite 600  
Riverside, CA 92506

Date (month,  
day, year)

4/1/78  
5/1/78

Amount of Original  
Debt, Contract,  
Agreement or  
Promise

\$250.00

Cumulative  
Payment  
To Date

\$ -0-

Outstanding  
Balance at  
Close of  
This Period

\$250.00

Primary     General     Other

NATURE OF OBLIGATION (Details of Debt)

Accounts payable - accounting services

Full Name, Mailing Address and ZIP Code of Debtor or Creditor

Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Date (month,  
day, year)

Various

Amount of Original  
Debt, Contract,  
Agreement or  
Promise

\$7,765.19

Cumulative  
Payment  
To Date

\$400.00

Outstanding  
Balance at  
Close of  
This Period

\$7,365.19

Primary     General     Other

NATURE OF OBLIGATION (Details of Debt)

Loan payable on demand at 0% interest 7,365.19 5/12/78  
(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in  
turn was given a promissory note and deed of trust by Mr. Corcoran  
payable in 90 days at 10% interest.)

Full Name, Mailing Address and ZIP Code of Debtor or Creditor

Date (month,  
day, year)

Amount of Original  
Debt, Contract,  
Agreement or  
Promise

\$

Cumulative  
Payment  
To Date

\$

Outstanding  
Balance at  
Close of  
This Period

\$

Primary     General     Other

NATURE OF OBLIGATION (Details of Debt)

SUBTOTALS this period this page (optional) . . . . .

\$8,015.19

\$400.00

\$7,615.19

TOTAL this period (last page this line number only) . . . . .

\$26,322.19

\$400.00

\$25,922.19

Carry outstanding balance only to appropriate line of summary



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary L. Nelson  
6718 Burnside Court  
Riverside, CA 92504

Re: MUR 943

Dear Ms. Nelson:

On , 1979, the Commission determined there was reasonable cause to believe that you committed a violation of 2 U.S.C. § 441a(a)(1)(A) of the Federal Election Campaign Act of 1971, as amended, ("the Act"). Specifically, the Commission found reasonable cause to believe that your \$5,000 personal loan to then federal candidate Daniel Corcoran on May 12, 1978 was a contribution under the Act and as such, in excess of the § 441a(a)(1)(A) individual contribution limitation per candidate per election. As you also contributed \$350 to Mr. Corcoran's principal campaign committee on April 6, 1978, you contributed an aggregate \$5,350 to Mr. Corcoran's federal campaign prior to the June 6, 1978 primary election.

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a)(5)(B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court and seek payment of a civil penalty not in excess of \$5,000.

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission

9 2 0 4 0 3 3 1 4 7 2

page 2  
letter to: Ms. Mary L. Nelson

in settlement of this matter.

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/ 523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosure

040331473



page 2  
letter to: Mr. Gary Montgomery

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter.

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

On , 1979, the Commission determined there was reasonable cause to believe that you committed a violation of 2 U.S.C. § 441a(f) of the Federal Election Campaign Act of 1971, as amended, ("the Act"). Specifically, the Commission found reasonable cause to believe that you accepted a \$5,000 personal loan on May 12, 1978 from Ms. Mary Nelson while a candidate for federal office. As these loans are considered contributions under Section 431(e) of the Act the \$5,000 loan was in excess of the § 441a (a) (1) (A) \$1,000 individual contribution limitation. Therefore, by accepting the loan which violated § 441a, you violated § 441a(f).

The Commission has a duty to attempt to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. 2 U.S.C. § 437g(a) (5) (B). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit in United States District Court and seek payment of a civil penalty not in excess of \$5,000.

We enclose a proposed conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter.

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page 2  
letter to: Mr. Daniel Corcoran

If you agree with the provisions of the enclosed conciliation agreement, please sign and return it along with the civil penalty to the Commission within ten days. Please make your check for the penalty payable to the Treasurer of the United States. I will then recommend that the Commission approve the agreement.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact Miriam Aguiar, the attorney assigned to this matter, at 202/523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosure

3 2 3 3 1 7 7

10717

RECEIVED  
FEDERAL ELECTION COMMISSION  
E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

'79 JUL 30 PM 12:55

E. T. JACOBS, C.P.A.  
JOHN VAN HORN, C.P.A.

CENTRAL AVE. SUITE 600  
RIVERSIDE, CALIF. 92506  
PHONE: (714) 954-0000

July 23, 1979

Ms. Miriam Aguiar  
Office of General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

56332

Dear Ms. Aguiar:

RE: MUR 943 (79)

This letter is in response to your correspondence of July 12, 1979 requesting information with regard to the above-referenced matter.

Enclosed is a copy of the interrogatories made by your office. The following are my responses to those interrogatories:

- 1) My position as treasurer of the Corcoran for Congress Committee was terminated by mutual agreement between the candidate and myself after the filing of the thirtieth day report following the general election on November 11, 1978. That report was filed on December 7, 1978. At present, my only connection with that committee is as a creditor.
- 2) Mr. Corcoran consulted with a staff member, Janet Knight, as to the manner of reporting the \$5,000 personal loan. Notes were not taken at the meeting. Ms. Knight informed me that Mr. Corcoran indicated that his mother understood the loan to be to cover his personal living expenses during the campaign in that his income as a realtor was severely reduced and his personal finances were tied up in campaign expenses. The information reported on FEC Form 3 was not intended to indicate that Mrs. Nelsen loaned \$5,000 to the campaign committee. It was intended as supplemental information regarding the candidate's personal finances in that he received a personal loan during a time when he was a political candidate.
- 3) I am not aware of any other personal loans, either bank loans or other, received by Mr. Corcoran while he was a candidate for federal office.

92040331178

RECEIVED  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION  
JUL 23 1979

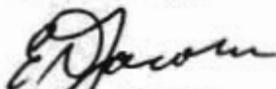
Ms. Aguiar  
Page two

Earlier correspondence from your office dated April 30, 1979 requested information with regard to the manner in which funds were transmitted to the committee. All records relating to cash receipts and expenditures were returned to Mr. Corcoran in December, 1978. In addition, Mr. Corcoran and his staff at campaign headquarters were responsible for deposits to the checking account. Records relating to the \$5,000 personal loan by Mr. Corcoran to the Corcoran for Congress should be in the possession of Mr. Corcoran.

I have enclosed a copy of previous correspondence with your Reports Analysis department. It provides additional information with regard to the duration of the loan by Mrs. Nelsen.

If I can be of further assistance in resolving this matter, please feel free to contact me.

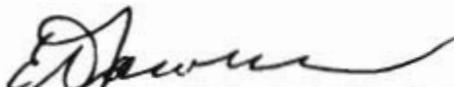
Sincerely,



E. T. Jacobs  
Certified Public Accountant

OATH

I declare under penalty of perjury that the facts as stated above are true to the best of my knowledge.

  
\_\_\_\_\_  
E. T. Jacobs

32040331479

**E. T. JACOBS, ACCOUNTANCY CORPORATION**

**A CALIFORNIA PROFESSIONAL CORPORATION**

5915 CENTRAL AVE. - SUITE 500  
RIVERSIDE, CALIF. 92506

PHONE 944-0888

November 13, 1978

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

**SUBJECT: Corcoran for Congress Committee  
45V1/78-10250**

Per instruction from Ron Krous in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$1,000.

In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,



E.T. Jacobs  
Treasurer

ETJ/kg  
Enclosure

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FEDERAL ELECTION COMMISSION

TO: Mr. E. T. Jacobs

MUR 943 (79)

ATTACHMENT TO SUBPOENA AND ORDER

1. Reports filed by the Corcoran for Congress Committee indicate that you were the Committee's Treasurer in 1978. When did you cease serving in this capacity and what is your present connection, if any, with the Corcoran for Congress Committee?
  
2. Committee reports indicate you were aware that Daniel Corcoran received a \$5,000 personal loan, through an escrow transaction, from Mary Lou Nelson on or about May 10, 1978. Were any statements made to you or your staff regarding the purpose(s) for which Mr. Corcoran obtained the loan? If so, who made the statements and what were the substance of the statements?
  
3. As treasurer, were you or your staff aware of other escrow transactions, similar to the matter described in Number 2 involving Mr. Corcoran or personal loans (other than bank loans) made to Mr. Corcoran while he was a candidate for federal office in 1978? If so, list the names and addresses of those persons involved in the transactions and/or loans, state the amounts of and dates on which they occurred, and whether Mr. Corcoran repaid the loans.

82040331181

182  
331482  
T. JACOBS, ACCOUNTANCY CORPORATION

A CALIFORNIA PROFESSIONAL CORPORATION

3610 CENTRAL AVE., SUITE 600  
RIVERSIDE, CALIF. 92506



Ms. Miriam Aguiar  
Office of General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

CERTIFIED  
P04 8492623  
MAIL

RETURN RECEIPT  
REQUESTED

July 23, 1979

RECEIVED  
FEDERAL ELECTION  
COMMISSION

'79 JUL 30 PM 1:01

Office of General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D. C. 20463  
Attention: Merism Aguilar

Dear Ms. Aguilar:

In regards to the subpoena I received July 17, 1979, the \$5,000. you question was a personal loan directly to my son, Daniel M. Corcoran, in the normal course of business.

Said loan was secured by a promissory note and deed of trust. The loan was paid off in accordance with the promissory note, plus interest, on Sept 13, 1978. The promissory note and deed of trust were released at that time.

My son informed me he sent you copies of the promissory note and deed of trust, on May 16, 1979, so I do not understand the problem.

You asked for copies of the \$5,000. check, (both sides) I cannot comply with that request because I withdrew the \$5,000. from my personal savings accounts and since Provident Fed. Savings does not have checking accounts and I did not wish to leave the bank with \$5,000 in cash, I had a certified check made out to Daniel M. Corcoran. I am enclosing a copy of the receipt of that check. I am also enclosing a copy of the receipt of the deposit of that \$5,000 certified check into my son's personal checking account.

(Continued on page #2)

82040331183

243

EX-104  
10709

you also requested copies of both sides of any checks used to effectuate contributions or personal loans to Daniel Corcoran and/or Corcoran for Congress Committee during the period in which my son was a candidate for federal office in 1978. I am enclosing a total of six checks, which were all contributions. Three of the checks are in the amount of \$15.00 each. One check is in the amount of \$300.00. One check is in the amount of \$200.00. One check is in the amount of \$100.00.

I sincerely trust this letter and all the enclosures will clear up this matter.

Mary Lou Nelson  
6718 Bukside Ct.  
Riverside, Ca 92504

32040331184

8 2 0 4 0 3 3 1 4 8 5

11-70 FEDERAL HOME LOAN BANK  
1210 OF SAN FRANCISCO



PROVIDENT FEDERAL SAVINGS and Loan Association • 3756 Central Ave. • Riverside, CA

0167841

MAY 12 1978

The sum of 5000 dollars 00 cts \$,000.00

PAID TO THE ORDER OF DANIEL M. CORCORAN

PROVIDENT FEDERAL SAVINGS

RE: MARY LOU NELSEN

COPY  
FOR FILE  
H. NELSEN

00

INTEROFFICE DEPOSIT TICKET

ACCOUNT CARRIED AT

#327

(office)

SECURITY PACIFIC NATIONAL BANK

NAME Daniel M. Corcoran

DATE 5/12/78

CHECKING ACCOUNT NUMBER

082514

SAVINGS ACCOUNT NUMBER

		DOLLARS	CENTS
If you are depositing more than 3 checks, list them on the reverse. Enter the total here.			
TOTAL CHECKS (from reverse)			
CURRENCY			
COIN			
LIST CHECKS BY BANK NUMBER			
1	11-70	5,000	-
2			
AMOUNT OF CHECKS		5000	-
TOTAL		5000	-

DUPLICATE

FOR BANK USE ONLY  
MADISON & ARLINGTON BRANCH  
SECURITY PACIFIC NATIONAL BANK

MAY 12 1978 10A-353

M. Davis

030346 1-77\* 100 RRIS



8 2 0 4 0 3 3 1 1 8 7

DAN CORCORAN  
DEMOCRAT FOR CONGRESS  
37th Congressional District  
P. O. Box 3006  
Riverside, Ca. 92517

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

353  
PACIFIC  
NATIONAL BANK  
LOS ANGELES

SEP - 5 78

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SEP

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FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

*Corcoran for  
Congress Committee*

0324 70091

324-110-265

16-4 324

PAY TO THE ORDER OF  
SECURITY PACIFIC  
NATIONAL BANK

16-4

SEP 10 78

SECURITY PACIFIC NATIONAL BANK  
LOS ANGELES

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0353 - 3178

DAN CORCORAN  
DEMOCRAT FOR CONGRESS  
37th Congressional District  
P. O. Box 3006  
Riverside, Ca. 92517

FOR DEPOSIT ONLY  
324 PAY TO THE ORDER OF 324  
SECURITY PACIFIC NATIONAL BANK  
CORCORAN FOR CONGRESS  
COMMITTEE  
110-265

*Corcoran for  
Congress Committee*

0324 90092

324-110-265

16-4 324

PAY TO THE ORDER OF  
SECURITY PACIFIC  
NATIONAL BANK

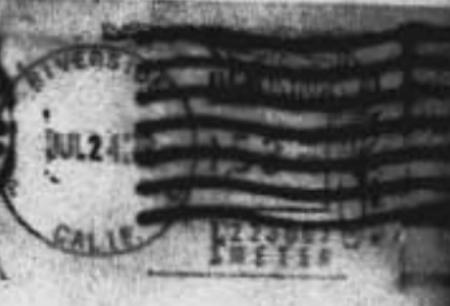
16-4

SEP 10 78

LOS ANGELES

10

Mrs. Mary L. Nelson  
6918 Burnside Ct.  
Riverside, Ca. 92504



RETURN RECEIPT  
REQUESTED

CERTIFIED

PO4 8492524

MAIL

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

Personal Atten: Miriam Aguiar

630  
10702

RECEIVED  
FEDERAL ELECTION  
COMMISSION

July 20, 1979

'79 JUL 27 AM 11:48

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

903295

Dan Corcoran  
P.O. Box 5006  
Riverside, CA 92517

FEDERAL ELECTION COMMISSION  
1325 K Street N.W.  
Washington, D.C. 20463

RE: MUR 943(79)

Dear Sirs;

In response to your supoena of July 12, 1979:

With regards to Question #1:

Enclosed is a copy of both sides of my personal check #342, drawn on account # 327-082514, a personal checking account, at Security Pacific National Bank, 1680 University Ave., Riverside, CA 92507. This check is dated 5-12-79 and was a loan to my committee of \$5,000.00.

With regards Question #2:

The \$5,000 loan from my mother (Mrs. Mary Lou Nelsen), was received by certified check (as is customary in funds for Trust Deeds), and banked in the aforementioned personal bank account. I do not have a copy of the certified check but have enclosed the bank statement for that month showing the \$5,000 deposit on May 12, 1979.

3 2 0 4 0 3 3 1 1 8 7

July 20, 1979

FEC  
1325 K Street N.W.  
Washington, D.C. 20463

Page #2

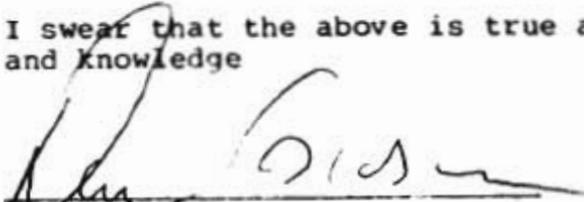
With regards Question #3:

I was a party to no other escrows involving Mrs. Nelsen during the course of the campaign. (What was said was that such loans are common in the Real Estate business to emphasize that they are normal and not at all unusual). Although you did not request it I will offer that I received no other similiar loans from anyone during the course of the Campaign.

This matter was handled pursuant to the advice of my then Treasurer and Accountant, Mr. E.T. Jacobs. Mr. Jacobs staff informs me that they conferred with a Mr. Ron Krous of your office by telephone regarding this matter prior to banking or receiving the funds in question.

I am not a lawyer. My mother informs me that she has answered your request of her. My current treasurer was not involved in finances during the campaign. I am answering for my committee, but not for Mr. Jacobs. Mr. Jacobs charged us \$2,600 for accounting advice during the campaign and I am sure he is quite capable of answering for himself.

I swear that the above is true and correct to my best belief and knowledge

  
Dan Corcoran

at Riverside, California on July 20, 1979.

32040331190

BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED  
IN FULL PAYMENT OF THE FOLLOWING ACCOUNT

DATE	AMOUNT
Loan to Committee	

DANIEL M. CORCORAN  
 ANNE K. CORCORAN  
 P. O. BOX 5008 883-5426  
 RIVERSIDE, CALIF. 92517

342

5-12 1978 <sup>18-4</sup> 1220

PAY TO THE ORDER OF

Corcoran for Corcoran Committee 5,000

five thousand & 00/100

DOLLARS

SECURITY PACIFIC NATIONAL BANK  
 University Office  
 1680 University Ave., Riverside, CA 92507

*Daniel M. Corcoran*

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324-110-265

266912

*Personnel  
Congress  
Congress the*

PAYMENT DUE DATE  
 CURRENT MINIMUM PAYMENT  
 AMOUNT PAST DUE  
 TOTAL MINIMUM PAYMENT DUE  
 NEW BALANCE

AMERICAN BANK  
 P O BOX 5006  
 RIVERSIDE CA 92517

The "Total Minimum Payment" is due on the payment due date indicated above. To avoid a late payment charge, the total minimum payment due must be received by the "Next Billing Date" shown under CREDIT LINE SUMMARY below. To avoid additional finance charges, pay the "New Balance" prior to the "Next Billing Date."

INDICATE ADDRESS CHANGE ABOVE

Send no more to:  
**SECURITY PACIFIC NATIONAL BANK**  
**UNIVERSITY OFFICE**  
**1680 UNIVERSITY AVE**  
**RIVERSIDE CA 92507**

**Ready Reference Statement**  
 Checking Account/Ready Reference/Debit Card/Service Account

ACCOUNT NUMBER: 027 514      PERIOD THRU: APR 24 78 MAY 23 78

**CHECKING ACCOUNT ACTIVITY**

TYPE	DATE	AMOUNT	TYPE	DATE	AMOUNT	TYPE	DATE	AMOUNT
DEPOSIT	04 28	179.29	310	04 26	20.00	334	05 16	17.86
DEPOSIT	05 02	397.64	311	04 26	25.00	335	05 19	18.12
DEPOSIT	05 02	1215.03	312	05 02	26.16	336	05 18	32.17
DEPOSIT	05 12	5000.00	313	04 28	21.04	337	05 19	274.00
DEPOSIT	05 15	408.05	314	05 04	19.00	338	05 19	38.99
DEPOSIT	05 16	583.65	315	05 03	30.00	339	05 19	75.00
DEPOSIT	05 18	140.00	316	05 05	237.00	340	05 16	30.00
273	04 28	10.00	317	05 03	32.01	341	05 17	60.00
M279*	04 28	59.52	318	05 03	60.00	342	05 12	5000.00
280	05 03	30.00	319	05 11	49.82	343	05 17	19.50
M280*	05 02	151.00	320	05 02	1023.64	344	05 12	7.95
291*	04 25	100.00	321	05 04	44.96	345	05 15	7.54
294*	04 25	30.00	322	05 05	44.05	346	05 16	9.00
295	04 25	100.41	323	05 09	100.00	347	05 17	42.05
296	05 01	50.00	324	05 10	12.70	348	05 15	50.00
M301*	04 26	23.45	325	05 05	76.31	349	05 16	31.33
302	04 25	67.70	326	05 10	25.00	350	05 18	65.00
M304*	04 26	35.30	327	05 10	20.95	351	05 16	22.76
305	05 10	120.00	328	05 10	29.97	352	05 19	14.73
306	04 26	189.00	329	05 09	30.00	353	05 23	30.26
307	04 27	91.22	330	05 10	23.32	354	05 23	30.00
308	05 02	274.00	332*	05 04	50.00	355	05 18	62.29
309	05 02	30.00	333	05 15	25.00	SEPV CHRG	05 23	6.34

CHECKING ACCOUNT BEGINNING BALANCE	TOTAL NUMBER DEPOSITS	TOTAL AMOUNT DEPOSITS	TOTAL NUMBER CHECKS	TOTAL AMOUNT CHECKS	NUMBER OF ITEMS SERVICE CHARGE	AMOUNT SERVICE CHARGE	ENDING BALANCE

**CREDIT LINE SUMMARY**

AMOUNT SUBJECT TO PERIODIC RATE	AMOUNT SUBJECT TO TRANSFER FEE	AMOUNT SUBJECT TO FINANCE CHARGE	ANNUAL PERCENTAGE RATE	TOTAL MINIMUM PAYMENT DUE	BILLING DATE	NEXT BILLING DATE	APRIL 1978

NOTICE: See reverse side and accompanying statement(s) for important information

KEY: \* = break in check number sequence    X = automatic transfer deposit    CB = credit line credit balance    M = Master Charge draft    V = Visa Card draft

COMONT

P.O. Box 5006  
RIVERSIDE, CA 92517



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

82040331

79 JUL 27 AM 11:48

RE: MUR 943 (89)

CERTIFIED MAIL RETURN RECEIPT REQUESTED

RECEIVED  
FEDERAL ELECTION  
COMMISSION

CERTIFIED  
P04 8472021  
MAIL



FEDERAL ELECTION COMMISSION

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

MEMORANDUM TO: CHARLES STEELE  
FROM: MARJORIE W. EMMONS *LF*  
DATE: JULY 26, 1979  
SUBJECT: MUR 943 - Interim Investigative Report  
dated July 19, 1979, signed by GC  
7-24-79, Received by OCS 7-25-79, 11:01

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 4:00, July 25, 1979.

There were no objections to the Interim Investigative Report at the time of the deadline.

32040331195

July 25, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached Interim Invest Report on  
MUR 943 distributed to the Commission.

Thank you.

32040331196



82040331498

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:  
*Mary Lou Nelson  
6718 Buckside  
Riverside, CA 92504*

3. ARTICLE DESCRIPTION:  
REGISTERED NO. | CERTIFIED NO. | INSURED NO.

(Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY *MAR 17 1979*

5. ADDRESS (Complete only if requested)

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

*Aguiar MAR 943 (79)*

GPO 1977-0-248-088

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION

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

July 12, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelson  
6718 Burnside  
Riverside, CA 92504

Re: MUR 943 (79)

Dear Ms. Nelson:

This is to advise you that the Federal Election Commission found there was reason to believe you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended. Enclosed is a copy of the original letter of notification mailed to you on April 30, 1979 at your son, Daniel Corcoran's address, which requested that you submit certain documents.

Although Mr. Corcoran advised us by phone that he would respond on your behalf in this matter, we have not received any written confirmation of this nor have we received the documents requested. As we are under a duty to deal with this matter expeditiously, the Commission has issued the enclosed subpoena which requires that you submit the information within ten (10) days.

Should you have any questions, please contact Ms. Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures



CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelson  
6718 Burnside  
Riverside, CA 92504

Re: MUR 943 (79)

Dear Ms. Nelson:

This is to advise you that the Federal Election Commission found there was reason to believe you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended. Enclosed is a copy of the original letter of notification mailed to you on April 30, 1979 at your son, Daniel Corcoran's address, which requested that you submit certain documents.

Although Mr. Corcoran advised us by phone that he would respond on your behalf in this matter, we have not received any written confirmation of this nor have we received the documents requested. As we are under a duty to deal with this matter expeditiously, the Commission has issued the enclosed subpoena which requires that you submit the information within ten (10) days.

Should you have any questions, please contact Ms. Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures

92040331500

FEDERAL ELECTION COMMISSION

TO: Ms. Mary Lou Nelson

MUR 943 (79)

ATTACHMENT TO SUBPOENA

1. Copies of both sides of the \$5,000 check you wrote to Daniel Corcoran on or about May 10, 1978 to effectuate a loan to him.
  
2. Copies of both sides of other checks used to effectuate contributions or personal loans by you to Daniel Corcoran and/or the Corcoran for Congress Committee during the period in which Mr. Corcoran was a candidate for federal office in 1978.

3 3 1 5 0 1

UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

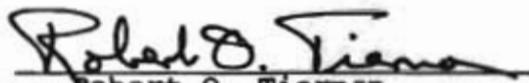
SUBPOENA

TO: Mary Lou Nelson  
6718 Burnside  
Riverside, CA 92504

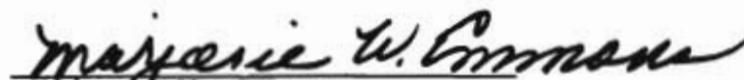
MUR 943 (79)

The Federal Election Commission, pursuant to its powers set forth in 2 U.S.C. §437d(a)(1) and (a)(3), hereby subpoenas the documents listed on the attached sheet and requires that this information be sent by pre-paid certified mail, addressed to the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, Attention: Miriam Aguiar, within ten (10) days of your receipt of this subpoena.

WHEREAS, the Chairman of the Federal Election Commission has hereunto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 10<sup>th</sup> day of <sup>R.A.V.</sup> ~~July~~ 1979.

  
Robert O. Tiernan  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

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PS Form 3811, Nov 1977 RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

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

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:  
*Daniel Corcoran*  
*P.O. Box 5006*  
*Riverside, CA 92512*

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
 (Always obtain signature of addressee or agent)

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

4. *Rusty Trem*  
 DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS  
*SKC*

*Aguilar* *MUR. 943679*





FEDERAL ELECTION COMMISSION

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

July 12, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943(79)

Dear Mr. Corcoran:

This is to confirm your June 11, 1979 conversation with Ms. Miriam Aguiar regarding the matter referred to above and the specific information which was requested in the Commission's April 30, 1979 letters of notification addressed to you, Mary Nelson, and your political committee's treasurer, E. T. Jacobs.

Enclosed is a subpoena which the Commission has authorized for you to produce the requested documentary information and answer the question posed. We are also enclosing a copy of a subpoena issued to your mother, Mary Nelson.

In view of your statements to Ms. Aguiar by phone that you will respond on behalf of your mother and your Committee, we request that you advise us in writing of whether you are an attorney. If so, and if it is the intention of Ms. Nelson and the Committee for you to respond on their behalf, please so advise us in writing.

If you have any questions, please call Ms. Aguiar at 202-523-4057.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. C. Oldaker".

William C. Oldaker  
General Counsel

Enclosures

4 p 3 3 1 5 0 4

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943(79)

Dear Mr. Corcoran:

This is to confirm your June 11, 1979 conversation with Ms. Miriam Aguiar regarding the matter referred to above and the specific information which was requested in the Commission's April 30, 1979 letters of notification addressed to you, Mary Nelson, and your political committee's treasurer, E. T. Jacobs.

Enclosed is a subpoena which the Commission has authorized for you to produce the requested documentary information and answer the question posed. We are also enclosing a copy of a subpoena issued to your mother, Mary Nelson.

In view of your statements to Ms. Aguiar by phone that you will respond on behalf of your mother and your Committee, we request that you advise us in writing of whether you are an attorney. If so, and if it is the intention of Ms. Nelson and the Committee for you to respond on their behalf, please so advise us in writing.

If you have any questions, please call Ms. Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures

*c/28/79*  
*M. Aguiar*

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FEDERAL ELECTION COMMISSION

TO: Daniel Corcoran

MUR 943 (79)

ATTACHMENT TO SUBPOENA AND ORDER

1. Copies of both sides of any checks you may have written which transferred \$5,000 to your principal campaign committee on or about May 12, 1978.
  
2. Describe the accounts (include the name of the bank and account number) to which you deposited the \$5,000 you received from Ms. Mary Lou Nelson on or about May 10, 1978. State whether the accounts are personal or business. If you did not deposit the \$5,000 into a bank account, please state to whom the funds were given.
  
3. During a June 11, 1979 phone conversation with a Commission staff member, you indicated that other escrow transactions similar to the May 10, 1978 transaction involving Mary Nelson occurred during your campaign. Please furnish the Commission with the names, addresses and occupations of persons involved in, and the dates and amounts of these transactions. Also provide copies of each escrow agreement. Describe the accounts (name of bank, account numbers and type of account) to which you deposited funds received in these transactions.

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UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

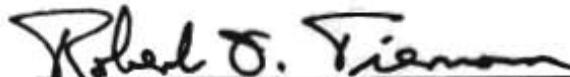
SUBPOENA AND ORDER

TO: Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

MUR 943 (79)

The Federal Election Commission, pursuant to its powers set forth in 2 U.S.C. §437d(a)(1) and (a)(3), hereby orders the interrogatories on the attached sheet to be answered, and the documents supplied, under oath, and requires that this information be sent by pre-paid certified mail, addressed to the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, Attention: Miriam Aguiar, within ten (10) days of your receipt of this subpoena and order.

WHEREAS, the Chairman of the Federal Election Commission has hereunto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 10<sup>th</sup> day of July, 1979.

  
Robert O. Tiernan  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

July 12, 1979

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

RE: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that the Corcoran Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943. Please be aware that we sent the Corcoran Committee a letter of notification on April 30, 1979 addressed to E. T. Jacobs, Treasurer. As you now serve as Treasurer for the Committee, we submit this letter for your information.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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. Although Mr. Daniel Corcoran has indicated that he would respond on the Committee's behalf, we have not received a written confirmation to this effect.

Sincerely,

William E. Oldaker  
General Counsel

9331509

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: *Sary Montgomery, Treasurer, Corcoran For Congress Committee, P.O. Box 5506, Riverside, CA 92512*

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
*Pusty Ten*

4. DATE OF DELIVERY

5. ADDRESS (Complete only if registered)

6. UNABLE TO DELIVER BECAUSE:

1977-0-248-556

Aguiar

MAR-943

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943. Please be aware that we sent the Corcoran Committee a letter of notification on April 30, 1979 addressed to E. T. Jacobs, Treasurer. As you now serve as Treasurer for the Committee, we submit this letter for your information.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

3 2 0 4 0 3 1 5 1 0

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4257.

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. Although Mr. Daniel Corcoran has indicated that he would respond on the Committee's behalf, we have not received a written confirmation to this effect.

Sincerely,

William C. Oldaker  
General Counsel

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6/28/71 Miriam

21580PC

PS Form 3876, Apr 1987 REGISTERED MAIL, 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:  
 E. T. Jacobs, C.P.A.  
 250 Central Ave., Suite 600  
 Riverside, CA 92506

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. | CERTIFIED NO. | INSURED NO.

(Always obtain signature of addressee or agent)

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

4. *Kathy Garcia*  
 DATE OF DELIVERY  
 JUL 16 1989

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: INITIALS



*Aguilar mid 943075*



FEDERAL ELECTION COMMISSION

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

July 12, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. E. T. Jacobs, C.P.A.  
3610 Central Avenue, Suite 600  
Riverside, CA 92506

Re: MUR 943 (79)

Dear Mr. Jacobs:

This is to confirm your June 12, 1978 conversation with Ms. Miriam Aguiar regarding the matter referred to above. We have enclosed for your information, a copy of the original letter of notification addressed to you as treasurer of the Corcoran for Congress Committee.

Although we recognize that you no longer serve as Committee Treasurer, you did serve in that capacity in May 1978, and may have information which will assist the Commission in its determination of this matter. Therefore, considering your association with the Committee, and our responsibility to deal with this matter expeditiously, we have enclosed an order authorized by the Commission requesting you to answer the attached interrogatories.

Should you have any questions, please contact Ms. Aguiar at 202-523-4057.

Sincerely,

A handwritten signature in cursive script, appearing to read "William C. Oldaker".

William C. Oldaker  
General Counsel

Enclosures

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. E. T. Jacobs, C.P.A.  
3610 Central Avenue, Suite 600  
Riverside, CA 92506

Re: MUR 943 (79)

Dear Mr. Jacobs:

This is to confirm your June 12, 1978 conversation with Ms. Miriam Aguiar regarding the matter referred to above. We have enclosed for your information, a copy of the original letter of notification addressed to you as treasurer of the Corcoran for Congress Committee.

Although we recognize that you no longer serve as Committee Treasurer, you did serve in that capacity in May 1978, and may have information which will assist the Commission in its determination to this matter. Therefore, considering your association with the Committee, and our responsibility to deal with this matter expeditiously, we have enclosed an order authorized by the Commission requesting you to answer the attached interrogatories.

Should you have any questions, please contact Ms. Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures

*MA Aguiar  
5/1/78*

32040331514

FEDERAL ELECTION COMMISSION

TO: Mr. E. T. Jacobs

MUR 943 (79)

ATTACHMENT TO SUBPOENA AND ORDER

1. Reports filed by the Corcoran for Congress Committee indicate that you were the Committee's Treasurer in 1978. When did you cease serving in this capacity and what is your present connection, if any, with the Corcoran for Congress Committee?
2. Committee reports indicate you were aware that Daniel Corcoran received a \$5,000 personal loan, through an escrow transaction, from Mary Lou Nelson on or about May 10, 1978. Were any statements made to you or your staff regarding the purpose(s) for which Mr. Corcoran obtained the loan? If so, who made the statements and what were the substance of the statements?
3. As treasurer, were you or your staff aware of other escrow transactions, similar to the matter described in Number 2 involving Mr. Corcoran or personal loans (other than bank loans) made to Mr. Corcoran while he was a candidate for federal office in 1978? If so, list the names and addresses of those persons involved in the transactions and/or loans, state the amounts of and dates on which they occurred, and whether Mr. Corcoran repaid the loans.

UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

ORDER

TO: E. T. Jacobs, C.P.A.  
3610 Central Avenue  
Suite 600  
Riverside, CA 92506

MUR 943 (79)

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The Federal Election Commission, pursuant to its powers set forth in 2 U.S.C. §437d(a) (1) hereby orders the interrogatories on the attached sheet to be answered under oath, and requires that this information be sent by pre-paid certified mail, addressed to the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, Attention: Miriam Aguiar, within ten (10) days of your receipt of this order.

WHEREAS, the Chairman of the Federal Election Commission has hereunto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 10<sup>th</sup> day of <sup>Oct.</sup> ~~June~~ 1979.

*Robert O. Tiernan*  
Robert O. Tiernan  
Chairman

ATTEST:

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



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE  
FROM: MARJORIE W. EMMONS *mwe*  
DATE: JULY 10, 1979  
SUBJECT: SUBPOENAS AND ORDERS IN RELATION TO MUR 943

The attached subpoenas and orders, approved June 26, 1979, have been signed and sealed this date.

82040331517

ATTACHMENTS:  
Subpoenas & Orders (3)  
1. Corcoran  
2. Nelson  
3. Jacobs

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Corcoran for Congress Committee) )  
E. T. Jacobs, Treasurer )  
Daniel Corcoran )  
Mary Nelson )

MUR 943

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, certify that on June 26, 1979, the Commission determined by a vote of 6-0 to issue subpoenas and orders to Daniel Corcoran, Mary Lou Nelson and E. T. Jacobs in the above-captioned matter.

Attest:

6/28/79

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary to the Commission

82040331518



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE  
FROM: MARJORIE W. EMMONS *mwe*  
DATE: JUNE 19, 1979  
SUBJECT: OBJECTION - MUR 943 - Memorandum from OGC  
dated 6-18-79 With Subpoenas,  
Orders and Cover Letters; Received  
in OCS 6-18-79, 12:51

The above-named documents were circulated on a 48  
hour vote basis at 4:00, June 18, 1979.

Commissioner Aikens submitted an objection to the  
cover letter at 4:05, June 19, 1979, thereby placing the  
matter on the Executive Session Agenda for Tuesday,  
June 26, 1979.

32040331519

June 18, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Jane Colgrove  
SUBJECT: NUR 943

Please have the attached Memo to the Commission distributed to the Commission on a 48 hour tally basis.

Thank you.

32040331520



FEDERAL ELECTION COMMISSION

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

RECEIVED  
OFFICE OF THE  
COMMISSION SECRETARY

79 JUN 18 PI2: 51

June 18, 1979

MEMORANDUM

TO: The Commission

FROM: William C. Oldaker  
General Counsel *W.C.O.*

SUBJECT: MUR 943 - Subpoenas and Order

This matter concerns apparent violations of 2 U.S.C. §§441a(a)(1)(A) and 441a(f). We have received a written response from the candidate, Daniel Corcoran which does not dispute that the funds originated by loan from his mother, Mary Nelson. While Mr. Corcoran attached documents involving the transaction, he failed to provide all the information specifically requested. Further, Ms. Nelson and Committee Treasurer E. T. Jacobs did not respond to the Commission's letter of notification. During a June 11, 1979 conversation with our staff, Mr. Corcoran stated that he would be responding on behalf of his mother, and his committee and indicated that he would submit all material requested in letters addressed to all respondents.

In view of Mr. Corcoran's failure to provide the copies of the basic documents of the transactions in question, the cancelled checks, we think it is more prudent for the Commission to issue compulsory process so as to bring this matter to a conclusion as soon as possible.

Recommendation

Issue the attached subpoenas and orders to Daniel Corcoran, Mary Lou Nelson and E. T. Jacobs.

Attachments

- Subpoenas and orders
- Letters
- Authorization



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FEDERAL ELECTION COMMISSION

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

AUTHORIZATION TO ISSUE ORDER  
TO FACILITATE THE INVESTIGATION OF

Daniel Corcoran  
Mary Lou Nelson  
Corcoran for Congress  
Committee  
MUR 943

The Commission hereby authorizes the orders and  
subpoenas attached to be issued to: Daniel Corcoran,  
Mary Lou Nelson and E. T. Jacobs.

\_\_\_\_\_  
Robert O. Tiernan  
Chairman

\_\_\_\_\_  
Joan D. Aikens  
Commissioner

\_\_\_\_\_  
Max L. Friedersdorf  
Vice-Chairman

\_\_\_\_\_  
John W. McGarry  
Commissioner

\_\_\_\_\_  
Thomas E. Harris  
Commissioner

\_\_\_\_\_  
Vernon W. Thompson  
Commissioner

92040331522





FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943(79)

Dear Mr. Corcoran:

This is to confirm your June 11, 1979 conversation with Ms. Miriam Aguiar regarding the matter referred to above and the specific information which was requested in the Commission's April 30, 1979 letters of notification addressed to you, Mary Nelson, and your political committee's treasurer, E. T. Jacobs.

Enclosed is a subpoena which the Commission has authorized for you to produce the requested documentary information and answer the question posed. We are also enclosing a copy of a subpoena issued to your mother, Mary Nelson.

In view of your statements to Ms. Aguiar by phone that you will respond on behalf of your mother and your Committee, we must request that you advise us in writing of whether you are an attorney. If so, and if it is the intention of Ms. Nelson and the Committee for you to respond on their behalf, please so advise us in writing.

If you have any questions, please call Ms. Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures



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FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Gary Montgomery, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Montgomery:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943. Please be aware that we sent the Corcoran Committee a letter of notification on April 30, 1979 addressed to E. T. Jacobs, Treasurer. As you now serve as Treasurer for the Committee, we submit this letter for your information.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.



If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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. Although Mr. Daniel Corcoran has indicated that he would respond on the Committee's behalf, we have not received a written confirmation to this effect.

Sincerely,

William C. Oldaker  
General Counsel

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FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Mary Lou Nelson  
6718 Burnside  
Riverside, CA 92504

Re: MUR 943 (79)

Dear Ms. Nelson:

This is to advise you that the Federal Election Commission found there was reason to believe you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended. Enclosed is a copy of the original letter of notification mailed to you on April 30, 1979 at your son, Daniel Corcoran's address, which requested that you submit certain documents.

Although Mr. Corcoran advised us by phone that he would respond on your behalf in this matter, we have not received any written confirmation of this nor have we received the documents requested. As we are under a duty to deal with this matter expeditiously, the Commission has issued the enclosed subpoena which requires that you submit the information within ten (10) days.

Should you have any questions, please contact Ms. Miriam Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures





FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. E. T. Jacobs, C.P.A.  
3610 Central Avenue, Suite 600  
Riverside, CA 92506

Re: MUR 943 (79)

Dear Mr. Jacobs:

This is to confirm your June 12, 1978 conversation with Ms. Miriam Aguiar regarding the matter referred to above. We have enclosed for your information, a copy of the original letter of notification addressed to you as treasurer of the Corcoran for Congress Committee.

Although we recognize that you no longer serve as Committee Treasurer, you did serve in that capacity in May 1978, and may have information which will assist the Commission in its determination of this matter. Therefore, considering your association with the Committee, and our responsibility to deal with this matter expeditiously, we have enclosed an order authorized by the Commission requesting you to answer the attached interrogatories.

Should you have any questions, please contact Ms. Aguiar at 202-523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosures

040331527



FEDERAL ELECTION COMMISSION

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

MEMORANDUM TO CHARLES STEELE  
FROM: MARJORIE W. EMMONS *MWE*  
DATE: MAY 18, 1979  
SUBJECT: MUR 943 - Interim Investigative Report  
dated 5-15-79, Signed 5-16-79;  
Received in OCS 5-17-79, 10:59

The above-named document was circulated on a 24  
hour no-objection basis at 3:00, May 17, 1979.

The Commission Secretary's Office has received  
no objections to the Interim Investigative Report as of  
3:45 this date.

32040331523

May 17, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached Interim Invest Report  
on MUR 943 distributed to the Commission.

Thank you.

32040331529

BEFORE THE FEDERAL ELECTION COMMISSION  
May 15, 1979

79 MAY 17 AIO: 59

In the Matter of	)	
	)	
Corcoran for Congress	)	MUR 943
Committee	)	
Daniel Corcoran	)	
Mary Nelson	)	

INTERIM INVESTIGATIVE REPORT

This matter concerns possible violations of 2 U.S.C. §§441a(a)(1)(A) and 441a(f). The period within which respondents must respond to questions posed by the Commission has not lapsed. When the responses have been received and analyzed, we shall submit a full report to the Commission.

82040331530

5/16/79  
Date

*William C. Oldaker*  
William C. Oldaker  
General Counsel

CCC  
10152

May 10, 1979

902411

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

RE: MUR 943

In response to your letter of April 30, 1979.

You have already written to us regarding this matter on November 1, 1978. Copy enclosed. We responded, via Certified Mail, copy and verification of receipt enclosed. Since we did not hear from you regarding our response we perceived the matter closed.

It appears from you recent letter that you have misplaced our previous response. To assist in clarifying the matter I again state:

The funds borrowed were secured by an interest in Real Property and repaid with interest prior to the receipt of your first inquiry. My principal occupation is Real Estate Investor and it is quite common for me to borrow or lend money to make a given transaction. This loan was NOT to my committee and was separate from the campaign. I do not know why my accountant mentioned this transaction as it had nothing to do with the campaign. I am sure his interest was in complete compliance with the law.

I have enclosed copies of the original note and deed of trust and the cancelled check that cleared the encumbrance. If you have any further questions please contact me by mail or phone at (714) 787 0510 during normal business hours.

  
Dan Corcoran

32040331531

79 MAY 18 PM 12:12

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL

E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

2010 CENTRAL AVE. SUITE 200  
RIVERSIDE, CALIF. 92506

PHONE 940-2221

November 13, 1978

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

SUBJECT: Corcoran for Congress Committee  
45V1/78-10250

Per instruction from Ron Krous in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$1,000.

In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,



E. T. Jacobs  
Treasurer

ETJ/kg  
Enclosure

32040331532

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PS Form 3800, Apr. 1976

**CONSULT POSTMASTER FOR FEES**

OPTIONAL SERVICES		CERTIFIED FEE
<b>RETURN RECEIPT SERVICE</b>		
<input type="checkbox"/> SHOW TO WHOM AND DATE DELIVERED <input type="checkbox"/> RESTRICTED DELIVERY <input type="checkbox"/> RESTRICTED DELIVERY SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY. \$ _____ (CONSULT POSTMASTER FOR FEES)	45	
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TOTAL POSTAGE: 140

POSTMARK: RIVERVIEW, MISSISSIPPI, NOV 14 1976, 1590

No. **974874**

RECEIPT FOR CERTIFIED MAIL

NO RESEARCH COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

(See 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

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. INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE: \_\_\_\_\_  Addressee  Authorized agent

4. DATE OF DELIVERY: NOV 20 1976 POSTMARK: RIVERVIEW, MISSISSIPPI, NOV 14 1976

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

1 November 1978

Mr. E.T. Jacobs, C.P.A., Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, California 92512

Dear Mr. Jacobs:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 10 Day Pre-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals from making political contributions to a candidate for Federal election in excess of \$1,000 per election.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Susan Owen (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4048.

Sincerely,

Orlando B. Potter  
Staff Director

82040331334

This Deed of Trust, Made this 3 2 0 4 0 3 3 1 5 day of May 1978

BETWEEN Anne K. Jackson aka Anne K. Corcoran, a married woman

herein called TRUSTOR,

whose address is 214 Palomac Street Riverside, CA 92506  
(Street and Number) (City) (State)

Western Title Insurance Company, 6600 Magnolia Riverside, CA herein called TRUSTEE, and

Mary Lou Nelson, a married woman as her sole and separate PROPERTY called BENEFICIARY,

WITNESSETH That Trustor hereby GRANTS TO TRUSTEE, IN TRUST, WITH POWER OF SALE, all that property in the  
City of Riverside

County of Riverside, State of California, described as:

That portion of Block 9, Range 13 of the TOWN OF RIVERSIDE, as shown by map of file in Book 7 Page 17 of Maps, Records of San Bernardino County, California, described as follows: BEGINNING at a point on the northerly line of Tenth Street, 162 feet Easterly from the Southwest corner of said Block 9, Range 13; THENCE Easterly, along said Northerly line of Tenth Street, 47 feet to a point 141 feet Westerly from the Southeast corner of said Block 9; THENCE Northerly and parallel with the Easterly line of Pine Street, 158 feet; THENCE Westerly and parallel with the Westerly and parallel with the Northerly line of Tenth Street; THENCE Southerly and parallel with the Easterly line of Pine Street, 158 feet, more or less, to the point of beginning.

### Note Secured by Deed of Trust

\$ 5,000.00 Riverside, California. May 10, 1978

In installments as herein stated, for value received, I promise to pay to Mary Lou Nelson, a married woman as her sole and separate property, or order,

the sum of Five Thousand Dollars at Riverside California  
the sum of Five Thousand Dollars DOLLARS,  
with interest from May 10, 1978

10 per cent per annum, payable with principal on unpaid principal at the rate of  
principal payable in installments of  
Dollars

on the 10 day of May each 10 month, beginning on the  
10 day of May 1978  
all due and payable in 90 days

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST

4345 10th Street, Riverside California  
STATE OF CALIFORNIA, County of Riverside

ON May 23, 1978, before me, the undersigned, a  
Notary Public, in and for said State, personally

appeared Anne K. Jackson aka Anne K. Corcoran  
known to me to be the person whose name is  
subscribed to the within instrument, and  
acknowledged to me that she executed the

Anne K. Jackson aka Anne K. Corcoran  
OFFICIAL SEAL  
STELLA R. SIMS  
NOTARY PUBLIC, CALIFORNIA



12] By accepting payment of any sum secured hereby after due date, Beneficiary does not waive his right to require prompt payment when due or other sums so secured or to declare default on failure to pay.

13] At any time or from time to time, without liability therefor and without prejudice upon written request of Beneficiary and consent of Trustee, Trustee may, without endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement authorizing the lien or charge hereof.

14] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and mortgage to Trustee for cancellation and retention of same, upon payment of its fees, Trustee shall reconvey, without charge, the property then held hereunder. The return of the property and release of any matters or liens shall be evidence in proof of the satisfaction thereof. The grantee in the hereinafter recited deed shall be deemed to be the person or persons legally entitled thereto.

15] Upon receipt by Trustee in payment of any indebtedness secured hereby or in performance of any agreement hereunder, the person or persons to whom all sums secured hereby are payable, shall deliver to Trustee of written declaration of satisfaction and demand for sale and of written notice of default and of election to cause to be sold said property, which declaration and notice shall cause to be duly filed for record. Beneficiary may then cooperate with Trustee this Deed, and with all documents constituting encumbrances secured hereby.

such offer as it may be made, as public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property at any time and from time to time thereafter and place of sale, and from time to time thereafter may postpone such sale by public auction at any time and place, and the provisions hereof shall not be construed to constitute a contract or warranty, express or implied. The records in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

16] This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall include not only the original Beneficiary hereunder but also any future owner and holder, including pledgees, of the note secured hereby. In this Deed, whenever the context so requires, the masculine gender includes the feminine and or neuter, and the singular number includes the plural.

17] Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed or Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

C. The Undersigned Trustor Requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at the mailing address specified by his signature hereto. Failure to insert such address shall be deemed a waiver of all requests hereunder for a copy of such notices.

Mailing Address for Notices  
STREET AND NUMBER CITY STATE

County of \_\_\_\_\_  
On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

Before me, \_\_\_\_\_, a Notary Public in and for said County, personally appeared \_\_\_\_\_

known to me to be the person whose name \_\_\_\_\_ subscribed to the within instrument, and acknowledged that \_\_\_\_\_ executed the same.  
Witness my hand and official seal.

(Notarial Seal) \_\_\_\_\_  
(Seal) \_\_\_\_\_ Notary Public in and for said State

If executed by a Corporation the Corporation Form of Acknowledgment must be used.  
Title Order No. \_\_\_\_\_ Escrow or Loan No. \_\_\_\_\_

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FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by the promissory note substantially in the following form and performance of each agreement of Trustor herein contained.

\$ 5,000.00 Riverside California May 10, 1978  
May: Loy Nelson, a married

In installments as herein stated, for value received, I promise to pay to woman as her sole and separate property.

Five Thousand Dollars at Riverside California or order.

at Five Thousand Dollars the sum of DOLLARS,

with interest from May 10, 1978

with principal on unpaid principal at the rate of

per cent per annum, payable principal payable in installments of

Dollars or more on the day of each month, beginning on the

10th day and on day 01 in 90 day, 19

and continuing until said principal and interest have been paid.

Should interest not be so paid it shall thereafter bear like interest as the principal. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note by the Court may fix, as attorney's fees. This note is secured by a DEED OF TRUST

Loy Nelson aka Anne K. Dorocian

**A. To protect the security of this Deed of Trust, Trustor agrees:**

[1] To keep said property in good condition and repair; not to rent or detach any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit

to be committed, suffer or permit any act upon said property in violation of law, to cultivate, irrigate, fertilize, harrow, plow and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

[2] To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

[3] To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses,

including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

[4] To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

[5] To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at seven per cent per annua.

**B. It is mutually agreed that:**

[1] Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

[2] By accepting payment of any sum secured hereby after its due date Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

[3] At any time or from time to time, without liability thereon and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustor may: receive any part of said property; consent to the making of any map or plat thereon; join in granting any easement thereon or join in any extension agreement or any agreement that may create a lien or charge hereof.

[4] Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof.

At least three months having elapsed after recording of such notice of default, Trustee shall give notice of sale as then required by law, and, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

[6] This Deed applies to, inures to the benefit of, and shall be construed in accordance with the provisions of the Deed of Trust



204033150

UCB-LA  
PAY TO BANK  
OT 78 11

200 PAY TO THE ORDER OF  
UNITED CALIFORNIA BANK  
PROVIDENT FIDELITY SAVINGS &  
LOAN ASSOCIATION  
2106 BOWLING  
LOS ANGELES, CA 90001

*Mary Ann Miller*

Corcoran  
Box 5006  
Oroville, CA 92517



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

20463

CERTIFIED

P08 8864612

MAIL

CERTIFIED: RETURN RECEIPT REQUESTED



FEDERAL ELECTION COMMISSION

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

April 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mrs. Mary Nelson  
c/o Mr. David Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mrs. Nelson:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, you loaned \$5,000 to Mr. Daniel Corcoran, a candidate for Federal office, who in turn used the \$5,000 in connection with his federal election campaign. Such loans are contributions under the Act. (2 U.S.C. §431(e)) Further, individual contributions are limited to \$1,000 per candidate per election. (2 U.S.C. §441a(a)(1)). Therefore, as your \$5,000 loan was used to influence Mr. Corcoran's election campaign, it appears that you violated §441a(a)(1)(A) of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, please submit copies of both sides of the check or checks given to Mr. Corcoran to effect the loan and a dated copy of the loan agreement. Where appropriate, statements should be submitted under oath.

040331542

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter, at 202-523-4057.

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

4120A9331543

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. Mary Johnson  
c/o Mr. David Carolina A  
20-803 St. 92512

3. ARTICLE DESCRIPTION:  
REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
| 943543 |

(Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY

5. ADDRESS

6. UNABLE TO DELIVER BECAUSE

INSURED AND CERTIFIED MAIL

RECEIVED  
FEDERAL ELECTION COMMISSION

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mrs. Mary Nelson  
c/o Mr. David Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mrs. Nelson:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, you loaned \$5,000 to Mr. Daniel Corcoran, a candidate for Federal office, who in turn used the \$5,000 in connection with his federal election campaign. Such loans are contributions under the Act. (2 U.S.C. §431(e)) Further, individual contributions are limited to \$1,000 per candidate per election. (2 U.S.C. §441a(a)(1)). Therefore, as your \$5,000 loan was used to influence Mr. Corcoran's election campaign, it appears that you violated §441a(a)(1)(A) of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, please submit copies of both sides of the check or checks given to Mr. Corcoran to effect the loan and a dated copy of the loan agreement. Where appropriate, statements should be submitted under oath.

3 2 0 4 0 3 3 1 5 4 4

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter, at 202-523-4057.

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

MR

3 2 0 4 0 3 3 1 5 4 5



FEDERAL ELECTION COMMISSION

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

April 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, while a candidate for Federal office you accepted a \$5,000 loan from your mother, Mrs. Mary Nelson and used the proceeds in connection with your Federal election campaign. Such loans are contributions under the Act. (2 U.S.C. §431(e)). Further, contributions are limited to \$1,000 per candidate per election. (2 U.S.C. §441a(a)(1)(A)). Therefore, by accepting the \$5,000 loan which was in excess of the limit allowed by §441a(a)(1)(A), you may have violated 2 U.S.C. §441a(f). This section prohibits a candidate from accepting any contribution in violation of §441a of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

040331546

1. Describe the facts and circumstances surrounding the making of the \$5,000 loan to you by your mother Mary Nelson. Specifically, please advise us of the date, purpose, terms and conditions of this loan and provide us with a copy of any loan agreement.
2. Please provide us with copies of both sides of the check(s) used to effect your \$5,000 loan to the Committee on or about May 12, 1978.
3. If this loan has been repaid, please provide us with copies of both sides of the check(s) used to make the repayment.

Where appropriate, statements should be submitted under oath.

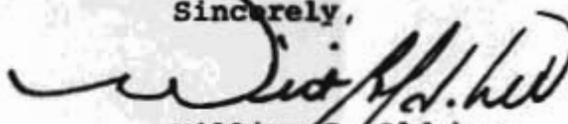
The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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

1547  
0331547  
20331547

8 2 0 4 0 3 3 1 5 4 8

1. Describe the item and its contents, including the making of the item, the name of the maker, the date, and the place of origin and production.

2. Please provide the name and address of the recipient(s) and the name and address of the sender.

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)

ARTICLE ADDRESSED TO:  
Daniel Corcoran  
P.O. Box 5006  
Lafayette, CA 94502

2. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED/FCB
	943592	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE:   Addressee  Authorized agent

4. DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

**REC'D MAY 18 1970**

**MUR-943 Aguilar**

© 1970 U.S. POSTAL SERVICE

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, while a candidate for Federal office you accepted a \$5,000 loan from your mother, Mrs. Mary Nelson and used the proceeds in connection with your Federal election campaign. Such loans are contributions under the Act. (2 U.S.C. 5431(e)). Further, contributions are limited to \$1,000 per candidate per election. (2 U.S.C. 5441a(a)(1)(A)). Therefore, by accepting the \$5,000 loan which was in excess of the limit allowed by 5441a(a)(1)(A), you may have violated 2 U.S.C. 5441a(f). This section prohibits a candidate from accepting any contribution in violation of 5441a of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

3 2 0 4 0 3 3 1 5 4 9

1. Describe the facts and circumstances surrounding the making of the \$5,000 to you by your mother, Mary Nelson. Specifically, please advise us of the date, purpose, terms and conditions of this loan and provide us with a copy of any loan agreement.
2. Please provide us with copies of both sides of the check(s) used to effect your \$5,000 loan to the Committee on or about May 12, 1978.
3. If this loan has been repaid, please provide us with copies of both sides of the check(s) used to make the repayment.

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguilar, the staff member assigned to this matter at 202-523-4057.

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

MB

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FEDERAL ELECTION COMMISSION

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

April 30, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. T. Jacobs, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Jacobs:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

1. How did the proceeds of the \$5,000 loan reach the Committee (i.e. was it mailed, delivered by the candidate or his mother)?

2. Were any statements made to you or your staff regarding the purpose, source, and nature of this loan? If so, who made the statements and what were the substance of the statements?

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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

0330552

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)

ARTICLE ADDRESSED TO:  
T. Jacobs, Treasurer  
P.O. Box 5006  
Berkeley, CA 94703

ARTICLE DESCRIPTION:  
REGISTERED NO. | CERTIFIED NO. | INSURED NO.  
| 943541 |

(Always obtain signature of addressee or agent)

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

DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

U.S. POSTAL SERVICE  
POSTMARK  
MAY 10 1979  
U.P.O.

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. T. Jacobs, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Jacobs:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

1. How did the proceeds of the \$5,000 loan reach the Committee (i.e. was it mailed, delivered by the candidate or his mother)?

92040331553

2. Were any statements made to you or your staff regarding the purpose, source, and nature of this loan? If so, who made the statements and what were the substance of the statements?

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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

MR

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Corcoran for Congress Committee ) MUR 943  
E. T. Jacobs, Treasurer )  
Daniel Corcoran )  
Mary Nelson )

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on April 26, 1979, the Commission determined by a vote of 4-0 to adopt the following recommendations, as set forth in the First General Counsel's Report dated April 23, 1979, regarding the above-captioned matter:

1. Find reason to believe that Mary Nelson violated 2 U.S.C. §441a(a)(1)(A).
2. Find reason to believe that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. §441a(f).
3. Approve the letters to respondents attached to the above-named report.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, and McGarry.

Attest:

4/26/79

Date

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

Received in Office of Commission Secretary: 4-23-79, 5:30  
Circulated on 48 hour vote basis: 4-24-79, 2:30

32040331555

April 23, 1979

MEMORANDUM TO: Marg Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 943

Please have the attached First General Counsel's  
Report on MUR 943 distributed to the Commission on a  
48 hour tally basis.

Thank you.

32040331556

FEDERAL ELECTION COMMISSION

Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL  
BY OGC TO THE COMMISSION APR 23 1979

MUR NO. 943  
DATE COMPLAINT RECEIVED  
BY OGC \_\_\_\_\_  
STAFF \_\_\_\_\_  
MEMBER Aguiar

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

RESPONDENT'S NAME: Corcoran for Congress Committee, CA  
E. T. Jacobs, Treasurer

Daniel Corcoran

Mary Nelson

RELEVANT STATUTES: 2 U.S.C. §441a(a)(1)(A)  
2 U.S.C. §441a(f)  
2 U.S.C. §431(e)(5)(G)  
11 CFR §110.10(b)(1)

INTERNAL REPORTS CHECKED: Public Records

FEDERAL REPORTS CHECKED: None

GENERATION OF MATTER

Reports Analysis Division referred this matter to the Office of General Counsel on April 5, 1979 because of an excessive contribution in violation of 2 U.S.C. §441a(a)(1)(A). (Attachment I).

EVIDENCE

The Corcoran for Congress Committee's (Committee) 1978 10 day pre-primary report disclosed receipt of a \$5,000 contribution (as a loan) on May 12, 1978 from Daniel Corcoran, the candidate. The report further disclosed that Mr. Corcoran received the \$5,000 as a loan from his mother Mary Nelson, who in turn accepted a promissory note and deed of trust from Mr. Corcoran, payable in 90 days with 10% interest.

Committee Treasurer E. T. Jacobs submitted a response to a November 1, 1978 surface violation letter on November 13, 1978. Mr. Jacobs acknowledged receipt of the loan and stated that Mr. Corcoran repaid the note with interest on September 13, 1978 from personal funds. Mr. Jacobs stated that the violation had been inadvertent as the Committee was unaware that such an "escrow" transaction was prohibited under federal campaign laws.

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PRELIMINARY LEGAL ANALYSIS

11 CFR §110.10(b)(1) permits federal candidates to make unlimited expenditures from "personal funds," defined as assets over which the candidate had legal right of access at the time he or she became a candidate. Committee reports disclose that Mrs. Nelson loaned her son \$5,000 in May 1978, well after Mr. Corcoran became a candidate. Therefore, the loan cannot be considered part of Mr. Corcoran's "personal funds," but rather as Mrs. Nelson's contribution to her son's campaign. The amount was in excess of the \$1,000 limitation set forth in 2 U.S.C. §441a(a)(1)(A).

The fact that Mr. Corcoran secured the loan with his personal property and repaid the loan from personal funds with interest, does not bring the transaction within the loan exception to the definition of a contribution. (2 U.S.C. §431(e)(5)(G)). Further, Mr. Corcoran and his Committee may have violated 2 U.S.C. §441a(f) by accepting the proceeds of the excessive loan.

RECOMMENDATIONS

1. Find reason to believe that Mary Nelson violated 2 U.S.C. §441a(a)(1)(A).
2. Find reason to believe that Daniel Corcoran and the Corcoran for Congress Committee violated 2 U.S.C. §441a(f).
3. Approve attached letters to respondents.

ATTACHMENTS

1. Referral
2. Letters to: Mary Nelson  
Daniel Corcoran  
Corcoran for Congress Committee

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REFER TO INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING

D  
RAD 91-54

REPORTS ANALYSIS REFERRAL SHEET

MUR 993

DATE 4-5-79 ANALYST Susan Owen

TO: Office of General Counsel TEAM CHIEF Peter Kell, Jr

THROUGH: STAFF DIRECTOR ohp COMPLIANCE REVIEW Carroll Bowen

FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS JK

CANDIDATE/COMMITTEE: Corcoran For Congress Committee CA/37

TREASURER: E.T. Jacobs, C.P.A.

ADDRESS: P.O. Box 5006  
Riverside, CA 92512

AFFILIATE(S): NONE

ALLEGATION(S): Contribution received in excess of \$1,000 from an individual. CITE: 2 U.S.C. 441a ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: August 22, 1978

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment I.

PERIOD COVERED FROM April 1, 1978 TO May 22, 1978

TOTAL RECEIPTS \$ \$10,637 TOTAL EXPENDITURES \$ \$10,664

CASH ON HAND \$ \$42 DEBTS \$ \$25,922

HISTORY:

RESULTS OF REVIEW: The surface violation letter was sent to the Committee on November 1, 1978. A response was received from the Committee November 13, 1978 stating that the loan was repaid prior to the letter. Repayments of the loan are reported on the 30 day post-primary report and the October 10 report. ATTACHMENT #3, #4, #5, #6

COMMUNICATIONS WITH CANDIDATE COMMITTEE: Ron Krouse of Reports Analysis spoke with Jan Knight from the committee on November 13, 1978 ATTACHMENT #7

REASON(S) FOR REFERRAL: Contribution exceeds Commission threshold per 2 U.S.C. 441a and meets Division threshold for review by OGC. ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD: ATTACHMENT

NONE

OTHER RELEVANT INFORMATION

There is no record of any conversation referred to in Attachment #6 in the third paragraph.

82040331559

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FEDERAL ELECTION COMMISSION  
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 10CC78  
PAGE 1

HOUSE

COMMITTEE	DOCUMENT	RECEIPTS		EXPENDITURES		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
		PRIMARY	GENERAL	PRIMARY	GENERAL			
CURCORM FOR CONGRESS COMMITTEE								IDF CC0091215
1978	STATEMENT OF ORGANIZATION					29MAR78	33	70HSE/131/3760
	40 HOUR CONTRIBUTION NOTICE					7JUN78	1	70HSE/137/3924
	40 HOUR CONTRIBUTION NOTICE					7JUN78	1	70HSE/137/4917
	40 HOUR CONTRIBUTION NOTICE					27OCT78	1	70HSE/152/0216
	10 HOUR CONTRIBUTION NOTICE					4NOV78	1	70HSE/151/4809
	APRIL 10 QUARTERLY	1,542		1,500		24MAR78 - 31MAR78	6	70HSE/134/2136
	10 DAY PRE-PRIMARY	10,637		10,664		1APR78 - 22MAY78	11	70HSE/136/3524
	REQUEST FOR ADDITIONAL INFORMATION					1APR78 - 22MAY78	1	70FEC/094/4023
	10 DAY PRE-PRIMARY - AMENDMENT					22MAY78	3	70HSE/155/3177
	30 DAY POST-PRIMARY	4,690		4,090		23MAY78 - 26JUN78	10	70HSE/139/1030
	JULY 10 QUARTERLY	0		122		27JUN78 - 30JUN78	5	70HSE/141/3006
	OCTOBER 10 QUARTERLY		19,559		19,078	1JUL78 - 30SEP78	14	70HSE/140/2843
	10 DAY PRE-GENERAL		5,197		5,180	1OCT78 - 23OCT78	11	70HSE/152/4700
	TOTAL	16,869	24,756	16,376	24,258		100	TOTAL PAGES

*all reports have had basic review.*



**DEBTS AND OBLIGATIONS**

Supporting Line Numbers 12 and 13  
of FEC FORM 3

Page 2 of 2 for  
Line Number 13

File Separate Schedules for  
each numbered line

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee in Full				
<b>CORCORAN FOR CONGRESS COMMITTEE</b>				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E.T. Jacobs, Accountancy Corp. 3610 Central Avenue, Suite 600 Riverside, CA 92506	4/1/78 5/1/78	\$250.00	\$ -0-	\$250.00
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				
NATURE OF OBLIGATION (Details of Debt)				
Accounts payable - accounting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various	\$7,765.19	\$400.00	\$7,365.19
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				
NATURE OF OBLIGATION (Details of Debt)				
Loan payable on demand at 0% interest <span style="float: right;">7,365.19 5/12/78</span> (\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payments To Date	Outstanding Balance at Close of This Period
		\$	\$	\$
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				
NATURE OF OBLIGATION (Details of Debt)				
SUBTOTALS this period this page (optional) . . . . .		\$8,015.19	\$400.00	\$7,615.19
TOTAL this period (last page this line number only) . . . . .		\$26,322.19	\$400.00	\$25,922.19
Carry outstanding balance only to appropriate line of summary				

12/1 CA 578



FEDERAL ELECTION COMMISSION

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

1 November 1978

Mr. E.T. Jacobs, C.P.A., Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, California 92512

Dear Mr. Jacobs:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 10 Day Pre-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals from making political contributions to a candidate for Federal election in excess of \$1,000 per election.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Susan Owen (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4048.

Sincerely,

*Orlando B. Potter*  
Orlando B. Potter  
Staff Director

8274033715632

D

82040331564

TO CURCIAN 450178-1-250

● **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 ..... c  
 Show to whom, date, and address of delivery ..... c  
 **RESTRICTED DELIVERY**  
Show to whom and date delivered ..... c  
 **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.	INSURED NO.
	943614	

(Always obtain signature of addressee or agent)

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

**4** *[Signature]*

<b>DATE OF DELIVERY</b>	<b>POSTMARK</b>
	5/25/78

**5** **ADDRESS** (Complete only if requested)

**6** **UNABLE TO DELIVER BECAUSE:**

**CLERK'S INITIALS**

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Jones

E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

880 CENTRAL AVE - SUITE 200  
RIVERSIDE CALIF 92506

NOV 21 2 59

PHONE 924-8222

NOV 14 1978  
CERTIFIED

November 13, 1978

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

076848

SUBJECT: Corcoran for Congress Committee  
45VI778-10250

Per instruction from Ron Kroun in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$5,000.

In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,  
*E. T. Jacobs*  
E.T. Jacobs  
Treasurer

ETJ/kg  
Enclosure

7 8 2 0 4 0 3 3 1 5 6 5  
7 9 0 1 5 5 3 1 7 7

U.S. DEPARTMENT OF JUSTICE  
FEDERAL ELECTION COMMISSION  
1370 M STREET, N.W.  
WASHINGTON, D.C. 20545

FILED  
 FEB  
 1978  
 Election Commission  
 Street, N.W.  
 Washington, D.C. 20463

**ITEMIZED EXPENDITURES**

(Operating, Transfers Out, Contributions In-Kind,  
 Loans, Loan Repayments and Refunds Made)  
 Supporting Lines 20a, 21a, and 22a, 22b, and 22c  
 of FEC FORM 3

Page 1 of 3 for  
 Line Number 21 (a)

Use Separate Schedules for  
 each numbered line

Name of Candidate or Committee in Full			
Corcoran for Congress Committee			
Full Name, Mailing Address and ZIP Code Daniel Corcoran P.O. Box 5006 Riverside, California 92517 <i>H8CA37038</i>	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Loan repayment Expenditure for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other	5/31/78	1,000.00
Full Name, Mailing Address and ZIP Code Gary Montgomery 2221 Elsinore Riverside, California 92506	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Loan repayment Expenditure for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other	6/8/78	500.00
Full Name, Mailing Address and ZIP Code 56	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code 33	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code 204	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code 3	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
SUBTOTAL of expenditures this page (optional).....			\$
TOTAL this period (this page this line number only).....			\$ 2,200.00

FEB 1978  
 Federal Election Commission  
 75 K Street, N.W.  
 Washington, D.C. 20463

**DEBTS AND OBLIGATIONS**

Supporting Line Numbers 12 and 13  
 of FEC FORM 3

Page 2 of 2 for  
 Line Number 13

Use Separate Schedules for each numbered line

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee in Full				
<b>CORCORAN FOR CONGRESS COMMITTEE</b>				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E.T. Jacobs, Accountancy Corp. 3610 Central Avenue, Suite 600 Riverside, California 92506	4/ 1/78 5/ 1/78 6/ 1/78	\$	\$	\$
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		\$ 585.00	\$ -0-	\$ 585.00
NATURE OF OBLIGATION (Details of Debt)				
Accounts payable - accounting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5005 Riverside, California 92517	Various	\$	\$	\$
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		\$ 9,155.69	\$ 1,900.00	\$ 7,255.69
NATURE OF OBLIGATION (Details of Debt)				
Loan payable on demand at 0% interest				
			\$7,255.69	
(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
		\$	\$	\$
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				
NATURE OF OBLIGATION (Details of Debt)				
SUBTOTAL \$ this period this page (optional) .....		\$9,740.69	\$1,900.00	\$7,840.69
TOTAL this period (last page this line number only) .....		\$28,047.69	\$2,600.00	\$25,447.69
Enter outstanding balance only to summarize use of summary				

7  
 6  
 5  
 4  
 3  
 3  
 0  
 4  
 0  
 2  
 0

SCHEDULE B  
 USED  
 July, 1978  
 Federal Election Commission  
 11 K Street, N.W.  
 Washington, D.C. 20463

**ITEMIZED EXPENDITURES**  
 (Operating, Transfers Out, Contributions in Kind,  
 Loans, Loan Repayments and Refunds Made)  
 Supporting Lines 20a, 21a, and 22a, 22b, and 22c  
 of FEC FORM 3

Page 1 of 1 for  
 Line Number 21 (a)

(File Separate Schedules for  
 each numbered line)

Name of Candidate or Committee in Full			
Corcoran for Congress Committee			
Full Name, Mailing Address and ZIP Code Daniel Corcoran P.O. Box 5006 Riverside, CA 92517	Particulars of Expenditure HBCA 32038 Loan repayments	Date (month, day, year) 7/11/78	Amount of each expenditure this period 100.00
	Expenditure for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other	7/23/78 8/4/78 9/13/78	1,100.00 200.00 4,000.00
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
SUBTOTAL of expenditures this page (optional)			\$ 5,400.00
TOTAL this period (last page this line number only)			\$ 5,400.00

Commission  
400 North  
Washington, D.C. 20543

**DEBTS AND OBLIGATIONS**

Supporting Line Numbers 12 and 13  
of FEC FORM 3

Page 1 of 2 for

Line Number 11

(Use Separate Schedules for  
each numbered line)

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee in Full  
**Corcoran for Congress Committee**

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E.T. Jacobs Accountancy Corp. 3610 Central Ave., Suite 600 Riverside, CA 92506	7/1/78	\$ 355.00	\$	\$ 355.00
	8/1/78			
<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt):  
Accounts payable - accounting services

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various	\$ 9,155.69	\$8,053.00	\$ 1,102.69
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt):  
Personal loan payable at 0% interest

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various	\$ 2,056.17	\$ -0-	\$ 2,056.17
<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt):  
Loans payable                    1,719.17  
Rent payable - Sept.        337.00

SUBTOTALS this period this page (optional) . . . . .	\$ 11,566.86	\$ 8,053.00	\$ 3,513.86
TOTAL this period (last page this line number only) . . . . .	\$ 37,919.23	\$ 8,053.00	\$ 29,866.23

Carry outstanding balance only to appropriate line of summary

8/2/80 4:03 31 369

Re: Jan Knight to Ron [redacted]

11/13/78

12/1

COMMITTEE: Corcoran For Congress CA/37

The committee received an S.V. for a \$5000 loan from the candidate's mother. Ms. Knight said that the loan has been refunded by the candidate from his own funds in early October. I told her to detail the circumstances of the repayment in a letter to the Commission and report the refund on their next report. She asked if there would be any penalties to ~~the~~ either the candidate or the committee. I told her that we will refer the matter to our Office of General Counsel after we received notice that the contribution (loan) has been refunded. OGC will get in contact with the committee if they have any further questions.

820403347570



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mrs. Mary Nelson  
c/o Mr. David Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mrs. Nelson:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, you loaned \$5,000 to Mr. Daniel Corcoran, a candidate for Federal office, who in turn used the \$5,000 in connection with his federal election campaign. Such loans are contributions under the Act. (2 U.S.C. §431(e)) Further, individual contributions are limited to \$1,000 per candidate per election. (2 U.S.C. §441a(a)(1)). Therefore, as your \$5,000 loan was used to influence Mr. Corcoran's election campaign, it appears that you violated §441a(a)(1)(A) of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. In addition, please submit copies of both sides of the check or checks given to Mr. Corcoran to effect the loan and a dated copy of the loan agreement. Where appropriate, statements should be submitted under oath.

132040331571

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter, at 202-523-4057.

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

3 2 0 4 0 3 3 1 3 7 2



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Daniel Corcoran  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Corcoran:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that you may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in May 1978, while a candidate for Federal office you accepted a \$5,000 loan from your mother, Mrs. Mary Nelson and used the proceeds in connection with your Federal election campaign. Such loans are contributions under the Act. (2 U.S.C. §431(e)). Further, contributions are limited to \$1,000 per candidate per election. (2 U.S.C. §441a(a)(1)(A)). Therefore, by accepting the \$5,000 loan which was in excess of the limit allowed by §441a(a)(1)(A), you may have violated 2 U.S.C. §441a(f). This section prohibits a candidate from accepting any contribution in violation of §441a of the Act.

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

1. Describe the facts and circumstances surrounding the making of the \$5,000 loan to you by your mother Mary Nelson. Specifically, please advise us of the date, purpose, terms and conditions of this loan and provide us with a copy of any loan agreement.
2. Please provide us with copies of both sides of the check(s) used to effect your \$5,000 loan to the Committee on or about May 12, 1978.
3. If this loan has been repaid, please provide us with copies of both sides of the check(s) used to make the repayment.

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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

40331374  
20



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

E. T. Jacobs, Treasurer  
Corcoran for Congress Committee  
P.O. Box 5006  
Riverside, CA 92512

Re: MUR 943

Dear Mr. Jacobs:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Corcoran for Congress Committee may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that Committee violated 2 U.S.C. §441a(f) by accepting a contribution of \$5,000. Committee reports disclose that Mary Nelson loaned \$5,000 to Federal candidate Daniel Corcoran, who in turn contributed the \$5,000 to the Committee on May 12, 1978 in violation of 2 U.S.C. §441a(a)(1)(A).

We have numbered this matter MUR 943.

Under the Act you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the following questions:

1. How did the proceeds of the \$5,000 loan reach the Committee (i.e. was it mailed, delivered by the candidate or his mother)?

040331575

2. Were any statements made to you or your staff regarding the purpose, source, and nature of this loan? If so, who made the statements and what were the substance of the statements?

Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten (10) days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the staff member assigned to this matter at 202-523-4057.

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

040331576

REPORTS ANALYSIS REFERRAL SHEET

MUR 943

DATE 4-5-79

ANALYST Susan Owen SO

TO: Office of General Counsel

TEAM CHIEF Peter Kell, Jr. PK

THROUGH: STAFF DIRECTOR O.P.

COMPLIANCE REVIEW Carroll Bowen CB

FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS JKH

CANDIDATE/COMMITTEE: Corcoran For Congress Committee CA/37

TREASURER: E.T. Jacobs, C.P.A.

ADDRESS: P.O. Box 5006  
Riverside, CA 92512

AFFILIATE(S): NONE

ALLEGATION(S): Contribution received in excess of \$1,000 from an individual.  
CITE: 2 U.S.C. 441a  
ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: August 22, 1978

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM April 1, 1978 TO May 22, 1978

TOTAL RECEIPTS \$ 10,637 TOTAL EXPENDITURES \$ 10,664

CASH ON HAND \$ 42 DEBTS \$ 25,922

HISTORY:

RESULTS OF REVIEW: The surface violation letter was sent to the Committee on November 1, 1978. A response was received from the Committee November 13, 1978 stating that the loan was repaid prior to the letter. Repayments of the loan are reported on the 30 day post-primary report and the October 10 report. ATTACHMENT #3, #4, #5, #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: Ron Krouse of Reports Analysis spoke with Jan Knight from the committee on November 13, 1978 ATTACHMENT #7

REASON(S) FOR REFERRAL: Contribution exceeds Commission threshold per 2 U.S.C. 441a and meets Division threshold for review by OGC. ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD: ATTACHMENT

NONE

OTHER RELEVANT INFORMATION: There is no record of any conversation referred to in Attachment #6 in the third paragraph.

REPORTS ANALYSIS REFERRAL SHEET

MUR 943

DATE 4-5-79

ANALYST Susan Owen <sup>SO</sup>

TO: Office of General Counsel

TEAM CHIEF Peter Kell, Jr <sup>PKR</sup>

THROUGH: STAFF DIRECTOR <sup>o.b.p.</sup>

COMPLIANCE REVIEW Carroll Bowen <sup>CB</sup>

FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS <sup>J.A.</sup>

CANDIDATE/COMMITTEE: Corcoran For Congress Committee CA/37

TREASURER: E.T. Jacobs, C.P.A.

ADDRESS: P.O. Box 5006  
Riverside, CA 92512

AFFILIATE(S): NONE

ALLEGATION(S): Contribution received in excess of \$1,000 from an individual. CITE: 2 U.S.C. 441a

ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: August 22, 1978

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM April 1, 1978 TO May 22, 1978

TOTAL RECEIPTS \$ \$10,637 TOTAL EXPENDITURES \$ \$10,664

CASH ON HAND \$ \$42 DEBTS \$ \$25,922

HISTORY:

RESULTS OF REVIEW: The surface violation letter was sent to the Committee on November 1, 1978. A response was received from the Committee November 13, 1978 stating that the loan was repaid prior to the letter. Repayments of the loan are reported on the 30 day post-primary report and the October 10 report. ATTACHMENT #3, #4, #5, #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: Ron Krouse of Reports Analysis spoke with Jan Knight from the committee on November 13, 1978. ATTACHMENT #7

REASON(S) FOR REFERRAL: Contribution exceeds Commission threshold per 2 U.S.C. 441a and meets Division threshold for review by OGC. ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD: ATTACHMENT

NONE

OTHER RELEVANT INFORMATION: There is no record of any conversation referred to in Attachment #6 in the third paragraph.

9 2 0 4 0 3 3 1 5 7 9  
 FEDERAL ELECTION COMMISSION  
 COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 10DEC78  
 PAGE 1

HOUSE

COMMITTEE	DOCUMENT	RECEIPTS		EXPENDITURES		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
		PRIMARY	GENERAL	PRIMARY	GENERAL			
CONGRESSIONAL FOR CONGRESS COMMITTEE								
1970	STATEMENT OF ORGANIZATION					29MAR78	33	70HSE/131/3760
	10 NOV CONTRIBUTION NOTICE					7JUN78	1	70HSE/137/3924
	10 NOV CONTRIBUTION NOTICE					7JUN78	1	70HSE/137/4917
	10 NOV CONTRIBUTION NOTICE					27OCT78	1	70HSE/152/0216
	10 NOV CONTRIBUTION NOTICE					4NOV78	1	70HSE/151/4869
	APRIL 10 QUARTERLY	1,542		1,500		24MAR78 - 31MAR78	6	70HSE/134/2134
	10 MAY 100 PRIMARY	10,637		10,664		1APR78 - 22MAY78	11	70HSE/134/3524
	REQUEST FOR ADDITIONAL INFORMATION					1APR78 - 22MAY78	1	70FEC/094/4023
	10 MAY 100 PRIMARY - AMENDMENT					22MAY78	3	70HSE/155/3177
	10 MAY 100 PRIMARY	4,690		4,090		23MAY78 - 24JUN78	10	70HSE/139/1030
	JULY 10 QUARTERLY	0		122		27JUN78 - 30JUN78	5	70HSE/141/3006
	OCTOBER 10 QUARTERLY		19,559		19,078	1JUL78 - 30SEP78	14	70HSE/148/2843
	10 MAY 100 GENERAL		5,197		5,180	10CT78 - 23OCT78	11	70HSE/152/4780
	TOTAL	16,869	24,756	16,376	24,258		100	TOTAL PAGES

*all reports have had basic review.*



DEBTS AND OBLIGATIONS

Supporting Line Numbers 12 and 13  
of FEC FORM 3

Page 2 of 2 for

Line Number 13

File Separate Schedules for  
each numbered line

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee as Full

**CORCORAN FOR CONGRESS COMMITTEE**

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E.Y. Jacobs, Accountancy Corp. 3610 Central Avenue, Suite 600 Riverside, CA 92506	4/1/78 5/1/78			
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		\$250.00	\$ -0-	\$250.00

NATURE OF OBLIGATION (Details of Debt)

Accounts payable - accounting services

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various			
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		\$7,765.19	\$400.00	\$7,365.19

NATURE OF OBLIGATION (Details of Debt)

Loan payable on demand at 0% interest 7,365.19 5/12/78  
 (\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
		\$	\$	\$
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt)

SUBTOTALS this period this page (optional) . . . . .	\$8,015.19	\$400.00	\$7,615.19
TOTAL this period (last page this line number only) . . . . .	\$26,322.19	\$400.00	\$25,922.19

Carry outstanding balance only to appropriate line of following

12/1



FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.  
WASHINGTON, D.C. 20543

1 November 1978

Mr. E.T. Jacobs, C.P.  
Corcoran for Congress  
P.O. Box 5006  
Riverside, California

Dear Mr. Jacobs:

This letter is the Commission's interest in assisting candidates and committees to comply with the Federal Election Campaign Act, as amended. One of the 10 Day Pre-Primary Report of Receipts and Expenditures you noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of your report is attached so that a review of your records

The Act precludes making political contributions to a candidate for Federal office in excess of \$1,000 per election.

The Commission recommends that if you find the contribution you received was in excess of the amount set forth in the Act you return the amount in excess of the contribution. This return should be reported immediately by you and should be reflected as a contribution refund on your next receipts and expenditures. If you find that the entry is incomplete or incorrect, please submit a statement which explains this particular matter for the public record. You may do so by attaching your original report by letter.

Please notify the Commission within fifteen (15) days from the date of this letter of the date of this matter. If you have any questions concerning this matter please do not hesitate to contact Susan Owen (800)424-9530, our analyst assigned to you. Our local telephone number is 523-4043.

Sincerely,

*Richard B. Potter*  
Richard B. Potter  
Chief Director

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1978  
11/01  
U.S.I.

8 2 0 4 0 3 3 1 5 8 3

CORCORAN 4506178-1-350

● INDIAN 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 ..... c  
 Show to whom, date, and address of delivery ..... c  
 RESTRICTED DELIVERY  
 Show to whom and date delivered ..... c  
 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. | INSURED NO.  
 | 4506178 | |

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent  
*W. S. ...*

4 DATE OF DELIVERY | POSTMARK

5 ADDRESS: (Complete only if requested)

6 UNABLE TO DELIVER BECAUSE: | CLERK'S INITIALS

RECEIVED RECEIPT REGISTERED REGISTERED AND CERTIFIED MAIL

E. T. JACOBS, ACCOUNTANCY CORPORATION  
A CALIFORNIA PROFESSIONAL CORPORATION

8010 CENTRAL AVE. SUITE 800  
RIVERSIDE, CALIF. 92504

NOV 14 1978  
CERTIFIED

NOV 21 .. 2 50

November 13, 1978

PHONE 944-8800

Ms. Susan Owen, Reports Analyst  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Dear Ms. Owen:

07848

SUBJECT: Corcoran for Congress Committee  
45V1778-10250

Per instruction from Ron Kroun in your office, we are replying to your correspondence of November 1, 1978 (copy enclosed) relating to a contribution received by the candidate in excess of \$1,000.

In May of 1978, the candidate received a \$5,000 loan from his mother. It was secured by a second deed of trust and note on property owned by the candidate. The property was held for sale; the note was a short-term note to be repaid upon sale of the property. The note was repaid with interest on September 13, 1978 from the candidate's personal funds.

This type of transaction is not an unusual situation, but rather a common occurrence when an escrow is pending. At the time the loan was received, we were not aware that the candidate should restrict this sort of transaction during the period of his candidacy; and consultation with your office regarding the treatment of the loan at the time the 10 Day Pre-Primary Report was filed did not reveal any illegality. We first became aware of the fact that the contribution limitation may apply to this transaction upon receipt of your correspondence.

In that the total amount of the loan was repaid prior to the receipt of your letter and there was no intention on the part of the candidate or treasurer to wrongfully accept contributions, we ask that the Commission review the situation in a favorable light.

If you have further questions, please contact either the candidate or myself at your earliest convenience so that this matter can be resolved.

Sincerely,



E. T. Jacobs  
Treasurer

Enclosure

92040331584  
7201553177

1978 NOV 14 10 11 AM '78  
U.S. DEPARTMENT OF JUSTICE  
FEDERAL ELECTION COMMISSION

FILED  
 1978  
 Election Commission  
 Street, N.W.  
 Washington, D.C. 20463

**ITEMIZED EXPENDITURES**

(Operating, Transfers Out, Contributions In-Kind,  
 Loans, Loan Repayments and Refunds Made)  
 Supporting Lines 20a, 21a, and 22a, 22b, and 22c  
 of FEC FORM 3

Page 1 of 1 for  
 Line Number 21 (a)

Use Separate Schedules for  
 each numbered line!

Name of Candidate or Committee in Full

Corcoran for Congress Committee

Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Daniel Corcoran P.O. Box 5006 Riverside, California 92517 <i>H8C A37038</i>	Loan repayment	5/31/78	1,000.00
	Expenditure for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other	6/2/78	500.00
Gary Montgomery 2221 Elsinore Riverside, California 92506	Loan repayment	5/31/78	700.00
	Expenditure for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
58 53	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
33 33	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
40 40	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
32 32	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
33 33	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
SUBTOTAL of expenditures this page (optional)			\$
TOTAL this period (last page this line number only)			\$ 2,200.00

**DEBTS AND OBLIGATIONS**

Supporting Line Numbers 12 and 13  
 of FEC FORM 3

Page 2 of 2 for

Line Number 13

(Use Separate Schedules for  
 each numbered line)

(Indicate Primary or General Election for each Entry)

Name of Candidate and Committee in Full

**CONYMAN FOR CONGRESS COMMITTEE**

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E.T. Jacobs, Accountancy Corp. 3610 Central Avenue, Suite 600 Riverside, California 92506	4/ 1/78 5/ 1/78 6/ 1/78	\$ 585.00	\$ -0-	\$ 585.00
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt)

Accounts payable - accounting services

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, California 92517	Various	\$ 9,155.69	\$ 1,900.00	\$ 7,255.69
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt)

Loan payable on demand at 0% interest \$7,255.69

(\$5,000 was loaned to the candidate by his mother, Mary Nelsen, who in turn was given a promissory note and deed of trust by Mr. Corcoran payable in 90 days at 10% interest.)

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
		\$	\$	\$
<input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other				

NATURE OF OBLIGATION (Details of Debt)

SUBTOTALS this period this page (optional)	\$9,740.69	\$1,900.00	\$7,840.69
TOTAL this period (last page this line number only)	\$28,047.69	\$2,600.00	\$25,447.69

1. If outstanding balance only to substantiate one of your entries

MODULE B  
 USED  
 APR. 1978  
 Federal Election Commission  
 11 K Street, N.W.  
 Washington, D.C. 20463

**ITEMIZED EXPENDITURES**

(Operating, Transfers Out, Contributions in Kind,  
 Loans, Loan Repayments and Refunds Made)  
 Supporting Lines 20a, 21a, and 22a, 22b, and 22c  
 of FEC FORM 3

Page 1 of 1 for  
 Line Number 21 (a)

File Separate Schedules for  
 each numbered line!

Name of Candidate or Committee in Full

Corcoran for Congress Committee

Full Name, Mailing Address and ZIP Code	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92517	HSCA 32038 Loan repayments	7/11/78	100.00
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other	7/23/78 8/4/78 9/13/79	1,100.00 200.00 4,000.00
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		
	Particulars of Expenditure	Date (month, day, year)	Amount of each expenditure this period
	Expenditure for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		

SUBTOTAL of expenditures this page (optional) ..... \$ 5,400.00

TOTAL this period (last page this line number only) ..... \$ 5,400.00

**DEBTS AND OBLIGATIONS**

Supporting Line Numbers 12 and 13  
 of FEC FORM 3

(Indicate Primary or General Election for each Entry)

(Use Separate Schedules for each numbered line)

Name of Candidate and Committee in Full  
**Corcoran for Congress Committee**

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
E. T. Jacobs Accountancy Corp. 3610 Central Ave., Suite 600 Riverside, CA 92506	7/1/78 8/1/78			
<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other		\$ 355.00	\$	\$ 355.00

NATURE OF OBLIGATION (Details of Debt):

Accounts payable - accounting services

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various			
<input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		\$ 9,155.69	\$8,053.00	\$ 1,102.69

NATURE OF OBLIGATION (Details of Debt):

Personal loan payable at 0% interest

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Daniel Corcoran P.O. Box 5006 Riverside, CA 92512	Various			
<input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other		\$ 2,056.17	\$ -0-	\$ 2,056.17

NATURE OF OBLIGATION (Details of Debt):

Loans payable 1,719.17  
 Rent payable - Sept. 337.00

SUBTOTALS this period this page (optional) . . . . .	\$ 11,566.86	\$ 8,053.00	\$ 3,513.86
TOTAL this period (last page this line number only) . . . . .	\$ 37,919.23	\$ 8,053.00	\$ 29,866.23

Carry outstanding balance only to appropriate line of summary

8/20/4033103

Jan Knight to Sen Krouse

11/15/78

121

COMMITTEE:

Corcoran For Congress CA/37

The committee received an S.V. for a \$5000 loan from the candidate's mother. Ms. Knight said that the loan has been refunded by the candidate from his own funds in early October. I told her to detail the circumstances of the repayment in a letter to the Commission and report the refund on their next report. She asked if there would be any penalties to ~~the~~ either the candidate or the committee. I told her that we will refer the matter to our Office of General Counsel after we received notice that the contribution (loan) has been refunded. OGC will get in contact with the committee if they have any further questions.

3 2 0 4 0 3 3 7 5 8 9



FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 943

Date Filmed 6/3/82 Camera No. --- 2

Cameraman SPC

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