

Cunningham for Congress

Campaign Headquarters
4917 Evergreen
Bellaire, Texas 77401
Telephone (713) 660-8179
Fax (713) 751-0404

August 29, 1994

VIA TELECOPIER (202) 219-3923

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

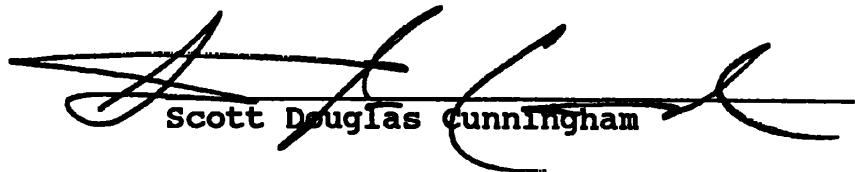
Re: Scott Douglas Cunningham Campaign Committee
FEC # C00287581

Dear Mr. Levin:

Pursuant to our last telephone conversations, enclosed herewith please find responsive information from Security Pacific Executive Professional Services and Citibank Ready Credit, attaching copies of the credit agreements and specifying that neither entity is a depository institution.

Please let me know whether you require any additional information. Again, time is of the essence in trying to complete the requested advisory opinion. Should you have any additional questions or comments, please do not hesitate to call.

Very truly yours,


Scott Douglas Cunningham

SDC:mc
Enclosures

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 31 11 54 AM '94
AUG 31 11 06 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

Supplement to
AOR 1994-26

SEP 6 12 51 PM '94

First Republic Bank

Line of Credit
Signature Card

Presented with First Republic Bank
First Republic Bank Dallas
Head, Card Customer Service Section

First Republic Bank

Account Number
71862196

Scott D Cunningham
1311 Antoine Apt 376
Houston, Texas 77055

Account Number
489-92-8117

Date
3/10/58

Signature
E. L. R. A. T. S.

Year
1923

Signature
E. L. R. A. T. S.

Signature
E. L. R. A. T. S.

1958-211-1001

SECURITY PACIFIC
EXECUTIVE/PROFESSIONAL SERVICES

August 24, 1994

Scott D. Cunningham
4917 Evergreen
Bellaire, TX 77401-5013

RE: ACCOUNT #23217699 - 3863

Dear Scott D. Cunningham:

Thank you for your letter dated August 16, 1994.

As you requested, enclosed you will find a copy of your Revolving Credit Line Application, Agreement and Federal Disclosure Statement.

Security Pacific Executive/Professional Services, Inc., A BankAmerica Company is a division of the BankAmerica Corporation. Our company is not a depository institution and our accounts are not insured by the Federal Deposit Insurance Corporation.

If you have any questions, please call our Customer Service Department at (800) 274-6711.

Sincerely,



June Bauer
Customer Service Manager

JB/dj

P.O. Box 6028
Sioux Falls, SD 57117-6028

August 22, 1994

SCOTT D CUNNINGHAM
4917 EVERGREEN
BELLAIRE TX
77401 5013

READY CREDIT
ACCOUNT NUMBER
5886977030112

Dear SCOTT D CUNNINGHAM:

We are responding to an inquiry concerning your Citibank Ready Credit account.

Citibank Ready Credit accounts are not deposit accounts. Therefore, they are not insured by the Federal Deposit Insurance Corporation.

Enclosed is the information you requested.

Sincerely,

S. Larson
Customer Service

SL/ch
SDCR334
Enc.

Your Ready Credit Account Is Changing

Changes in the way your Ready Credit account is processed will take effect on November 5, 1993. Full details are included in the enclosed Ready Credit Agreement Amendment. Terms in your current Ready Credit Agreement that are not explicitly mentioned in the enclosed Amendment, including the Annual Percentage Rate and any applicable charges and fees on your Ready Credit account, do not change.

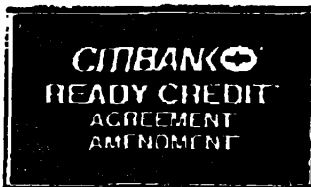
For your convenience, here's a summary of the changes:

- Beginning with the first monthly billing period after November 5, 1993, Ready Credit statements will feature a new, easier-to-read format.
- Ready Credit payment must be mailed to Citibank (South Dakota), N.A. at the address shown on the billing statement in the envelope provided for your convenience.
- We will modify the order in which payments are applied to principal, interest, and fees; and we will calculate finance charges based on your average daily balances.
- Credit Life insurance service will be referred to as "Credit Shield"; if you currently use this service, the name change will have no effect on your current credit life coverage or applicable fees.
- Future changes to your Ready Credit Agreement, if any, will be made following procedures that conform to South Dakota laws.

Although a quick and easy changeover is anticipated, Citibank regrets any inconvenience you may experience. If you have concerns or questions about your Ready Credit account or any of the changes or new procedures, please call the customer service number printed on your current monthly statement.

As always, we appreciate the opportunity to serve you.

CITIBANK 



Effective November 9, 1993, this Amendment replaces and supersedes the terms specified in your Ready Credit Agreement except for those terms that are not explicitly defined in this Amendment. For example, since the Annual Percentage Rate on your

account is not defined in this Amendment, the Annual Percentage Rate on your account remains as defined in your current Ready Credit Agreement.

About This Agreement

Please be sure that you (and the joint accountholder, if any) read this Agreement carefully. Each of you will be liable for the entire amount due under this Agreement. Please keep a copy of this document for your records.

This Agreement describes the terms and conditions of your Citibank Ready Credit account, an unsecured line of revolving credit. In this Agreement, we use the following definitions:

- "you," "your," and "yours" mean the Citibank Ready Credit account-holders.
- "we," "us," and "our" refer to Citibank (South Dakota), N.A., the issuer of the account.
- "account" simply means your Citibank Ready Credit account.

You may close your account at any time by notifying us in writing, and we may cancel your account at any time without prior written notice. We reserve the right to periodically request application information and proof of current income from you. If you refuse to provide such information, we may reduce your credit limit or close your account. Of course, if your account is canceled, you will still be responsible for paying us any balance owed under this Agreement. Additionally, if any of the terms of the Agreement are determined to be invalid or unenforceable, the remainder of the Agreement will be in full force and effect.

This Agreement is considered to be accepted and completed at our offices in South Dakota; both your rights and our rights will be governed by both Federal and South Dakota state laws.

Credit Limit

Your current credit limit is listed on each billing statement. You agree that you will not exceed your credit limit without our consent. At our discretion we may change your credit limit at any time. Provided you are not in default of this Agreement and depending upon your credit status, we may authorize transactions that cause you to exceed slightly your credit limit without waiving any of our rights under this Agreement.

Using Your Account

Your use of the account, or the billing and payment of the Annual Membership Fee indicates that you have accepted all the terms of the Agreement. You may use your account by writing a Citibank Ready Credit check, which may be used just like regular bank checks for making purchases or obtaining cash, and each of which is a request for a loan against your account. You may also use your account by providing your account number and ap-

...the... services or merchandise which Citibank Ready Credit may make available to you from time to time. You may write us any checks as long as you are sure you will use up your available credit.

...Citibank Ready Credit checks may be used by the person(s) whose name(s) is/are printed on the Citibank Ready Credit check. You are responsible for all authorized use of your Citibank Ready Credit checks.

...We will automatically return any credit amount over \$1.00 to you if it is seen on your account for at least three (3) consecutive months. You may request a refund of a credit balance at any time, of course.

We are not obligated to cash any checks, nor will we return paid Ready Credit checks to you although we will provide copies upon written request. Furthermore, you must notify us immediately by calling or writing Customer Service at the address shown on your monthly billing statement if your Citibank Ready Credit checks are lost or stolen. We may need your assistance to find out what happened and may ask you to provide us with necessary information in writing.

Billing Statement

If you have a balance on your account, we will send you a monthly billing statement. It will show the new balance, any finance charges, the minimum amount due and the payment due date. It will also show your credit limit balance, itemized list of transactions, payments and other fees. Finally, you will find the address of where to send your monthly Ready Credit payments, as well as the Citibank Ready Credit Customer Service phone number and address.

Terms and Amount of Repayment

You agree to repay your Citibank Ready Credit outstanding balance, which may include your finance charges and fees as described in this Agreement. You may pay the minimum payment due or any amount greater than the minimum payment due and including the entire outstanding balance. The sooner you pay your entire outstanding balance, the less you will have to pay in finance charges. Payment must be received by us by the payment due date. We can accept late or partial payments, as well as payments that are marked "payment in full" or with restrictive endorsements without losing any of our rights under this Agreement. Payments must be in United States currency and drawn on a United States bank.

Your minimum payment will be the total of any past due amounts: 1/2 of the highest billed balance of your statement, which includes insurance charges, as of the date of your billing statement, plus current finance charges, all of which is rounded to the nearest dollar (but at least \$20; if the balance is less than \$20, the entire balance will be due); any late charges, membership fees, or other applicable charges or fees which have been added to your account during the current billing cycle or remain unpaid from a prior billing cycle; and any portion of your total balance which is in excess of the total credit limit.

Your payments will be applied in the following order:
1. any past due amounts;

- 2. finance charges on your Advances balance
- 3. finance charges on your Charges balance
- 4. the minimum due portion of your Advances balance, including checks, cash advances and insurance premiums.
- 5. the minimum due portion of your Charges balance.
- 6. any fees; and
- 7. any remaining balance

Finance Charges on Charges

We will add a finance charge to your Charges balance (late fees, return payment fees, and annual membership fees, if any) if your Charges balance is not paid in full on or before the payment due date. The finance charge is calculated as follows:

1. We start with your Charges balance at the beginning of the billing period, excluding any unpaid finance charges;
2. On each day of the billing period we subtract the principal portion of any payments attributed to the Charges balance as described in the "Terms and Amount of Repayment" section of the Agreement and any credits and we add any late fees, return payment fees and annual membership fees, if any giving us a daily Charges balance. Unless we elect to use a later date, charges are added to your balance as of the date of the charge;
3. We total the daily Charges balances and divide that figure by the number of days in the billing period. This determines the average daily Charges balance subject to finance charge;
4. We then multiply the average daily Charges balance subject to finance charge by the monthly periodic rate.

Finance Charge on Advances

We will add a finance charge to your Advances balance (late fees, advances, insurance, and any other services) from the day you incur an advance until the day we receive payment in full. The finance charge is calculated as follows:

1. We start with the previous balance of your Advances balance at the beginning of the billing period, excluding any unpaid finance charges;
2. On each day of the billing period we subtract the principal portion of any payments attributed to the Advances balance as described in the "Terms and Amount of Repayment" section of the Agreement and any credits and we add any late fees, advances, adjustments, or other services giving us a daily Advances balance. Unless we elect to use a later date, advances are added to your balance as of the date of the activity;
3. We total the daily Advances balances and divide that figure by the number of days in the billing period. This determines the average daily Advances balance subject to finance charge;
4. We then multiply the average daily Advances balance subject to finance charge by the daily periodic rate and the number of days in the billing period.

The Annual Percentage Rate

If your Ready Credit account has an Annual Percentage Rate that varies based upon changes in the "Prime Rate" or nearest as published periodically in the "Money Rates" section of The Wall Street Journal, then adjustments in the Annual Percentage Rate (and the daily periodic rate) will be made each month on the day after your account billing cycle closing date following the first Monday of the month. The closing date is shown on each monthly billing statement. Your monthly billing statement reflects the Annual Percentage Rate and the daily periodic rate in effect during the previous billing cycle. Any increase in the Prime Rate will result in increased finance

charges and therefore, an increased Minimum Payment

Default

Please note that you will be in default of this Agreement if any of the following should occur:

1. You do not make at least your minimum payment when due.
2. You attempt to make a payment on your account with a Citibank Ready Credit check or with a corporate or partnership check. However, our acceptance of one or more such checks shall not be considered a waiver of this restriction.
3. Any other creditor tries by legal process to take money or other property of yours in our possession.
4. You apply for relief under any bankruptcy or insolvency law.
5. You exceed your credit limits.
6. You violate any other part of this agreement.
7. You gave or give us false or misleading information in connection with an extension of credit to you.

If you are in default of this Agreement, we may refuse to honor any Citibank Ready Credit checks and/or demand that you pay your balance in full at once. We may also refuse to honor a Ready Credit check that will cause you to exceed your credit limit, or if your account has been closed. You also agree to pay us reasonable attorney's fees, plus court or other collection costs as permitted by law, if we have to refer your account to any collection attorney who is not a salaried employee. We may also delay enforcing any of our rights, under this Agreement, without losing those rights.

Credit Reports

Your performance under this Agreement may be reported to credit reporting agencies or to our affiliates, and will be made available when requested by appropriate legal process. Unless otherwise prohibited by law, we will ordinarily try to notify you by phone or mail of such legal process.

If you fail to make minimum payments on time, we will report that to our credit reporting agencies. A poor credit report can significantly harm your ability to obtain credit from other sources. If you think our report was a mistake or wish to learn the names of the agencies we contacted, call us promptly at the number listed on your billing statement.

We may ask credit reporting agencies for consumer reports containing your credit history. If you ask, we will tell you whether or not consumer reports were requested. We also can tell you the names and addresses of the credit reporting agencies furnishing the information.

Changes in Terms Of This Agreement

We may change any of the terms of this Agreement, including the amount of finance charges, other charges or the methodology used to calculate the Annual Percentage Rate, at any time. However, if we do, we will mail you written notice at least 15 days before the beginning of the billing cycle in which the changes become effective. If you do not agree to the changes, you must notify us in writing within 25 days after the effective date of the changes and pay us the balance, either at once or under the terms of the unchanged Agreement. Otherwise, you have agreed to the changes in the notice. Use of your Ready Credit account after the effective date of the change shall be deemed acceptance of the new terms, even if the 25 days have not expired.

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