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

THIS IS THE END OF MUR # 2165

Date Filmed 2/1/87 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

(1) Internal Memoranda

(2) Routing Slips

(3) 12 Day Report & Comment Sheets

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

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

Signed Eric Klumfelt

date 11/18/86

FEC 9-21-77

8704053227 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 2, 1986

Sue C. Hestor, Esquire
870 Market Street, Rm. 1121
San Francisco, CA 94102

Dear Ms. Hestor:

This will acknowledge receipt of your letter which was received on November 24, 1986, and which inquired about a possible violation of the Federal Election Campaign Act of 1971, as amended, (the "Act").

As you were notified, Matter Under Review 2165 was closed by the Commission on October 21, 1986. This MUR will be placed on the public record. Should you desire any additional documentation regarding MUR 2165, please contact the Commission's Public Records office at (202) 376-3140.

However, should you desire to make an additional complaint, the 1976 amendments to the Act and Commission regulations require that a complaint meet certain specific requirements. Since your letter does not meet these requirements, the commission can take no action at this time to investigate this matter.

However, if you desire the Commission to look into the matter discussed in your letter, to determine if the FECA has been violated, a formal complaint as described in 2 U.S.C. § 437g(a) (1) must be filed. Requirements of this section of the law and Commission regulations at 11 C.F.R. § 111.4 which are a prerequisite to Commission action are detailed below:

(1) A complaint must be in writing. (2 U.S.C. § 437g(a) (1)).

(2) Its contents must be sworn to and signed in the presence of a notary public and shall be notarized. (2 U.S.C. § 437g(a) (1)).

(3) A formal complaint must contain the full name and address of the person making the complaint. This information will be made known to any and all respondents upon the notification of the complaint.

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(4) A formal complaint should clearly identify as a respondent each person or entity who is alleged to have committed a violation (11 C.F.R § 111.4)

(5) A formal complaint should identify the source of information upon which the complaint is based. (11 C.F.R. § 111.4).

(6) A formal complaint should contain a clear and concise recitation of the facts describing the violation of a statute or law over which the Commission has jurisdiction. (11 C.F.R. § 111.4)

(7) A formal complaint should be accompanied by supporting documentation if known and available to the person making the complaint. (11 C.F.R. § 111.4).

Finally, please include your phone number, as well as the full names and addresses of all respondents.

Enclosed are excerpts of the Commission regulations, and your attention is directed to 11 C.F.R. § 111.4 through 111.10 that deal with preliminary enforcement procedures. I trust these materials will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a fifteen day time period during which you may file an amended complaint as specified above. Please forward to us any additional information or correspondence that you may have regarding this matter.

If we can be of any further assistance, please do not hesitate to call me at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Lois G. Lerner

By: Lois G. Lerner
Associate General Counsel

Enclosures
Excerpts
Procedures

8704063222276

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Sue C. Hestor, Esquire
870 Market Street, Rm. 1121
San Francisco, CA 94102

Dear Ms. Hestor:

This will acknowledge receipt of your letter which was received on November 24, 1986, and which inquired about a possible violation of the Federal Election Campaign Act of 1971, as amended, (the "Act").

As you were notified, Matter Under Review 2165 was closed by the Commission on October 21, 1986. This MUR will be placed on the pubic record. Should you desire any additional documentation regarding MUR 2165, please contact the Commissions's Public Records office at (202) 376-3140.

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Finally, please include your phone number, as well as the full names and addresses of all respondents.

Enclosed are excerpts of the Commission regulations, and your attention is directed to 11 C.F.R. 111.4 through 111.10 that deal with preliminary enforcement procedures. I trust these materials will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a fifteen day time period during which you may file an amended complaint as specified above. Please forward to us any additional information or correspondence that you may have regarding this matter.

If we can be of any further assistance, please do not hesitate to call me at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosures
Excerpts
Procedures

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GCG 2078
RECEIVED AT THE FEC
86 NOV 24 A9:40

SUE C. HESTOR
Attorney at Law
870 Market Street, Rm. 1121
San Francisco, CA 94102
(415) 362-2778

November 18, 1986

RECEIVED
FEDERAL ELECTIONS COMMISSION
GENERAL COUNSEL
86 NOV 24 A10:46

Charles N. Steele
General Counsel
Federal Elections Commission
Washington DC 20463

RE: MUR 2165

Dear Mr. Steele:

I am the attorney for Citizens for Representative Government, complainant in the above matter concerning campaign contributions made by the Jamestown Company, Stanway, Inc. and Sylvia Lichauco. Your office received my complaint on April 11, 1986.

On November 5, 1986 you transmitted your General Counsel's Report, "In the Matter of Stanway, N.V. and Wendy Nelder." That report states that on July 9, 1986 the FEC determined there is reason to believe that Stanway N.V., Sylvia Lichauco and Wendy Nelder violated 2 USC sec. 441e. Your cover letter, but not the General Counsel's Report, also states that on July 9, 1986 the Commission determined with respect to the other respondents (unnamed by you) that there was no reason to believe that a violation of the Act has been committed.

I am hereby requesting additional information on your determination regarding "the other respondents."

My complaint transmitted and incorporated by reference California form 461, Expenditure and Major Donor Committee Campaign Statement, for the Calendar Year 1984, filed March 21, 1986 by Sylvia Lichauco. The "Attachment for Form 461, Period Covered: 1/1/84 - 12/31/84" specifically states that the following additional contributions were made by Stanway, N.V.:

6/1 Campton Place Hotel, contribution on behalf of San Francisco Supervisor Carol Ruth Silver by Stanway, N.V. - $295

1/24 contribution to San Franciscans for Carol Ruth Silver reimbursed to Sylvia Lichauco through Stanway on 2/1/84 - $500

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7/27 contribution to Comm. to ReElect Supervisor Louise Renne reimbursed to Sylvia Lichauco through Stanway on 8/1/84 - $500

Why were these contributions by Stanway not considered in your decision? I would point out that under California law that payment to the Campton Place Hotel was clearly a campaign contribution to an elected municipal official, Supervisor Carol Ruth Silver.

That same "Attachment" also shows a multitude of campaign contributions from the Jamestown Company, a California company that was wholly owned by a foreign national, specifically contributions:

10/3/84 contribution to San Franciscans for Carol Ruth Silver - $250

10/31/84 contribution to Supervisor Willie Kennedy Campaign - $150

If the FEC has already made a determination that distinguishes those contributions from those made to Supervisor Nelder, please transmit a copy of that determination. If no determination has been made on those contributions, please consider this "a complaint pursuant to the requirements set forth in 2 U.S.C. sec. 437(a)(1) and 11 C.F.R. sec. 111.4, since they were originally set out in my April 11 complaint. If there is any deficiency as to form, please inform me immediately so that I may rectify it.

Did you determine that "Citistops" was not a foreign national? Also, why is the decision I received stamped "Sensitive?"

Sincerely,

Sue C. Hestor

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 10, 1986

Sue C. Hestor, Esquire
870 Market Street
Room 1121
San Francisco, CA 94102

Re: MUR 2165

Dear Ms. Hestor:

The Federal Election Commission has reviewed the allegations of your complaint dated April 17, 1986 and determined that on July 9, 1986 there is reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed by Stanway N.V. and Wendy Nelder. However, after considering the circumstances of this matter, the Commission has determined on October 21, 1986, to take no further action.

Also on July 9, 1986, the Commission determined with respect to the other respondents that there is no reason to believe that a violation of the Act has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

8704032281

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Sue C. Hestor, Esquire
870 Market Street
Room 1121
San Francisco, CA 94102

Re: MUR 2165

Dear Ms. Hestor:

The Federal Election Commission has reviewed the allegations of your complaint dated April 17, 1986 and determined that on July 9, 1986 there is reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed by Stanway N.V. and Wendy Nelder. However, after considering the circumstances of this matter, the Commission has determined on , 1986, to take no further action.

Also on July 9, 1986, the Commission determined with respect to the other respondents that there is no reason to believe that a violation of the Act has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

8704053222 82

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Leonard B. Berger, Esquire
Dobbs, Berger, Molinar, Casalnuovo,
Vannelli & Nadel
Suite 2500 Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

RE: MUR 2165
John L. Molinari

Dear Mr. Berger:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704053223 83

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Burk Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Dianne Feinstein, Willie Kennedy, Quentin Kopp, Louise Renne, and Carol Ruth Silver

Dear Mr. Delventhal:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704063222984

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Sylvia Lichauco

Dear Mr. Sperske:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704063228 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

Dear Mr. Starr:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704063228 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Stanway, N.V.

Dear Mr. Sperske:

On July 9, 1986, the Commission found reason to believe that your client had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on October 21, 1986, the Commission has determined to take no further action and close its file. The Commission closed the file prior to any consideration of whether there is probable cause to believe a violation of the Act occurred.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that the making of contribution by a foreign national for any political office is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704053229 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1986

Burk E. Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Delventhal:

On July 9, 1986, the Commission found reason to believe that Wendy Nelder had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on October 21, 1986, the Commission has determined to take no further action and close its file. The Commission closed the file prior to any consideration of whether there is probable cause to believe a violation of the Act occurred.

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The Commission reminds you that the receipt of a contribution from a foreign national nevertheless is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704063229 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Burk E. Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Delventhal:

On July 9, 1986, the Commission found reason to believe that Wendy Nelder had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on October 21, 1986, the Commission has determined to take no further action and close its file. The Commission closed the file prior to any consideration of whether there is probable cause to believe a violation of the Act occurred.

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Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

FL
RVA

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Stanway, N.V.

Dear Mr. Sperske:

On July 9, 1986, the Commission found reason to believe that your client had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on October 21, 1986, the Commission has determined to take no further action and close its file. The Commission closed the file prior to any consideration of whether there is probable cause to believe a violation of the Act occurred.

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The Commission reminds you that the making of contribution by a foreign national for any political office is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

EK
RVC

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

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Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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PVH

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Sylvia Lichauco

Dear Mr. Sperske:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

8704053292

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Burk Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Dianne Feinstein, Willie Kennedy, Quentin Kopp, Louise Renne, and Carol Ruth Silver

Dear Mr. Delventhal:

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Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

EK

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leonard B. Berger, Esquire
Dobbs, Berger, Molinar, Casalnuovo,
Vannelli & Nadel
Suite 2500 Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

RE: MUR 2165
John L. Molinari

Dear Mr. Berger:

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Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEC MAIL ROOM
COMMISSION SECRETARY
86 NOV 3 P3:38

November 3, 1986

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

SUBJECT: Letters to respondents in MUR 2165

On October 21, 1986, the Commission directed the Office of General Counsel to redraft the letters in MUR 2165 to respondents Wendy Nelder and Stanway, N.V., in order to explain that the Commission had closed the file prior to a finding of probable cause to believe. Attached for Commission approval are the redrafted letters for Nelder and Stanway.

Attachments
1. Letters (2)

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SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY
86 NOV 3 P3:38

Burk E. Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Delventhal:

On July 9, 1986, the Commission found reason to believe that Wendy Nelder had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on October 21, 1986, the Commission has determined to take no further action and close its file. The Commission closed the file prior to any consideration of whether there is probable cause to believe a violation of the Act occurred.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that the receipt of a contribution from a foreign national nevertheless is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

ATTACHMENT 1 (1)

8704043229 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Stanway, N.V.

Dear Mr. Sperske:

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The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that the making of contribution by a foreign national for any political office is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

(2)

8704063222297

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Stanway, N.V.) MUR 2165
Wendy Nelder)

AMENDED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 21, 1986, do hereby certify that the Commission took the following actions in MUR 2165:

1. Decided by a vote of 6-0 to take no further action against Stanway, N.V. for a violation of 2 U.S.C. § 441e.

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

2. Decided by a vote of 5-1 to take no further action against Wendy Nelder for a violation of 2 U.S.C. § 441e.

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

(continued)

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3. Decided by a vote of 6-0 to

a) Direct the Office of General Counsel to redraft the letters attached to the report dated October 2, 1986, in order to explain more specifically that the Commission had closed the file prior to a finding of probable cause to believe.

b) Close the file.

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

Attest:

10-27-86
Date

Marjorie W. Emmons
Secretary of the Commission

8704063229

SENSITIVE

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OFFICE OF THE FEC
COMMISSION SECRETARY

86 OCT 3 A9:38

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Stanway, N.V.) MUR 2165
Wendy Nelder)

GENERAL COUNSEL'S REPORT

I. Background

On July 9, 1986, the Federal Election Commission ("Commission") determined there is reason to believe that Stanway N.V. and Sylvia Lichauco, as President of Stanway N.V., violated 2 U.S.C. § 44le. Also on July 9, 1986, the Commission determined there is reason to believe that Wendy Nelder violated 2 U.S.C. § 44le. The basis for these determinations was a complaint filed by Sue Hestor alleging that respondent Stanway, a foreign national, made a contribution to Wendy Nelder, a member of the San Francisco Board of Supervisors.

Stanway responded through counsel on August 12, 1986. Counsel for Wendy Nelder requested an extension of time to respond to the Commission's determinations on August 6, 1986. On August 29, 1986, Nelder's response was received by the Office of General Counsel.

II. Legal Analysis

This matter involves a $250 contribution made by Stanway to Wendy Nelder on February 6, 1984. Stanway is a Netherland Antilles corporation. Nelder is a member of the San Francisco Board of Supervisors. The contribution was made by means of a check drawn on Stanway's bank account in Redwood Bank of San Francisco. The check was signed by Sylvia Lichauco, who had power of attorney to act for Stanway. The contribution was

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refunded to Stanway by check dated May 23, 1986.

Stanway's response contains the same primary argument as did its response to the complaint in this matter, that Stanway was acting as agent and under the direction of another corporation, The Jamestown Company ("Jamestown"), when it made the $250 contribution to Wendy Nelder. Jamestown is a California corporation, albeit a wholly-owned subsidiary of another foreign corporation. In her sworn affidavit, Sylvia Lichauco states that "Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company . . . in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company." Ms. Lichauco goes on to state that the contribution at issue was made by Stanway as agent for The Jamestown Company. Thus, argues Stanway, the substance of the transaction was a California corporation making a contribution to Nelder, and since the Federal Election Campaign Act of 1971, as amended, ("Act") contains no specific prohibition against a foreign corporation acting as agent of a domestic corporation when making a campaign contribution, no violation occurred.

The City Attorney of San Francisco responded on behalf of Nelder, making several arguments in addition to that asserted by Stanway. First, Nelder argues that 2 U.S.C. § 441e does not apply to local elections, and even if it did, it still would not apply to the recipient committee in this case. The recipient of the check was the Friends of Wendy Nelder Committee ("Friends Committee"), which respondent states is an entity distinct from

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her campaign committee. Respondent states that the purpose of the Friends Committee is to assist her in defraying the costs of holding office and that the receipts collected by the Friends Committee may not be used in connection with her election to office. Thus, respondent contends that any receipts by the Friends Committee are beyond the scope of 2 U.S.C. § 441e.

Respondent's second major argument is that the contribution was accepted without knowledge that its source was a foreign national. Respondent states that she was both unaware that the check for $250 was from a foreign national and that there was any prohibition on accepting such a check. Nelder argues that she did not know the contribution was from Stanway, because she assumed it was from Sylvia Lichauco and reported it as such. She also argues that since the check was received by her treasurer, she lacked personal knowledge of its source and should not be held liable for such.

Finally, respondent argues that the refund of the $250 cures any technical violation of the law.

The prohibition of 2 U.S.C. § 441e makes it unlawful for a foreign national directly or through any other person to make any contribution in connection with an election to any political office. It is similarly unlawful for any person to accept or receive a contribution from a foreign national.

Respondent's argument that 2 U.S.C. § 441e does not apply to local elections is without merit. Commission regulations make clear that the prohibition of 2 U.S.C. § 441e extends to local

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and state elections, as well as to federal elections. 11 C.F.R. § 110.4(a)(1). Additionally, the Commission has concluded in past Advisory Opinions regarding 2 U.S.C. § 441e, that this prohibition, unlike other sections of the Act, reaches beyond elections for federal office and applies to elections for any political office, including local or municipal office. See Advisory Opinions 1981-51 and 1985-3. Advisory Opinion 1985-3 applies 2 U.S.C. § 441e to the Office of Supervisor for the Fourth District of Santa Clara County, California.

Respondent's other arguments are similarly without merit on the issue of whether a violation of 2 U.S.C. § 441e occurred. Respondent would have the Commission believe that Stanway is nothing more than an extension of Jamestown, which under California law is permitted to make contributions, and that Stanway has no assets or income of its own. However, such an assertion is misleading. At minimum, Stanway had a bank account, into which it received and from which it disbursed funds. This account would be considered among the assets of Stanway. Further, Stanway is a corporate entity wholly independent from Jamestown in terms of its corporate structure. Stanway was not established as a subsidiary of Jamestown, but rather as an independent foreign corporation. Thus, the funds disbursed by Stanway were disbursed by a foreign national from an account belonging solely to that foreign national, precisely the activity at which 2 U.S.C. § 441e is aimed. The fact that the contribution here also served the interests of a domestic

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corporation will not change the circumstances of its making.

Similarly, Ms. Nelder's knowledge as to the status of Stanway would carry little weight regarding whether a violation occurred. The check was drawn on the account of a foreign national and bore its name, "Stanway, N.V." The check was personally received by Ms. Nelder's treasurer, who indicated that he was aware at receipt that the check was drawn on Stanway's account. A treasurer serves as agent for a candidate and his committee pursuant to 2 U.S.C. § 432(a). The fact that the check was signed by Sylvia Lichauco will not change the ultimate conclusion. A corporation, by its nature, cannot sign its own checks and must have an individual sign its checks on its behalf. Sylvia Lichauco was given the power to act on behalf of Stanway pursuant to a Power of Attorney, and by her own admission directed the disbursement of Stanway's funds. Further, the prohibition of 2 U.S.C. § 441e prohibits the making of a contribution <u>through</u> <u>any</u> <u>person</u>. Ms. Lichauco is such a person and her role as signatory of the check does not alter the facts that the source of the check was a foreign national. In fact, when the contribution was refunded, it was refunded to Stanway rather than to Lichauco personally, an implicit acknowledgement that the source of the contribution was Stanway.

Finally, respondent's argument that Stanway's contribution was not actually a contribution because it was received by Nelder's Friends Committee is similarly unconvincing for the purposes of 2 U.S.C. § 441e. First, this section of the Act

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prohibits receipt by any person which would include such a committee, pursuant to 2 U.S.C. 431(11). Second and more importantly, the intent of the contributor regarding this contribution is very compelling. Sylvia Lichauco states without qualification, that the $250 check was a "campaign contribution" made by Stanway (albeit as agent for Jamestown). Lichauco admits that the purpose of this transaction was a campaign contribution and, in fact, Jamestown stated in response to the complaint in this matter that the sole purpose of its contributions was to influence the office-holder recipients such as Ms. Nelder regarding a parcel of real estate Jamestown previously owned in downtown San Francisco.1/

Thus, the transaction between Stanway and Nelder was intended to be a campaign contribution. The $250 contributed by Stanway came from Stanway's own bank account. Stanway, as a foreign national, is prohibited from making campaign contributions. No exception exists in the Act or regulations permitting a foreign national to make a contribution when directed to do so by an entity, in this case Jamestown, which could legally contribute on its own.

However, even though both Stanway and Nelder violated 2 U.S.C. § 441e, the Office of General Counsel is recommending

1/Notwithstanding the fact that the $250 may have ultimately been used to defray Nelder's personal expenses, the Commission has in the past recognized that funds provided to a candidate for personal expenses are contributions for purposes of the Act (unless the source of the money was the candidate's own personal funds). See Advisory Opinions 1976-94 and 1978-40.

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that the Commission take no further action against both respondents in this matter. First, the amount of the contribution, $250, is relatively small. Second, the entire contribution was refunded by Nelder, which although not abrogating the violation, does carry weight as a mitigating factor. Third, Nelder's assertions regarding her lack of knowledge are also mitigating. The donor card accompanying the check indicated that the contribution was made by Sylvia Lichauco and was reported as such. Ms. Nelder states that not only did she not know that the check was from a foreign national, but further, if she had known she would not have accepted, as evidenced by her refund upon discovering the source of the money. Fourth, Ms. Nelder argues that the purpose of 2 U.S.C. § 441e, to prevent the corruption of public officials with foreign funds, is not implicated where the recipient of the funds does not know their source is foreign. Fifth, the fact that the funds were received by Nelder's Friends Committee, though also not abrogating the violation, would similarly serve as a mitigating factor. Finally, there is no evidence of a continued pattern or scheme of contributions by Stanway.

For the above reasons, the Office of General Counsel recommends that the Commission take no further action against Stanway N.V. and Wendy Nelder and close the file in this matter.

III. Recommendations

1. Take no further action against Stanway, N.V. for a violation of 2 U.S.C. § 441e.

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2. Take no further action against Wendy Nelder for a violation of 2 U.S.C. § 441e.

3. Approve the attached letters.

4. Close the file.

Charles N. Steele
General Counsel

Date 10/2/86

By: Lawrence M. Noble (EWT)
Lawrence M. Noble
Deputy General Counsel

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City and County of San Francisco:

Office of the City Attorney

Klemfeld

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George Agnost,
City Attorney

August 28, 1986

Mr. Eric Kleinfeld
Office of the General Counsel
Federal Election Commission
999 "E" Street Northwest
Washington D.C. 20463

Re: MUR No. 2165

Dear Mr. Kleinfeld:

We are writing on behalf of Supervisor Wendy Nelder, a respondent in the matter identified above. We request the Federal Election Commission close its file in this matter with respect to Supervisor Nelder. Failing that, we request that the Commission permit Supervisor Nelder to engage in pre-probable cause conciliation with the Commission.

This matter concerns a locally elected official who, unaware of a provision of law buried in the midst of an extensive federal act regulating federal elections which does not by its terms apply to candidates for local office, was the unknowing recipient of a donation, since returned, made in the name of a United States citizen from allegedly foreign funds to a committee which is precluded from using the donation in connection with any election to municipal office. For three reasons, set forth in detail in the brief enclosed with this letter, the Commission should close its file on this matter.

First, and most fundamentally, the provision of law under which this matter was brought, 2 U.S.C. § 441e, does not apply to the donation in question. Section 441e, which does not explicitly apply to local elections and which is located in the Federal Elections Campaign Act regulating federal elections, prohibits the acceptance of a contribution from a foreign national in connection with election to office. It is uncontroverted that the donation in question in this proceeding was not made to a campaign committee but rather a "Friends Committee." It is also uncontroverted that Friends Committee funds <u>may not</u> be used in connection with any municipal election. Rather, they may only be used in connection with government and public purposes <u>other than</u> election to local office. Simply stated, acceptance of the donation does not constitute noncompliance with Section 441e.

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Second, any noncompliance was unknowing and unintentional. Supervisor Nelder was not informed by the City Attorney of the existence of this federal provision and was unaware that federal law in any way regulated local elections. Further, Supervisor Nelder had no reason to know or believe that the donation in question came from anyone other than the person in whose name the donation was made and reported by the Friends Committee treasurer. Since the evil sought to be prevented by Section 441e is the corruption of public officials, it defies common sense to apply the prohibition regardless of the official's state of mind, particularly since the activity regulated implicates important First Amendment rights and especially where the official did not know or have reason to know that the source of the donation was anyone other than the person who identified herself as the donor.

Finally, it is uncontroverted that the ultimate source of the donation in question was the Jamestown Company, a California Corporation that may, consistent with Section 441e, make donations and contributions to United States officials and candidates.

For these reasons, Supervisor Nelder requests that you recommend to the Federal Election Commission that it close its file on this matter with respect to Supervisor Nelder or, at the minimum, permit her to pursue pre-probable cause conciliation.

Our presentation of facts and issues of law that this letter summarizes are attached. Thank you very much for your attention to this matter.

Very truly yours,

PHILIP S. WARD
Acting City Attorney

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Attorneys for Respondent Wendy Nelder

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
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I.
INTRODUCTION

A. Summary of Argument

This proceeding involves an elected official of the City and County of San Francisco who, unaware of a federal provision hidden within a voluminous act regulating federal elections and not explicitly applicable to candidates for state or local office, unknowingly received a donation, since returned, made in the name of a United States citizen from allegedly foreign funds to a committee which by local law is prohibited from using the donation in connection with election to municipal office. The uncontroverted facts reveal no basis upon which the Supervisor

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could have known or had reason to know that there may be something unlawful about the contribution.

2 U.S.C. § 441e, the relevant provision, simply does not apply to the donation in question. This section, the scope of which does not on its face extend to local elections and which is located in the a federal act which regulates federal elections, prohibits the acceptance of a campaign contribution from a foreign national in connection with election to office. It is beyond dispute that the donation in question in this proceeding was not made to a campaign committee but rather to a committee formed to defray the costs of holding office ("Friends Committee") and that the donation may not be used to support or oppose any candidate for municipal office. Rather, the donation in question, as well as all other donations made to the Friends Committee, may only be used in connection with government and public purposes other than election to local office. Acceptance of the donation was consistent with Section 441e.

Further, any noncompliance was innocent and unknowing. The respondent in this matter, Supervisor Nelder, was not informed by the City Attorney of the existence of this obscure federal provision and was unaware of any federal law applicable to candidates for local office. No person in Supervisor Nelder's position would have reason to know or believe that the donation to the Friends Committee was donated by anyone other than Sylvia Lichauco, a United States citizen, the person in whose name the donation was made and in whose name the donation was reported by

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the treasurer of the Friends of Wendy Nelder Committee. Nor would such a person have reason to investigate the source of the donation.

Recognizing that the evil sought to be prevented by Section 441e is the corruption of public officials by foreign nationals, the purpose of the law is frustrated rather than furthered by applying it without regard to the mens rea of the affected official. A narrow construction of this section is dictated by the important First Amendment rights involved in making and receiving contributions and donations.

Lastly, it is uncontroverted that the actual source of the donation to the Friends Committee was the Jamestown Company, a California corporation that is legally entitled to make donations and contributions to United States officials and candidates.

B. Summary of Underlying Facts

On February 15, 1984, the Friends of Wendy Nelder received a $250 donation, since returned, in the name of Sylvia Lichauco in response to a mass mailing. See Declaration of Wendy Nelder. The monies of the Friends of Wendy Nelder, a committee that was formed to defray the costs associated with holding local office, such as office staff and equipment, may not in any way be used to support the election to local office of Supervisor Nelder or any other local candidate. Declarations of Nelder and Burk E. Delventhal. In fact, Supervisor Nelder was not a candidate for

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office at the time the donation was received. See declaration of Nelder.

The donation in question was drawn on the account of an entity that was identified on the check only as Stanway, N.V. Since the donor card (filled out by the donor) that accompanied the check indicated that the donor was Sylvia Lichauco, an employee of The Jamestown Company, the treasurer of the Friends Committee, consistent with his established practice, copied the information from the donor card and recorded the donation as being received from Sylvia Lichauco. Declaration of Francis Meynard. Supervisor Nelder, in reliance upon the treasurer's report, had no reason to know or believe that the donation was from anyone other than Sylvia Lichauco nor did she have reason to investigate the donation.

Hence, Supervisor Nelder has no recollection of the check or this particular donation. Declaration of Nelder. It must be emphasized that during the course of a year, the supervisor receives hundreds of contributions and donations. Id.

When it was reported in the local media that certain contributions may have been made in violation of a federal election law of which Supervisor Nelder was unaware, she immediately caused her treasurer to search the contribution and donation records of her campaign committee and Friends Committee respectively. Id. The treasurer located a contribution made to Supervisor Nelder's campaign committee, a contribution not implicated in this matter, but initially overlooked a donation

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made to the Friends Committee. Supervisor Nelder immediately consulted with the City attorney who advised that while there appeared to be no violation of law, the Supervisor should, from a public relations standpoint, return any monies received from Lichauco. She immediately returned the contribution received by her campaign committee.

When she was subsequently notified by a letter from the law firm of Bagatelos and Fadem, a locally well established firm specializing in election and campaign law, that the Friends Committee had received a $250 donation reported by the Friends Committee as being made in the name of Lichauco, Supervisor Nelder immediately caused her treasurer again to review the Friends Committee records. The treasurer discovered that a donation had been made to the Friends Committee in the name of Lichauco. Again, there was no indication from the report prepared by the Friends Committee treasurer that the donation came from Stanway N.V. nor did the Stanway check indicate the foreign status of Stanway. Declarations of Nelder and Meynard. It was only after the Supervisor was apprised by the Bagatelos letter that the information provided by donor might be inaccurate that she went behind the information and discovered that the check had been drawn on the account of Stanway. Supervisor Nelder, again after conferring with the City Attorney, caused the Friends Committee to return the donation.

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/ / / C. <u>Procedural History</u>

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On April 25, 1986, Supervisor Wendy Nelder received a letter from the Federal Election Commission ("Commission") notifying her that the Commission had received a complaint alleging that the Supervisor and Friends of Wendy Nelder ("Friends Committee") may have violated certain sections of the Federal Election Campaign Act of 1971 (2 U.S.C. § 431 et seq. "Act"). The donation in question was made in the name of Sylvia Lichauco by way of a check dated February 9, 1984 drawn on the account of Stanway N.V. and was received by the Friends Committee on February 15, 1984. Declarations of Nelder and Meynard.

On May 29, 1986, the San Francisco City Attorney's Office, which had been authorized by the Supervisor to represent her in this matter, filed a response to the complaint. The response explained that there was no credible evidence indicating that any federal election law had been violated and no evidence whatsoever suggesting the Supervisor Nelder had acted unlawfully. The response pointed out that Supervisor Nelder had no reason to believe that the donation was made by anyone other than Sylvia Lichauco, a United States citizen entitled under the Act to make contributions, until March 20, 1986, when the Friends Committee received a letter from the law firm of Bagatelos and Fadem, attorneys for the Jamestown Company, notifying her that the donation ostensibly made by Sylvia Lichauco was actually made by the Jamestown Company, a California corporation, through its agent "Stanway N.V." This letter to the Friends Committee did

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not indicate that Stanway N.V. was a foreign corporation. The response filed on behalf of Supervisor Nelder also noted that after receipt of the Bagatelos letter, Supervisor Nelder, out of an abundance of caution, caused the Friends Committee to refund the $250 donation. Finally, the response noted that according to the campaign statement filed with the California Secretary of State and signed under penalty of perjury, the ultimate source of the donation in question was the Jamestown Company, a California Corporation.

Subsequently, this office received a letter from the Commission dated July 23, 1986, stating that after a review of the complaint and response, the Commission had determined that "there is reason to believe that [Supervisor Nelder] violated 2 U.S.C. § 441e, a provision of the Act" which prohibits the making, soliciting, receipt, or acceptance of a contribution from a foreign national in connection with <u>any election</u> to any political office or any <u>primary election, convention or caucus convened to select a candidate</u> for office. Specifically, the letter indicated that Section 441e was violated by the acceptance by the Friends Committee of the $250 donation made by "Stanway, N.V., a foreign corporation, and Sylvia Lichauco, as President."

Supervisor Nelder, based on the additional evidence and legal arguments set forth below, respectfully requests that the Office of the General Counsel recommend to the Commission that it close its file in this matter with regard to Supervisor Nelder. Failing that, the Supervisor requests, pursuant to 11 C.F.R. §

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111.18(d), the she be permitted to pursue pre-probable cause conciliation with the Commission.

II.
THE COMMISSION SHOULD CLOSE ITS FILE ON THIS MATTER SINCE THE DONATION IN QUESTION WAS NOT MADE IN CONNECTION WITH ANY ELECTION TO PUBLIC OFFICE AND THE DONATION WAS ACCEPTED WITHOUT KNOWLEDGE OF ITS RELATION TO A FOREIGN NATIONAL

A. The Donation in Question Was Not Made in Connection With Any Election to Public Office and Therefore Receipt And Acceptance of the Donation Did Not Violate Federal Law

The donation in question was made to the Friends of Wendy Nelder committee. This committee, like other friends committees established for City officials, was not organized for the purpose of supporting or opposing any candidate for election to public office; rather, it was formed for the purpose of assisting the Supervisor in defraying the costs associated with holding elective office. See Declarations of Nelder and Delventhal. These costs may include such things as compensating legislative aides, purchasing office equipment, and subscribing to various publications. Id.

In fact, Friends Committee moneys may not be used in connection with any election to municipal office. Declaration of Nelder and Delventhal. As Supervisor Nelder testifies, she has been advised on several occasions by the City Attorney's Office that Friends Committee Funds may not be used in support of or in opposition to the election of any person for municipal office, since this would make the donations subject to the San Francisco

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Municipal Campaign Contribution Control Ordinance, which limits the amount of money a person may contribute in support of or in opposition to a candidate for local office. See also, Declaration of Delventhal. Hence, Friends Committee monies, including those received from the donation in question, were not donated for or used to support or oppose the election of any candidate for local office. Id. These facts are uncontroverted.

2 U.S.C. § 441e(a) provides in pertinent part that

> It shall be unlawful for a foreign national directly or through any other person to make any contribution . . . in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. [Emphasis added.]

The language of this statute does not on its face purport to apply to local elections. Also, since Section 441e appears in the midst of a statute that bears the title "Federal Election Campaign Act", there is even less reason for a candidate to local office to believe that its provisions apply to local elections. Further, the Act's definitions, including the definition of "contribution", indicate that the provisions of the Act were aimed solely at federal election campaigns. See, 2 U.S.C. § 431(c). It is not until one refers to the Code of Federal Regulations that it becomes apparent that the Federal Election Commission interprets Section 441e as applying to local elections. See, 11 C.F.R. § 110.4(a).

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It is clear that the Congress, in enacting this statute, sought to eliminate any foreign influence over the election of federal, state or local office. Although it no doubt had the authority to do so, Congress did not seek to prohibit or regulate the receipt of gifts or donations from foreign nationals made to officials for purposes other than campaigns once they had been elected to office. Rather than prohibit the receipt of contributions in connection with election to office, Congress could have prohibited the acceptance of anything of value from foreign nationals whether in the form of contributions, donations or gifts, by any candidate or government official.

In fact, with regard to federal officials and employees, Congress has regulated the receipt of gifts valued at greater than $1000 made by foreign governments. 2 U.S.C. § 7342(b). It has not chosen to regulate the receipt of gifts or donations by local officials.

It must generally be assumed that Congress expresses its purpose through the words it chooses. Escondido Mut. Wat. Co. v. La Jolla, Rincon, et al., 466 U.S. 765 (1984). Hence, in determining the scope of a statute, the court must look to the unambiguous language of the statute and in the absence of clearly expressed language to the contrary, the language of the statute must be regarded as conclusive. U.S. v. Turkette, 452 U.S. 576, 580 (1981). Finally, the words of a statute must, in the absence of persuasive reasons to the contrary, be given their ordinary, everyday meaning. Malat v. Riddel, 383 U.S. 569 (1966). Hence,

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the statute must be interpreted as prohibiting the receipt of funds from foreign nationals only when those funds take the form of contributions made in connection with an election. There can be little doubt that the ordinary everyday meaning of the words "contribution . . . in connection with an election to any political office" relates to monies given to persons for the purpose of assisting those persons to gain or retain public office. The plain meaning of these words simply does not include donations made for purposes other than the election to a public office.

This conclusion is reinforced by the clear expression of Congressional intent to impose broader restrictions on federal officials. The distinction cannot be assumed to be the result of semantic accident. Rather, Section 441e expresses a clear legislative choice. Under the doctrine of expressio unius, est exclusio alterius, both this agency and the courts must defer to and preserve distinctions made in statutes. City of Burbank v. General Electric Co., 329 F.2d 825 (9th Cir. 1964). Accordingly, Congress did not intend to apply the prohibition against receiving contributions from foreign nationals "in connection with an election" to donations which could not be used by the official in support of his or her election to local office.

Since Friends Committee monies may not be used to support or oppose the election of any person to municipal office, but rather only to defray the costs associated with holding office, the receipt and acceptance by the Friends Committee of the

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donation allegedly made by Stanway, N.V. was not connected to any "convention, caucus, primary, general, special, or runoff election in connection with any local, state or Federal public office." Accordingly, neither the Supervisor nor the Friends committee violated 2 U.S.C. § 441e by accepting the donation in question. The Commission should close its file on this matter with regard to Supervisor Nelder.

B. <u>The Donation in Question Was Accepted Without Knowledge of Its Relation to a Foreign National</u>

Holding Supervisor Nelder civilly liable in this matter would impose strict liability on an unknowing public official who received a hidden foreign contribution. The imposition of liability based on strict liability is not explicitly authorized by 2 U.S.C. § 441e. The law does not expressly prohibit the unknowing receipt of contributions from foreign nationals. In fact, such a prohibition would not further the purpose behind the law, which is to prevent corrupting influences from foreign nationals in United States elections, since such influence would not be possible if the official did not know of the foreign source of the contribution.

It is clear that the Supervisor did not know or have reason to know that the donation was made by a foreign national. Nor was she apprised of any facts that would give a reasonable person any cause to believe that an investigation was needed. First, the Supervisor did not see the check issued on the account of Stanway N.V. until she caused her Friends Committee treasurer to

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search, for the second time, for donations made by Sylvia Lichauco. This was some two years after the donation in question was received. Declaration of Nelder. The Supervisor relied upon the treasurer's report, who in turn had relied upon the information given by the donor on the donor card. Declaration of Nelder and Maynard. Further, until receiving the letter from Bagatelos and Fadem, the Supervisor had no reason to investigate the accuracy of the facts communicated to the Friends Committee by donor and until her treasurer reviewed the Friends Committee records, Supervisor Nelder had never heard of Stanway.

It is important to note that the donation was reported by the Friends Committee's former treasurer as having been received by Sylvia Lichauco. The donation was received in response to a fundraiser conducted by a consultant. Declaration of Meynard. The consultant handled all aspects of the fundraiser, including receiving the donations so that the consultant could send thank you letters. Id. The consultant subsequently sent the checks and donor cards to the treasurer of the Friends Committee for processing and recording. This donor card indicated that the donation was made by Sylvia Lichauco, who was employed by Jamestown Company. This is how the donation was reported on the semi-annual state disclosure report. Id.

Hence, since she not seen the check drawn on the account of Stanway until late spring 1986, and since her state disclosure report made no reference to Stanway N.V., it is beyond cavil that Supervisor Nelder did not know or have any reason to know that

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the source of the donation was anyone other than Sylvia Lichauco, a United States citizen entitled to make campaign contributions.

Further, even had the Supervisor seen the check drawn on the account of Stanway, N.V., a copy of which is attached to this response, there is nothing about the check that would indicate that Stanway, N.V. is a foreign corporation. The check was drawn on an account in the Redwood Bank, a local financial institution. It contained no foreign address. While the letters "N.V." might have caught the eye of an international financier, they hardly constitute a red flag with respect to people whose lives do not revolve around international high finance.

Even had someone been curious enough to pursue the meaning of "N.V.", resorting to standard reference works would not have enlightened the individual. Websters Third New International Dictionary Unabridged (1981) indicates that the letters "N.V." are short for "new version" or "nonvoting", again hardly an indication that Stanway was a foreign corporation. As explained in the testimony of Supervisor Nelder, had she seen the check, she might well have concluded that the donation had been made by Stanway Motors, a local business, or by an individual named Stanway with the initials "N.V."

Further, it must be emphasized that the respondent in this matter is not a member of Congress, a United States Senator, a governor or statewide officeholder. Rather, Supervisor Nelder is a member of the San Francisco Board of Supervisors, the City's local legislative body. Supervisor Nelder and her Friends

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Committee treasurer have dutifully and fully complied with all laws of which they were aware related to campaign disclosure and reporting. Declaration of Nelder. The Supervisor and her treasurer rely on the City Attorney to keep them abreast of all laws and regulations relating to campaigns and elections, including newly enacted statutes that may affect the duties of the Supervisor and treasurer. Id. While a Deputy City Attorney assigned to advise Board members on questions concerning elections laws, after extensive research, did discover two years ago that federal law prohibited the acceptance of campaign contributions by foreign nationals, the City Attorney only relayed this information to the two city officials who had made the inquiry. Declaration of Delventhal. The City Attorney did not alert other officials, including Supervisor Nelder, about the existence of this law. Id.

In fact, Supervisor Nelder was not made aware of this law by the City Attorney. She was not made aware of the existence of 2 U.S.C. § 441e until the spring of 1986 when the matter was made public through a series of newspaper articles. Declaration of Nelder.

That she did not know of this Federal law is hardly surprising. The Federal Election Campaign Act is a comprehensive statutory scheme, comprising over 100 pages in the United States Code Service, aimed at regulating the manner in which campaigns for federal elective office are conducted. Hidden among the Act's various provisions is 2 U.S.C. § 441e, which prohibits the

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acceptance of contributions by foreign nationals in connection with "an election to any political office". As noted, even the Deputy City Attorney assigned to assist Board members on election law issues found this particular provision only after extensive research. Declaration of Delventhal. Although this section has been interpreted by the Commission as applying to federal, state and local elections (11 C.F.R. § 110.4(a) it does not appear by its explicit terms to apply to local officials. Again, this is particularly true since the remainder of this extensive Act applies only to federal elections. It is uncontroverted that Supervisor Nelder was unaware of the law and that neither the then City Attorney, the late George Agnost, nor the Deputy City Attorney who handled these matters, advised her of its existence.

Supervisor Nelder's lack of knowledge of the intricacies of 2 U.S.C. § 441e and her lack of intent to accept money from a foreign national must be considered in relation to the principle that laws regulating political contributions must be interpreted narrowly. Buckley v. Valeo, 424 U.S. 1 (1976), First National Bank v. Bellotti, 435 U.S. 765 (1978) and Citizens Against Rent Control/Coalition for Fair Housing v. Berkeley, 454 U.S. 290 (1981) teach that the making and receipt of political contributions are protected First Amendment activities. Accordingly, regulations or limitations upon those activities must serve a compelling governmental purpose and must be no broader than necessary to serve that governmental purpose. Id.

Preventing foreign nationals from influencing or corrupting

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public officials is clearly a compelling governmental purpose. Further, holding public officials accountable for violating a prohibition against foreign nationals contributing to their election campaigns is closely related to this compelling governmental purpose. However, holding those officials strictly liable in circumstances where they do not know or have reason to know about the foreign source of a contribution or even have knowledge of facts that would cause a reasonable person to investigate that source of a contribution, is arbitrary and not narrowly drawn to further the government's compelling interest.

Further, such an overly broad rule chills the First Amendment intercourse that lies at the heart of fund raising. Public officials must not be made to act at their peril when communicating with and seeking financial support from their contributors. Applying a strict liability rule will discourage people like Supervisor Nelder, who do not have the personal wealth to underwrite their public service, from seeking and performing in public office.

Hence the Federal Election Commission, like a court, must narrowly construe statutes that impinge upon the important First Amendment rights by reading into the statute some reasonable cause or mens rea element. Strict liability simply cannot be squared with the right to freedom of expression guaranteed by the Constitution.

Additionally, the law should not capriciously be applied in this case where its purpose is not furthered by its enforcement.

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The purpose is to prevent the corrupt influence of elected officials. No influence could possibly have resulted in this case since Supervisor Nelder did not know the true source of the donation.

Supervisor Nelder's case may be compared to cases in which courts have declined to find government officials guilty of accepting illegal gratuities when the money is accepted by accident or mistake. See, United States v. Passman, 460 F.Supp. 912, 915 (W.D. La 1978). The Passman court held that an elected official does not violate the illegal gratuity law, 18 U.S.C. § 201(g), if he or she accepts money not knowing that it was tied to a decision or vote of the official. The court also noted that no violation would be found if the money was accepted by mistake or accident. Id. The court reached this conclusion even though the law does not explicitly require proof of scienter or mens rea. Similarly, while 2 U.S.C. § 441e does not specifically require proof of intent, the Commission should read into Section 441e an intent or scienter requirement. This would serve to further the clear purposes of the law while not imposing liability on officials who had no reason to know or believe that a donation was made by a foreign national.

To interpret Section 441e as as applying to contributions regardless of the scienter of the recipient of the contribution would lead to absurd results. In would mean, in effect, that every candidate for federal, state and local office has an affirmative duty to investigate the citizenship of every donor or

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contributor to his or her campaign or face the possibility that years later, he or she could be charged with violating the Act, regardless of whether a reasonably diligent person would have known of the foreign source of the contribution. Imagine the implications for a candidate for the San Francisco Board of Supervisors asking the national origin of all donors and contributors in a polyglot City like San Francisco with people residents have fled political repression and who may be intimidated from future participation in the political process by candidates inquiring into their "citizenship" or "nationality". Of course, absent knowledge of the source of the contribution, the candidate could hardly be compromised by the foreign contributor, the evil sought to be prohibited by this Section 441e. Congress could not have intended to enact such a draconian measure.[1/]

Finally, it must be emphasized that when her treasurer discovered that a donation had been made to the Friends Committee from Sylvia Lichauco, the Supervisor, acting out of an abundance

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[1/] Even if the section were intended to extend to prevent foreign influence over United States elections in circumstances where the benefactor of a foreign contribution is an unknowing recipient, holding the unknowing and innocent candidate liable for the acts of the foreign national would in no way further the purpose of the section. The foreign national should be the target of the investigation and prosecution.

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of caution, caused the Friends Committee to return the donation. Declaration of Nelder. Hence, any violation of the Act with respect to Supervisor Nelder was effectively cured.

In short, Supervisor Nelder has acted with the utmost good faith in this matter. Any technical noncompliance with the Act was made in ignorance of the law and without knowledge that the donation was made by a foreign national. When a question was raised about the donation, Supervisor Nelder immediately caused it to be returned. We respectfully request that you recommend to the Commission that it close its file on this matter with respect to Supervisor Nelder.

C. <u>The Ultimate Source of the Donation in Question Was a California Corporation</u>

As discussed in detail in the initial response filed on behalf of Supervisor Nelder, the ultimate source of the donation in question was The Jamestown Company, a corporation organized under the laws of the State of California. Stanway, as well as Lichauco, were mere agents of Jamestown.

It is clear that as a corporation organized under the law of California, Jamestown was not prohibited from making contributions. Hence, even if, arguendo, the donation in question were characterized as a contribution, acceptance of the donation from Jamestown was lawful.

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III.
IN THE EVENT THE COMMISSION DECLINES TO CLOSE ITS FILE IN THIS MATTER, THE COMMISSION SHOULD PERMIT SUPERVISOR NELDER TO PURSUE PRE-PROBABLE CAUSE CONCILIATION

It is clear that any violation of the Act by Supervisor Nelder was innocent, unintentional and unknowing. Supervisor Nelder was unaware of the federal law involved in this case and in any event had no reason to know or believe that donation in question was related to a foreign national. The Commission should, pursuant to 11 C.F.R. § 111.16, permit Supervisor Nelder to enter into pre-probable cause negotiations with the Commission directed toward reaching a conciliation agreement. We hereby request that the Commission grant this request.

DATED: August 28, 1986

Respectfully submitted,

PHILIP S. WARD
Acting City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

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STANWAY N.V.

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February 9 1984

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O THE
RDER OF * FRIENDS OF WENDY NELDER ** $ 250.00

TWO HUNDRED FIFTY ONLY ** DOLLARS

Redwood Bank
735 Montgomery Street San Francisco California 94111

OR luncheon

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DECLARATION OF WENDY NELDER

I, WENDY NELDER, do hereby declare as follows:

I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1981.

Since very early in my tenure as a Supervisor, I have been aware of a municipal elections campaign contribution control ordinance. That ordinance regulates and imposes limits on contributions in support of or in opposition to candidates for municipal office. Consistent with existing practice and in reliance upon the advice of the City Attorney, I allowed the Friends of Wendy Nelder committee to form. This committee was not subject to the municipal elections ordinance because funds donated to the Friends committee could not be used to support or oppose my or other any person's candidacies for election to municipal office. I have always scrupulously adhered to this rule. Friends Committee funds are used for governmental, political, or public purposes. They are never used for expenditures related to my elections campaigns. Hence, Friends Committee funds have been used to assist in defraying the costs associated with serving as a member of the Board of Supervisors. These costs include, among other things, compensating legislative aides, purchasing office equipment, buying tickets to civic events, defraying the costs of telephone services, investigating

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matters of local concern such as water quality, and subscribing to newspapers and other publications.

Fundraising is necessary both for seeking election and holding office. Elected officials today are faced with the reality that both seeking and performing well the duties of a public elective office are costly. Fundraising is therefore an unpleasant but inevitable endeavor. Contributions enable me to wage reelection campaigns. Donations to Friends Committee enable me to supplement the City appropriations made available for the operations of my office and the discharge of my public responsibilities. Fundraising involves contributions and donations from many sources. For example, during the last 10 months I have received in excess of 500 Friends Committee donations and campaign contributions. Frequently, I do not know, meet, or ever communicate personally with many of my campaign contributors and Friends Committee donors.

The treasurer of the Friends Committee reported in the Committee's June 1984 report that on February 15, 1984, the Friends of Wendy Nelder received a donation of $250 in the name of Sylvia Lichauco. There was no indication on the report prepared by the Friends Committee treasurer that Stanway N. V. was the source of the funds. The check was drawn on a local bank, Redwood Bank, and as the treasurer has testified, there was no indication on the check that Stanway, N.V. was a foreign corporation. Subsequently, on November 29, 1985, the Wendy Nelder for San Francisco committee, my campaign committee,

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received a $500 contribution from Sylvia Lichauco by way of a check dated November 29, 1985 drawn on the Redwood Bank account of Sylvia Lichauco.

Consistent with state and local laws applicable to reporting and disclosure requirements, requests for contributions or donations are sent with return envelopes and donor cards on which donors record their names, addresses and employers. Both the donation to the Friends Committee and the contribution to my campaign committee were reported as being received from Sylvia Lichauco. I never saw the Stanway check. I had never heard of Stanway. Had I seen the check, I no doubt would have assumed that the donation had come from Stanway Motors, a local business. If it was determined that the check had not come from Stanway Motors, I would have gone through the local phone book to see who with the last name of Stanway had the initials "N.V."

When it was brought to my attention because of this proceeding, I still had no knowledge of Stanway and did not know what the letters "N.V." meant. My contribution disclosure statement, required under the Political Reform Act of California (Cal. Gov. Code § 81000 et seq.), reports a $250 donation from Sylvia Lichauco. Since I did not see the check, I had no reason to believe that the source of the donation to my Friends Committee was anyone other than Sylvia Lichauco. The declaration of Francis Meynard supports this conclusion.

I believe that local officials at times improperly become entangled in intra- and international disputes. Hence, several

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years ago I successfully lobbied against receiving then President Marcos in City Hall because I believed that such a reception might be seen as an official approval of the Marcos presidency, thus unnecessarily embroiling the City in the internal affairs of a foreign nation.

On March 2, 1986, an article appeared in the San Francisco Examiner indicating that contributions to San Francisco election campaigns received from Sylvia Lichauco might actually have had as their source the government of the Philippines. At that time, I had no knowledge of any federal laws regulating local officials. I immediately sought advice from the City Attorney, the late George Agnost, on this matter. He advised that there was "probably nothing unlawful" about this donation. Rather, he advised that the problem should be treated as a public relations issue, and that I should return any contributions or donations received from Lichauco or Jamestown Company. I then consulted with my current treasurer and directed that he review my Friends Committee and campaign reports to determine what, if any, donations or contributions I had received from Sylvia Lichauco or Jamestown. He reviewed my reports and assured me that, aside from the November 29, 1985 check to my campaign committee received from Sylvia Lichauco, no other checks from Lichauco or Jamestown had ever been received. On March 7, 1986, I caused the Wendy Nelder for San Francisco Committee to draw a check on its account made payable to Sylvia Lichauco for the purpose of refunding the $500.00 campaign contribution ostensibly made by

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Sylvia Lichauco. Again, since I was an outspoken critic of former President Marcos, I certainly would not have accepted a donation from any source that I had reason to know or believe was associated with him.

On March 20, 1986, the Wendy Nelder for San Francisco Committee received a letter from the law offices of Bagatelos & Fadem, a firm that has a local reputation for its expertise in the law of elections and campaigns, informing me that the campaign contribution ostensibly made by Sylvia Lichauco was reimbursed on November 29, 1985 by The Jamestown Company. Also on March 20, 1986, the Friends of Wendy Nelder received a similar letter indicating that a donation made to the Friends of Wendy Nelder on February 9, 1984, ostensibly by Sylvia Lichauco and of which I was unaware, was actually made by The Jamestown Company through its agent Stanway, N.V. Both of these letters advised that there was nothing illegal about the Friends Committee donation or campaign contribution since The Jamestown Company was an American corporation and was entitled to make contributions derived from its American business activities. I caused my treasurer to review my Friends Committees records again and he found that on February 15, 1986, the Friends Committee had received a $250 donation from Sylvia Lichauco. It was also determined that the donation was made by way of a check drawn on the account of Stanway, N.V. My Friends Committee treasurer sent me a copy of the check. This was the first time I saw the check from Stanway, N.V. Because prior to this matter I had never

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heard of Stanway N.V., and because the Stanway check had never been reported as being received, it took some time to track this down.

On May 1, 1986, I caused the Friends of Wendy Nelder committee to draw a check on its account in the amount of $250.00 made payable to Sylvia Lichauco, the person in whose name the donation in question had been made and reported by my treasurer. Before mailing the check, I again consulted the City Attorney who advised me that I should have the check reissued to Stanway, N.V., since the donation was drawn on its account, and let Stanway and Lichauco determine what to do with the money. Hence, on May 23, 1986, I caused the Friends of Wendy Nelder to reissue the $250 check naming as the payee Stanway, N.V. That check has since been cashed. A true and correct copy of this cancelled check is attached to this declaration.

I have at all times, including during the course of these events, sought, acted on and followed the advice of the City Attorney. To the fullest extent possible, I have always made full disclosures regarding the receipt of contributions and donations. When a question was raised about the contribution to my campaign and the donation to my Friends Committee to me from Ms. Lichauco, I immediately returned the contribution and donation. I did not know then nor do I now have any knowledge other than what has been reported regarding this matter of her or the corporations for which she worked or with which she may have been affiliated. Nor was I apprised of any facts that would have

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given me cause to question or request information concerning her status, her corporate relationships or her representations concerning the donation.

During the course of a year, my Friends Committee receives hundreds of donations, many from persons I do not know and have not met. These donations are almost without exception made in response to a mass mailing to thousands of persons whose names appear on compilations of lists of persons involved in civic affairs. The donations are mailed to my Friends Committee treasurer who deposits the checks, prepares the reports for the Fair Political Practices Commission, and gives me a list of the names of the donors. I have no specific recollection of the donation from Sylvia Lichauco.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 28th day of August, 1986, at San Francisco, California.

WENDY NELDER

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FRIENDS OF WENDY NELDER
% 160 SANSOME ST., NO. 800
SAN FRANCISCO, CA 94104

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May 23 1986

PAY TO THE ORDER OF Stanway, N. V. $ 250

Two hundred fifty only DOLLARS

THE BANK OF SAN FRANCISCO
PINE AND SANSOME STREETS
SAN FRANCISCO, CALIFORNIA 94104

FOR refund of 2/9/84 donation to Friends

⑈000222⑈ ⑆121037473⑆ 010304 18⑈80 ⑈0000025000⑈

THE BANK OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
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PAY ANY BANK P.E.
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DECLARATION OF BURK E. DELVENTHAL

I, BURK E. DELVENTHAL, do hereby declare as follows:

I am a Deputy City Attorney in and for the City and County of San Francisco. I have served as a Deputy City Attorney since 1970.

Under San Francisco Charter Section 3.401, a true and correct copy of which is attached to my declaration, the City Attorney, and his or her deputies, are charged with the responsibility of providing legal counsel and advice to San Francisco officials when requested to do so. In that capacity, we have provided legal advice to San Francisco elected officials regarding the application of laws governing elections, campaign contributions, campaign disclosure and related matters. For the past five or six years I have had responsibility for responding to questions from members of the San Francisco Board of Supervisors, among other officials, who have questions regarding campaign disclosure laws, campaign contribution limitations, and other regulations on political fund raising. There are municipal ordinances as well as provisions in the State law that regulate fund raising and other political activities of public officials connected with fund raising.

About two years ago, I received an inquiry from a member of the Board of Supervisors as to whether there was any limitation

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in law on the ability of an official to accept a contribution from a foreign national. My first impression upon hearing the question was some surprise. I was unaware of any laws that regulated the acceptance of contributions by foreign nationals. After some extensive research, I was able to uncover the federal law that does prohibit foreign nationals from contributing to campaigns for election to any office.

I advised the particular supervisor who asked me the question about the provisions of this federal law. However, I did not address any general communication to the other supervisors, including Supervisor Nelder. Supervisor Nelder was never informed by the City Attorney's office of the existence of 2 U.S.C. 441e.

Until receiving this inquiry I had never seen or heard of this federal law. Once I learned that the law was located in the federal statutes, I still had some difficulty locating it, since it was placed in the midst of the Federal Elections Act, a federal statutory scheme that regulated federal campaigns and elections.

I am also conversant with Supervisor Wendy Nelder's solicitation of advice from the Office of City Attorney. She has always been extremely diligent in seeking the advice of our office before doing anything in the area of fund raising or solicitations. She met and conferred regularly with the now deceased City Attorney and sought clearance from him before she undertook any fund raising activities where she had any reason to

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believe that may be some legal questions or some need for legal review.

Following the disclosures in the newspaper raising questions about contributions coming from an individual named Silvia Lichauco and the so-called "Philippine Connection," Supervisor Nelder immediately sought advice from the City Attorney regarding what to do.

We initially advised her that there was nothing illegal about her receiving a contribution from Silvia Lichauco because she was not a foreign national within the meaning of the law. Out of an abundance of caution, however, she chose to return a campaign contribution she had received from Silvia Lichauco.

When it was later discovered that a donation had been given to the Friends of Wendy Nelder Committee by Sylvia Lichauco by way of a check drawn on the account of "Stanway N. V.," she returned this donation. She originally had her Friends Committee treasurer make the check payable to Sylvia Lichauco, the person intitially reported as the source of the donation. However, in reliance upon my advice that she should simply return the check to the entity on whose account the donation check was drawn and let the interested parties sort out the financial details, Supervisor Nelder directed her treasurer to draft a new check made payable to Stanway, N.V. In both instances, Supervisor Nelder sought the immediate advice of the City Attorney. At the time it was brought to her attention, she was advised that Stanway was a Netherland Antilles Corporation. Until that time,

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neither the City Attorney nor Supervisor Nelder had any knowledge of this donation or of the nationality of Stanway.

The San Francisco Municipal Election Campaign Contribution Control Ordinance provides, among other things, that no person may contribute more than $500 in support of or in opposition to any candidate for municipal office. The ordinance also charges the City Attorney and District Attorney with the duty to advise persons regarding application of the ordinance. Pursuant to requests for advice from various City officials, including Supervisor Nelder, the City Attorney has repeatedly advised that persons may donate funds in excess of the limits imposed by the ordinance to municipal officials for governmental and public purposes other than supporting or opposing a candidate for local office. Based on this advice, nummerous "friends committees" were formed on behalf of local officials, including Supervisor Nelder. The funds donated are used to defray the costs of holding public office, including purchasing office equipment and paying legislative assistants. I have, in rendering advice on this issue, repeatedly explained that friends committee monies may not be used to support or oppose any candidate for municipal office. This distinction is recognized by virtually all elected officials in the City and County of San Francisco. All City officials, including Supervisor Nelder, adhere to the distinction between campaign contributions and donations to friends committees.

I declare under penalty of perjury under the laws of the

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State of California that the foregoing is true and correct.

Executed this 27 th day of August, 1986 at San Francisco, California.

BURK E. DELVENTHAL
Deputy City Attorney

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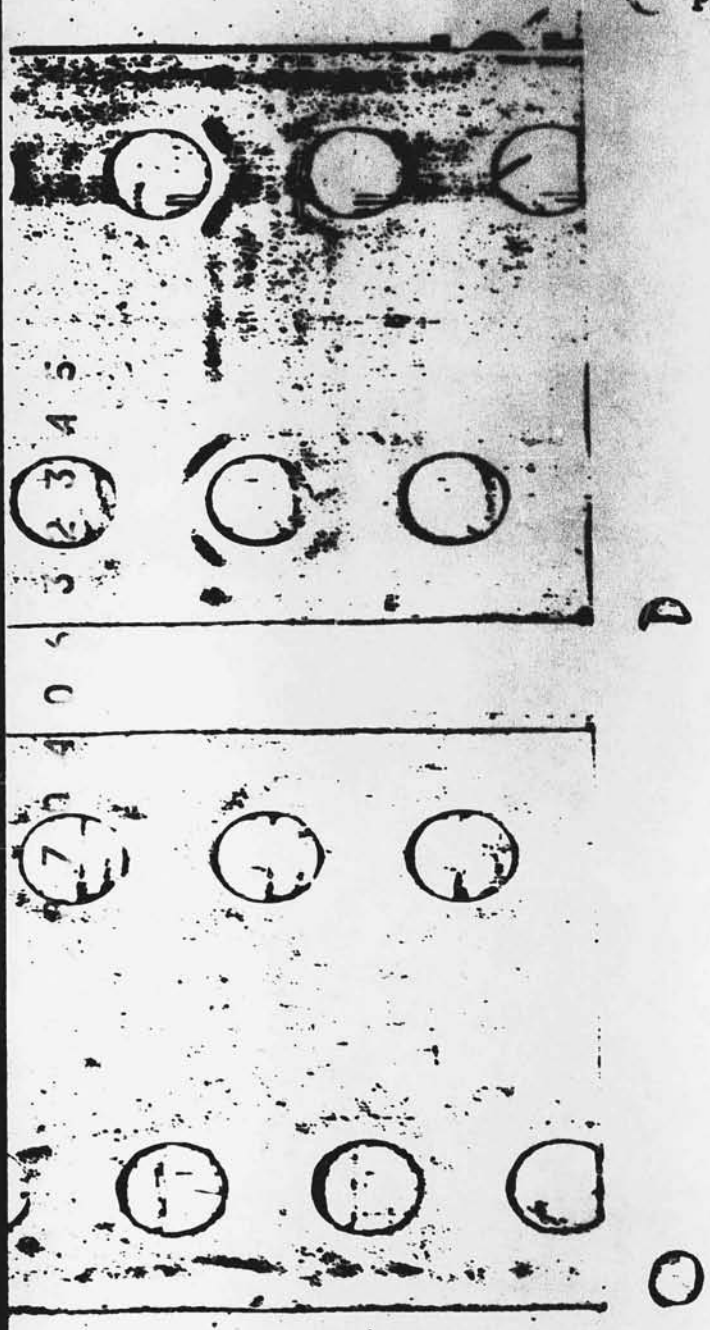
PRIMARY ELECTION- JUNE 3, 1986

PROPOSITION A



.3401 City Attorney

(a) The city attorney shall be an elective officer. He shall furnish an official bond in the sum of ten thousand dollars ($10,000). He shall appoint, and at his pleasure may remove, all assistants and employees of his office. He shall devote his entire time and attention to the duties of his office. He must, at the time of his election, be an elector of the city and county, qualified to practice in all the courts of the state, and he must have been so qualified for at least 10 years next preceding his election.

The city attorney must represent the city and county in all actions and proceedings in which it may be legally interested, or, for or against the city and county, or, any officer of the city and county in any action or proceeding, when directed so to do by the supervisors, except where a cause of action exists in favor of the city and county against said officer. Whenever any cause of action exists in favor of the city and county, the city attorney shall commence the same when within his knowledge or when directed so to do by the supervisors. He shall give his advice or opinion in writing to any officer, board or commission of the city and county when requested. Except as otherwise provided in this charter, he shall not settle or dismiss any litigation for or against the city and county, unless, upon his written recommendation, he is ordered so to do by ordinance.

PROPOSITION A con't

The city attorney shall prepare, or approve as to form, all ordinances before they are enacted by the supervisors. He shall approve, by endorsement in writing, the form of all official or other bonds required by this charter or by ordinance before the same are submitted to the proper commission, board or officer for final approval, and no such bonds shall be finally approved without such approval as to form by the city attorney. Except as otherwise in this charter provided, he shall prepare in writing the draft or form of all contracts before the same are executed on behalf of the city and county. He shall examine and approve the title of all real property to be acquired by the city and county.

He shall keep on file in his office copies of all written communications and opinions, also all papers, briefs and transcripts used in matters wherein he appears; and books of record and registers of all actions or proceedings in his charge in which the city and county or any officer or board thereof, is a party or is interested.

(b) The duties of the city attorney in connection with the bureau of delinquent revenue collection shall be transferred to and performed by the attorney for said bureau who shall be subject to the civil service provisions of this charter.

(c) There is established in the office of the city attorney a bureau of claims investigation and administration which shall have the responsibility of investigating, evaluating and processing for the several boards, commissions and departments all claims for money or damages made upon the city and county pursuant to section 7.703 of this charter or the general law of the State of California. Claim investigation functions of the police department in existence on June 4, 1986, shall continue as an adjunct to the bureau established under this section. Claims functions of the public utilities commission shall remain under that commission unless transferred to the bureau of claims investigation and administration by ordinance of the board of supervisors.

Notwithstanding any other provision of this charter, the bureau shall also have the power to investigate events and occurrences giving rise to potential civil liability against the city and county and adjust and settle demands, within dollar limits to be established by ordinance, prior to their presentment as claims. There shall be established by ordinance a revolving fund to satisfy such demands adjusted prior to their presentment as claims. The bureau shall be responsible for the investigation of all claims and the analysis of city policies and practices upon which the bureau shall report and advise the several departments.

The city attorney shall appoint a chief of the bureau who shall serve at his or her pleasure. The chief of the bureau may appoint, subject to confirmation by the city attorney, investigators who shall serve at the pleasure of the chief; provided, however, that any person who has civil service status to the position of civil claims investigator or any equivalent classification on the date of approval of this amendment by the electorate shall continue to have civil service status to said position under the civil service provisions of this charter.

DECLARATION OF FRANCIS MEYNARD

I, FRANCIS MEYNARD, do hereby declare as follows:

I am the office manager/controller for the Law Offices of Hothem & Sampson. I have served in this position since 1984.

From early 1984 until October 1985, I assisted Mr. Ron Hothem with his duties as treasurer of the Friends of Wendy Nelder Committee. In this capacity, I processed the donations, arranged for the donations to be deposited in the account of the Friends Committee and completed the semi-annual State disclosure statement.

My established practice in processing contributions was as follows. When I received from Mr. Hothem donations that had been mailed to his office, I would open the envelopes. These were almost always self-addressed envelopes that the Friends Committee had included in its mail solicitation. Inside these envelopes would be a check and a white and red card. This white and red card was sent with the return envelope to person solicited. It had blank spaces for the name of the contributor, his or her address and phone number, and the name of the person's employer or firm and contained a statement that the Committee was required by law to request this information from all donors. The person solicited would return the completed card with his or her check. This information assisted in completing the semiannual State disclosure report. I would then transfer the information from

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the white and red card on to 3 by 5 index cards. In this way, I could keep a running total of the amount of donations received by a particular donor during the course of a reporting period. When transferring the information, my practice was to rely on the information card rather than the check embodying the donation. I then used these cards to complete the disclosure report.

On August 25, 1986 I went to the office of Robert Werbe, who, as the current treasurer for the Friends Committee, maintains all of the donation records of the Committee, and reviewed the donation records of the Friends of Wendy Nelder relevant to the $250 donation received from Sylvia Lichauco on February 15, 1986. I reviewed a photocopy of the check drawn on the account of Stanway N.V., a company which I have since been informed is Netherlands Antilles corporation. At the time the check was received and processed by me, I had no reason to believe that the corporation was anything other than a United States corporation or that the ultimate source of the donation was anyone other than Sylvia Lichauco. Further, I had no knowledge of any law limiting the right of a foreign company to contribute to the Friends Committee or to campaign committees. This was not something that had to be reported on the semi-annual disclosure report and was not an item to be filled out on the white and red card by donors. My practice was to review the card rather than the check to determine who made the donation. None of the laws under which I operated required that I ascertain, record or report the nationality of the donor.

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While at Mr. Werbe's office, I also reviewed the 3 by 5 card I had prepared for Sylvia Lichauco. I believe the information on the 3 by 5 card must have come from a white and red donor card that accompanied the Stanway check. A copy of the 3 by 5 card is attached to my declaration. This card reveals the following. The donation of $250 was made in the name of Sylvia Lichauco, whose address was reported as 153 Kearny St, Suite 201, San Francisco California. Her employer or firm was Jamestown Company. The contribution was received on February 15, 1986.

I also reviewed the semi-annual disclosure report for the period January 1, 1984 to June 30, 1984. This report accurately reflects the information contained on the index card. It also indicates that payments to Solem and Associates of $5702.88 for "Professional Services for Wendy Nelder Fund Raiser" and $974.00 for "Postage, Art, Printing".

From my review of these records, and based on my established recording practice, I believe the donation was solicited and processed as follows. In early 1984, Solem and Associates were retained by the Friends of Wendy Nelder Committee to conduct a mail fundraiser for the Committee. They handled all aspects of the fundraiser, including preparing and printing the mailer, mailing it out, and receiving the donation checks and white and red donor cards so that they could mail thank you notes to those persons who donated to the Committee. The checks and white and red cards were then sent by Solem and Associates to Mr. Hothem's office for processing. I believe that in response to

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this mailer, Sylvia Lichauco returned the white and red card with the check for $250, indicating on the card that the donation came from her and that she was employed by or associated with Jamestown Company. Consistent with my established practice, I transferred this information onto the index card and subsequently on to the disclosure report.

I have testified in terms of belief because I have no present recollection of this particular transaction. I processed hundreds of contributions for the Friends Committee from early 1984 to October 1985. I am a bookkeeper by profession. I have learned the importance of establishing and following a standard record keeping system. I attempt to adhere to practice,. Based on this practice, I believe that the donation in question was processed and recorded as explained above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 27th day of August, 1986 at San Francisco, California.

Fr Meynard

FRANCIS MEYNARD

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Lichanco, Sylvia (Jamstown Co)

153, Kearny, Suite 201

San Francisco, CA - 94108

tel: 956-8787

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LAW OFFICES
JOSEPH A. SPERSKE
25000 INDUSTRIAL BOULEVARD
HAYWARD, CALIFORNIA 94545
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415-887-7695

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AGC / Kleinfeld

August 6, 1986

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

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

On July 28, 1986, I received the attached letter concerning Stanway, N.V. from the Honorable Joan D. Aikens. We strongly object to the determination that Stanway, N.V. may have violated 2 U.S.C. §441 e.

To further clarify the situation, we have prepared and attached hereto a declaration which provides more specific details in this matter.

It would appear that the determination that a violation may have occurred has been made on the basis that a $250 check to Ms. Wendy Nelder was drawn upon the U.S. bank account of a foreign company. Since the check was written on the account of a foreign company, it has been concluded that a technical violation has occurred. This conclusion ignores the substance of the transaction, that is, that a Jamestown Company, a California corporation, made the contribution to Ms. Nelder and not Stanway, N.V.

It is my understanding that the law in this area is unclear. Certainly, there is no specific prohibition against a foreign corporation acting as agent of a domestic corporation while making a campaign contribution. Considering the fact that this is a case of first impression, as well as the fact that this was in substance a contribution by a U.S. entity, it is respectfully requested that a determination be made that there is no reason to believe that a violation of any statute within the jurisdiction of the Federal Election Commission has been committed.

Sincerely,

Joseph A. Sperske

Joseph A. Sperske

Enclosures
cc: Federal Election Commission Members:
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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GENERAL COUNSEL

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 441e, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 441e.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. Stanway N.V. ("Stanway") is a Netherlands Antilles company that was incorporated on November 8, 1982. Attached as Exhibit "A" is a copy of the Articles of Incorporation of Stanway.

3. Stanway qualified to do business in the state of California on August 25, 1983. Attached as Exhibit "B" is a copy of its Certificate of Qualification.

4. To this date, no shares of Stanway stock have been issued and the company has not been capitalized.

5. During the period from July 1983 to the current date, Stanway was made available by its incorporators, Corporate Trust N.V., to be used as an agent for The Jamestown Company, a California corporation. I was given the power to act for Stanway pursuant to a Power of Attorney, a copy of which is attached hereto as Exhibit "C".

6. I am not now and have never been an officer or a director of Stanway.

7. In 1984, Stanway entered into an agreement with Arconal, Inc., a California corporation which owned all of The Jamestown Company to represent the interest of Arconal, Inc. in the development of The Jamestown Company's project at 212 Stockton Street in San Francisco, California.

8. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, I directed Stanway's receipt and deposit of funds, and their

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disbursement in accordance with The Jamestown Company's operational program and directives.

9. On February 6, 1984, a $250 campaign contribution from Stanway's U.S. bank account was made to Ms. Wendy Nelder from the funds of The Jamestown Company held by Stanway. This contribution was made by Stanway as agent for The Jamestown Company. However, it is my understanding that Ms. Nelder reported this contribution as being from myself.

10. On or about February 26, 1986, I became aware of the requirement that the contribution should have been reported by Ms. Nelder as being from The Jamestown Company. Accordingly, the attorney for Jamestown Company sent a letter dated March 20, 1986. A copy of this letter is attached as Exhibit "D".

11. Within the last two months, the entire $250 contribution was refunded by Ms. Nelder.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: August 6, 1986

Sylvia Lichauco

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ARTICLES OF INCORPORATION

OF THE

LIMITED LIABILITY COMPANY

"STANWAY N.V."

DATED: November 8th., 1982.

Upon this, eighth day of November nineteen hundred and eighty two, appeared before me, Johannes Wilhelmus Maria Thesseling, a notarial candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao, in the presence of the witnesses to be mentioned hereinafter:
Mister GERARD JAN ROOS, a company director,
residing in Curacao,
by these presents acting as managing director of the limited liability companies: CORPORATE TRUST N.V. and N.V. MACOR, both established in Curacao, and as such legally representing this limited liability companies according to their articles of incorporation.
The appearer declared that Corporate Trust N.V. and N.V. Macor by these presents do incorporate a limited liability company which will be constituted under the following provisions:

NAME AND SEAT
Article 1

1. The name of the corporation is:
"STANWAY N.V."
In foreign trade the corporation may be designated as:
"STANWAY INC."
2. It is established in Curacao.

OBJECTS
Article 2

The objects of the corporation are:
a. the acquisition, possession, administration, sale, exchange, transfer, trade in and alienation of shares, bonds, funds, orderdocuments, evidences of indebtedness and other securities, the borrowing of money and the issuance of evidences of indebtedness therefor, as well as the lending of money and the granting of security in whatever form in favour of third parties;
b. the acquisition of:
(i) income arising from the disposal or licensing of copyrights, patents, designs, secret processes or formulae, trademarks and similar interests;
(ii) royalties, including rentals, in respect of motion pictures or relating to the use of industrial, commercial or scientific equipment as well as in respect of the exploitation of a mine or quarry or any natural resource and other real properties;
(iii) considerations for the rendering of technical assistance;
c. the acquisition, possession, alienation, administration, development, lease, letting, mortgaging or in general the encumbrance of real property and any right to or interest in real property;
d. the trading in, including wholesale, distributive and future trade, as well as the import and export of raw materials, minerals, metals, organic materials, semi-finished products and finished products of whatever nature and under whatever name;
e. the participation in other corporations and enterprises;
f. the performance of everything connected with the foregoing in the widest sense of the word.

DURATION
Article 3

The corporation is entered into for an indefinite period of time.

CAPITAL AND SHARES
Article 4

1. The authorized capital of the corporation amounts to THIRTY THOUSAND UNITED STATES DOLLARS (US$ 30.000,--), divided into thirty thousand (30.000) shares of One United States Dollars (US$ 1,--) each, of which at the incorporation six thousand (6.00

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2. Shares are issued by the management.
The management shall decide as to the time, the price of issuance of new shares - provided that such price shall not be below par - and as to the time of payment.
3. The new shares shall be offered by preference to the existing shareholders, such in proportion to the number of shares held by them.
4. The management is competent, without instruction of the general meeting of shareholders, to conclude agreements as mentioned in article 60 of the Code of Commerce of the Netherlands Antilles.
5. The Corporation may acquire fully paid up shares in its capital for its own account, for valuable consideration, provided that at least twenty percent of the authorized capital remains outstanding with others than with the Corporation itself.
6. For shares held by the Corporation in its own capital, no voting or claimright can be exercised, nor will any payment from profit or liquidation balance be made on such shares, nor shall such shares count in the computation of a quorum at any meeting.

Article 5

1. The shares are, at the option of the shareholder, registered or - provided they are fully paid up - bearer shares and are numbered as from one.
2. At the request of the shareholder, sharecertificates can be issued for registered shares. For the bearer shares share-certificates shall be issued.
The costs of issuance of sharecertificates shall be for the account of the Corporation.
3. Sharecertificates can be issued at the request of a shareholder for more shares at a time. The holder of such sharecertificates may at any time claim exchange against sharecertificates for another number of shares.
The sharecertificates shall be signed by one managing director.
4. Each sharecertificate can, at the option of the management, be provided with a set of dividendcoupons and a talon in order to obtain a new set of dividendcoupons. Dividendcoupons and talon shall then bear the same number as the sharecertificate to which they belong.
5. At the request of the shareholder, registered shares can be converted into bearer shares and vice versa.
6. If dividendcoupons have been issued, payment of dividends shall be effected against delivery of a dividendcoupon which serves the Corporation as full discharge therefor.

Article 6

1. If one has made acceptable to the satisfaction of the management that a sharecertificate, dividendcoupon or talon belonging to him, has been lost or mislaid, duplicate certificates can at request of the shareholder concerned, be issued under such conditions and guarantees as the management shall determine.
By issuance of the new sharecertificates, dividendcoupons or talons, on which mention shall be made that they are duplicates, the original ones shall become void.
2. Mutilated sharecertificates, dividendcoupons or talons may be exchanged by the management against new exemplars.
The mutilated exemplars which are turned in, must be destroyed forthwith by the management.

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3. All expenses in connection with the issuance of duplicates or new certificates shall be for the account of the applicant and must, if so desired, be paid by him in advance.

Article 7

1. The registered shares are entered in a register, which is kept by the management. The entry mentions the name of the shareholder, his residence or the domicile elected by him, the quantity and the numbers of his shares.
2. Each transfer and change of ownership of a registered share and each conversion as referred to in Article 5, Section 5, shall be entered in the register and each such entry shall be signed by one managing director.
3. The transfer of registered shares shall be effected either by serving a deed of transfer upon the Corporation or by the written acknowledgement of the transfer by the Corporation.
4. If no sharecertificate has been issued, the entry in the register provided for in the second section shall have the effect of a written acknowledgement of the transfer by the Corporation.
In the event a sharecertificate has been issued, the acknowledgement shall be effected by an entry made on the sharecertificate concerned, signed by one managing director.
5. Irrespective of the provisions of Section 2, the conversion shall - in case of conversion of a share for which a sharecertificate has been issued - be entered on such sharecertificate by one managing director.

MANAGEMENT

Article 8

1. The Corporation is managed by a management, consisting of one or more managing directors, in which capacity also a legal entity can be appointed.
2. The managing directors shall be appointed by the general meeting of shareholders and can at any time be suspended and removed by it.
3. The Corporation shall be represented against third parties in all matters, including court matters, by one managing director.
4. The management is competent, without limiting its responsibility, to appoint holders of procuration and to determine their faculties and the way they shall represent the Corporation and shall sign on its behalf.
5. Each managing director is competent to give mandate and power of attorney to a co-managing director in order to represent the mandator in his capacity of managing director with due observance of the conditions of the mandate.
6. In the event of impediment or default of one or more managing directors, the management shall be vested entirely in the remaining managing director(s), in the event of impediment or default of all managing directors, the Corporation shall be temporarily managed by a person designated thereto by the general meeting of shareholders.
In the latter case the person designated by the general meeting of shareholders shall be under the obligation to convoke a general meeting of shareholders as soon as possible in order to provide for a permanent management.
As long as such has not been done, the acts of management of the designated person shall remain restricted to only such ones which cannot be delayed.

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7. In the event of a conflict of interest between the Corporation and one or more managing directors, it shall be represented by another managing director and, in the absence of the latter, by a person designated thereto by the general meeting of shareholders.

GENERAL MEETING OF SHAREHOLDERS

Article 9

1. General meetings of shareholders shall be held in Curacao.
2. The annual general meeting of shareholders must be held within nine months after the expiration of the financial year of the Corporation.
In this lastmentioned meeting, among other things:
a. a report shall be delivered by the management with regard to the course of business of the Corporation and the conduct of its affairs during the past financial year;
b. the balance-sheet and profit and loss account shall be adopted after having been submitted together with an explanatory statement indicating by what standard the movables and immovables of the Corporation have been appraised.

Article 10

1. Every managing director is, and the shareholders, representing together a total of at least ten percent of the issued capital stock, are equally competent to convoke a general meeting of shareholders.
2. The shareholders shall be convoked to all meetings by means of an advertisement, to be placed in a newspaper published and widely read in Curacao, at least five days prior to the day on which the meeting is to be held, excluding the days of the convocation and of the meeting.
The advertisement shall contain the agenda of the meeting or shall mention that it is deposited for the shareholders for inspection at the office of the Corporation.
If a proposal to amend the Articles of Incorporation will be dealt with, the advertisement shall also state so.
As to subjects in respect of which the foregoing has not been observed, valid resolutions can always be adopted, if such resolution is adopted by unanimous vote at a meeting in which the entire outstanding capital is represented.
3. General meetings shall be presided over by a person designated thereto by the meeting.
4. Shareholders may be represented at the meeting by a proxy empowered in writing.
Managing directors or, in general, persons employed by the Corporation can not act as proxy of a shareholder at the meeting.
In order to exercise their rights at a meeting, holders of bearer shares must indentify themselves as such to the satisfaction of the Corporation.
The sharecertificates or a certificate of deposit issued therefor by the Corporation or a Bank - stating that the sharecertificates shall not be returned before the end of the meeting - shall count as sufficient identification.
5. All resolutions of the annual and special general meeting of shareholders shall be adopted by absolute majority of the votes cast, if not provided for otherwise in these Articles of Incorporation.

6. In the event of proceeding to an appointment, the person who has obtained the absolute majority of the votes cast, is held to be elected.
If nobody has obtained such majority, a second ballot shall be taken between the two persons who have obtained the greatest number of the votes cast. If more than two persons should have obtained the same number of votes and at the same time the greatest number of votes cast, then the second ballot shall be taken between two of these persons designated by lot.
If these persons should obtain an equal number of votes at the second ballot, the decision shall be by lot.

Article 11

1. Each share entitles to cast one vote.
2. Also for share of those to whom, otherwise than as shareholder of the Corporation, by the resolution to be adopted, should be granted any right towards the Corporation or those who should be released from any liability towards it, valid votes may be cast.

Article 12

Of all matters dealt with in a general meeting of shareholders, minutes shall be kept, which shall be signed by the chairman and a shareholder or a proxy of a shareholder present at the meeting, unless a notarial record thereof shall be drawn up.

FINANCIAL YEAR

Article 13

The financial year of the Corporation runs concurrent with the calendar year.
The first financial year runs from the commencement of the Corporation up to and including the thirty first day of December nineteen hundred and eighty three.

Article 14

1. Within eight months after the end of the financial year, the management shall present the balance sheet and profit and loss account covering the past financial year, together with the explanatory statement referred to in Article 9, to the general meeting of shareholders. The balance sheet, the profit and loss account and the explanatory statement shall be signed by all managing directors.
If the signature of one of them is missing the reason thereof shall be stated on these documents.
2. The balance sheet, the profit and loss account and the explanatory statement shall be deposited at the office of the Corporation for inspection by the shareholders or their proxies as from the day of convocation of the general meeting for the propose of adopting these documents until the end of that meeting.
3. The balance sheet and the profit and loss account shall be adopted by the annual general meeting of shareholders.
Adoption of the balance sheet and the profit and loss account serves the management as discharge for its management carried on during the past financial year, as far as such appears from the submitted documents without prejudice to the provisions of article 116 of the Code of Commerce of the Netherlands Antilles.
4. The general meeting of shareholders shall decide upon the amounts to be reserved.

DISTRIBUTION OF PROFITS

Article 15

1. The profit, by which term is to be understood the net profit

according to the adopted profit and loss account, is entirely at the disposal of the general meeting of shareholders.
2. The management is at any time competent to pay out interim dividends by way of advance-payment on the dividends to be expected.

Article 16

If according to the adopted profit and loss account, a loss has been sustained during any year which cannot be covered by the reserves or compensated in some other way, no distribution of profit shall be effected in the following years as long as such loss has not been compensated.

AMENDMENT OF THE ARTICLES OF INCORPORATION AND DISSOLUTION OF THE CORPORATION

Article 17

1. Resolutions to amend the articles of incorporation or to dissolve the corporation can only be adopted with at least three-fourths of the votes cast at a general meeting of shareholders, at which at least two-thirds of the shares are represented.
2. In the event the required capital is not represented at the meeting, a second meeting shall be convoked, to be held within two months after the first one, at which second meeting, irrespective of the capital then represented, valid resolutions can be adopted as to such subjects with three/fourths of the votes cast.
3. In the event of dissolution of the Corporation, the liquidation shall be effected under such conditions as the general meeting of shareholders shall decide.

Finally the appearer declared:
- that in deviation from the aforementioned - with regard to the way of appointment - for the first time is appointed managing director of the corporation:
Corporate Trust N.V., aforementioned;
- that in the capital of the corporation is participated by the incorporators as follows:
by N.V. Macor for five thousand nine hundred and ninety nine (5.999) shares; and
by Corporate Trust N.V. for one (1) share;
- that on a draft of this deed the required declaration of no objection was granted by Ministerial Decree dated November fifth nineteen hundred and eighty two, number 4791/N.V..

The appearer and the witnesses are known to me, the substitute-notary.

OF WHICH THIS RECORD

Was executed in Curacao, on the date first mentioned in the introductory paragraph, of this deed in the presence of the ladies Carla Ansia de Wind and Vivien Mary Cecile de Windt, both clerk and residing in Curacao, as witnesses.
Immediately after the reading this deed was signed by the appearer, the witnesses and by me, the substitute-notary.

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THE UNDERSIGNED:

Johannes Wilhelmus Maria Thesseling, a notarial-candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao,

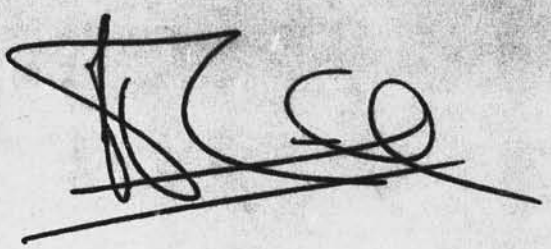
DOES HEREBY CERTIFY:

that this is a true but unofficial English translation of the Articles of Incorporation of the limited liability company:

"STANWAY N.V."

a corporation organized under the laws of the Netherlands Antilles and established in Curacao.

Curacao, November 8th., 1982.



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State of California
OFFICE OF THE SECRETARY OF STATE

SACRAMENTO

CORPORATION NUMBER
1225426

CERTIFICATE OF QUALIFICATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 25th *day of* August, *19* 83,
"Stanway N.V.", now:

STANWAY, INC.,

a corporation organized and existing under the laws of the

Netherlands Antilles, *complied with the requirements of California law in effect on that date for the purpose of qualifying to transact intrastate business in the State of California and that as of said date said corporation became and now is fully qualified and authorized to transact intrastate business in the State of California, subject, however, to any licensing requirements otherwise imposed by the laws of this State.*

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 7th day of November, 1983

March Fong Eu

Secretary of State

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Exhibit B

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POWER OF ATTORNEY

Know all men by these presents:

that the undersigned STANWAY N.V., whose managing director is Corporate Trust N.V., hereby makes, constitutes and appoints:

SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR.

of 153 Kearny Street, San Francisco, California U.S.A. acting jointly or severally, its true and lawful attorneys in fact, with full power of substitution, for it and in its name, place and stead, for its sole use and benefit, to deal in the assets of the Company, to open and close bank accounts, including brokerage and money market accounts, to lease, purchase, exchange and acquire, and to bargain, contract and agree for the lease, purchase, exchange and acquisition of any real or personal property, also to improve, repair, manage, insure, rent, lease, sell, release, convey, subject to liens, mortgage and hypothecate and in any way or manner deal with all or any part of any real or personal property of the Company, all in the name of the Company and under such terms and conditions as such attorneys in fact shall deem proper, also to sign, endorse, execute, acknowledge, deliver, receive and possess such applications, contracts, agreements,options, covenants, deeds, conveyances, deeds of trust, leases, mortgages, promissory notes, assignments, contracts relating to development of real property, including construction,financing and management, and any other contracts in relation thereto, withdrawal and deposit instruments relating to any bank, brokerage or money market accounts or deposits of the Company, local, state or federal reporting forms, applications for security arrangements, security agreements and annual information returns as required by the Foreign Investment in Real Property Tax Act of 1980, any and all forms in connection with the qualification of the Company to transact business in the appropriate state in the United States, and any other instruments in writing which may be

Exhibit C

necessary or proper in the exercise of the rights and powers herein granted, on behalf or in the name of STANWAY N.V.
The Company hereby ratifies and confirms all things done by its said attorneys in fact SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR., within the scope of the authority given them,as fully and to the same extent as if done and performed by the Company personally.

IN TESTIMONY THEREOF, said STANWAY N.V., a Company established under the laws of the Netherlands Antilles, has caused this power of attorney to be executed in its corporate name, by its managing director Corporate Trust N.V., pursuant to the powers contained in its Articles of Incorporation this 21st day of July 1983.

STANWAY N.V.

CORPO[illegible] N.V.

Corporate Trust N.V.
Managing Director

By: G.J. Roos
Managing Director

Seen for legalization of the signature of Mr. G.J. Roos, managing director of Corporate Trust N.V., which corporation is a managing director of STANWAY N.V., a limited liability company, established in Curacao, by me, J.W.M. Thesseling, LL.M., a notarial candidate, residing in Curacao, legally deputizing for Dr. J.A. Schiltkamp, a Civil Law Notary of Curacao.

Curacao July 22nd, 1983

J.W.M. Thesseling.

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
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SAN FRANCISCO, CALIFORNIA 94108

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The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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Exhibit D

contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Burk E. Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Delventhal:

On July 9, 1986, the Commission found reason to believe that Wendy Nelder had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on , 1986, the Commission has determined to take no further action and close its file.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that the receipt of a contribution from a foreign national nevertheless is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

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ATTACHMENT 2

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Stanway, N.V.

Dear Mr. Sperske:

On July 9, 1986, the Commission found reason to believe that your client had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, on , 1986, the Commission has determined to take no further action and close its file.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that the making of contribution by a foreign national for any political office is a violation of 2 U.S.C. § 441e. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Sue C. Hestor, Esquire
870 Market Street
Room 1121
San Francisco, CA 94102

Re: MUR 2165

Dear Mr. Hestor:

The Federal Election Commission has reviewed the allegations of your complaint dated April 17, 1986 and determined that on July 9, 1986 there is reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed by Stanway N.V. and Wendy Nelder. However, after considering the circumstances of this matter, the Commission has determined on , 1986, to take no further action.

Also on July 9, 1986, the Commission determined with respect to the other respondents that there is no reason to believe that a violation of the Act has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

Dear Mr. Starr:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leonard B. Berger, Esquire
Dobbs, Berger, Molinar, Casalnuovo,
Vannelli & Nadel
Suite 2500 Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

RE: MUR 2165
John L. Molinari

Dear Mr. Berger:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Burk Delventhal, Esquire
Deputy City Attorney
Room 206, City Hall
San Francisco, California 94102

RE: MUR 2165
Dianne Feinstein, Willie Kennedy, Quentin Kopp, Louise Renne, and Carol Ruth Silver

Dear Mr. Delventhal:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph Sperske, Esquire
P.O. Box 3247
Hayward, California 94540

RE: MUR 2165
Sylvia Lichauco

Dear Mr. Sperske:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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City and County of San Francisco:

Office of the City Attorney

George Agnost,
City Attorney

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FEDERAL ELECTION COMMISSION
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GENERAL COUNSEL

GCC#1360

August 28, 1986

Mr. Eric Kleinfeld
Office of the General Counsel
Federal Election Commission
999 "E" Street Northwest
Washington D.C. 20463

Re: MUR No. 2165

Dear Mr. Kleinfeld:

We are writing on behalf of Supervisor Wendy Nelder, a respondent in the matter identified above. We request the Federal Election Commission close its file in this matter with respect to Supervisor Nelder.

This matter concerns a locally elected official who, unaware of a provision of law buried in the midst of an extensive federal act regulating federal elections which does not by its terms apply to candidates for local office, was the unknowing recipient of a donation, since returned, made in the name of a United States citizen from allegedly foreign funds to a committee which is precluded from using the donation in connection with any election to municipal office. For three reasons, set forth in detail in the brief enclosed with this letter, the Commission should close its file on this matter.

First, and most fundamentally, the provision of law under which this matter was brought, 2 U.S.C. § 441e, does not apply to the donation in question. Section 441e, which does not explicitly apply to local elections and which is located in the Federal Elections Campaign Act regulating federal elections, prohibits the acceptance of a contribution from a foreign national in connection with election to office. It is uncontroverted that the donation in question in this proceeding was not made to a campaign committee but rather a "Friends Committee." It is also uncontroverted that Friends Committee funds <u>may not</u> be used in connection with any municipal election. Rather, they may only be used in connection with government and public purposes <u>other than</u> election to local office. Simply stated, acceptance of the donation does not constitute noncompliance with Section 441e.

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Second, any noncompliance was unknowing and unintentional. Supervisor Nelder was not informed by the City Attorney of the existence of this federal provision and was unaware that federal law in any way regulated local elections. Further, Supervisor Nelder had no reason to know or believe that the donation in question came from anyone other than the person in whose name the donation was made and reported by the Friends Committee treasurer. Since the evil sought to be prevented by Section 441e is the corruption of public officials, it defies common sense to apply the prohibition regardless of the official's state of mind, particularly since the activity regulated implicates important First Amendment rights and especially where the official did not know or have reason to know that the source of the donation was anyone other than the person who identified herself as the donor.

Finally, it is uncontroverted that the ultimate source of the donation in question was the Jamestown Company, a California Corporation that may, consistent with Section 441e, make donations and contributions to United States officials and candidates.

For these reasons, Supervisor Nelder requests that you recommend to the Federal Election Commission that it close its file on this matter with respect to Supervisor Nelder

Our presentation of facts and issues of law that this letter summarizes are attached. Thank you very much for your attention to this matter.

Very truly yours,

PHILIP S. WARD
Acting City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

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PHILIP S. WARD
Acting City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Wendy Nelder

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
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I.
INTRODUCTION

A. Summary of Argument

This proceeding involves an elected official of the City and County of San Francisco who, unaware of a federal provision hidden within a voluminous act regulating federal elections and not explicitly applicable to candidates for state or local office, unknowingly received a donation, since returned, made in the name of a United States citizen from allegedly foreign funds to a committee which by local law is prohibited from using the donation in connection with election to municipal office. The uncontroverted facts reveal no basis upon which the Supervisor

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CITY ATTORNEY
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could have known or had reason to know that there may be something unlawful about the contribution.

2 U.S.C. § 441e, the relevant provision, simply does not apply to the donation in question. This section, the scope of which does not on its face extend to local elections and which is located in the a federal act which regulates federal elections, prohibits the acceptance of a campaign contribution from a foreign national in connection with election to office. It is beyond dispute that the donation in question in this proceeding was not made to a campaign committee but rather to a committee formed to defray the costs of holding office ("Friends Committee") and that the donation may not be used to support or oppose any candidate for municipal office. Rather, the donation in question, as well as all other donations made to the Friends Committee, may only be used in connection with government and public purposes other than election to local office. Acceptance of the donation was consistent with Section 441e.

Further, any noncompliance was innocent and unknowing. The respondent in this matter, Supervisor Nelder, was not informed by the City Attorney of the existence of this obscure federal provision and was unaware of any federal law applicable to candidates for local office. No person in Supervisor Nelder's position would have reason to know or believe that the donation to the Friends Committee was donated by anyone other than Sylvia Lichauco, a United States citizen, the person in whose name the donation was made and in whose name the donation was reported by

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the treasurer of the Friends of Wendy Nelder Committee. Nor would such a person have reason to investigate the source of the donation.

Recognizing that the evil sought to be prevented by Section 441e is the corruption of public officials by foreign nationals, the purpose of the law is frustrated rather than furthered by applying it without regard to the mens rea of the affected official. A narrow construction of this section is dictated by the important First Amendment rights involved in making and receiving contributions and donations.

Lastly, it is uncontroverted that the actual source of the donation to the Friends Committee was the Jamestown Company, a California corporation that is legally entitled to make donations and contributions to United States officials and candidates.

B. Summary of Underlying Facts

On February 15, 1984, the Friends of Wendy Nelder received a $250 donation, since returned, in the name of Sylvia Lichauco in response to a mass mailing. See Declaration of Wendy Nelder. The monies of the Friends of Wendy Nelder, a committee that was formed to defray the costs associated with holding local office, such as office staff and equipment, may not in any way be used to support the election to local office of Supervisor Nelder or any other local candidate. Declarations of Nelder and Burk E. Delventhal. In fact, Supervisor Nelder was not a candidate for

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office at the time the donation was received. See declaration of Nelder.

The donation in question was drawn on the account of an entity that was identified on the check only as Stanway, N.V. Since the donor card (filled out by the donor) that accompanied the check indicated that the donor was Sylvia Lichauco, an employee of The Jamestown Company, the treasurer of the Friends Committee, consistent with his established practice, copied the information from the donor card and recorded the donation as being received from Sylvia Lichauco. Declaration of Francis Meynard. Supervisor Nelder, in reliance upon the treasurer's report, had no reason to know or believe that the donation was from anyone other than Sylvia Lichauco nor did she have reason to investigate the donation.

Hence, Supervisor Nelder has no recollection of the check or this particular donation. Declaration of Nelder. It must be emphasized that during the course of a year, the supervisor receives hundreds of contributions and donations. Id.

When it was reported in the local media that certain contributions may have been made in violation of a federal election law of which Supervisor Nelder was unaware, she immediately caused her treasurer to search the contribution and donation records of her campaign committee and Friends Committee respectively. Id. The treasurer located a contribution made to Supervisor Nelder's campaign committee, a contribution not implicated in this matter, but initially overlooked a donation

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made to the Friends Committee. Supervisor Nelder immediately consulted with the City attorney who advised that while there appeared to be no violation of law, the Supervisor should, from a public relations standpoint, return any monies received from Lichauco. She immediately returned the contribution received by her campaign committee.

When she was subsequently notified by a letter from the law firm of Bagatelos and Fadem, a locally well established firm specializing in election and campaign law, that the Friends Committee had received a $250 donation reported by the Friends Committee as being made in the name of Lichauco, Supervisor Nelder immediately caused her treasurer again to review the Friends Committee records. The treasurer discovered that a donation had been made to the Friends Committee in the name of Lichauco. Again, there was no indication from the report prepared by the Friends Committee treasurer that the donation came from Stanway N.V. nor did the Stanway check indicate the foreign status of Stanway. Declarations of Nelder and Meynard. It was only after the Supervisor was apprised by the Bagatelos letter that the information provided by donor might be inaccurate that she went behind the information and discovered that the check had been drawn on the account of Stanway. Supervisor Nelder, again after conferring with the City Attorney, caused the Friends Committee to return the donation.

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/ / / C. <u>Procedural History</u>

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On April 25, 1986, Supervisor Wendy Nelder received a letter from the Federal Election Commission ("Commission") notifying her that the Commission had received a complaint alleging that the Supervisor and Friends of Wendy Nelder ("Friends Committee") may have violated certain sections of the Federal Election Campaign Act of 1971 (2 U.S.C. § 431 et seq. "Act"). The donation in question was made in the name of Sylvia Lichauco by way of a check dated February 9, 1984 drawn on the account of Stanway N.V. and was received by the Friends Committee on February 15, 1984. Declarations of Nelder and Meynard.

On May 29, 1986, the San Francisco City Attorney's Office, which had been authorized by the Supervisor to represent her in this matter, filed a response to the complaint. The response explained that there was no credible evidence indicating that any federal election law had been violated and no evidence whatsoever suggesting the Supervisor Nelder had acted unlawfully. The response pointed out that Supervisor Nelder had no reason to believe that the donation was made by anyone other than Sylvia Lichauco, a United States citizen entitled under the Act to make contributions, until March 20, 1986, when the Friends Committee received a letter from the law firm of Bagatelos and Fadem, attorneys for the Jamestown Company, notifying her that the donation ostensibly made by Sylvia Lichauco was actually made by the Jamestown Company, a California corporation, through its agent "Stanway N.V." This letter to the Friends Committee did

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not indicate that Stanway N.V. was a foreign corporation. The response filed on behalf of Supervisor Nelder also noted that after receipt of the Bagatelos letter, Supervisor Nelder, out of an abundance of caution, caused the Friends Committee to refund the $250 donation. Finally, the response noted that according to the campaign statement filed with the California Secretary of State and signed under penalty of perjury, the ultimate source of the donation in question was the Jamestown Company, a California Corporation.

Subsequently, this office received a letter from the Commission dated July 23, 1986, stating that after a review of the complaint and response, the Commission had determined that "there is reason to believe that [Supervisor Nelder] violated 2 U.S.C. § 441e, a provision of the Act" which prohibits the making, soliciting, receipt, or acceptance of a contribution from a foreign national in connection with <u>any election</u> to any political office or any <u>primary election, convention or caucus convened to select a candidate</u> for office. Specifically, the letter indicated that Section 441e was violated by the acceptance by the Friends Committee of the $250 donation made by "Stanway, N.V., a foreign corporation, and Sylvia Lichauco, as President."

Supervisor Nelder, based on the additional evidence and legal arguments set forth below, respectfully requests that the Office of the General Counsel recommend to the Commission that it close its file in this matter with regard to Supervisor Nelder. Failing that, the Supervisor requests, pursuant to 11 C.F.R. §

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111.18(d), the she be permitted to pursue pre-probable cause conciliation with the Commission.

II.
THE COMMISSION SHOULD CLOSE ITS FILE ON THIS MATTER SINCE THE DONATION IN QUESTION WAS NOT MADE IN CONNECTION WITH ANY ELECTION TO PUBLIC OFFICE AND THE DONATION WAS ACCEPTED WITHOUT KNOWLEDGE OF ITS RELATION TO A FOREIGN NATIONAL

A. The Donation in Question Was Not Made in Connection With Any Election to Public Office and Therefore Receipt And Acceptance of the Donation Did Not Violate Federal Law

The donation in question was made to the Friends of Wendy Nelder committee. This committee, like other friends committees established for City officials, was not organized for the purpose of supporting or opposing any candidate for election to public office; rather, it was formed for the purpose of assisting the Supervisor in defraying the costs associated with holding elective office. See Declarations of Nelder and Delventhal. These costs may include such things as compensating legislative aides, purchasing office equipment, and subscribing to various publications. Id.

In fact, Friends Committee moneys may not be used in connection with any election to municipal office. Declaration of Nelder and Delventhal. As Supervisor Nelder testifies, she has been advised on several occasions by the City Attorney's Office that Friends Committee Funds may not be used in support of or in opposition to the election of any person for municipal office, since this would make the donations subject to the San Francisco

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SAN FRANCISCO 94102
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Municipal Campaign Contribution Control Ordinance, which limits the amount of money a person may contribute in support of or in opposition to a candidate for local office. See also, Declaration of Delventhal. Hence, Friends Committee monies, including those received from the donation in question, were not donated for or used to support or oppose the election of any candidate for local office. Id. These facts are uncontroverted.

2 U.S.C. § 441e(a) provides in pertinent part that

> It shall be unlawful for a foreign national directly or through any other person to make any contribution . . . in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. [Emphasis added.]

The language of this statute does not on its face purport to apply to local elections. Also, since Section 441e appears in the midst of a statute that bears the title "Federal Election Campaign Act", there is even less reason for a candidate to local office to believe that its provisions apply to local elections. Further, the Act's definitions, including the definition of "contribution", indicate that the provisions of the Act were aimed solely at federal election campaigns. See, 2 U.S.C. § 431(c). It is not until one refers to the Code of Federal Regulations that it becomes apparent that the Federal Election Commission interprets Section 441e as applying to local elections. See, 11 C.F.R. § 110.4(a).

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It is clear that the Congress, in enacting this statute, sought to eliminate any foreign influence over the election of federal, state or local office. Although it no doubt had the authority to do so, Congress did not seek to prohibit or regulate the receipt of gifts or donations from foreign nationals made to officials for purposes other than campaigns once they had been elected to office. Rather than prohibit the receipt of contributions in connection with election to office, Congress could have prohibited the acceptance of anything of value from foreign nationals whether in the form of contributions, donations or gifts, by any candidate or government official.

In fact, with regard to federal officials and employees, Congress has regulated the receipt of gifts valued at greater than $1000 made by foreign governments. 2 U.S.C. § 7342(b). It has not chosen to regulate the receipt of gifts or donations by local officials.

It must generally be assumed that Congress expresses its purpose through the words it chooses. Escondido Mut. Wat. Co. v. La Jolla, Rincon, et al., 466 U.S. 765 (1984). Hence, in determining the scope of a statute, the court must look to the unambiguous language of the statute and in the absence of clearly expressed language to the contrary, the language of the statute must be regarded as conclusive. U.S. v. Turkette, 452 U.S. 576, 580 (1981). Finally, the words of a statute must, in the absence of persuasive reasons to the contrary, be given their ordinary, everyday meaning. Malat v. Riddel, 383 U.S. 569 (1966). Hence,

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the statute must be interpreted as prohibiting the receipt of funds from foreign nationals only when those funds take the form of contributions made in connection with an election. There can be little doubt that the ordinary everyday meaning of the words "contribution . . . in connection with an election to any political office" relates to monies given to persons for the purpose of assisting those persons to gain or retain public office. The plain meaning of these words simply does not include donations made for purposes other than the election to a public office.

This conclusion is reinforced by the clear expression of Congressional intent to impose broader restrictions on federal officials. The distinction cannot be assumed to be the result of semantic accident. Rather, Section 441e expresses a clear legislative choice. Under the doctrine of expressio unius, est exclusio alterius, both this agency and the courts must defer to and preserve distinctions made in statutes. City of Burbank v. General Electric Co., 329 F.2d 825 (9th Cir. 1964). Accordingly, Congress did not intend to apply the prohibition against receiving contributions from foreign nationals "in connection with an election" to donations which could not be used by the official in support of his or her election to local office.

Since Friends Committee monies may not be used to support or oppose the election of any person to municipal office, but rather only to defray the costs associated with holding office, the receipt and acceptance by the Friends Committee of the

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donation allegedly made by Stanway, N.V. was not connected to any "convention, caucus, primary, general, special, or runoff election in connection with any local, state or Federal public office." Accordingly, neither the Supervisor nor the Friends committee violated 2 U.S.C. § 441e by accepting the donation in question. The Commission should close its file on this matter with regard to Supervisor Nelder.

Meriah Bond

B. The Donation in Question Was Accepted Without Knowledge of Its Relation to a Foreign National

Holding Supervisor Nelder civilly liable in this matter would impose strict liability on an unknowing public official who received a hidden foreign contribution. The imposition of liability based on strict liability is not explicitly authorized by 2 U.S.C. § 441e. The law does not expressly prohibit the unknowing receipt of contributions from foreign nationals. In fact, such a prohibition would not further the purpose behind the law, which is to prevent corrupting influences from foreign nationals in United States elections, since such influence would not be possible if the official did not know of the foreign source of the contribution.

It is clear that the Supervisor did not know or have reason to know that the donation was made by a foreign national. Nor was she apprised of any facts that would give a reasonable person any cause to believe that an investigation was needed. First, the Supervisor did not see the check issued on the account of Stanway N.V. until she caused her Friends Committee treasurer to

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search, for the second time, for donations made by Sylvia Lichauco. This was some two years after the donation in question was received. Declaration of Nelder. The Supervisor relied upon the treasurer's report, who in turn had relied upon the information given by the donor on the donor card. Declaration of Nelder and Maynard. Further, until receiving the letter from Bagatelos and Fadem, the Supervisor had no reason to investigate the accuracy of the facts communicated to the Friends Committee by donor and until her treasurer reviewed the Friends Committee records, Supervisor Nelder had never heard of Stanway.

It is important to note that the donation was reported by the Friends Committee's former treasurer as having been received by Sylvia Lichauco. The donation was received in response to a fundraiser conducted by a consultant. Declaration of Meynard. The consultant handled all aspects of the fundraiser, including receiving the donations so that the consultant could send thank you letters. Id. The consultant subsequently sent the checks and donor cards to the treasurer of the Friends Committee for processing and recording. This donor card indicated that the donation was made by Sylvia Lichauco, who was employed by Jamestown Company. This is how the donation was reported on the semi-annual state disclosure report. Id.

Hence, since she not seen the check drawn on the account of Stanway until late spring 1986, and since her state disclosure report made no reference to Stanway N.V., it is beyond cavil that Supervisor Nelder did not know or have any reason to know that

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the source of the donation was anyone other than Sylvia Lichauco, a United States citizen entitled to make campaign contributions.

Further, even had the Supervisor seen the check drawn on the account of Stanway, N.V., a copy of which is attached to this response, there is nothing about the check that would indicate that Stanway, N.V. is a foreign corporation. The check was drawn on an account in the Redwood Bank, a local financial institution. It contained no foreign address. While the letters "N.V." might have caught the eye of an international financier, they hardly constitute a red flag with respect to people whose lives do not revolve around international high finance.

Even had someone been curious enough to pursue the meaning of "N.V.", resorting to standard reference works would not have enlightened the individual. Websters Third New International Dictionary Unabridged (1981) indicates that the letters "N.V." are short for "new version" or "nonvoting", again hardly an indication that Stanway was a foreign corporation. As explained in the testimony of Supervisor Nelder, had she seen the check, she might well have concluded that the donation had been made by Stanway Motors, a local business, or by an individual named Stanway with the initials "N.V."

Further, it must be emphasized that the respondent in this matter is not a member of Congress, a United States Senator, a governor or statewide officeholder. Rather, Supervisor Nelder is a member of the San Francisco Board of Supervisors, the City's local legislative body. Supervisor Nelder and her Friends

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Committee treasurer have dutifully and fully complied with all laws of which they were aware related to campaign disclosure and reporting. Declaration of Nelder. The Supervisor and her treasurer rely on the City Attorney to keep them abreast of all laws and regulations relating to campaigns and elections, including newly enacted statutes that may affect the duties of the Supervisor and treasurer. Id. While a Deputy City Attorney assigned to advise Board members on questions concerning elections laws, after extensive research, did discover two years ago that federal law prohibited the acceptance of campaign contributions by foreign nationals, the City Attorney only relayed this information to the two city officials who had made the inquiry. Declaration of Delventhal. The City Attorney did not alert other officials, including Supervisor Nelder, about the existence of this law. Id.

In fact, Supervisor Nelder was not made aware of this law by the City Attorney. She was not made aware of the existence of 2 U.S.C. § 441e until the spring of 1986 when the matter was made public through a series of newspaper articles. Declaration of Nelder.

That she did not know of this Federal law is hardly surprising. The Federal Election Campaign Act is a comprehensive statutory scheme, comprising over 100 pages in the United States Code Service, aimed at regulating the manner in which campaigns for federal elective office are conducted. Hidden among the Act's various provisions is 2 U.S.C. § 441e, which prohibits the

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acceptance of contributions by foreign nationals in connection with "an election to any political office". As noted, even the Deputy City Attorney assigned to assist Board members on election law issues found this particular provision only after extensive research. Declaration of Delventhal. Although this section has been interpreted by the Commission as applying to federal, state and local elections (11 C.F.R. § 110.4(a) it does not appear by its explicit terms to apply to local officials. Again, this is particularly true since the remainder of this extensive Act applies only to federal elections. It is uncontroverted that Supervisor Nelder was unaware of the law and that neither the then City Attorney, the late George Agnost, nor the Deputy City Attorney who handled these matters, advised her of its existence.

Supervisor Nelder's lack of knowledge of the intricacies of 2 U.S.C. § 441e and her lack of intent to accept money from a foreign national must be considered in relation to the principle that laws regulating political contributions must be interpreted narrowly. Buckley v. Valeo, 424 U.S. 1 (1976), First National Bank v. Bellotti, 435 U.S. 765 (1978) and Citizens Against Rent Control/Coalition for Fair Housing v. Berkeley, 454 U.S. 290 (1981) teach that the making and receipt of political contributions are protected First Amendment activities. Accordingly, regulations or limitations upon those activities must serve a compelling governmental purpose and must be no broader than necessary to serve that governmental purpose. Id.

Preventing foreign nationals from influencing or corrupting

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public officials is clearly a compelling governmental purpose. Further, holding public officials accountable for violating a prohibition against foreign nationals contributing to their election campaigns is closely related to this compelling governmental purpose. However, holding those officials strictly liable in circumstances where they do not know or have reason to know about the foreign source of a contribution or even have knowledge of facts that would cause a reasonable person to investigate that source of a contribution, is arbitrary and not narrowly drawn to further the government's compelling interest.

Further, such an overly broad rule chills the First Amendment intercourse that lies at the heart of fund raising. Public officials must not be made to act at their peril when communicating with and seeking financial support from their contributors. Applying a strict liability rule will discourage people like Supervisor Nelder, who do not have the personal wealth to underwrite their public service, from seeking and performing in public office.

Hence the Federal Election Commission, like a court, must narrowly construe statutes that impinge upon the important First Amendment rights by reading into the statute some reasonable cause or mens rea element. Strict liability simply cannot be squared with the right to freedom of expression guaranteed by the Constitution.

Additionally, the law should not capriciously be applied in this case where its purpose is not furthered by its enforcement.

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The purpose is to prevent the corrupt influence of elected officials. No influence could possibly have resulted in this case since Supervisor Nelder did not know the true source of the donation.

Supervisor Nelder's case may be compared to cases in which courts have declined to find government officials guilty of accepting illegal gratuities when the money is accepted by accident or mistake. See, United States v. Passman, 460 F.Supp. 912, 915 (W.D. La 1978). The Passman court held that an elected official does not violate the illegal gratuity law, 18 U.S.C. § 201(g), if he or she accepts money not knowing that it was tied to a decision or vote of the official. The court also noted that no violation would be found if the money was accepted by mistake or accident. Id. The court reached this conclusion even though the law does not explicitly require proof of scienter or mens rea. Similarly, while 2 U.S.C. § 441e does not specifically require proof of intent, the Commission should read into Section 441e an intent or scienter requirement. This would serve to further the clear purposes of the law while not imposing liability on officials who had no reason to know or believe that a donation was made by a foreign national.

To interpret Section 441e as as applying to contributions regardless of the scienter of the recipient of the contribution would lead to absurd results. In would mean, in effect, that every candidate for federal, state and local office has an affirmative duty to investigate the citizenship of every donor or

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contributor to his or her campaign or face the possibility that years later, he or she could be charged with violating the Act, regardless of whether a reasonably diligent person would have known of the foreign source of the contribution. Imagine the implications for a candidate for the San Francisco Board of Supervisors asking the national origin of all donors and contributors in a polyglot City like San Francisco with people residents have fled political repression and who may be intimidated from future participation in the political process by candidates inquiring into their "citizenship" or "nationality". Of course, absent knowledge of the source of the contribution, the candidate could hardly be compromised by the foreign contributor, the evil sought to be prohibited by this Section 441e. Congress could not have intended to enact such a draconian measure.[1/]

Finally, it must be emphasized that when her treasurer discovered that a donation had been made to the Friends Committee from Sylvia Lichauco, the Supervisor, acting out of an abundance

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[1/] Even if the section were intended to extend to prevent foreign influence over United States elections in circumstances where the benefactor of a foreign contribution is an unknowing recipient, holding the unknowing and innocent candidate liable for the acts of the foreign national would in no way further the purpose of the section. The foreign national should be the target of the investigation and prosecution.

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of caution, caused the Friends Committee to return the donation. Declaration of Nelder. Hence, any violation of the Act with respect to Supervisor Nelder was effectively cured.

In short, Supervisor Nelder has acted with the utmost good faith in this matter. Any technical noncompliance with the Act was made in ignorance of the law and without knowledge that the donation was made by a foreign national. When a question was raised about the donation, Supervisor Nelder immediately caused it to be returned. We respectfully request that you recommend to the Commission that it close its file on this matter with respect to Supervisor Nelder.

C. The Ultimate Source of the Donation in Question Was a California Corporation

As discussed in detail in the initial response filed on behalf of Supervisor Nelder, the ultimate source of the donation in question was The Jamestown Company, a corporation organized under the laws of the State of California. Stanway, as well as Lichauco, were mere agents of Jamestown.

It is clear that as a corporation organized under the law of California, Jamestown was not prohibited from making contributions. Hence, even if, arguendo, the donation in question were characterized as a contribution, acceptance of the donation from Jamestown was lawful.

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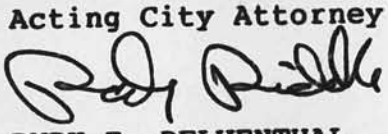
III.
IN THE EVENT THE COMMISSION DECLINES TO CLOSE ITS FILE IN THIS MATTER, THE COMMISSION SHOULD PERMIT SUPERVISOR NELDER TO PURSUE PRE-PROBABLE CAUSE CONCILIATION

It is clear that any violation of the Act by Supervisor Nelder was innocent, unintentional and unknowing. Supervisor Nelder was unaware of the federal law involved in this case and in any event had no reason to know or believe that donation in question was related to a foreign national. The Commission should, pursuant to 11 C.F.R. § 111.16, permit Supervisor Nelder to enter into pre-probable cause negotiations with the Commission directed toward reaching a conciliation agreement. We hereby request that the Commission grant this request.

DATED: August 28, 1986

Respectfully submitted,

PHILIP S. WARD
Acting City Attorney



BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

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STANWAY N.V.

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February 9 1984

AT
O THE
RDER OF * FRIENDS OF WENDY NELDER ** $ 250.00

TWO HUNDRED FIFTY ONLY ** DOLLARS

Redwood Bank
735 Montgomery Street San Francisco California 94111

OR luncheon

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DECLARATION OF WENDY NELDER

I, WENDY NELDER, do hereby declare as follows:

I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1981.

Since very early in my tenure as a Supervisor, I have been aware of a municipal elections campaign contribution control ordinance. That ordinance regulates and imposes limits on contributions in support of or in opposition to candidates for municipal office. Consistent with existing practice and in reliance upon the advice of the City Attorney, I allowed the Friends of Wendy Nelder committee to form. This committee was not subject to the municipal elections ordinance because funds donated to the Friends committee could not be used to support or oppose my or other any person's candidacies for election to municipal office. I have always scrupulously adhered to this rule. Friends Committee funds are used for governmental, political, or public purposes. They are never used for expenditures related to my elections campaigns. Hence, Friends Committee funds have been used to assist in defraying the costs associated with serving as a member of the Board of Supervisors. These costs include, among other things, compensating legislative aides, purchasing office equipment, buying tickets to civic events, defraying the costs of telephone services, investigating

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matters of local concern such as water quality, and subscribing to newspapers and other publications.

Fundraising is necessary both for seeking election and holding office. Elected officials today are faced with the reality that both seeking and performing well the duties of a public elective office are costly. Fundraising is therefore an unpleasant but inevitable endeavor. Contributions enable me to wage reelection campaigns. Donations to Friends Committee enable me to supplement the City appropriations made available for the operations of my office and the discharge of my public responsibilities. Fundraising involves contributions and donations from many sources. For example, during the last 10 months I have received in excess of 500 Friends Committee donations and campaign contributions. Frequently, I do not know, meet, or ever communicate personally with many of my campaign contributors and Friends Committee donors.

The treasurer of the Friends Committee reported in the Committee's June 1984 report that on February 15, 1984, the Friends of Wendy Nelder received a donation of $250 in the name of Sylvia Lichauco. There was no indication on the report prepared by the Friends Committee treasurer that Stanway N. V. was the source of the funds. The check was drawn on a local bank, Redwood Bank, and as the treasurer has testified, there was no indication on the check that Stanway, N.V. was a foreign corporation. Subsequently, on November 29, 1985, the Wendy Nelder for San Francisco committee, my campaign committee,

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received a $500 contribution from Sylvia Lichauco by way of a check dated November 29, 1985 drawn on the Redwood Bank account of Sylvia Lichauco.

Consistent with state and local laws applicable to reporting and disclosure requirements, requests for contributions or donations are sent with return envelopes and donor cards on which donors record their names, addresses and employers. Both the donation to the Friends Committee and the contribution to my campaign committee were reported as being received from Sylvia Lichauco. I never saw the Stanway check. I had never heard of Stanway. Had I seen the check, I no doubt would have assumed that the donation had come from Stanway Motors, a local business. If it was determined that the check had not come from Stanway Motors, I would have gone through the local phone book to see who with the last name of Stanway had the initials "N.V."

When it was brought to my attention because of this proceeding, I still had no knowledge of Stanway and did not know what the letters "N.V." meant. My contribution disclosure statement, required under the Political Reform Act of California (Cal. Gov. Code § 81000 et seq.), reports a $250 donation from Sylvia Lichauco. Since I did not see the check, I had no reason to believe that the source of the donation to my Friends Committee was anyone other than Sylvia Lichauco. The declaration of Francis Meynard supports this conclusion.

I believe that local officials at times improperly become entangled in intra- and international disputes. Hence, several

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years ago I successfully lobbied against receiving then President Marcos in City Hall because I believed that such a reception might be seen as an official approval of the Marcos presidency, thus unnecessarily embroiling the City in the internal affairs of a foreign nation.

On March 2, 1986, an article appeared in the San Francisco Examiner indicating that contributions to San Francisco election campaigns received from Sylvia Lichauco might actually have had as their source the government of the Philippines. At that time, I had no knowledge of any federal laws regulating local officials. I immediately sought advice from the City Attorney, the late George Agnost, on this matter. He advised that there was "probably nothing unlawful" about this donation. Rather, he advised that the problem should be treated as a public relations issue, and that I should return any contributions or donations received from Lichauco or Jamestown Company. I then consulted with my current treasurer and directed that he review my Friends Committee and campaign reports to determine what, if any, donations or contributions I had received from Sylvia Lichauco or Jamestown. He reviewed my reports and assured me that, aside from the November 29, 1985 check to my campaign committee received from Sylvia Lichauco, no other checks from Lichauco or Jamestown had ever been received. On March 7, 1986, I caused the Wendy Nelder for San Francisco Committee to draw a check on its account made payable to Sylvia Lichauco for the purpose of refunding the $500.00 campaign contribution ostensibly made by

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Sylvia Lichauco. Again, since I was an outspoken critic of former President Marcos, I certainly would not have accepted a donation from any source that I had reason to know or believe was associated with him.

On March 20, 1986, the Wendy Nelder for San Francisco Committee received a letter from the law offices of Bagatelos & Fadem, a firm that has a local reputation for its expertise in the law of elections and campaigns, informing me that the campaign contribution ostensibly made by Sylvia Lichauco was reimbursed on November 29, 1985 by The Jamestown Company. Also on March 20, 1986, the Friends of Wendy Nelder received a similar letter indicating that a donation made to the Friends of Wendy Nelder on February 9, 1984, ostensibly by Sylvia Lichauco and of which I was unaware, was actually made by The Jamestown Company through its agent Stanway, N.V. Both of these letters advised that there was nothing illegal about the Friends Committee donation or campaign contribution since The Jamestown Company was an American corporation and was entitled to make contributions derived from its American business activities. I caused my treasurer to review my Friends Committees records again and he found that on February 15, 1986, the Friends Committee had received a $250 donation from Sylvia Lichauco. It was also determined that the donation was made by way of a check drawn on the account of Stanway, N.V. My Friends Committee treasurer sent me a copy of the check. This was the first time I saw the check from Stanway, N.V. Because prior to this matter I had never

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heard of Stanway N.V., and because the Stanway check had never been reported as being received, it took some time to track this down.

On May 1, 1986, I caused the Friends of Wendy Nelder committee to draw a check on its account in the amount of $250.00 made payable to Sylvia Lichauco, the person in whose name the donation in question had been made and reported by my treasurer. Before mailing the check, I again consulted the City Attorney who advised me that I should have the check reissued to Stanway, N.V., since the donation was drawn on its account, and let Stanway and Lichauco determine what to do with the money. Hence, on May 23, 1986, I caused the Friends of Wendy Nelder to reissue the $250 check naming as the payee Stanway, N.V. That check has since been cashed. A true and correct copy of this cancelled check is attached to this declaration.

I have at all times, including during the course of these events, sought, acted on and followed the advice of the City Attorney. To the fullest extent possible, I have always made full disclosures regarding the receipt of contributions and donations. When a question was raised about the contribution to my campaign and the donation to my Friends Committee to me from Ms. Lichauco, I immediately returned the contribution and donation. I did not know then nor do I now have any knowledge other than what has been reported regarding this matter of her or the corporations for which she worked or with which she may have been affiliated. Nor was I apprised of any facts that would have

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given me cause to question or request information concerning her status, her corporate relationships or her representations concerning the donation.

During the course of a year, my Friends Committee receives hundreds of donations, many from persons I do not know and have not met. These donations are almost without exception made in response to a mass mailing to thousands of persons whose names appear on compilations of lists of persons involved in civic affairs. The donations are mailed to my Friends Committee treasurer who deposits the checks, prepares the reports for the Fair Political Practices Commission, and gives me a list of the names of the donors. I have no specific recollection of the donation from Sylvia Lichauco.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 28th day of August, 1986, at San Francisco, California.

WENDY NELDER

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SAN FRANCISCO 94102
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FRIENDS OF WENDY NELDER
% 160 SANSOME ST., NO. 800
SAN FRANCISCO, CA 94104

May 23 1986

11-3747
1210

PAY TO THE ORDER OF Stanway, N. V. $ 250

Two hundred fifty only DOLLARS

THE BANK OF SAN FRANCISCO
PINE AND SANSOME STREETS
SAN FRANCISCO, CALIFORNIA 94104

FOR refund of 2/9/84 donation to Friends

⑈000222⑈ ⑆121037473⑆ 01030418⑈80 ⑈0000025000⑈

THE BANK OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
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RECEIVED BANK
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DECLARATION OF BURK E. DELVENTHAL

I, BURK E. DELVENTHAL, do hereby declare as follows:

I am a Deputy City Attorney in and for the City and County of San Francisco. I have served as a Deputy City Attorney since 1970.

Under San Francisco Charter Section 3.401, a true and correct copy of which is attached to my declaration, the City Attorney, and his or her deputies, are charged with the responsibility of providing legal counsel and advice to San Francisco officials when requested to do so. In that capacity, we have provided legal advice to San Francisco elected officials regarding the application of laws governing elections, campaign contributions, campaign disclosure and related matters. For the past five or six years I have had responsibility for responding to questions from members of the San Francisco Board of Supervisors, among other officials, who have questions regarding campaign disclosure laws, campaign contribution limitations, and other regulations on political fund raising. There are municipal ordinances as well as provisions in the State law that regulate fund raising and other political activities of public officials connected with fund raising.

About two years ago, I received an inquiry from a member of the Board of Supervisors as to whether there was any limitation

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in law on the ability of an official to accept a contribution from a foreign national. My first impression upon hearing the question was some surprise. I was unaware of any laws that regulated the acceptance of contributions by foreign nationals. After some extensive research, I was able to uncover the federal law that does prohibit foreign nationals from contributing to campaigns for election to any office.

I advised the particular supervisor who asked me the question about the provisions of this federal law. However, I did not address any general communication to the other supervisors, including Supervisor Nelder. Supervisor Nelder was never informed by the City Attorney's office of the existence of 2 U.S.C. 441e.

Until receiving this inquiry I had never seen or heard of this federal law. Once I learned that the law was located in the federal statutes, I still had some difficulty locating it, since it was placed in the midst of the Federal Elections Act, a federal statutory scheme that regulated federal campaigns and elections.

I am also conversant with Supervisor Wendy Nelder's solicitation of advice from the Office of City Attorney. She has always been extremely diligent in seeking the advice of our office before doing anything in the area of fund raising or solicitations. She met and conferred regularly with the now deceased City Attorney and sought clearance from him before she undertook any fund raising activities where she had any reason to

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believe that may be some legal questions or some need for legal review.

Following the disclosures in the newspaper raising questions about contributions coming from an individual named Silvia Lichauco and the so-called "Philippine Connection," Supervisor Nelder immediately sought advice from the City Attorney regarding what to do.

We initially advised her that there was nothing illegal about her receiving a contribution from Silvia Lichauco because she was not a foreign national within the meaning of the law. Out of an abundance of caution, however, she chose to return a campaign contribution she had received from Silvia Lichauco.

When it was later discovered that a donation had been given to the Friends of Wendy Nelder Committee by Sylvia Lichauco by way of a check drawn on the account of "Stanway N. V.," she returned this donation. She originally had her Friends Committee treasurer make the check payable to Sylvia Lichauco, the person intitially reported as the source of the donation. However, in reliance upon my advice that she should simply return the check to the entity on whose account the donation check was drawn and let the interested parties sort out the financial details, Supervisor Nelder directed her treasurer to draft a new check made payable to Stanway, N.V. In both instances, Supervisor Nelder sought the immediate advice of the City Attorney. At the time it was brought to her attention, she was advised that Stanway was a Netherland Antilles Corporation. Until that time,

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neither the City Attorney nor Supervisor Nelder had any knowledge of this donation or of the nationality of Stanway.

The San Francisco Municipal Election Campaign Contribution Control Ordinance provides, among other things, that no person may contribute more than $500 in support of or in opposition to any candidate for municipal office. The ordinance also charges the City Attorney and District Attorney with the duty to advise persons regarding application of the ordinance. Pursuant to requests for advice from various City officials, including Supervisor Nelder, the City Attorney has repeatedly advised that persons may donate funds in excess of the limits imposed by the ordinance to municipal officials for governmental and public purposes other than supporting or opposing a candidate for local office. Based on this advice, nummerous "friends committees" were formed on behalf of local officials, including Supervisor Nelder. The funds donated are used to defray the costs of holding public office, including purchasing office equipment and paying legislative assistants. I have, in rendering advice on this issue, repeatedly explained that friends committee monies may not be used to support or oppose any candidate for municipal office. This distinction is recognized by virtually all elected officials in the City and County of San Francisco. All City officials, including Supervisor Nelder, adhere to the distinction between campaign contributions and donations to friends committees.

I declare under penalty of perjury under the laws of the

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State of California that the foregoing is true and correct.

Executed this 27 th day of August, 1986 at San Francisco, California.

BURK E. DELVENTHAL
Deputy City Attorney

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PRIMARY ELECTION- JUNE 3, 1986

PROPOSITION A

.3401 City Attorney

(a) The city attorney shall be an elective officer. He shall furnish an official bond in the sum of ten thousand dollars ($10,000). He shall appoint, and at his pleasure may remove, all assistants and employees of his office. He shall devote his entire time and attention to the duties of his office. He must, at the time of his election, be an elector of the city and county, qualified to practice in all the courts of the state, and he must have been so qualified for at least 10 years next preceding his election.

The city attorney must represent the city and county in all actions and proceedings in which it may be legally interested, or, for or against the city and county, or, any officer of the city and county in any action or proceeding, when directed so to do by the supervisors, except where a cause of action exists in favor of the city and county against said officer. Whenever any cause of action exists in favor of the city and county, the city attorney shall commence the same when within his knowledge or when directed so to do by the supervisors. He shall give his advice or opinion in writing to any officer, board or commission of the city and county when requested. Except as otherwise provided in this charter, he shall not settle or dismiss any litigation for or against the city and county, unless, upon his written recommendation, he is ordered so to do by ordinance.

PROPOSITION A con't

The city attorney shall prepare, or approve as to form, all ordinances before they are enacted by the supervisors. He shall approve, by endorsement in writing, the form of all official or other bonds required by this charter or by ordinance before the same are submitted to the proper commission, board or office for final approval, and no such bonds shall be finally approved without such approval as to form by the city attorney. Except as otherwise in this charter provided, he shall prepare in writing the draft or form of all contracts before the same are executed on behalf of the city and county. He shall examine and approve the title of all real property to be acquired by the city and county.

He shall keep on file in his office copies of all written communications and opinions, also all papers, briefs and transcripts used in matters wherein he appears; and books of record and registers of all actions or proceedings in his charge in which the city and county or any officer or board thereof, is a party or is interested.

(b) The duties of the city attorney in connection with the bureau of delinquent revenue collection shall be transferred to and performed by the attorney for said bureau who shall be subject to the civil service provisions of this charter.

(c) There is established in the office of the city attorney a bureau of claims investigation and administration which shall have the responsibility of investigating, evaluating and processing for the several boards, commissions and departments all claims for money or damages made upon the city and county pursuant to section 2.703 of this charter or the general law of the State of California. Claims investigation functions of the police department in existence on June 4, 1986, shall continue as an adjunct to the bureau established under this section. Claims functions of the public utilities commission shall remain under that commission unless transferred to the bureau of claims investigation and administration by ordinance of the board of supervisors.

Notwithstanding any other provision of this charter, the bureau shall also have the power to investigate events and occurrences giving rise to potential civil liability against the city and county and adjust and settle demands, within dollar limits to be established by ordinance, prior to their presentment as claims. There shall be established by ordinance a revolving fund to satisfy such demands adjusted prior to their presentment as claims. The bureau shall be responsible for the investigation of all claims and the analysis of city policies and practices upon which the bureau shall report and advise the several departments.

The city attorney shall appoint a chief of the bureau who shall serve at his or her pleasure. The chief of the bureau may appoint, subject to confirmation by the city attorney, investigators who shall serve at the pleasure of the chief; provided, however, that any person who has civil service status to the position of civil claims investigator or any equivalent classification on the date of approval of this amendment by the electorate shall continue to have civil service status to said position under the civil service provisions of this charter.

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DECLARATION OF FRANCIS MEYNARD

I, FRANCIS MEYNARD, do hereby declare as follows:

I am the office manager/controller for the Law Offices of Hothem & Sampson. I have served in this position since 1984.

From early 1984 until October 1985, I assisted Mr. Ron Hothem with his duties as treasurer of the Friends of Wendy Nelder Committee. In this capacity, I processed the donations, arranged for the donations to be deposited in the account of the Friends Committee and completed the semi-annual State disclosure statement.

My established practice in processing contributions was as follows. When I received from Mr. Hothem donations that had been mailed to his office, I would open the envelopes. These were almost always self-addressed envelopes that the Friends Committee had included in its mail solicitation. Inside these envelopes would be a check and a white and red card. This white and red card was sent with the return envelope to person solicited. It had blank spaces for the name of the contributor, his or her address and phone number, and the name of the person's employer or firm and contained a statement that the Committee was required by law to request this information from all donors. The person solicited would return the completed card with his or her check. This information assisted in completing the semiannual State disclosure report. I would then transfer the information from

the white and red card on to 3 by 5 index cards. In this way, I could keep a running total of the amount of donations received by a particular donor during the course of a reporting period. When transferring the information, my practice was to rely on the information card rather than the check embodying the donation. I then used these cards to complete the disclosure report.

On August 25, 1986 I went to the office of Robert Werbe, who, as the current treasurer for the Friends Committee, maintains all of the donation records of the Committee, and reviewed the donation records of the Friends of Wendy Nelder relevant to the $250 donation received from Sylvia Lichauco on February 15, 1986. I reviewed a photocopy of the check drawn on the account of Stanway N.V., a company which I have since been informed is Netherlands Antilles corporation. At the time the check was received and processed by me, I had no reason to believe that the corporation was anything other than a United States corporation or that the ultimate source of the donation was anyone other than Sylvia Lichauco. Further, I had no knowledge of any law limiting the right of a foreign company to contribute to the Friends Committee or to campaign committees. This was not something that had to be reported on the semi-annual disclosure report and was not an item to be filled out on the white and red card by donors. My practice was to review the card rather than the check to determine who made the donation. None of the laws under which I operated required that I ascertain, record or report the nationality of the donor.

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While at Mr. Werbe's office, I also reviewed the 3 by 5 card I had prepared for Sylvia Lichauco. I believe the information on the 3 by 5 card must have come from a white and red donor card that accompanied the Stanway check. A copy of the 3 by 5 card is attached to my declaration. This card reveals the following. The donation of $250 was made in the name of Sylvia Lichauco, whose address was reported as 153 Kearny St, Suite 201, San Francisco California. Her employer or firm was Jamestown Company. The contribution was received on February 15, 1986.

I also reviewed the semi-annual disclosure report for the period January 1, 1984 to June 30, 1984. This report accurately reflects the information contained on the index card. It also indicates that payments to Solem and Associates of $5702.88 for "Professional Services for Wendy Nelder Fund Raiser" and $974.00 for "Postage, Art, Printing".

From my review of these records, and based on my established recording practice, I believe the donation was solicited and processed as follows. In early 1984, Solem and Associates were retained by the Friends of Wendy Nelder Committee to conduct a mail fundraiser for the Committee. They handled all aspects of the fundraiser, including preparing and printing the mailer, mailing it out, and receiving the donation checks and white and red donor cards so that they could mail thank you notes to those persons who donated to the Committee. The checks and white and red cards were then sent by Solem and Associates to Mr. Hothem's office for processing. I believe that in response to

this mailer, Sylvia Lichauco returned the white and red card with the check for $250, indicating on the card that the donation came from her and that she was employed by or associated with Jamestown Company. Consistent with my established practice, I transferred this information onto the index card and subsequently on to the disclosure report.

I have testified in terms of belief because I have no present recollection of this particular transaction. I processed hundreds of contributions for the Friends Committee from early 1984 to October 1985. I am a bookkeeper by profession. I have learned the importance of establishing and following a standard record keeping system. I attempt to adhere to practice,. Based on this practice, I believe that the donation in question was processed and recorded as explained above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 27th day of August, 1986 at San Francisco, California.

FRANCIS MEYNARD

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Lichanco, Sylvia (Jamstownco)

153, Kearny, Suite 201

San Francisco, CA - 94108

tel: 956-8787

$250.00. 02/15/84

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 6, 1986

Burk E. Delventhal
Deputy City Attorney
Office of City Attorney
Room 206 City Hall
San Francisco, CA 94102

Re: MUR 2165
Wendy Nelder

Dear Mr. Delventhal:

This is in reference to your letter dated August 5, 1986, requesting an extension of twenty (20) days to respond to the Commission's reason to believe determination concerning your client. After considering the circumstances presented in your letter, the Commission has determined to grant you your requested extension. Accordingly, your response will be due on September 2, 1986.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 6, 1986

Burk E. Delventhal
Deputy City Attorney
Office of City Attorney
Room 206 City Hall
San Francisco, CA 94102

Re: MUR 2165
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Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

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City and County of San Francisco:

George Agnost,
City Attorney

Office of City Attorney

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Kleinfeld

August 5, 1986

Mr. Eric Kleinfeld
Office of the General Counsel
Federal Elections Commission
999 "E" Street Northwest
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
'86 AUG 6 A9:35

RE: MUR 2165
Wendy Nelder

Dear Mr. Kleinfeld:

This office represents Supervisor Wendy Nelder in the matter identified above. On Monday, July 28, 1986 a letter was received in this office from the Federal Election Commission indicating that the Commission had determined that there was probable cause to believe that Supervisor Nelder had violated 2 U.S.C. § 441e. The letter was delivered to the office of George Agnost, the City Attorney.

On August 3, 1986 Mr. Agnost died from a cardiac arrest. For several days prior to his death, Mr. Agnost was in poor health. Unfortunately, the letter from the Commission delivered to Mr. Agnost's office on July 28 was not discovered until Friday, August 1, 1986 when the Chief Deputy City Attorney reviewed Mr. Agnost's mail. In my conversation with you on August 4, 1986 you indicated that your office would look favorably on a request for an extension to file a response to the Commission's determination.

Furthermore, this office is in the process of analyzing additional facts and legal arguments that we believe may persuade the Commission to close its file on this matter with regard to Supervisor Nelder. We respectfully request that the Office of the General Counsel grant Supervisor Nelder an additional 20 days to file a response to the Commission's determination. This additional time will enable this office to submit a full and

(415) 558-3315 Room 206 City Hall San Francisco 94102

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complete response.

Please contact me at (415) 558-3559 if you have any questions concerning this matter. Thank you very much for your attention to this matter.

Very truly yours,

PHILIP S. WARD
Acting City Attorney

BSG

BURK E. DELVENTHAL
Deputy City Attorney

cc: Wendy Nelder

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City and County of San Francisco:

George Agnost,
City Attorney

Office of City Attorney

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August 5, 1986

Mr. Eric Kleinfeld
Office of the General Counsel
Federal Elections Commission
999 "E" Street Northwest
Washington, D.C. 20463

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
86 AUG 6 A9:35

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(415) 558-3315 Room 206 City Hall San Francisco 94102

complete response.

Please contact me at (415) 558-3559 if you have any questions concerning this matter. Thank you very much for your attention to this matter.

Very truly yours,

PHILIP S. WARD
Acting City Attorney

BSG

BARK E. DELVENTHAL
Deputy City Attorney

cc: Wendy Nelder

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City and County of San Francisco:

George Agnost,
City Attorney

Office of City Attorney

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August 5, 1986

Mr. Eric Kleinfeld
Office of the General Counsel
Federal Elections Commission
999 "E" Street Northwest
Washington, D.C. 20463

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
86 AUG 6 P3:10

RE: MUR 2165
Wendy Nelder

Dear Mr. Kleinfeld:

This office represents Supervisor Wendy Nelder in the matter identified above. On Monday, July 28, 1986 a letter was received in this office from the Federal Election Commission indicating that the Commission had determined that there was probable cause to believe that Supervisor Nelder had violated 2 U.S.C. § 441e. The letter was delivered to the office of George Agnost, the City Attorney.

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(415) 558-3315 Room 206 City Hall San Francisco 94102

complete response.

Please contact me at (415) 558-3559 if you have any questions concerning this matter. Thank you very much for your attention to this matter.

Very truly yours,

PHILIP S. WARD
Acting City Attorney

BSG

BURK E. DELVENTHAL
Deputy City Attorney

cc: Wendy Nelder

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LAW OFFICES
JOSEPH A. SPERSKE
25000 INDUSTRIAL BOULEVARD
HAYWARD, CALIFORNIA 94545
(415) 782-1962

MAILING ADDRESS:
P.O. BOX 3247
HAYWARD, CALIFORNIA 94540-3247

TELEX 17-1580
TELECOPIER
415-887-7695

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August 6, 1986

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

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

On July 28, 1986, I received the attached letter concerning Stanway, N.V. from the Honorable Joan D. Aikens. We strongly object to the determination that Stanway, N.V. may have violated 2 U.S.C. §441 e.

To further clarify the situation, we have prepared and attached hereto a declaration which provides more specific details in this matter.

It would appear that the determination that a violation may have occurred has been made on the basis that a $250 check to Ms. Wendy Nelder was drawn upon the U.S. bank account of a foreign company. Since the check was written on the account of a foreign company, it has been concluded that a technical violation has occurred. This conclusion ignores the substance of the transaction, that is, that a Jamestown Company, a California corporation, made the contribution to Ms. Nelder and not Stanway, N.V.

It is my understanding that the law in this area is unclear. Certainly, there is no specific prohibition against a foreign corporation acting as agent of a domestic corporation while making a campaign contribution. Considering the fact that this is a case of first impression, as well as the fact that this was in substance a contribution by a U.S. entity, it is respectfully requested that a determination be made that there is no reason to believe that a violation of any statute within the jurisdiction of the Federal Election Commission has been committed.

Sincerely,

Joseph A. Sperske

Enclosures
cc: Federal Election Commission Members:
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 44le.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. Stanway N.V. ("Stanway") is a Netherlands Antilles company that was incorporated on November 8, 1982. Attached as Exhibit "A" is a copy of the Articles of Incorporation of Stanway.

3. Stanway qualified to do business in the state of California on August 25, 1983. Attached as Exhibit "B" is a copy of its Certificate of Qualification.

4. To this date, no shares of Stanway stock have been issued and the company has not been capitalized.

5. During the period from July 1983 to the current date, Stanway was made available by its incorporators, Corporate Trust N.V., to be used as an agent for The Jamestown Company, a California corporation. I was given the power to act for Stanway pursuant to a Power of Attorney, a copy of which is attached hereto as Exhibit "C".

6. I am not now and have never been an officer or a director of Stanway.

7. In 1984, Stanway entered into an agreement with Arconal, Inc., a California corporation which owned all of The Jamestown Company to represent the interest of Arconal, Inc. in the development of The Jamestown Company's project at 212 Stockton Street in San Francisco, California.

8. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, I directed Stanway's receipt and deposit of funds, and their

disbursement in accordance with The Jamestown Company's operational program and directives.

9. On February 6, 1984, a $250 campaign contribution from Stanway's U.S. bank account was made to Ms. Wendy Nelder from the funds of The Jamestown Company held by Stanway. This contribution was made by Stanway as agent for The Jamestown Company. However, it is my understanding that Ms. Nelder reported this contribution as being from myself.

10. On or about February 26, 1986, I became aware of the requirement that the contribution should have been reported by Ms. Nelder as being from The Jamestown Company. Accordingly, the attorney for Jamestown Company sent a letter dated March 20, 1986. A copy of this letter is attached as Exhibit "D".

11. Within the last two months, the entire $250 contribution was refunded by Ms. Nelder.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: August 6, 1986

Sylvia Lichauco

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ARTICLES OF INCORPORATION

OF THE

LIMITED LIABILITY COMPANY

"STANWAY N.V."

DATED: November 8th., 1982.

Exhibit A

Upon this, eighth day of November nineteen hundred and eighty two, appeared before me, Johannes Wilhelmus Maria Thesseling, a notarial candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao, in the presence of the witnesses to be mentioned hereinafter:
Mister GERARD JAN ROOS, a company director,
residing in Curacao,
by these presents acting as managing director of the limited liability companies: CORPORATE TRUST N.V. and N.V. MACOR, both established in Curacao, and as such legally representing this limited liability companies according to their articles of incorporation.
The appearer declared that Corporate Trust N.V. and N.V. Macor by these presents do incorporate a limited liability company which will be constituted under the following provisions:

NAME AND SEAT
Article 1

1. The name of the corporation is:
"STANWAY N.V."
In foreign trade the corporation may be designated as:
"STANWAY INC."
2. It is established in Curacao.

OBJECTS
Article 2

The objects of the corporation are:
a. the acquisition, possession, administration, sale, exchange, transfer, trade in and alienation of shares, bonds, funds, orderdocuments, evidences of indebtedness and other securities, the borrowing of money and the issuance of evidences of indebtedness therefor, as well as the lending of money and the granting of security in whatever form in favour of third parties;
b. the acquisition of:
(i) income arising from the disposal or licensing of copyrights, patents, designs, secret processes or formulae, trademarks and similar interests;
(ii) royalties, including rentals, in respect of motion pictures or relating to the use of industrial, commercial or scientific equipment as well as in respect of the exploitation of a mine or quarry or any natural resource and other real properties;
(iii) considerations for the rendering of technical assistance;
c. the acquisition, possession, alienation, administration, development, lease, letting, mortgaging or in general the encumbrance of real property and any right to or interest in real property;
d. the trading in, including wholesale, distributive and future trade, as well as the import and export of raw materials, minerals, metals, organic materials, semi-finished products and finished products of whatever nature and under whatever name;
e. the participation in other corporations and enterprises;
f. the performance of everything connected with the foregoing in the widest sense of the word.

DURATION
Article 3

The corporation is entered into for an indefinite period of time.

CAPITAL AND SHARES
Article 4

1. The authorized capital of the corporation amounts to THIRTY THOUSAND UNITED STATES DOLLARS (US$ 30.000,--), divided into thirty thousand (30.000) shares of One United States Dollars (US$ 1,--) each, of which at the incorporation six thousand (6.00 shares are issued and will be fully paid up.

2. Shares are issued by the management.
The management shall decide as to the time, the price of issuance of new shares - provided that such price shall not be below par - and as to the time of payment.
3. The new shares shall be offered by preference to the existing shareholders, such in proportion to the number of shares held by them.
4. The management is competent, without instruction of the general meeting of shareholders, to conclude agreements as mentioned in article 60 of the Code of Commerce of the Netherlands Antilles.
5. The Corporation may acquire fully paid up shares in its capital for its own account, for valuable consideration, provided that at least twenty percent of the authorized capital remains outstanding with others than with the Corporation itself.
6. For shares held by the Corporation in its own capital, no voting or claimright can be exercised, nor will any payment from profit or liquidation balance be made on such shares, nor shall such shares count in the computation of a quorum at any meeting.

Article 5

1. The shares are, at the option of the shareholder, registered or - provided they are fully paid up - bearer shares and are numbered as from one.
2. At the request of the shareholder, sharecertificates can be issued for registered shares. For the bearer shares share-certificates shall be issued.
The costs of issuance of sharecertificates shall be for the account of the Corporation.
3. Sharecertificates can be issued at the request of a shareholder for more shares at a time. The holder of such sharecertificates may at any time claim exchange against sharecertificates for another number of shares.
The sharecertificates shall be signed by one managing director.
4. Each sharecertificate can, at the option of the management, be provided with a set of dividendcoupons and a talon in order to obtain a new set of dividendcoupons. Dividendcoupons and talon shall then bear the same number as the sharecertificate to which they belong.
5. At the request of the shareholder, registered shares can be converted into bearer shares and vice versa.
6. If dividendcoupons have been issued, payment of dividends shall be effected against delivery of a dividendcoupon which serves the Corporation as full discharge therefor.

Article 6

1. If one has made acceptable to the satisfaction of the management that a sharecertificate, dividendcoupon or talon belonging to him, has been lost or mislaid, duplicate certificates can at request of the shareholder concerned, be issued under such conditions and guarantees as the management shall determine.
By issuance of the new sharecertificates, dividendcoupons or talons, on which mention shall be made that they are duplicates, the original ones shall become void.
2. Mutilated sharecertificates, dividendcoupons or talons may be exchanged by the management against new exemplars.
The mutilated exemplars which are turned in, must be destroyed forthwith by the management.

3. All expenses in connection with the issuance of duplicates or new certificates shall be for the account of the applicant and must, if so desired, be paid by him in advance.

Article 7

1. The registered shares are entered in a register, which is kept by the management. The entry mentions the name of the shareholder, his residence or the domicile elected by him, the quantity and the numbers of his shares.
2. Each transfer and change of ownership of a registered share and each conversion as referred to in Article 5, Section 5, shall be entered in the register and each such entry shall be signed by one managing director.
3. The transfer of registered shares shall be effected either by serving a deed of transfer upon the Corporation or by the written acknowledgement of the transfer by the Corporation.
4. If no sharecertificate has been issued, the entry in the register provided for in the second section shall have the effect of a written acknowledgement of the transfer by the Corporation.
In the event a sharecertificate has been issued, the acknowledgement shall be effected by an entry made on the sharecertificate concerned, signed by one managing director.
5. Irrespective of the provisions of Section 2, the conversion shall - in case of conversion of a share for which a sharecertificate has been issued - be entered on such sharecertificate by one managing director.

MANAGEMENT

Article 8

1. The Corporation is managed by a management, consisting of one or more managing directors, in which capacity also a legal entity can be appointed.
2. The managing directors shall be appointed by the general meeting of shareholders and can at any time be suspended and removed by it.
3. The Corporation shall be represented against third parties in all matters, including court matters, by one managing director.
4. The management is competent, without limiting its responsibility, to appoint holders of procuration and to determine their faculties and the way they shall represent the Corporation and shall sign on its behalf.
5. Each managing director is competent to give mandate and power of attorney to a co-managing director in order to represent the mandator in his capacity of managing director with due observance of the conditions of the mandate.
6. In the event of impediment or default of one or more managing directors, the management shall be vested entirely in the remaining managing director(s), in the event of impediment or default of all managing directors, the Corporation shall be temporarily managed by a person designated thereto by the general meeting of shareholders.
In the latter case the person designated by the general meeting of shareholders shall be under the obligation to convoke a general meeting of shareholders as soon as possible in order to provide for a permanent management.
As long as such has not been done, the acts of management of the designated person shall remain restricted to only such ones which cannot be delayed.

7. In the event of a conflict of interest between the Corporation and one or more managing directors, it shall be represented by another managing director and, in the absence of the latter, by a person designated thereto by the general meeting of shareholders.

GENERAL MEETING OF SHAREHOLDERS

Article 9

1. General meetings of shareholders shall be held in Curacao.
2. The annual general meeting of shareholders must be held within nine months after the expiration of the financial year of the Corporation.
In this lastmentioned meeting, among other things:
a. a report shall be delivered by the management with regard to the course of business of the Corporation and the conduct of its affairs during the past financial year;
b. the balance-sheet and profit and loss account shall be adopted after having been submitted together with an explanatory statement indicating by what standard the movables and immovables of the Corporation have been appraised.

Article 10

1. Every managing director is, and the shareholders, representing together a total of at least ten percent of the issued capital stock, are equally competent to convoke a general meeting of shareholders.
2. The shareholders shall be convoked to all meetings by means of an advertisement, to be placed in a newspaper published and widely read in Curacao, at least five days prior to the day on which the meeting is to be held, excluding the days of the convocation and of the meeting.
The advertisement shall contain the agenda of the meeting or shall mention that it is deposited for the shareholders for inspection at the office of the Corporation.
If a proposal to amend the Articles of Incorporation will be dealt with, the advertisement shall also state so.
As to subjects in respect of which the foregoing has not been observed, valid resolutions can always be adopted, if such resolution is adopted by unanimous vote at a meeting in which the entire outstanding capital is represented.
3. General meetings shall be presided over by a person designated thereto by the meeting.
4. Shareholders may be represented at the meeting by a proxy empowered in writing.
Managing directors or, in general, persons employed by the Corporation can not act as proxy of a shareholder at the meeting.
In order to exercise their rights at a meeting, holders of bearer shares must indentify themselves as such to the satisfaction of the Corporation.
The sharecertificates or a certificate of deposit issued therefor by the Corporation or a Bank - stating that the sharecertificates shall not be returned before the end of the meeting - shall count as sufficient identification.
5. All resolutions of the annual and special general meeting of shareholders shall be adopted by absolute majority of the votes cast, if not provided for otherwise in these Articles of Incorporation.

6. In the event of proceeding to an appointment, the person who has obtained the absolute majority of the votes cast, is held to be elected.
If nobody has obtained such majority, a second ballot shall be taken between the two persons who have obtained the greatest number of the votes cast. If more than two persons should have obtained the same number of votes and at the same time the greatest number of votes cast, then the second ballot shall be taken between two of these persons designated by lot.
If these persons should obtain an equal number of votes at the second ballot, the decision shall be by lot.

Article 11

1. Each share entitles to cast one vote.
2. Also for share of those to whom, otherwise than as shareholder of the Corporation, by the resolution to be adopted, should be granted any right towards the Corporation or those who should be released from any liability towards it, valid votes may be cast.

Article 12

Of all matters dealt with in a general meeting of shareholders, minutes shall be kept, which shall be signed by the chairman and a shareholder or a proxy of a shareholder present at the meeting, unless a notarial record thereof shall be drawn up.

FINANCIAL YEAR

Article 13

The financial year of the Corporation runs concurrent with the calendar year.
The first financial year runs from the commencement of the Corporation up to and including the thirty first day of December nineteen hundred and eighty three.

Article 14

1. Within eight months after the end of the financial year, the management shall present the balance sheet and profit and loss account covering the past financial year, together with the explanatory statement referred to in Article 9, to the general meeting of shareholders. The balance sheet, the profit and loss account and the explanatory statement shall be signed by all managing directors.
If the signature of one of them is missing the reason thereof shall be stated on these documents.
2. The balance sheet, the profit and loss account and the explanatory statement shall be deposited at the office of the Corporation for inspection by the shareholders or their proxies as from the day of convocation of the general meeting for the propose of adopting these documents until the end of that meeting.
3. The balance sheet and the profit and loss account shall be adopted by the annual general meeting of shareholders.
Adoption of the balance sheet and the profit and loss account serves the management as discharge for its management carried on during the past financial year, as far as such appears from the submitted documents without prejudice to the provisions of article 116 of the Code of Commerce of the Netherlands Antilles.
4. The general meeting of shareholders shall decide upon the amounts to be reserved.

DISTRIBUTION OF PROFITS

Article 15

1. The profit, by which term is to be understood the net profit

according to the adopted profit and loss account, is entirely at the disposal of the general meeting of shareholders.
2. The management is at any time competent to pay out interim dividends by way of advance-payment on the dividends to be expected.

Article 16

If according to the adopted profit and loss account, a loss has been sustained during any year which cannot be covered by the reserves or compensated in some other way, no distribution of profit shall be effected in the following years as long as such loss has not been compensated.

AMENDMENT OF THE ARTICLES OF INCORPORATION
AND DISSOLUTION OF THE CORPORATION

Article 17

1. Resolutions to amend the articles of incorporation or to dissolve the corporation can only be adopted with at least three-fourths of the votes cast at a general meeting of shareholders, at which at least two-thirds of the shares are represented.
2. In the event the required capital is not represented at the meeting, a second meeting shall be convoked, to be held within two months after the first one, at which second meeting, irrespective of the capital then represented, valid resolutions can be adopted as to such subjects with three/fourths of the votes cast.
3. In the event of dissolution of the Corporation, the liquidation shall be effected under such conditions as the general meeting of shareholders shall decide.

Finally the appearer declared:
- that in deviation from the aforementioned - with regard to the way of appointment - for the first time is appointed managing director of the corporation:
Corporate Trust N.V., aforementioned;
- that in the capital of the corporation is participated by the incorporators as follows:
by N.V. Macor for five thousand nine hundred and ninety nine (5.999) shares; and
by Corporate Trust N.V. for one (1) share;
- that on a draft of this deed the required declaration of no objection was granted by Ministerial Decree dated November fifth nineteen hundred and eighty two, number 4791/N.V..

The appearer and the witnesses are known to me, the substitute-notary.

OF WHICH THIS RECORD

Was executed in Curacao, on the date first mentioned in the introductory paragraph, of this deed in the presence of the ladies Carla Ansia de Wind and Vivien Mary Cecile de Windt, both clerk and residing in Curacao, as witnesses.
Immediately after the reading this deed was signed by the appearer, the witnesses and by me, the substitute-notary.

THE UNDERSIGNED:

Johannes Wilhelmus Maria Thesseling, a notarial-candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao,

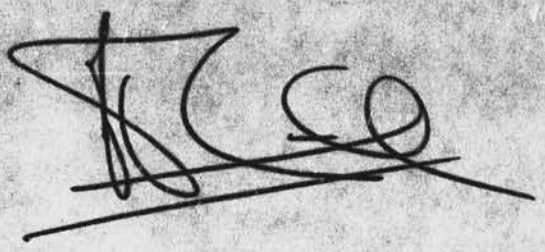
DOES HEREBY CERTIFY:

that this is a true but unofficial English translation of the Articles of Incorporation of the limited liability company:

"STANWAY N.V."

a corporation organized under the laws of the Netherlands Antilles and established in Curacao.

Curacao, November 8th., 1982.



Dr. J. A. SCHILTKAMP - NOTARIS TE CURACAO -

8 7 0 4 0 6 3 2 4 4 3

State of California
OFFICE OF THE SECRETARY OF STATE

SACRAMENTO

CORPORATION NUMBER
1225426

CERTIFICATE OF QUALIFICATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 25th *day of* August, *19* 83, "Stanway N.V.", now:

STANWAY, INC.,

a corporation organized and existing under the laws of the Netherlands Antilles, *complied with the requirements of California law in effect on that date for the purpose of qualifying to transact intrastate business in the State of California and that as of said date said corporation became and now is fully qualified and authorized to transact intrastate business in the State of California, subject, however, to any licensing requirements otherwise imposed by the laws of this State.*

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 7th day of November, 1983

March Fong Eu

Secretary of State

Exhibit B

8704053244

POWER OF ATTORNEY

Know all men by these presents:

that the undersigned STANWAY N.V., whose managing director is Corporate Trust N.V., hereby makes, constitutes and appoints:

SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR.

of 153 Kearny Street, San Francisco, California U.S.A. acting jointly or severally, its true and lawful attorneys in fact, with full power of substitution, for it and in its name, place and stead, for its sole use and benefit, to deal in the assets of the Company, to open and close bank accounts, including brokerage and money market accounts, to lease, purchase, exchange and acquire, and to bargain, contract and agree for the lease, purchase, exchange and acquisition of any real or personal property, also to improve, repair, manage, insure, rent, lease, sell, release, convey, subject to liens, mortgage and hypothecate and in any way or manner deal with all or any part of any real or personal property of the Company, all in the name of the Company and under such terms and conditions as such attorneys in fact shall deem proper, also to sign, endorse, execute, acknowledge,

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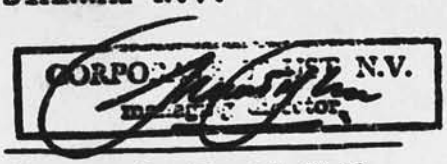
necessary or proper in the exercise of the rights and powers herein granted, on behalf or in the name of STANWAY N.V.

The Company hereby ratifies and confirms all things done by its said attorneys in fact SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR., within the scope of the authority given them, as fully and to the same extent as if done and performed by the Company personally.

IN TESTIMONY THEREOF, said STANWAY N.V., a Company established under the laws of the Netherlands Antilles, has caused this power of attorney to be executed in its corporate name, by its managing director Corporate Trust N.V., pursuant to the powers contained in its Articles of Incorporation this 21st day of July 1983.

STANWAY N.V.

CORPORATE TRUST N.V.
managing director



Corporate Trust N.V.
Managing Director

By: G.J. Roos
Managing Director

... legalization of the signature of

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22 JULI 1983

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1601
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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Exhibit D

contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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LAW OFFICES
JOSEPH A. SPERSKE
25000 INDUSTRIAL BOULEVARD
HAYWARD, CALIFORNIA 94545
(415) 782-1952

MAILING ADDRESS:
P. O. BOX 3247
HAYWARD, CALIFORNIA 94540-3247

TELEX 17-1880
TELECOPIER
415-887-7695

RECEIVED BY THE FEC
86 AUG 12 P5:19

August 6, 1986

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

86 AUG 13 AM 9:32
RECEIVED
OFFICE OF THE
GENERAL COUNSEL

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

On July 28, 1986, I received the attached letter concerning Stanway, N.V. from the Honorable Joan D. Aikens. We strongly object to the determination that Stanway, N.V. may have violated 2 U.S.C. §441 e.

To further clarify the situation, we have prepared and attached hereto a declaration which provides more specific details in this matter.

It would appear that the determination that a violation may have occurred has been made on the basis that a $250 check to Ms. Wendy Nelder was drawn upon the U.S. bank account of a foreign company. Since the check was written on the account of a foreign company, it has been concluded that a technical violation has occurred. This conclusion ignores the substance of the transaction, that is, that a Jamestown Company, a California corporation, made the contribution to Ms. Nelder and not Stanway, N.V.

It is my understanding that the law in this area is unclear. Certainly, there is no specific prohibition against a foreign corporation acting as agent of a domestic corporation while making a campaign contribution. Considering the fact that this is a case of first impression, as well as the fact that this was in substance a contribution by a U.S. entity, it is respectfully requested that a determination be made that there is no reason to believe that a violation of any statute within the jurisdiction of the Federal Election Commission has been committed.

Sincerely,

Joseph A. Sperske

Enclosures
cc: Federal Election Commission Members:
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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COPY

received 7-28-86 fab

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 44le.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. Stanway N.V. ("Stanway") is a Netherlands Antilles company that was incorporated on November 8, 1982. Attached as Exhibit "A" is a copy of the Articles of Incorporation of Stanway.

3. Stanway qualified to do business in the state of California on August 25, 1983. Attached as Exhibit "B" is a copy of its Certificate of Qualification.

4. To this date, no shares of Stanway stock have been issued and the company has not been capitalized.

5. During the period from July 1983 to the current date, Stanway was made available by its incorporators, Corporate Trust N.V., to be used as an agent for The Jamestown Company, a California corporation. I was given the power to act for Stanway pursuant to a Power of Attorney, a copy of which is attached hereto as Exhibit "C".

6. I am not now and have never been an officer or a director of Stanway.

7. In 1984, Stanway entered into an agreement with Arconal, Inc., a California corporation which owned all of The Jamestown Company to represent the interest of Arconal, Inc. in the development of The Jamestown Company's project at 212 Stockton Street in San Francisco, California.

8. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, I directed Stanway's receipt and deposit of funds, and their

disbursement in accordance with The Jamestown Company's operational program and directives.

9. On February 6, 1984, a $250 campaign contribution from Stanway's U.S. bank account was made to Ms. Wendy Nelder from the funds of The Jamestown Company held by Stanway. This contribution was made by Stanway as agent for The Jamestown Company. However, it is my understanding that Ms. Nelder reported this contribution as being from myself.

10. On or about February 26, 1986, I became aware of the requirement that the contribution should have been reported by Ms. Nelder as being from The Jamestown Company. Accordingly, the attorney for Jamestown Company sent a letter dated March 20, 1986. A copy of this letter is attached as Exhibit "D".

11. Within the last two months, the entire $250 contribution was refunded by Ms. Nelder.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: _____

_____

Sylvia Lichauco

DSM01

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ARTICLES OF INCORPORATION

OF THE

LIMITED LIABILITY COMPANY

"STANWAY N.V."

DATED: November 8th., 1982.

Exhibit A

Upon this, eighth day of November nineteen hundred and eighty two, appeared before me, Johannes Wilhelmus Maria Thesseling, a notarial candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao, in the presence of the witnesses to be mentioned hereinafter:
Mister GERARD JAN ROOS, a company director,
residing in Curacao,
by these presents acting as managing director of the limited liability companies: CORPORATE TRUST N.V. and N.V. MACOR, both established in Curacao, and as such legally representing this limited liability companies according to their articles of incorporation.
The appearer declared that Corporate Trust N.V. and N.V. Macor by these presents do incorporate a limited liability company which will be constituted under the following provisions:

NAME AND SEAT
Article 1

1. The name of the corporation is:
"STANWAY N.V."
In foreign trade the corporation may be designated as:
"STANWAY INC."
2. It is established in Curacao.

OBJECTS
Article 2

The objects of the corporation are:
a. the acquisition, possession, administration, sale, exchange, transfer, trade in and alienation of shares, bonds, funds, orderdocuments, evidences of indebtedness and other securities, the borrowing of money and the issuance of evidences of indebtedness therefor, as well as the lending of money and the granting of security in whatever form in favour of third parties;
b. the acquisition of:
(i) income arising from the disposal or licensing of copyrights, patents, designs, secret processes or formulae, trademarks and similar interests;
(ii) royalties, including rentals, in respect of motion pictures or relating to the use of industrial, commercial or scientific equipment as well as in respect of the exploitation of a mine or quarry or any natural resource and other real properties;
(iii) considerations for the rendering of technical assistance;
c. the acquisition, possession, alienation, administration, development, lease, letting, mortgaging or in general the encumbrance of real property and any right to or interest in real property;
d. the trading in, including wholesale, distributive and future trade, as well as the import and export of raw materials, minerals, metals, organic materials, semi-finished products and finished products of whatever nature and under whatever name;
e. the participation in other corporations and enterprises;
f. the performance of everything connected with the foregoing in the widest sense of the word.

DURATION
Article 3

The corporation is entered into for an indefinite period of time.

CAPITAL AND SHARES
Article 4

1. The authorized capital of the corporation amounts to THIRTY THOUSAND UNITED STATES DOLLARS (US$ 30.000,--), divided into thirty thousand (30.000) shares of One United States Dollars (US$ 1,--) each, of which at the incorporation six thousand (6.00 shares are issued and will be fully paid up.

2. Shares are issued by the management.
The management shall decide as to the time, the price of issuance of new shares - provided that such price shall not be below par - and as to the time of payment.
3. The new shares shall be offered by preference to the existing shareholders, such in proportion to the number of shares held by them.
4. The management is competent, without instruction of the general meeting of shareholders, to conclude agreements as mentioned in article 60 of the Code of Commerce of the Netherlands Antilles.
5. The Corporation may acquire fully paid up shares in its capital for its own account, for valuable consideration, provided that at least twenty percent of the authorized capital remains outstanding with others than with the Corporation itself.
6. For shares held by the Corporation in its own capital, no voting or claimright can be exercised, nor will any payment from profit or liquidation balance be made on such shares, nor shall such shares count in the computation of a quorum at any meeting.

Article 5

1. The shares are, at the option of the shareholder, registered or - provided they are fully paid up - bearer shares and are numbered as from one.
2. At the request of the shareholder, sharecertificates can be issued for registered shares. For the bearer shares share-certificates shall be issued.
The costs of issuance of sharecertificates shall be for the account of the Corporation.
3. Sharecertificates can be issued at the request of a shareholder for more shares at a time. The holder of such sharecertificates may at any time claim exchange against sharecertificates for another number of shares.
The sharecertificates shall be signed by one managing director.
4. Each sharecertificate can, at the option of the management, be provided with a set of dividendcoupons and a talon in order to obtain a new set of dividendcoupons. Dividendcoupons and talon shall then bear the same number as the sharecertificate to which they belong.
5. At the request of the shareholder, registered shares can be converted into bearer shares and vice versa.
6. If dividendcoupons have been issued, payment of dividends shall be effected against delivery of a dividendcoupon which serves the Corporation as full discharge therefor.

Article 6

1. If one has made acceptable to the satisfaction of the management that a sharecertificate, dividendcoupon or talon belonging to him, has been lost or mislaid, duplicate certifi-cates can at request of the shareholder concerned, be issued under such conditions and guarantees as the management shall determine.
By issuance of the new sharecertificates, dividendcoupons or talons, on which mention shall be made that they are dupli-cates, the original ones shall become void.
2. Mutilated sharecertificates, dividendcoupons or talons may be exchanged by the management against new exemplars.
The mutilated exemplars which are turned in, must be destroyed forthwith by the management.

3. All expenses in connection with the issuance of duplicates or new certificates shall be for the account of the applicant and must, if so desired, be paid by him in advance.

Article 7

1. The registered shares are entered in a register, which is kept by the management. The entry mentions the name of the shareholder, his residence or the domicile elected by him, the quantity and the numbers of his shares.
2. Each transfer and change of ownership of a registered share and each conversion as referred to in Article 5, Section 5, shall be entered in the register and each such entry shall be signed by one managing director.
3. The transfer of registered shares shall be effected either by serving a deed of transfer upon the Corporation or by the written acknowledgement of the transfer by the Corporation.
4. If no sharecertificate has been issued, the entry in the register provided for in the second section shall have the effect of a written acknowledgement of the transfer by the Corporation.
In the event a sharecertificate has been issued, the acknowledgement shall be effected by an entry made on the sharecertificate concerned, signed by one managing director.
5. Irrespective of the provisions of Section 2, the conversion shall - in case of conversion of a share for which a sharecertificate has been issued - be entered on such sharecertificate by one managing director.

MANAGEMENT

Article 8

1. The Corporation is managed by a management, consisting of one or more managing directors, in which capacity also a legal entity can be appointed.
2. The managing directors shall be appointed by the general meeting of shareholders and can at any time be suspended and removed by it.
3. The Corporation shall be represented against third parties in all matters, including court matters, by one managing director.
4. The management is competent, without limiting its responsibility, to appoint holders of procuration and to determine their faculties and the way they shall represent the Corporation and shall sign on its behalf.
5. Each managing director is competent to give mandate and power of attorney to a co-managing director in order to represent the mandator in his capacity of managing director with due observance of the conditions of the mandate.
6. In the event of impediment or default of one or more managing directors, the management shall be vested entirely in the remaining managing director(s), in the event of impediment or default of all managing directors, the Corporation shall be temporarily managed by a person designated thereto by the general meeting of shareholders.
In the latter case the person designated by the general meeting of shareholders shall be under the obligation to convoke a general meeting of shareholders as soon as possible in order to provide for a permanent management.
As long as such has not been done, the acts of management of the designated person shall remain restricted to only such ones which cannot be delayed.

7. In the event of a conflict of interest between the Corporation and one or more managing directors, it shall be represented by another managing director and, in the absence of the latter, by a person designated thereto by the general meeting of shareholders.

GENERAL MEETING OF SHAREHOLDERS

Article 9

1. General meetings of shareholders shall be held in Curacao.
2. The annual general meeting of shareholders must be held within nine months after the expiration of the financial year of the Corporation.
In this lastmentioned meeting, among other things:
a. a report shall be delivered by the management with regard to the course of business of the Corporation and the conduct of its affairs during the past financial year;
b. the balance-sheet and profit and loss account shall be adopted after having been submitted together with an explanatory statement indicating by what standard the movables and immovables of the Corporation have been appraised.

Article 10

1. Every managing director is, and the shareholders, representing together a total of at least ten percent of the issued capital stock, are equally competent to convoke a general meeting of shareholders.
2. The shareholders shall be convoked to all meetings by means of an advertisement, to be placed in a newspaper published and widely read in Curacao, at least five days prior to the day on which the meeting is to be held, excluding the days of the convocation and of the meeting.
The advertisement shall contain the agenda of the meeting or shall mention that it is deposited for the shareholders for inspection at the office of the Corporation.
If a proposal to amend the Articles of Incorporation will be dealt with, the advertisement shall also state so.
As to subjects in respect of which the foregoing has not been observed, valid resolutions can always be adopted, if such resolution is adopted by unanimous vote at a meeting in which the entire outstanding capital is represented.
3. General meetings shall be presided over by a person designated thereto by the meeting.
4. Shareholders may be represented at the meeting by a proxy empowered in writing.
Managing directors or, in general, persons employed by the Corporation can not act as proxy of a shareholder at the meeting.
In order to exercise their rights at a meeting, holders of bearer shares must indentify themselves as such to the satisfaction of the Corporation.
The sharecertificates or a certificate of deposit issued therefor by the Corporation or a Bank - stating that the sharecertificates shall not be returned before the end of the meeting - shall count as sufficient identification.
5. All resolutions of the annual and special general meeting of shareholders shall be adopted by absolute majority of the votes cast, if not provided for otherwise in these Articles of Incorporation.

6. In the event of proceeding to an appointment, the person who has obtained the absolute majority of the votes cast, is held to be elected.
If nobody has obtained such majority, a second ballot shall be taken between the two persons who have obtained the greatest number of the votes cast. If more than two persons should have obtained the same number of votes and at the same time the greatest number of votes cast, then the second ballot shall be taken between two of these persons designated by lot.
If these persons should obtain an equal number of votes at the second ballot, the decision shall be by lot.

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1. Each share entitles to cast one vote.
2. Also for share of those to whom, otherwise than as shareholder of the Corporation, by the resolution to be adopted, should be granted any right towards the Corporation or those who should be released from any liability towards it, valid votes may be cast.

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Of all matters dealt with in a general meeting of shareholders, minutes shall be kept, which shall be signed by the chairman and a shareholder or a proxy of a shareholder present at the meeting, unless a notarial record thereof shall be drawn up.

FINANCIAL YEAR

Article 13

The financial year of the Corporation runs concurrent with the calendar year.
The first financial year runs from the commencement of the Corporation up to and including the thirty first day of December nineteen hundred and eighty three.

Article 14

1. Within eight months after the end of the financial year, the management shall present the balance sheet and profit and loss account covering the past financial year, together with the explanatory statement referred to in Article 9, to the general meeting of shareholders. The balance sheet, the profit and loss account and the explanatory statement shall be signed by all managing directors.
If the signature of one of them is missing the reason thereof shall be stated on these documents.
2. The balance sheet, the profit and loss account and the explanatory statement shall be deposited at the office of the Corporation for inspection by the shareholders or their proxies as from the day of convocation of the general meeting for the propose of adopting these documents until the end of that meeting.
3. The balance sheet and the profit and loss account shall be adopted by the annual general meeting of shareholders.
Adoption of the balance sheet and the profit and loss account serves the management as discharge for its management carried on during the past financial year, as far as such appears from the submitted documents without prejudice to the provisions of article 116 of the Code of Commerce of the Netherlands Antilles.
4. The general meeting of shareholders shall decide upon the amounts to be reserved.

DISTRIBUTION OF PROFITS

Article 15

1. The profit, by which term is to be understood the net profit

according to the adopted profit and loss account, is entirely at the disposal of the general meeting of shareholders.
2. The management is at any time competent to pay out interim dividends by way of advance-payment on the dividends to be expected.

Article 16

If according to the adopted profit and loss account, a loss has been sustained during any year which cannot be covered by the reserves or compensated in some other way, no distribution of profit shall be effected in the following years as long as such loss has not been compensated.

AMENDMENT OF THE ARTICLES OF INCORPORATION
AND DISSOLUTION OF THE CORPORATION

Article 17

1. Resolutions to amend the articles of incorporation or to dissolve the corporation can only be adopted with at least three-fourths of the votes cast at a general meeting of shareholders, at which at least two-thirds of the shares are represented.
2. In the event the required capital is not represented at the meeting, a second meeting shall be convoked, to be held within two months after the first one, at which second meeting, irrespective of the capital then represented, valid resolutions can be adopted as to such subjects with three/fourths of the votes cast.
3. In the event of dissolution of the Corporation, the liquidation shall be effected under such conditions as the general meeting of shareholders shall decide.

Finally the appearer declared:
- that in deviation from the aforementioned - with regard to the way of appointment - for the first time is appointed managing director of the corporation:
Corporate Trust N.V., aforementioned;
- that in the capital of the corporation is participated by the incorporators as follows:
by N.V. Macor for five thousand nine hundred and ninety nine (5.999) shares; and
by Corporate Trust N.V. for one (1) share;
- that on a draft of this deed the required declaration of no objection was granted by Ministerial Decree dated November fifth nineteen hundred and eighty two, number 4791/N.V..

The appearer and the witnesses are known to me, the substitute-notary.

OF WHICH THIS RECORD

Was executed in Curacao, on the date first mentioned in the introductory paragraph, of this deed in the presence of the ladies Carla Ansia de Wind and Vivien Mary Cecile de Windt, both clerk and residing in Curacao, as witnesses.
Immediately after the reading this deed was signed by the appearer, the witnesses and by me, the substitute-notary.

THE UNDERSIGNED:

Johannes Wilhelmus Maria Thesseling, a notarial-candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao,

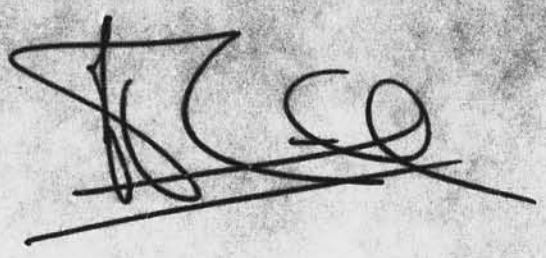
DOES HEREBY CERTIFY:

that this is a true but unofficial English translation of the Articles of Incorporation of the limited liability company:

"STANWAY N.V."

a corporation organized under the laws of the Netherlands Antilles and established in Curacao.

Curacao, November 8th., 1982.



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State of California
OFFICE OF THE SECRETARY OF STATE

SACRAMENTO

CORPORATION NUMBER
1225426

CERTIFICATE OF QUALIFICATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 25th *day of* August, *19* 83, "Stanway N.V.", now:

STANWAY, INC.,

a corporation organized and existing under the laws of the Netherlands Antilles, *complied with the requirements of California law in effect on that date for the purpose of qualifying to transact intrastate business in the State of California and that as of said date said corporation became and now is fully qualified and authorized to transact intrastate business in the State of California, subject, however, to any licensing requirements otherwise imposed by the laws of this State.*

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 7th day of November, 1983

March Fong Eu

Secretary of State

Exhibit B

8704063246 4

POWER OF ATTORNEY

Know all men by these presents:

that the undersigned STANWAY N.V., whose managing director is Corporate Trust N.V., hereby makes, constitutes and appoints:

SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR.

of 153 Kearny Street, San Francisco, California U.S.A. acting jointly or severally, its true and lawful attorneys in fact, with full power of substitution, for it and in its name, place and stead, for its sole use and benefit, to deal in the assets of the Company, to open and close bank accounts, including brokerage and money market accounts, to lease, purchase, exchange and acquire, and to bargain, contract and agree for the lease, purchase, exchange and acquisition of any real or personal property, also to improve, repair, manage, insure, rent, lease, sell, release, convey, subject to liens, mortgage and hypothecate and in any way or manner deal with all or any part of any real or personal property of the Company, all in the name of the Company and under such terms and conditions as such attorneys in fact shall deem proper, also to sign, endorse, execute, acknowledge, deliver, receive and possess such applications, contracts, agreements,options, covenants, deeds, conveyances, deeds of trust, leases, mortgages, promissory notes, assignments, contracts relating to development of real property, including construction,financing and management, and any other contracts in relation thereto, withdrawal and deposit instruments relating to any bank, brokerage or money market accounts or deposits of the Company, local, state or federal reporting forms, applications for security arrangements, security agreements and annual information returns as required by the Foreign Investment in Real Property Tax Act of 1980, any and all forms in connection with the qualification of the Company to transact business in the appropriate state in the United States, and any other instruments in writing which may be

Exhibit C

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necessary or proper in the exercise of the rights and powers herein granted, on behalf or in the name of STANWAY N.V.

The Company hereby ratifies and confirms all things done by its said attorneys in fact SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR., within the scope of the authority given them, as fully and to the same extent as if done and performed by the Company personally.

IN TESTIMONY THEREOF, said STANWAY N.V., a Company established under the laws of the Netherlands Antilles, has caused this power of attorney to be executed in its corporate name, by its managing director Corporate Trust N.V., pursuant to the powers contained in its Articles of Incorporation this 21st day of July 1983.

STANWAY N.V.

CORPORATE TRUST N.V.
managing director

Corporate Trust N.V.
Managing Director

By: G.J. Roos
Managing Director

Seen for legalization of the signature of Mr. G.J. Roos, managing director of Corporate Trust N.V., which corporation is a managing director of STANWAY N.V., a limited liability company, established in Curacao, by me, J.W.M. Thesseling, LL.M., a notarial candidate, residing in Curacao, legally deputizing for Dr. J.A. Schiltkamp, a Civil Law Notary of Curacao.

Curacao July 22nd, 1983

J.W.M. Thesseling.

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22 JULI 1983

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 989-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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Exhibit D

contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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6CCAF 1194

LAW OFFICES
JOSEPH A. SPERSKE
25000 INDUSTRIAL BOULEVARD
HAYWARD, CALIFORNIA 94545
(415) 782-1952

MAILING ADDRESS:
P. O. BOX 3247
HAYWARD, CALIFORNIA 94540-3247

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
86 AUG 12 P3:24
RECEIVED
OFFICE OF THE
GENERAL COUNSEL
86 AUG 12 P4:26

August 6, 1986

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

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

On July 28, 1986, I received the attached letter concerning Stanway, N.V. from the Honorable Joan D. Aikens. We strongly object to the determination that Stanway, N.V. may have violated 2 U.S.C. §441 e.

To further clarify the situation, we have prepared and attached hereto a declaration which provides more specific details in this matter.

It would appear that the determination that a violation may have occurred has been made on the basis that a $250 check to Ms. Wendy Nelder was drawn upon the U.S. bank account of a foreign company. Since the check was written on the account of a foreign company, it has been concluded that a technical violation has occurred. This conclusion ignores the substance of the transaction, that is, that a Jamestown Company, a California corporation, made the contribution to Ms. Nelder and not Stanway, N.V.

It is my understanding that the law in this area is unclear. Certainly, there is no specific prohibition against a foreign corporation acting as agent of a domestic corporation while making a campaign contribution. Considering the fact that this is a case of first impression, as well as the fact that this was in substance a contribution by a U.S. entity, it is respectfully requested that a determination be made that there is no reason to believe that a violation of any statute within the jurisdiction of the Federal Election Commission has been committed.

Sincerely,

Joseph A. Sperske

Enclosures
cc: Federal Election Commission Members:
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

COPY
27040532469

Received 7-25-86 fab

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 44le.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. Stanway N.V. ("Stanway") is a Netherlands Antilles company that was incorporated on November 8, 1982. Attached as Exhibit "A" is a copy of the Articles of Incorporation of Stanway.

3. Stanway qualified to do business in the state of California on August 25, 1983. Attached as Exhibit "B" is a copy of its Certificate of Qualification.

4. To this date, no shares of Stanway stock have been issued and the company has not been capitalized.

5. During the period from July 1983 to the current date, Stanway was made available by its incorporators, Corporate Trust N.V., to be used as an agent for The Jamestown Company, a California corporation. I was given the power to act for Stanway pursuant to a Power of Attorney, a copy of which is attached hereto as Exhibit "C".

6. I am not now and have never been an officer or a director of Stanway.

7. In 1984, Stanway entered into an agreement with Arconal, Inc., a California corporation which owned all of The Jamestown Company to represent the interest of Arconal, Inc. in the development of The Jamestown Company's project at 212 Stockton Street in San Francisco, California.

8. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, I directed Stanway's receipt and deposit of funds, and their

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disbursement in accordance with The Jamestown Company's operational program and directives.

9. On February 6, 1984, a $250 campaign contribution from Stanway's U.S. bank account was made to Ms. Wendy Nelder from the funds of The Jamestown Company held by Stanway. This contribution was made by Stanway as agent for The Jamestown Company. However, it is my understanding that Ms. Nelder reported this contribution as being from myself.

10. On or about February 26, 1986, I became aware of the requirement that the contribution should have been reported by Ms. Nelder as being from The Jamestown Company. Accordingly, the attorney for Jamestown Company sent a letter dated March 20, 1986. A copy of this letter is attached as Exhibit "D".

11. Within the last two months, the entire $250 contribution was refunded by Ms. Nelder.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: _____ _____

Sylvia Lichauco

DSM01

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ARTICLES OF INCORPORATION

OF THE

LIMITED LIABILITY COMPANY

"STANWAY N.V."

DATED: November 8th., 1982.

Exhibit A

Upon this, eighth day of November nineteen hundred and eighty two, appeared before me, Johannes Wilhelmus Maria Thesseling, a notarial candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao, in the presence of the witnesses to be mentioned hereinafter:
Mister GERARD JAN ROOS, a company director,
residing in Curacao,
by these presents acting as managing director of the limited liability companies: CORPORATE TRUST N.V. and N.V. MACOR, both established in Curacao, and as such legally representing this limited liability companies according to their articles of incorporation.
The appearer declared that Corporate Trust N.V. and N.V. Macor by these presents do incorporate a limited liability company which will be constituted under the following provisions:

NAME AND SEAT

Article 1

1. The name of the corporation is:
"STANWAY N.V."
In foreign trade the corporation may be designated as:
"STANWAY INC."
2. It is established in Curacao.

OBJECTS

Article 2

The objects of the corporation are:
a. the acquisition, possession, administration, sale, exchange, transfer, trade in and alienation of shares, bonds, funds, orderdocuments, evidences of indebtedness and other securities, the borrowing of money and the issuance of evidences of indebtedness therefor, as well as the lending of money and the granting of security in whatever form in favour of third parties;
b. the acquisition of:
(i) income arising from the disposal or licensing of copyrights, patents, designs, secret processes or formulae, trademarks and similar interests;
(ii) royalties, including rentals, in respect of motion pictures or relating to the use of industrial, commercial or scientific equipment as well as in respect of the exploitation of a mine or quarry or any natural resource and other real properties;
(iii) considerations for the rendering of technical assistance;
c. the acquisition, possession, alienation, administration, development, lease, letting, mortgaging or in general the encumbrance of real property and any right to or interest in real property;
d. the trading in, including wholesale, distributive and future trade, as well as the import and export of raw materials, minerals, metals, organic materials, semi-finished products and finished products of whatever nature and under whatever name;
e. the participation in other corporations and enterprises;
f. the performance of everything connected with the foregoing in the widest sense of the word.

DURATION

Article 3

The corporation is entered into for an indefinite period of time.

CAPITAL AND SHARES

Article 4

1. The authorized capital of the corporation amounts to THIRTY THOUSAND UNITED STATES DOLLARS (US$ 30.000,--), divided into thirty thousand (30.000) shares of One United States Dollars (US$ 1,--) each, of which at the incorporation six thousand (6.000) shares are issued and will be fully paid up.

2. Shares are issued by the management.
The management shall decide as to the time, the price of issuance of new shares - provided that such price shall not be below par - and as to the time of payment.
3. The new shares shall be offered by preference to the existing shareholders, such in proportion to the number of shares held by them.
4. The management is competent, without instruction of the general meeting of shareholders, to conclude agreements as mentioned in article 60 of the Code of Commerce of the Netherlands Antilles.
5. The Corporation may acquire fully paid up shares in its capital for its own account, for valuable consideration, provided that at least twenty percent of the authorized capital remains outstanding with others than with the Corporation itself.
6. For shares held by the Corporation in its own capital, no voting or claimright can be exercised, nor will any payment from profit or liquidation balance be made on such shares, nor shall such shares count in the computation of a quorum at any meeting.

Article 5

1. The shares are, at the option of the shareholder, registered or - provided they are fully paid up - bearer shares and are numbered as from one.
2. At the request of the shareholder, sharecertificates can be issued for registered shares. For the bearer shares share-certificates shall be issued.
The costs of issuance of sharecertificates shall be for the account of the Corporation.
3. Sharecertificates can be issued at the request of a shareholder for more shares at a time. The holder of such sharecertificates may at any time claim exchange against sharecertificates for another number of shares.
The sharecertificates shall be signed by one managing director.
4. Each sharecertificate can, at the option of the management, be provided with a set of dividendcoupons and a talon in order to obtain a new set of dividendcoupons. Dividendcoupons and talon shall then bear the same number as the sharecertificate to which they belong.
5. At the request of the shareholder, registered shares can be converted into bearer shares and vice versa.
6. If dividendcoupons have been issued, payment of dividends shall be effected against delivery of a dividendcoupon which serves the Corporation as full discharge therefor.

Article 6

1. If one has made acceptable to the satisfaction of the management that a sharecertificate, dividendcoupon or talon belonging to him, has been lost or mislaid, duplicate certificates can at request of the shareholder concerned, be issued under such conditions and guarantees as the management shall determine.
By issuance of the new sharecertificates, dividendcoupons or talons, on which mention shall be made that they are duplicates, the original ones shall become void.
2. Mutilated sharecertificates, dividendcoupons or talons may be exchanged by the management against new exemplars.
The mutilated exemplars which are turned in, must be destroyed forthwith by the management.

3. All expenses in connection with the issuance of duplicates or new certificates shall be for the account of the applicant and must, if so desired, be paid by him in advance.

Article 7

1. The registered shares are entered in a register, which is kept by the management. The entry mentions the name of the shareholder, his residence or the domicile elected by him, the quantity and the numbers of his shares.
2. Each transfer and change of ownership of a registered share and each conversion as referred to in Article 5, Section 5, shall be entered in the register and each such entry shall be signed by one managing director.
3. The transfer of registered shares shall be effected either by serving a deed of transfer upon the Corporation or by the written acknowledgement of the transfer by the Corporation.
4. If no sharecertificate has been issued, the entry in the register provided for in the second section shall have the effect of a written acknowledgement of the transfer by the Corporation.
In the event a sharecertificate has been issued, the acknowledgement shall be effected by an entry made on the sharecertificate concerned, signed by one managing director.
5. Irrespective of the provisions of Section 2, the conversion shall - in case of conversion of a share for which a sharecertificate has been issued - be entered on such sharecertificate by one managing director.

MANAGEMENT

Article 8

1. The Corporation is managed by a management, consisting of one or more managing directors, in which capacity also a legal entity can be appointed.
2. The managing directors shall be appointed by the general meeting of shareholders and can at any time be suspended and removed by it.
3. The Corporation shall be represented against third parties in all matters, including court matters, by one managing director.
4. The management is competent, without limiting its responsibility, to appoint holders of procuration and to determine their faculties and the way they shall represent the Corporation and shall sign on its behalf.
5. Each managing director is competent to give mandate and power of attorney to a co-managing director in order to represent the mandator in his capacity of managing director with due observance of the conditions of the mandate.
6. In the event of impediment or default of one or more managing directors, the management shall be vested entirely in the remaining managing director(s), in the event of impediment or default of all managing directors, the Corporation shall be temporarily managed by a person designated thereto by the general meeting of shareholders.
In the latter case the person designated by the general meeting of shareholders shall be under the obligation to convoke a general meeting of shareholders as soon as possible in order to provide for a permanent management.
As long as such has not been done, the acts of management of the designated person shall remain restricted to only such ones which cannot be delayed.

7. In the event of a conflict of interest between the Corporation and one or more managing directors, it shall be represented by another managing director and, in the absence of the latter, by a person designated thereto by the general meeting of shareholders.

GENERAL MEETING OF SHAREHOLDERS

Article 9

1. General meetings of shareholders shall be held in Curacao.
2. The annual general meeting of shareholders must be held within nine months after the expiration of the financial year of the Corporation.
In this lastmentioned meeting, among other things:
a. a report shall be delivered by the management with regard to the course of business of the Corporation and the conduct of its affairs during the past financial year;
b. the balance-sheet and profit and loss account shall be adopted after having been submitted together with an explanatory statement indicating by what standard the movables and immovables of the Corporation have been appraised.

Article 10

1. Every managing director is, and the shareholders, representing together a total of at least ten percent of the issued capital stock, are equally competent to convoke a general meeting of shareholders.
2. The shareholders shall be convoked to all meetings by means of an advertisement, to be placed in a newspaper published and widely read in Curacao, at least five days prior to the day on which the meeting is to be held, excluding the days of the convocation and of the meeting.
The advertisement shall contain the agenda of the meeting or shall mention that it is deposited for the shareholders for inspection at the office of the Corporation.
If a proposal to amend the Articles of Incorporation will be dealt with, the advertisement shall also state so.
As to subjects in respect of which the foregoing has not been observed, valid resolutions can always be adopted, if such resolution is adopted by unanimous vote at a meeting in which the entire outstanding capital is represented.
3. General meetings shall be presided over by a person designated thereto by the meeting.
4. Shareholders may be represented at the meeting by a proxy empowered in writing.
Managing directors or, in general, persons employed by the Corporation can not act as proxy of a shareholder at the meeting.
In order to exercise their rights at a meeting, holders of bearer shares must indentify themselves as such to the satisfaction of the Corporation.
The sharecertificates or a certificate of deposit issued therefor by the Corporation or a Bank - stating that the sharecertificates shall not be returned before the end of the meeting - shall count as sufficient identification.
5. All resolutions of the annual and special general meeting of shareholders shall be adopted by absolute majority of the votes cast, if not provided for otherwise in these Articles of Incorporation.

6. In the event of proceeding to an appointment, the person who has obtained the absolute majority of the votes cast, is held to be elected.
If nobody has obtained such majority, a second ballot shall be taken between the two persons who have obtained the greatest number of the votes cast. If more than two persons should have obtained the same number of votes and at the same time the greatest number of votes cast, then the second ballot shall be taken between two of these persons designated by lot.
If these persons should obtain an equal number of votes at the second ballot, the decision shall be by lot.

Article 11

1. Each share entitles to cast one vote.
2. Also for share of those to whom, otherwise than as shareholder of the Corporation, by the resolution to be adopted, should be granted any right towards the Corporation or those who should be released from any liability towards it, valid votes may be cast.

Article 12

Of all matters dealt with in a general meeting of shareholders, minutes shall be kept, which shall be signed by the chairman and a shareholder or a proxy of a shareholder present at the meeting, unless a notarial record thereof shall be drawn up.

FINANCIAL YEAR

Article 13

The financial year of the Corporation runs concurrent with the calendar year.
The first financial year runs from the commencement of the Corporation up to and including the thirty first day of December nineteen hundred and eighty three.

Article 14

1. Within eight months after the end of the financial year, the management shall present the balance sheet and profit and loss account covering the past financial year, together with the explanatory statement referred to in Article 9, to the general meeting of shareholders. The balance sheet, the profit and loss account and the explanatory statement shall be signed by all managing directors.
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Finally the appearer declared:
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- that in the capital of the corporation is participated by the incorporators as follows:
by N.V. Macor for five thousand nine hundred and ninety nine (5.999) shares; and
by Corporate Trust N.V. for one (1) share;
- that on a draft of this deed the required declaration of no objection was granted by Ministerial Decree dated November fifth nineteen hundred and eighty two, number 4791/N.V..

The appearer and the witnesses are known to me, the substitute-notary.

OF WHICH THIS RECORD

Was executed in Curacao, on the date first mentioned in the introductory paragraph, of this deed in the presence of the ladies Carla Ansia de Wind and Vivien Mary Cecile de Windt, both clerk and residing in Curacao, as witnesses.
Immediately after the reading this deed was signed by the appearer, the witnesses and by me, the substitute-notary.

THE UNDERSIGNED:

Johannes Wilhelmus Maria Thesseling, a notarial-candidate, residing in Curacao, legally deputizing for Doctor Jacob Adriaan Schiltkamp, a Civil Law Notary of Curacao,

DOES HEREBY CERTIFY:

that this is a true but unofficial English translation of the Articles of Incorporation of the limited liability company:

"STANWAY N.V."

a corporation organized under the laws of the Netherlands Antilles and established in Curacao.

Curacao, November 8th., 1982.

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State of California
OFFICE OF THE SECRETARY OF STATE

SACRAMENTO

CORPORATION NUMBER
1225426

CERTIFICATE OF QUALIFICATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 25th *day of* August, *19* 83, "Stanway N.V.", now:

STANWAY, INC.,

a corporation organized and existing under the laws of the Netherlands Antilles, *complied with the requirements of California law in effect on that date for the purpose of qualifying to transact intrastate business in the State of California and that as of said date said corporation became and now is fully qualified and authorized to transact intrastate business in the State of California, subject, however, to any licensing requirements otherwise imposed by the laws of this State.*

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 7th day of November, 1983

March Fong Eu

Secretary of State

Exhibit B

POWER OF ATTORNEY

Know all men by these presents:

that the undersigned STANWAY N.V., whose managing director is Corporate Trust N.V., hereby makes, constitutes and appoints:

SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR.

of 153 Kearny Street, San Francisco, California U.S.A. acting jointly or severally, its true and lawful attorneys in fact, with full power of substitution, for it and in its name, place and stead, for its sole use and benefit, to deal in the assets of the Company, to open and close bank accounts, including brokerage and money market accounts, to lease, purchase, exchange and acquire, and to bargain, contract and agree for the lease, purchase, exchange and acquisition of any real or personal property, also to improve, repair, manage, insure, rent, lease, sell, release, convey, subject to liens, mortgage and hypothecate and in any way or manner deal with all or any part of any real or personal property of the Company, all in the name of the Company and under such terms and conditions as such attorneys in fact shall deem proper, also to sign, endorse, execute, acknowledge, deliver, receive and possess such applications, contracts, agreements, options, covenants, deeds, conveyances, deeds of trust, leases, mortgages, promissory notes, assignments, contracts relating to development of real property, including construction, financing and management, and any other contracts in relation thereto, withdrawal and deposit instruments relating to any bank, brokerage or money market accounts or deposits of the Company, local, state or federal reporting forms, applications for security arrangements, security agreements and annual information returns as required by the Foreign Investment in Real Property Tax Act of 1980, any and all forms in connection with the qualification of the Company to transact business in the appropriate state in the United States, and any other instruments in writing which may be

Exhibit C

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necessary or proper in the exercise of the rights and powers herein granted, on behalf of in the name of STANWAY N.V.

The Company hereby ratifies and confirms all things done by its said attorneys in fact SYLVIA LICHAUCO and MARCIAL P. LICHAUCO JR., within the scope of the authority given them, as fully and to the same extent as if done and performed by the Company personally.

IN TESTIMONY THEREOF, said STANWAY N.V., a Company established under the laws of the Netherlands Antilles, has caused this power of attorney to be executed in its corporate name, by its managing director Corporate Trust N.V., pursuant to the powers contained in its Articles of Incorporation this 21st day of July 1983.

STANWAY N.V.

CORPORATE TRUST N.V.
managing director

Corporate Trust N.V.
Managing Director

By: G.J. Roos
Managing Director

Seen for legalization of the signature of Mr. G.J. Roos, managing director of Corporate Trust N.V., which corporation is a managing director of STANWAY N.V., a limited liability company, established in Curacao, by me, J.W.M. Thesseling, LL.M., a notarial candidate, residing in Curacao, legally deputizing for Dr. J.A. Schiltkamp, a Civil Law Notary of Curacao.

Curacao July 22nd, 1983

J.W.M. Thesseling.

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22 JULI 1983

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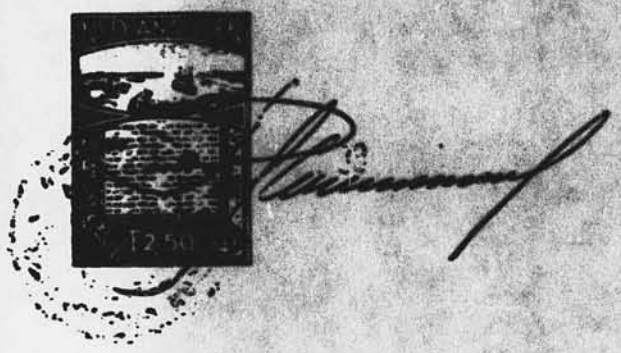

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 989-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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Exhibit D

contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Peter Bagatelos, Esquire
Bagatelos & Fadem
601 California Street
Suite 801
San Francisco, CA 94108

RE: MUR 2165
The Jamestown Company
Arconal, Inc.

Dear Mr. Bagatelos:

On April 18, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9 , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

Dear Mr. Starr:

On April 25, 1986, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9 , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Leonard B. Berger, Esquire
Dobbs, Berger, Molinari, Casalnuovo, Vannelli
& Nadel
Suite 2500, Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

Re: MUR 2165
John L. Molinari

Dear Mr. Berger:

On April 25, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9 , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

George Agnost
San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Agnost:

The Federal Election Commission notified your client on April 25, 1986, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on July 9, 1986, determined that there is reason to believe that your client has violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that your client accepted a contribution from Stanway, N.V., a foreign corporation, and Sylvia Lichauco, as President, in violation of 2 U.S.C. § 44le.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 44le.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 23, 1986

George Agnost, San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Dianne Feinstein, Willie B. Kennedy, Quentin Kopp, Louise Renne and Carol Ruth Silver

Dear Mr. Agnost:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed by the above-captioned clients. Accordingly, the Commission closed its file in this matter as it pertains to the above captioned clients. This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leonard B. Berger, Esquire
Dobbs, Berger, Molinari, Casalnuovo, Vannelli
& Nadel
Suite 2500, Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

Re: MUR 2165
John L. Molinari

Dear Mr. Berger:

On April 25, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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RVCA

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

Dear Mr. Starr:

On April 25, 1986, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

EL
RVA

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Peter Bagatelos, Esquire
Bagatelos & Fadem
601 California Street
Suite 801
San Francisco, CA 94108

RE: MUR 2165
The Jamestown Company
Arconal, Inc.

Dear Mr. Bagatelos:

On April 18, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

George Agnost, San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Dianne Feinstein, Willie B. Kennedy, Quentin Kopp, Louise Renne and Carol Ruth Silver

Dear Mr. Agnost:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed by the above-captioned clients. Accordingly, the Commission closed its file in this matter as it pertains to the above captioned clients. This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

EK
RVA

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

George Agnost
San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Agnost:

The Federal Election Commission notified your client on April 25, 1986, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on July 9, 1986, determined that there is reason to believe that your client has violated 2 U.S.C. § 441e, a provision of the Act. Specifically, it appears that your client accepted a contribution from Stanway, N.V., a foreign corporation, and Sylvia Lichauco, as President, in violation of 2 U.S.C. § 441e.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

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

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

Enclosures
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Stanway, N.V. and Sylvia
Lichauco, as President

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on July 9, 1986, determined on the basis of information contained in the complaint, that there is reason to believe that Stanway and Sylvia Lichauco in her capacity as President, violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made an illegal contribution to Wendy Nelder, in violation of 2 U.S.C. § 44le.

However, the Commission, also on July 9, 1986, determined that there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco, individually.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

Enclosures
Procedures

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EK
RVA

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
The Jamestown Company	)	
Arconal, Inc.	)	
Stanway, Inc.	)	
Sylvia Lichauco	)	
Dianne Feinstein	)	MUR 2165
Willie Kennedy	)	
Quentin Kopp	)	
John Molinari	)	
Wendy Nelder	)	
Louise Renne	)	
Carol Ruth Silver	)	
Kevin Starr	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 9, 1986, do hereby certify that the Commission took the following actions in MUR 2165:

1. Decided by a vote of 6-0 to find no reason to believe that the following violated 2 U.S.C. § 441e:

   The Jamestown Company
   Arconal, Inc.
   Sylvia Lichauco, as an individual and as president of The Jamestown Company
   Dianne Feinstein
   Willie B. Kennedy
   Quentin Kopp
   John Molinari
   Kevin Starr

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

(continued)

5. Decided by a vote of 6-0 to direct the Office of General Counsel to send appropriate letters.

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

Attest:

7-11-86
Date

Marjorie W. Emmons
Secretary of the Commission

8704043250505

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

First General Counsel's Report

Date and Time of Transmittal By OGC to the Commission _____

MUR # 2165
Date Complaint Received By OGC April 11, 1986
Date of Notification To Respondents April 28, 1986
Staff Eric Kleinfeld

Complainant's Name: Citizens for Representative Government

Respondents' Names: The Jamestown Company
Arconal, Inc.
Stanway, Inc.
Sylvia Lichauco
Dianne Feinstein
Willie Kennedy
Quentin Kopp
John Molinari
Wendy Nelder
Louise Renne
Carol Ruth Silver
Kevin Starr

Relevant Statute: 2 U.S.C. § 441e

Internal Reports Checked: Advisory Opinions 1978-21; 1979-59; 1980-100; 1981-36,51; 1982-10; 1983-31; 1985-3

Federal Agencies Checked: None

Summary of Allegations

On April 11, 1986, the Office of General Counsel received a signed, sworn and notarized complaint from Sue C. Hestor, attorney for Citizens for Representative Government ("complainant"), alleging violations of the Federal Election Campaign Act of 1971, as amended, ("Act") based upon press accounts from the San Francisco Examiner and upon California campaign disclosure forms. Specifically, complainant alleges that an individual, Sylvia Lichauco, made contributions to

8704063250 6

candidates for California political office, with funds having as their source a foreign corporation, which is in turn owned by an "agency" of the Philippine Government.

Factual and Legal Analysis

The complaint received from Citizens for Representative Government centers upon an allegation that contributions were made by a foreign national in connection with an election for local San Francisco public office. According to complainant, "[t]he contributions complained of were related to the development of a 54,000 square foot office and retail building called 212 Stockton Street on Union Square in San Francisco."

Complainant submitted several documents in support of their allegation, including a California "Expenditure and Major Donor Committee Campaign Statement" filed by Sylvia Lichauco and several newspaper articles concerning the substance of the complaint. The Expenditure Statement covers the period January 1, 1984 to December 31, 1984 and reports contributions made either by The Jamestown Company ("Jamestown") or by Stanway, Inc. ("Stanway"), as agent of Jamestown or by Sylvia Lichauco, an officer, of Jamestown. The Statement indicates that the contributions made by Stanway were made "from funds derived from" Jamestown and that those made by Sylvia Lichauco "include contributions reimbursed by" Jamestown. 1/

The following contributions were reported on the Expenditure Statement for the year 1984:

1/ The Statement also indicates that some of the contributions by Lichauco may have been made from her shareholder accounts in two corporate entities apparently unrelated to Jamestown, Citistops, Inc. and Piper King, Inc.

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Recipient 2/	Amount
Carol Ruth Silver	$1,545
John Molinari	1,250
Quentin Kopp	500
Louise Renne	500
Willie Kennedy	250
Wendy Nelder	250
Kevin Starr	150
Diane Feinstein	125

The newspaper articles attached to the complaint supply additional background information concerning the contributions complained of. The first of these, contained in the March 2, 1986 edition of the San Francisco Examiner, relates the chain of ownership of the real estate which allegedly served as the motivation for the contributions at issue. It appears that Jamestown is a California corporation which nominally owns the property. Sylvia Lichauco, at the time of the contributions, was President of Jamestown. Lichauco, on behalf of Jamestown, established Stanway N.V., a foreign corporation, as a subsidiary of Jamestown, to buy out tenants' leases. Jamestown itself is a wholly owned subsidiary of Arconal, Inc., a California corporation that is a wholly-owned subsidiary of Arconal, N.V., a foreign corporation, which is in turn owned by the Philippine

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2/ Recipient Dianne Feinstein is Mayor of San Francisco. Kevin Starr was an unsuccessful candidate for the San Francisco Board of Supervisors in 1984. The remaining recipients are all members of the San Francisco Board of Supervisors.

General Service Insurance System ("GSIS"). 3/

Finally, the newspaper articles contain admissions by Sylvia Lichauco that she was reimbursed for the contributions made to local officials. Apparently, Lichauco reimbursed herself with money from the checking accounts of Jamestown and Stanway, money that allegedly had as its source, GSIS.

Twelve respondents were notified of the complaint, including the contribution recipients, Sylvia Lichauco and the three corporate entities involved. On May 8, 1986, the Office of General Counsel received a response from Kevin Starr, a candidate in 1984 for the San Francisco Board of Supervisors. In a one-page written letter, Mr. Starr states that although his campaign accepted $150 from Sylvia Lichauco, he did not know nor did he have reason to know of any problem with that check.

On May 9, 1986, a written response was received from counsel on behalf of John Molinari, a member of the San Francisco Board of Supervisors. Mr. Molinari's response states that three checks totalling $1,250 were received from Sylvia Lichauco in 1984.

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3/ It is not clear whether GSIS is an official agency of the Philippine Government or a corporation affiliated with that Government. According to news accounts, GSIS operates a pension fund for Goverment workers, and owns Philippine Airlines, several luxuary hotels in Manila and the Commercial Bank of the Philippines. One article cites a 1983 Philippine government publication describing GSIS as a "government non-bank financial institution" and a "social institution" set up after World War II to guarantee pensions. GSIS was also an "attached corporation" of the Philippine government that is supervised by the National Economic and Development Authority.

Molinari further states that he had no knowledge that any entity other than Ms. Lichauco may have provided funds for the contributions. However, in 1986, Molinari refunded the contributions.

On May 30, 1986, responses were received from the San Francisco City Attorney on behalf of the remaining recipients of the contributions: Mayor Dianne Feinstein and Supervisors Willie Kennedy, Quentin Kopp, Wendy Nelder, Louise Renne and Carol Ruth Silver. These responses cited the facts of the receipt of the contributions for each recipient and then argued, based on past Commission Advisory Opinions, that no violation of the Act occurred. These respondents argue that all the contributions were made under the direct authority of Jamestown, a domestic corporation. According to respondents, this coupled with the fact that the source of the contributed funds was Jamestown's United States business operations, permitted Jamestown to make these contributions notwithstanding Jamestown's ownership by a foreign national.

Respondents additionally argue that they did not know, nor had any reason to know that these contributions came from anyone other than Sylvia Lichauco, a United States citizen. Respondents state that when they learned of a potential problem in late March 1986, they refunded the contributions.

On June 2, 1986, a response was received on behalf of Jamestown and Arconal. This response also argues that no violation of the Act occurred. Respondents state that all

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contributions were made either directly or indirectly by Jamestown, as a result of decisions made by its Board of Directors. Respondents also state that Jamestown earned more than enough income from local business activity, in one month's time, to cover the amount of the contributions. Respondents argue that in light of these circumstances plus guidance provided by past Commission Advisory Opinions, the contributions were permissible under 2 U.S.C. § 441e.

Also on June 2, 1986, a response was received from counsel on behalf of Sylvia Lichauco and Stanway, N.V. This response, in the form of a sworn affidavit, contains essentially the same arguments as those contained in Jamestown's response. That is, all contributions were made at Jamestown's direction and with funds from Jamestown's local business activity, with the resulting conclusion that such activity is not in violation of 2 U.S.C. § 441e, notwithstanding ownership of Jamestown by a foreign national. Finally, an affidavit was received from Sylvia Lichauco on June 20, 1986, containing the same information, as that received from her attorney on June 2, 1986.

The basis for the complaint is the prohibition on contributions by foreign nationals, as contained in 2 U.S.C. § 441e. This provision states

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

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Thus, the Act prohibits foreign nationals from making contributions directly or through any other person, in connection with any election to any political office. It is similarly unlawful to solicit or accept contributions from a foreign national.

The prohibition of 2 U.S.C. § 441e is also contained in the Commission's Regulations. 11 C.F.R. § 110.4(a)(1) states,

> A foreign national shall not directly or through any other person make a contribution, or expressly or impliedly promise to make a contribution, in connection with a convention, caucus, primary, general, special, or runoff election in connection with any local, State or Federal public office.

Further, no person shall solicit, accept, or receive a contribution as set out in § 110.4(a)(1) from a foreign national. 11 C.F.R. § 110.4(a)(2).

The term "foreign national" is defined in 2 U.S.C. § 441c(b)(1) to mean, inter alia, a "foreign principal," as that term is defined by 22 U.S.C. § 611(b). Under § 611(b), "foreign principal" includes:

(1) a government of a foreign country and a foreign political party;

(2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The current matter presents a situation where contributions

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were made in connection with an election for local political office in San Francisco, California. As made clear in the Regulations, the prohibition of 2 U.S.C. § 441e extends to local and state elections, as well as to Federal elections. Additionally, the Commission has concluded in past Advisory Opinions concerning 2 U.S.C. § 441e, that this prohibition, unlike other sections of the Act, reaches beyond elections for Federal office and applies to elections for any political office, including state and local offices. See Advisory Opinions 1981-51; 1985-3. AO 1985-3 applies 2 U.S.C. § 441e to the political office of Supervisor for the Fourth District of Santa Clara County, California.

All the contributions in this matter were made by Sylvia Lichauco. However, the source of the money for the contributions was not Ms. Lichauco, personally, but rather, a corporate entity. The relationship among the corporations involved is apparently as follows. Jamestown is a California corporation, wholly-owned by Arconal, Inc. Sylvia Lichauco was President and a member of the Board of Directors of Jamestown at the time of the contributions. Arconal, Inc. is a California corporation, wholly owned by Arconal, N.V. Arconal, N.V. is a foreign corporation incorporated in the Netherland-Antilles. Arconal, N.V., in turn is wholly-owned by GSIS, a Philippine corporation organized to provide pension plans for Philippine government employees. Stanway, N.V. is a foreign corporation incorporated in the Netherland Antilles. Sylvia Lichauco directs Stanway's activities under a power of attorney. Stanway has acted as

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agent of Jamestown, in disbursing funds for Jamestown.

Under 22 U.S.C. § 611(b), a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly, would not be a "foreign national" under 2 U.S.C. § 441e. Both Jamestown and Arconal, Inc., having been organized under the laws of California, would not be considered foreign nationals. However, Arconal, N.V. and Stanway, being corporations organized under the laws of the Netherland Antilles, would meet the definition of foreign national. GSIS, as either a Philippine government agency or a government-related corporation, would also meet the definition of foreign national.

Therefore, the first issue in this matter becomes whether the prohibition on contributions by foreign nationals contained in 2 U.S.C. § 441e similarly prohibits contributions in local elections by a domestic subsidiary of a foreign corporation. Several past Advisory Opinions of the Commission have addressed this issue. In past opinions, the Commission has considered situations where foreign national corporations had wholly-owned domestic corporate subsidiaries that maintained separate segregated political funds and where a domestic trade association with foreign corporate members had such a political fund. See Advisory Opinions 1978-21, 1980-100, and 1980-111. While allowing these funds to operate, the Commission indicated its concern that they should not become vehicles for indirect contributions by foreign nationals and thus conditioned

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its approval on the exclusion of any foreign nationals from any decision-making role or control with respect to the political fund. See also Advisory Opinion 1981-36. In Advisory Opinion 1978-21, the Commission concluded that a domestic corporation that has a "continuing existence...as a discrete corporation organized under the laws of Pennsylvania, with its principal place of business in the United States," could continue to sponsor a multicandidate political committee, notwithstanding the fact that the domestic corporation was a wholly-owned subsidiary of a West German corporation. However, in reaching that conclusion, the Commission made explicit that the individuals who exercise decision-making authority with respect to the committee's political activities may not be directed by the foreign parent (or any of its personnel).

Further, in Advisory Opinion 1982-10, the Commission permitted a wholly-owned domestic subsidiary of a Panamanian corporation to make contributions in connection with elections for state and local political office. However, again this conclusion was based on the opinion requestor's representation that no foreign nationals would participate in any way in the decision-making process with regard to the contributions.

Finally, the Commission expressed its most recent opinion in Advisory Opinion 1985-3, in response to a request from a Supervisor for the Fourth District of Santa Clara County of California, as to whether a contribution could be accepted from a domestic subsidiary of a Canadian corporation. The Commission

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concluded that the subsidiary as "a discrete corporate entity organized under the law of Delaware with its principal place of business in the United States, is not a foreign national, and therefore not subject to the prohibition of 2 U.S.C. § 441e." However, the Commission qualified its conclusion stating,

> Since, however, § 441e prohibits contributions by a foreign national though any other person, and since the parent Canadian corporation is both a person, 2 U.S.C. § 431(11), and a foreign national by application of 22 U.S.C. § 611(b)(3), it follows that a contribution by [the domestic subsidiary] may only be made or accepted under certain conditions. Specifically, the parent Canadian corporation may not directly or indirectly provide the funds for such a political contribution. ...Nor may that corporation or any other person who is a foreign national under 2 U.S.C. § 441e have any decision-making role or control with respect to the making of any political contribution by [the domestic subsidiary] ...(emphasis added)

Thus, a domestic subsidiary of a foreign Corporation which is a discrete entity from its parent may contribute to elections for local political office, as long as (1) the parent does not directly or indirectly provide any of the funds for political activity and (2) no foreign national has any decision-making role or control with respect to the contributions.

Complainant alleges that the contributions made by Lichauco, having been reimbursed by Stanway, a foreign corporation, and Jamestown, a domestic subsidiary of a foreign corporation, and Citistops, a California corporation apparently unrelated to Jamestown, were made in violation of 2 U.S.C. § 441e.

As to the first prong of the applicable test, that is,

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whether or not the foreign parent corporation directly or indirectly provides any of the funds for the contributions, information in response was provided by Jamestown and Sylvia Lichauco. First, Jamestown states that the contributions in question were made by "The Jamestown Company, by the Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursement to other entities, such as Sylvia Lichauco and by Sylvia Lichauco and accounts controlled by her." Jamestown's principal asset was property located in San Francisco. Jamestown states that rents received on this property amounted to $19,000 per month from November 1982 to May 1985, with total rent exceeding $550,000. Jamestown further states that it earned additional revenue by placing rent received in short term money market accounts. Thus, asserts Jamestown, the rental income from its property provided ample funds to pay the property's obligations, as well as the political contributions.

Counsel for Sylvia Lichauco and Stanway, in a sworn affidavit, essentially corroborates the information provided by Jamestown. Counsel, a former Director of Jamestown, states that the $19,000 received in rents per month far exceeded the amounts of the contributions. Counsel states that the contributions from Stanway's account were from funds derived from Jamestown and were made in each instance by Stanway, as agent for Jamestown. Respondents assert that Stanway had no assets or income of its own. Thus, respondents claim that no foreign national, i.e. Arconal, N.V. or Stanway, N.V., directly provided funds for

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the contributions at issue.

As for the second prong of the test, that no foreign national may exercise any control or decision-making authority with respect to the contributions, respondent Jamestown states,

> At all times relevant to the period under review, the Directors of The Jamestown Company included Joseph Sperske, Esq. and John Lyon, Esq. (now deceased) both of whom were licensed to practice law in California and were United States citizens...Sylvia Lichauco, who was then also a Director, is also a citizen of the United States. The decisions to make contributions were within the purview of the Directors above, and not of any other entity. (emphasis added)

Again, Jamestown's assertions are corroborated by counsel for Lichauco and Stanway (Mr. Sperske) who states, "the directors of the Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time." Complainant fails to provide any evidence that the decision to make the contributions or any control whatsoever with respect to the making of the contributions was exercised by a foreign national.

Thus it appears that under the line of reasoning adopted in past Commission Advisory Opinions, the contributions made or reimbursed by Jamestown in the present matter were permissible. The contributions were made under the authority of and with funds derived from Jamestown, a domestic corporation organized under the laws of California. Jamestown is owned by another California corporation which is in turn owned by a foreign corporation (i.e. foreign national). However, past AOs have made clear that the

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mere fact of ownership by a foreign national will not, standing alone, prohibit a domestic subsidiary from making contributions to an election for local political office. Rather, the key variables are control or decision-making authority and the source of the funds contributed. In the absence of the exercise of decision-making authority by a foreign national with respect to the contributions, combined with funds having a solely domestic source, 2 U.S.C. § 441e will not prohibit a domestic subsidiary from making contributions to elections for local political office. No such control has been shown here.

A different result with regard to the contributions involving Stanway is reached. Jamestown provided Stanway with funds for a wide variety of disbursements, apparently in order to disguise the fact that the disbursements were from Jamestown. Sylvia Lichauco, under power of attorney, directed Stanway's administration of receipts and disbursements. Three contributions listed in the Expenditure Statement involve Stanway. One is a direct contribution of $250 to Supervisor Wendy Nelder. Two are reimbursements of contributions made by Sylvia Lichauco to Louise Renne and Carol Ruth Silver, in the amount of $500 each. Since Stanway meets the definition of foreign national, as a foreign corporation, these three contributions are in violation of 2 U.S.C. § 441e.

Finally, with regard to Citistops, Inc. which reimbursed Sylvia Lichauco for several of the contributions, complainant presented no evidence that the actions of this California corporation were in any way controlled, influenced or funded by an foreign entity or person.

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Under the foregoing analysis, the contributions made by Sylvia Lichauco and Jamestown or Citistops, would not violate 2 U.S.C. § 441e. Accordingly, the Office of General Counsel recommends that the Commission find no reason to believe that 2 U.S.C. § 441e was violated by Jamestown Arconal, Sylvia Lichauco, Dianne Feinstein, Willie B. Kennedy, Quentin Kopp, John Molinari and Kevin Starr.

The contributions by Stanway, N.V. were made in violation of 2 U.S.C. § 441e. However, only the $250 to Wendy Nelder was contributed with a check written on a Stanway account. Also, the contribution was refunded on May 28, 1986 directly to Stanway, N.V. The two contributions to Louise Renne and Carol Ruth Silver were made by Sylvia Lichauco, who later was reimbursed by Stanway. Thus, neither Renne nor Silver knew nor had any reason to know from the contribution by Sylvia Lichauco of the Stanway link. Nelder, on the other hand, received a check from Stanway, N.V. and should have been aware that it was possibly made in violation of the law. Accordingly, the Office of General Counsel recommends that the Commission find reason to believe that Stanway, Wendy Nelder, Louise Renne and Carol Ruth Silver violated 2 U.S.C. § 441e, but take no further action and close the file with respect to Renne and Silver.

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Recommendation

The Office of General Counsel recommends that the Commission:

1. Find no reason to believe that the following violated 2 U.S.C. § 441e:

   The Jamestown Company
   Arconal, Inc.
   Sylvia Lichauco
   Dianne Feinstein
   Willie B. Kennedy
   Quentin Kopp
   John Molinari
   Kevin Starr

2. Find reason to believe that the following violated 2 U.S.C. § 441e:

   Stanway, N.V.
   Wendy Nelder

3. Find reason to believe that the following violated 2 U.S.C. § 441e and take no further action:

   Louise Renne
   Carol Ruth Silver

4. Approve the attached letters.

5. Close the file with regards to the following:

   The Jamestown Company
   Arconal, Inc.
   Sylvia Lichauco
   Dianne Feinstein
   Willie B. Kennedy
   Quentin Kopp

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John Molinari
Louise Renne
Carol Ruth Silver

Charles N. Steele
General Counsel

6/26/86
Date

BY: Lawrence M. Noble
Deputy General Counsel

Attachment
I. Responses
II. Letters

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ATTACHMENT I (1)

CCC#937

86 MAY 8 A10:50

KEVIN STARR

445 CHESTNUT STREET SAN FRANCISCO, CALIFORNIA 94133 TELEPHONE (415) 986-5864

May 5, 1986

Charles N. Steele
General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 2165

8 MAY 86

Dear Mr. Steele:

In 1984 I sought election to the Board of Supervisors of the City and County of San Francisco. Previously, I had been a daily columnist for the San Francisco Examiner. I mention this fact because my campaign raised over $300,000 towards my election. I was, at the time, as a former newspaper columnist and before that a former City Librarian a reasonably well-known San Franciscan.

I mention this fact because much of the $300,000-plus poured into my campaign in the form of unsolicited contributions. Many of these unsolicited contributions were in the $50 - $150 range. Most of these checks -- and there were hundres of them -- came as personal checks signed by individual San Franciscans acting on their own behalf. If there were any problems with any checks, my campaign fundraiser, Maryann Andrascik, would check them out. As a former fundraiser for Governor Jerry Brown, Ms. Andrascik was skilled in this matter and she had my complete confidence.

Apparently, one of the hundreds of smaller checks that came in came from Sylvia Lichauco. According to the information supplied you by Sue E. Hestor of San Francisco, Sylvia Lichauco was apparently being reimubursed for these donations by an offshore company.

Obviously, my campaign staff had no way of knowing this. This check, as I say, was one of hundreds of such personal checks we received. I do not know Sylvia Lichauco. To the best of my knowledge I did not speak to her during my campaign. However, I did shake thousands of hands, and so it is possible that I did meet her.

In any event, I had no conversations with her. Had Ms. Andrascik any suspicion that this check was from an offshore company, it would have been returned. Having raised over $300,000, none of us would be inclined to compromise our campaign for $150. I consider myself and my campaign staff to be the victims of deceit in this matter, if the allegations contained in Ms. Hestor's complaint are true.

I am prepared to swear to the above facts under oath, if necessary.

Yours sincerely,

Kevin Starr

Kevin Starr

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DOBBS, BERGER, MOLINARI, CASALNUOVO, VANNELLI & NADEL
ATTORNEYS AT LAW

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TELECOPIER (415) 362-5503
CABLE: DOBBSLAW

May 5, 1986

Mr. Charles N. Steele, General Counsel
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention: Eric Kleinfeld, Esq.
Re: MUR 2165

86 MAY 9 P3:31

Dear Sir:

This office represents Supervisor John L. Molinari, Supervisor of the City and County of San Francisco, California, and the Committee for Supervisor John L. Molinari, who are in receipt of a copy of the complaint filed with the Federal Election Commission, which complaint has been assigned the above-referenced Matter Under Review Number. Preliminarily, we wish to state that the surname "Molinari" appearing on the letterhead of this communication is not that of Supervisor John L. Molinari. We also note that, although your letter dated April 25, 1986 accompanying said complaint states that the complaint alleges that the Committee for Supervisor John L. Molinari and Supervisor John L. Molinari violated certain sections of the Federal Election Campaign Act of 1971, we note from a reading of the complaint that no such allegation is made by the complainant. The persons and entities complained of are: The Jamestown Company, Stanway Inc., and Sylvia Lichauco.

Because the complaint alleges, in part, that illegal campaign contributions by the named respondents were made to the Committee for Supervisor John L. Molinari and Supervisor John L. Molinari, the Committee and Supervisor Molinari deem it appropriate that they should state the facts and circumstances under which campaign contributions were made to, or on behalf of, Supervisor Molinari as appears in the "California Expenditure and Major Donor Committee Campaign Statement (Form 461)" alluded to in the subject complaint. The following statement is made in letter form pursuant to a telephonic conversation between the undersigned and Eric Kleinfeld, Esq.:

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On May 31, 1984 the Committee for Supervisor John L. Molinari received a check in the amount of $500.00 from Sylvia Lichauco. This check, dated May 31, 1984, bears the designation "Sylvia Lichauco, 153 Kearny Street, Ste. 201, San Francisco, CA 94108" and is made payable to the order of "Committee for Supervisor John L. Molinari" and is signed by Sylvia Lichauco. On June 27, 1984 the Committee received a similar check dated June 26, 1984 in the amount of $500.00. On September 24, 1984, the Committee received a third check, dated September 11, 1984, payable to the order of "Committee for Supervisor John L. Molinari" in the amount of $250.00. Said check bears the name "Citiscops, Inc." and is signed by "Sylvia Lichauco".

In the Committee's Recipient Committee Campaign Statements (Form 420) filed with the Registrar of Voters of the City and County of San Francisco Sylvia Lichauco is shown as the contributor of the two $500.00 contributions. Her occupation was shown as "President" and her employer as "Edgewood Investments, Inc., 153 Kearny Street, #201, San Francisco, CA 94108". The $250.00 contribution is shown on said statement as having been made by "Citiscops, Inc.", an "advertising agency", at 153 Kearny Street, San Francisco, CA 94108.

At all times Supervisor Molinari and the Committee believed that these contributions were made, respectively, by Sylvia Lichauco, as an individual, and by Citiscops, Inc. Neither Supervisor Molinari or the Committee had any information or knowledge that these contributions were made by persons or entities other than Lichauco or Citiscops, Inc.

On March 2, 1986, upon reading an article in the San Francisco Examiner to the effect that campaign contributions made by Sylvia Lichauco to local candidates were purportedly made by a foreign national in violation of Federal election laws and that these contributions may have been made on behalf of persons other than the designated contributors in violation of California law, Supervisor Molinari addressed a letter to Sylvia Lichauco stating that the campaign funds received from her and Citiscops were received in good faith and without knowledge of any impropriety and that, to avoid even the appearance of impropriety, he was instructing his committee to return these contributions to her.

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On March 12, 1986 the Committee for Supervisor John L. Molinari by one check dated March 12, 1986, payable to the order of Ms. Sylvia Lichauco, returned the two $500.00 contributions. On the same day the Committee by check dated March 12, 1986, payable to the order of Citiscops, Inc., in the amount of $250.00, returned the contribution made by Citiscops, Inc.

On March 20, 1986 the Committee for Supervisor John L. Molinari received a communication from the law offices of Bagatelos & Fadem stating that they had been retained by "The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco" to advise the Committee regarding certain contributions received by the Committee from their client. This letter advises that the contribution made by Citiscops, Inc. in the amount of $250.00 was made from funds held in a shareholder account for Sylvia Lichauco. This fund was maintained by Citiscops, Inc., and, the letter states, the Jamestown Company reimbursed this amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to Citiscops, Inc. shareholder account for Sylvia Lichauco. The letter further states that the contributions in the amount of $1,000.00 made by Sylvia Lichauco were at all times from Sylvia Lichauco and not from any other entity. The letter requests that the Committee's campaign statements list the $250.00 contribution as having been made by the entities designated in the letter.

The foregoing can be substantiated by documentary evidence in the possession of Committee for Supervisor John L. Molinari and Supervisor John L. Molinari.

In summary, we believe that neither Supervisor Molinari nor his Committee are, or were, in violation of any law. As soon as Supervisor Molinari was apprised of the possibility that the contribution came from sources other than those represented, he caused the contribution to be returned, even if made lawfully.

I enclose the Statement of Designation of Counsel.

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If I may be of any further assistance to you regarding any of the foregoing, please do not hesitate to contact me.

Very truly yours,

LEONARD B. BERGER

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Enclosure
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City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
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206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Dianne Feinstein

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Mayor Dianne Feinstein (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $125 to "The Friends of Mayor Dianne Feinstein" made on June 22, 1984 in the name of Sylvia Lichauco.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than U.S. citizens.

Complainant has produced no credible evidence suggesting

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent will have cured the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, "The Friends of Mayor Dianne Feinstein" received a contribution of $125 on June 22, 1984 in the name of Sylvia Lichauco. See declaration of Dianne Feinstein, attached to this response as Exhibit A and incorporated herein by reference. See check number 5330 dated June 22, 1984 drawn on the account of Sylvia Lichauco, a true and correct copy of which is attached to this response as Exhibit B and incorporated herein by reference. Mayor Feinstein did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986 when Mr. Henry Berman, the treasurer of her Friends Committee, received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that the actual source of the contribution was The Jamestown Company. See declaration of Dianne Feinstein and copy of letter dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit C and incorporated herein by reference. The fact that the ultimate source of the contribution was The

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Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit D and made a part hereof by reference. On March 24, 1986, Respondent caused the Friends of Mayor Dianne Feinstein to return the $125 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 1318 drawn on account of Friends of Mayor Dianne Feinstein dated March 24, 1986, a true and correct copy of which is attached to this response as Exhibit E and incorporated herein by reference; see also, declaration of Dianne Feinstein.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See declaration of Joseph A. Sperske.

The decision of whether to make a company contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See declaration of Sperske.

Finally, the funds for the contribution in question were derived from income earned by The Jamestown Company in its United

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States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions in question in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
> (1) a government of a foreign country and a

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foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case

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558-3310

set forth above clearly reveals that no violation of Federal law has been committed.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company violated federal election laws.

It must also be emphasized that at the time the contribution was made, Respondent had no reason to believe that the contribution came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contribution. There was nothing to distinguish this contribution from the scores of other contributions a candidate receives in the course of a year. At that time, Respondent, out of an abundance of caution, immediately returned the contribution. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on

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SAN FRANCISCO 94102
558-3918

this matter with respect to Respondent.

Finally, even had the contribution been made in violation of federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question been made in violation of the Act, the return of the contribution by the Respondent cured the violation

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3519

with respect to her. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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EXHIBIT A

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DECLARATION OF DIANNE FEINSTEIN

I, DIANNE FEINSTEIN, do hereby declare;

1. I am the duly elected Mayor of the City and County of San Francisco. I have served as Mayor of San Francisco since 1978.

2. The Friends of Dianne Feinstein received a campaign contribution by way of a check dated June 22, 1984, in the amount of $125.00 made payable to the Friends of Mayor Feinstein. The check was drawn on the account of Sylvia Lichauco. At the time this check was received, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco.

3. I subsequently received a letter dated March 20, 1986 from the law offices of Bagatelos & Fadem that advised me that they were the attorneys for the Jamestown Company. It further advised that the $125 contribution received on June 22, 1984 from Sylvia Lichauco was reimbursed on June 29, 1984 by the Jamestown Company. This letter also advised that the contribution was legal under United States campaign election laws.

4. On March 24, 1986, I caused the Friends of Dianne Feinstein to draw a check on its account in the amount of $125 to refund the contribution ostensibly made by Sylvia Lichauco. This fact will be reflected on the next California

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/ / /

/ / /

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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(18)

campaign disclosure statement due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 28th day of May, 1986, at San Francisco, California.

DIANNE FEINSTEIN

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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EXHIBIT B

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SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street San Francisco California 94111

5330

6/22 1984

11-2020/05
1210

[illegible]

TO THE ORDER OF

Friends of Mayor Feinstein

[illegible]

⑈005330⑈ ⑆121029290⑆ 05⑈281416⑈

4/20

8704 5325 42

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EXHIBIT C

(22)

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Peter We have refunded the contribution. Will show the transaction in Sch G of our 6/30/86 Report
Ralph Moore 4/2/86
cc: Henry Hadley Roff

Friends of Mayor Dianne Feinstein
164 Marco Way
So. San Francisco, CA 94080

Attn: Henry Berman

Dear Mr. Berman:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On June 22, 1984, a contribution was made to your committee from Sylvia Lichauco in the amount of $125.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on June 29, 1984 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign

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laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT D

25

EXPENDITURE AND MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check and Support	Check and Oppose	AMOUNT	CUMULATIVE AMOUNT
[illegible]	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
[illegible]	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
[illegible]	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
[illegible]	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Each additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

[illegible]s report is filed consistent with Title 2, California Administrative Code §13428 (FPPC regu-[illegible]ions). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for [illegible] Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 [illegible]ny St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated [illegible]inabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign [illegible] the Political Reform Act," Part X.

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CU LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	5C
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25(
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Each additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
6/1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 6, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part I) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...e not received any contributions during this calendar year.

...lare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in preparation.

...uted on 3/20/86 (Date) at San Francisco, CA (City and State) by The Jamestown Co. & Affiliated Entities

(Signature of committee treasurer or individual owner)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co.	$12,000
	(2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT E

32

FRIENDS OF MAYOR DIANNE FEINSTEIN
FPPC NO. 810269
POST OFFICE BOX 15926
SAN FRANCISCO, CALIFORNIA 94115

№ 1318

11-35/1210

March 24 19 86

Pay to the Order of ***Sylvia Lichauco*** $ *125.00*

One Hundred Twenty Five and no/100 Dollars

BANK OF AMERICA
4TH & BRANNAN BRANCH 1209
501 BRANNAN ST.
P.O. BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

Refund of Contribution-Your check #5330, Redwood Bank, 11-2929/05/1210 Acct #121029290 05 281416 dtd 6/22/84

/s/
Assistant Treasurer

⑈001318⑈ -⑆121000358⑆ 12090⑉02357⑈

CHECK

8704043255555

EXHIBIT F

84

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81.

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CB-112 (REV. 12-83)

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EXHIBIT G

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FILED

APR 2 1981

Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein

Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein

Mark L. Epstein

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EXHIBIT H

State of California
March Fong Eu
Secretary of State

STATEMENT BY DOMESTIC STOCK CORPORATION

(AND STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE SEC. 1502, CORPORATIONS CODE)

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

C0110764

FILED
[illegible] CALIF
Mar 26 '85
[illegible]

1. 10221920 DUE DATE 04/30/85 230225
THE JAMESTOWN COMPANY
153 KEARNY ST 201
SAN FRANCISCO, CA 94108

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY) 153 Kearny Street	ROOM NO. 201	3A. CITY San Francisco CA	3B. ZIP CODE 94108
4. MAILING ADDRESS 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE San Francisco, CA	4B. ZIP CODE 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94111
10. NAME Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	10B. CITY & STATE San Francisco, CA	10C. ZIP CODE 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME
Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX OR OTHER ISOLATED ADDRESS) OF AGENT IF A CORPORATION
153 Kearny Street # 201, San Francisco, CA 94108

14. BRIEFLY DESCRIBE THE TYPE OF BUSINESS ACTIVITY IN WHICH THE CORPORATION IS ENGAGED
Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

[signature] Treasurer 3/20/85
SIGNATURE OF OFFICER OR AGENT TITLE DATE

16. I HEREBY CONSENT TO THE APPOINTMENT OF THE AGENT DESIGNATED IN THIS STATEMENT TO ACCEPT SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING AGAINST THIS CORPORATION WHICH MAY BE SERVED IN CALIFORNIA AND TO THE REVOCATION OF SUCH APPOINTMENT BY OPERATION OF LAW OR AS PROVIDED BY LAW.

SEE INSTRUCTIONS BEFORE COMPLETING THIS ITEM

SIGNATURE OF OFFICER OR AGENT TITLE DATE

22

SOS/CORP 1502

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EXHIBIT I

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, *19* 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT J

(42)

1118369

FILED
JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

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Ma. Ch. to ARCONAL, INC.

1118369

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FILED
In the office of the Secretary of State
of the State of California

AUG 26 1982

MARCH FONG EU, Secretary of State

Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

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CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

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NAME CHANGE TO: BAY TWO COMPANY

A261147

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FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

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NAME CHG. TO: ARCONAL, INC. 1118369

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FILED

JUL 29 1983

By

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arcunal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 15th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT K

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Willie B. Kennedy

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government ("Complainant"), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Willie B. Kennedy ("Respondent"), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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Complainant based her complaint on two sources of information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $150 to the Campaign Committee to Elect Supervisor Willie B. Kennedy ("Committee") made on October 31, 1984 by The Jamestown Company and one purportedly made to the same committee in the name of Citistops on December 5, 1984 in the amount of $100.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence suggesting that the source of the contributions was anything other than revenues generated from American operations of United States entities or that the decisions regarding the campaign

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SAN FRANCISCO 94102
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contributions in question were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has corrected the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, the Campaign Committee to Elect Supervisor Willie B. Kennedy ("Committee") received a contribution of $150 on October 31, 1984 in the name of The Jamestown Company. See declaration of Willie B. Kennedy attached to this response as Exhibit A and incorporated herein by reference. Respondent did not and does not have reason to know or believe that the actual contributor was anyone but Jamestown. On March 20, 1986 the Committee received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that a contribution purportedly made to the Committee by Citistops Inc. was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops Inc., a California corporation. The letter also advised that this contribution was later reimbursed by The Jamestown Company. See letter dated March 20, 1986

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attached to this response as Exhibit B and incorporated herein by reference. The records of the Committee do not indicate that it ever received such a contribution. See Declaration of Kennedy.

The fact that the source of the October 31, 1984 contribution was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference. On March 20, 1986, after the publication of newspaper articles raising questions about the source of certain political contributions, Respondent, out of an abundance of caution, caused the Committee to return the $150 contribution to The Jamestown Company, the entity in whose name the contribution was made. See check number 101 drawn on the account of the Committee dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit D and incorporated herein by reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this

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SAN FRANCISCO 94102
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response as Exhibit F and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit G and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of Arconal, Inc., Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit H and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit I and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit J, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a company contribution to a

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the source of funds for the contribution in question was derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

With regard to the contribution allegedly made to the Committee by Citistops, it must again be emphasized that the records of the Committee do not indicate that such a contribution was ever received. In any event, the letter of March 20, 1986 from Peter Bagatelos to the treasurer of the Committee indicates that the contribution supposedly originally attributed to Citistops was made from funds held for the benefit of Sylvia Lichauco, a United States citizen, and was later reimbursed by The Jamestown Company.

Further, it should be pointed out that Citistops is itself a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; the "Articles of Incorporation of Citistops" filed with the California Secretary of State, August 8, 1984, a true and correct

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GEORGE AGNOST
CITY ATTORNEY
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SAN FRANCISCO 94102
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copy of which is attached to this response as Exhibit L and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit M and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates, and is no part of the corporation is owned, influenced, controlled or funded by any foreign entity or person. See Declaration of Sperske.

Finally, on May 28, 1986, the Respondent, out of an abundance of caution, caused the Committee to draw a check on its account made payable to Citistops, the entity on whose account the $100 contribution was originally purportedly made, to refund the alleged contribution. See check number 294 dated May 28, 1986 drawn on the account of the Campaign Committee to Elect Supervisor Willie B. Kennedy, a true and correct copy of which is attached to this response as Exhibit N .

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such

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ROOM 206 CITY HALL
SAN FRANCISCO 94102
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contribution from a foreign national.

(b) As used in this section, the term "foreign national" means--

(1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

The term "foreign principal" includes--

(1) a government of a foreign country and a foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore

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legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company and Citistops were organized under the laws of California and their directors and officers are United States citizens.

The source of The Jamestown Company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of The Jamestown Company. This is also true with regard to the contribution purportedly made by The Jamestown Company via Citistops. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no indication that the contributions by The Jamestown Company violated federal election laws.

Also it must be emphasized that Respondent has had at no time reason to believe that the October 31, 1984 contribution came from anyone other than The Jamestown Company. Still, out of an abundance of caution, Respondent caused the Committee to refund the contribution.

It was not until the Bagatelos letter of March 20, 1986 that the Respondent was informed of the purported contribution involving Citistop, a California corporation with no foreign ownership, influence, or funding. Again, out of an abundance of caution, Respondent caused the alleged contribution to be refunded.

Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, even had the contribution been made in violation of the federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has, out of an abundance of caution,

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3515

already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation, the funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question violated the Act, the return of the contribution by the Respondent cured the violation with respect to her. Accordingly,

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

Respondent respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3518

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EXHIBIT A

(64)

DECLARATION OF WILLIE B. KENNEDY

I, WILLIE B. KENNEDY, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1981.

2. The Willie B. Kennedy Campaign Committee received a campaign contribution made on October 31, 1984 in the amount of $150.00. At the time this contribution was received, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than The Jamestown Company, the name on whose account the check was drawn.

3. I subsequently received a letter dated March 3, 1986 from the law firm of Bagatelos & Fadem, who purported to be representing The Jamestown Company. In that letter, Mr. Bagatelos advised that there had been newspaper accounts alleging that the contributions received from Sylvia Lichauco may have been made in violation of Federal law. The letter further advised that the contributions were legal under United States campaign election laws.

4. On March 20, 1986, out of an abundance of caution, I caused the Willie B. Kennedy Campaign Committee to draw a check on its account made payable to the order of The Jamestown Company in the amount of $150.00 to refund the contribution made by The Jamestown Company. At the time The Jamestown Company made the contribution, neither I nor my committee treasurer had any reason to believe that the contribution was made by anyone other than

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

R704532586

The Jamestown Company.

5. Subsequently, the Willie B. Kennedy Campaign Committee received a letter from the law firm of Bagatelos & Fadem advising that a contribution of $100 purportedly made to the Committee by Citistops Inc. was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops Inc., a California Corporation. The letter also advised that this contribution was later reimbursed by The Jamestown Company. To my knowledge, the records of the Willie B. Kennedy Campaign Committee do not indicate that it ever received such a contribution. Nonetheless, on May 28, 1986, again out of an abundance of caution, I caused the Willie B. Kennedy Campaign Committee to draw a check on its account in the amount of $100 made payable to Citistops Inc. The March 20th and May 28th refunds will be reflected in the State Campaign Disclosure Statement due June 30, 1986.

I declare under penalty of perjury under the laws of California that the foregoing is true and correct.

Executed this 28th day of May, 1986, at San Francisco, California.

Willie B. Kennedy

WILLIE B. KENNEDY

8528E

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A BAGATELOS

RECEIVED
MAR 25 1986
JEFFERSON ASSOCIATES

TELEPHONE
(415) 982-7100

March 20, 1986

Supervisor Willie Kennedy Campaign Committee
683 McAllister
San Francisco, CA 94102

Attn: James De. Jefferson

Dear Mr. Jefferson:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On December 5, 1984, a contribution was made to your committee by Citistops, Inc. in the amount of $100.

This is to advise you that the above contribution was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation.

Further, on December 6, 1985, The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

At the time the contribution and reimbursement was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company, and Citistops, Inc. (Sylvia Lichauco shareholder account)/Piper King, Inc. (Sylvia Lichauco shareholder account) as affiliated entities, and their addresses, on your campaign statements.

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EXHIBIT C

69

EXPENDITURE AND MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT
[illegible]	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
[illegible]	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
[illegible]	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
[illegible]	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

...h additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

...report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-...ns). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for ...amestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 ...y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated ...nabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

...formation required to be provided to you pursuant to the Information ...

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	CMTE SUP OPP	CMTE OPP	AMOUNT	CUMULATIVE AMOUNT
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	5C
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
P 2	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 941	ID #860151 contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25C
5	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
3	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco,CA 9410	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
4	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
0 7	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 9410	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

ach additional information on appropriately headed continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

nformation required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign
Political Reform Act," Part XI.

(71)

... Jamestown Company & Affiliated Entities

...NS MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

II LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DESTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

...ch additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part 1) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...not received any contributions during this calendar year.

...re under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence ...reparation.

The Jamestown Co. & Affiliated Entities

...ed on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by [signature] (SIGNATURE OF COMMITTEE ...)

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

76

CAMPAIGN COMMITTEE TO ELECT
SUPERVISOR WILLIE B. KENNEDY

101

MARCH 20, 1986

11-35/1210

PAY TO THE ORDER OF JAMESTOWN CORPORATION $150.00

ONE HUNDRED FIFTY DOLLARS & NO/100---------- DOLLARS

BANK OF AMERICA
MARKET-VAN NESS BRANCH 0299
1525 MARKET STREET
BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

James A. Jefferson

Memo: Return of Campaign
Contribution

⑆121000358⑆0101⑈02998⑈07545⑈

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EXHIBIT E

(78)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT F

(80)

1022192

FILED
in the office of the Secretary of State
of the State of California
APR 2 1981
Waste Pitts Ill. Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

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EXHIBIT G

(82)

State of California
March Fong Eu
Secretary of State

STATEMENT BY DOMESTIC STOCK CORPORATION

(FILED STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225
THE AMESTOWN COMPANY
151 KEARNY ST 201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME, IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

C1110764
FILED
SECRETARY OF STATE OF CALIF
Mar 26 '85
BY

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 151 Kearny Street	ROOM NO. 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY 151 Kearny Street	ROOM NO. 201	3A. CITY San Francisco CA	3B. ZIP CODE 94108
4. MAILING ADDRESS 151 Kearny Street	ROOM NO. 201	4A. CITY & STATE San Francisco, CA	4B. ZIP CODE 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94111
10. NAME Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	10B. CITY & STATE San Francisco, CA	10C. ZIP CODE 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY, IS/ARE NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME
Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS OF AGENT IN AN INDIVIDUAL (DO NOT USE P.O. BOX OR DO NOT ENTER ADDRESS OF AGENT IF A CORPORATION)
151 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION
Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco — Treasurer — 3/20/85
SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

16. I DECLARE THAT I AM THE PERSON WHO EXECUTED THE FOREGOING INSTRUMENT, WHICH EXECUTION IS HEREIN DECLARED TO BE MY ACT AND DEED. THE MATTERS SET FORTH IN THE FOREGOING STATEMENT ARE TRUE OF MY OWN KNOWLEDGE. THE MATTERS SET FORTH IN THE LAST STATEMENT OF THE CORPORATION NAMED IN ITEM 1 ABOVE ARE TRUE OF MY OWN KNOWLEDGE, EXCEPT AS TO THOSE MATTERS WHICH ARE STATED THEREIN TO BE ON INFORMATION OR BELIEF, AND AS TO THOSE MATTERS I BELIEVE THEM TO BE TRUE.

SEE INSTRUCTIONS BEFORE COMPLETING THIS ITEM

(22)

SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

RS-SOS-1502

83

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EXHIBIT 4

54

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82.

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th day of May, 1986

March Fong Eu

Secretary of State

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EXHIBIT I

1118369

FILED

JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

81

Ma. Ch. to ARCONAL, INC.

1118369

A253301

FILED
In the office of the Secretary of State
of the State of California

AUG 26 1982

MARCH FONG EU, Secretary of State

James E. Harris
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

NAME CHANGE TO: BAY TWO COMPANY

A261147

1118369

FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

87040 3

(90)

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT 5

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

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State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, *19* 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

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THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT L

(98)

1181881

FILED
In the office of the Secretary of State
of the State of California
AUG 9 1984
MARCH FONG EU, Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
CITISTOPS, INC.

I

The name of this corporation is CITISTOPS, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

George W. Putris
220 Jackson Street
San Francisco, California 94111

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is One Million (1,000,000).

Dated: August 7, 1984

[signature]
George W. Putris

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

[signature]
George W. Putris

GP1/vm

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EXHIBIT M

(100)

SEP 26 [illegible]

Visanch Foreg Ex

[illegible] ON BACK TO REVISE SECTION OR BACK OF

1. 1161881C DUE DATE 08-31-05 251385

CITISTARS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PRE-PRINTED NAME OF FIRM NO. 1 IF BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street,	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B. ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94108
8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C. ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS IF ANY

12. NAME [illegible]

12A. ADDRESS (BUSINESS OR RESIDENCE ADDRESS OF AGENT IF AN INDIVIDUAL. DO NOT USE P.O. BOX. DO NOT INCLUDE ADDRESS OF AGENT IF A CORPORATION)
[illegible] 220 Jackson Street, San Francisco, CA 94111

13. BRIEF DESCRIPTION OF BUSINESS OF THE CORPORATION
Property Management

14. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE
[illegible] (Chairman of the Board)
SIGNATURE OF OFFICER OR AGENT — SIGNATURE — DATE

READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM

Sylvia Lichauco — [signature] — 9/6/05
TYPE OR PRINT NAME OF PERSON SIGNING — SIGNATURE — DATE

SI-200(REV. 5/98)

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EXHIBIT 2

(102)

CAMPAIGN COMMITTEE TO ELECT
SUPERVISOR WILLIE B. KENNEDY

294

May 28, 1986

11-35/1210

PAY TO THE ORDER OF Citistops $100.00.

One hundred dollars only DOLLARS

BANK OF AMERICA
MARKET-VAN NESS BRANCH 0299
1525 MARKET STREET
BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

(Memo: Return to contribution)

⑆121000358⑆0294⑈02998⑈07545⑈

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Quentin L. Kopp

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Quentin Kopp (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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ROOM 206 CITY HALL
SAN FRANCISCO 94102
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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company and affilliated entities made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $500 to "The Committee to Re-elect Quentin Kopp" made on September 21, 1984 in the name of Sylvia Lichauco.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. These allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than U.S. citizens.

Complainant has produced no credible evidence suggesting

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, The Committee to Re-elect Quentin Kopp received a contribution of $500 on September 21, 1984 in the name of Sylvia Lichauco. Supervisor Kopp did not know nor did he have reason to believe that the actual contributor was anyone but Sylvia Lichauco. Mr. Gregoire A. Calegari, the treasurer of his Re-Election Committee, received a letter dated March 20, 1986, from Peter Bagatelos, an attorney representing The Jamestown Company. That letter advised that the contribution attributed to Lichauco was reimbursed by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California Corporation. The letter further advised that the Contribution was subsequently reimbursed by The Jamestown Company. See declaration of Quentin Kopp attached to this response as Exhibit A and the letter from Peter Bagatelos to the Committee to ReElect Quentin Kopp dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit B and incorporated herein by reference.

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On May 27, 1986, Respondent caused the Committee to Re-Elect Quentin Kopp to return the $500 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 885 drawn on account of Friends of Kopp dated May 27, 1986, a true and correct copy of which is attached to this response as Exhibit C and incorporated herein by reference; see also, declaration of Dianne Feinstein.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit D and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit F and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California

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SAN FRANCISCO 94102
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corporation. See State of California Certificate of Status of Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit G and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit H and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit I, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See declaration of Sperske.

The decision of whether to make a compaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See declaration of Sperske.

Finally, the funds ultimately used for the contribution in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions involved in this matter could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

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III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place

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of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. See F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case, set forth above, clearly reveals that no violation of Federal law has been committed.

As noted, it appears from the March 20 letter of Peter Bagatelos that the funds for the contribution ultimately came from The Jamestown Company. At all times relevant to this

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CITY ATTORNEY
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SAN FRANCISCO 94102
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matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contribution in question. Accordingly, there is simply no evidence suggesting that the contribution by The Jamestown Company violated federal election laws.

Further, it should be pointed out that Citistops is also a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, August 8, 1984, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit L and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates. Citistops is not

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controlled, influenced or funded by any foreign entity or entity. See Declaration of Sperske.

It must also be emphasized that at the time the contribution was made, Respondent had no reason to believe that the contribution came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contribution. There was nothing to distinguish this contribution from the scores of other contributions a candidate receives in the course of a year. Subsequently, Respondent, out of an abundance of caution, returned the contribution. Respondent has acted in good faith in all aspects of this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, even had the contribution been made in violation of federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action is to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3215

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. He committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question been made in violation of the Act, the return of the contribution by the Respondent cured the violation with respect to him. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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EXHIBIT A

DECLARATION OF QUENTIN L. KOPP

I, QUENTIN L. KOPP, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1972.

2. The Committee to Re-elect Quentin Kopp received a campaign contribution September 21, 1984, in the amount of $500.00 made payable to the Committee to Re-elect Quentin Kopp. At the time this check was received, neither the treasurer for the committee nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco, the name on whose account the check was drawn.

3. The Committee to Re-elect Quentin Kopp subsequently received from the law firm of Bagatelos & Fadem a letter dated March 20, 1986 indicating that the contribution of $500.00 formerly attributed to Sylvia Lichauco was, in fact, reimbursed to her by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation. The letter further advised that The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

4. On May 27, 1986, I caused the Friends of Kopp Committee to draw a check on its account made payable to

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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Sylvia Lichauco for the purpose of refunding the $500.00 contribution ostensibly made by Sylvia Lichauco. The money was refunded from the funds of the Friends of Kopp because, pursuant to California law, the Committee to Re-elect Quentin Kopp has been terminated and the remaining funds were transfered to the Friends of Kopp Committee. These facts will be reflected on the next California Campaign Disclosure Statement due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 29th day of May, 1986, at San Francisco, California.

QUENTIN L. KOPP

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

TELEPHONE
(415) 982-7100

BARRY FADEM
PETER A. BAGATELOS

RECEIVED
MAR 24 1986
KOPP & DIFRANCO

March 20, 1986

Committee to ReElect Quentin Kopp
354 Pine Street, 3rd Floor
San Francisco, CA 94104

Attn: Gregoire A. Calegari

Dear Mr. Calegari:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On September 11, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on September 11, 1984 by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation.

Further, on December 6, 1985, The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

At the time the contribution and reimbursement was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company, and Citistops, Inc. (Sylvia Lichauco shareholder account)/Piper King, Inc. (Sylvia Lichauco shareholder account) as affiliated entities, and their addresses, on your campaign statements.

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The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

87040532640

8704063264 1

EXHIBIT C

120

SECURITY PACIFIC NATIONAL BANK
Colorado-Montgomery Office 06500
455 California St.
San Francisco, CA 94104

FRIENDS OF KOPP
I.D. NO. 700974
300 MONTGOMERY, RM. 730
SAN FRANCISCO, CA 94104

885

11-4
1210

May 27 1986

PAY Five hundred & 00/100 DOLLARS $ 500.00

TO THE ORDER OF Sylvia Lichanco

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

Quentin L. Kopp

⑈000885⑈ ⑆121000044⑆500⑉027534⑈

8 7 0 4 0 5 3 2 6 4 2

(121)

8704043264 3

EXHIBIT D

(22)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, 19 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

8704063264 5

EXHIBIT E

(124)

1022192

FILED

APR 2 1981

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

870-4-43264.6

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EXHIBIT F

(126)

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225
THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

10764

FILED
SACRAMENTO, CALIF
Mar 26 '85
[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO.: 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO.: 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO.: 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL. (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION
Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT
Treasurer — TITLE
3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(SEE INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

22

OFFICER NAME — SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

[illegible]

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EXHIBIT G

(128)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82.

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

8704063265 1

EXHIBIT H

(130)

1118369

FILED

JUL 26 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 26, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

(131)

No. Ch. to ARCONAL, INC.

1118369

A253301

FILED
In the office of the Secretary of State
of the State of California

AUG 26 1982

[illegible] Secretary of State

Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

(132)

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

0040532615

(133)

NAME CHANGED TO: BAY TWO COMPANY

1118369

A261147

FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percetage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

87040

(134)

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

8704063326557

EXHIBIT I

(136)

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Starway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Starway's account were from funds derived from The Jamestown Company and were made in each instance by Starway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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(139)

EXHIBIT 5

(140)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, 19 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

C1704053

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

8704043 2663

EXHIBIT K

(142)

1022192

FILED

APR 2 1981

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein

Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein

Mark L. Epstein

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EXHIBIT L

(144)

SEP 24 1985

Branch Forg Ex

BLACK TYPEWRITER RIBBON OR BLACK INK

1. 11818810 DUE DATE 08-31-85 251385

CITISTOPS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street.	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C ZIP CODE 94108

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS IF ANY _____

12. NAME George E. Patria

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX; DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION)
Flynn A Steinhaus, 220 Jackson Street, San Francisco, CA 94111

14. DESCRIBE TYPE OF BUSINESS OF THE CORPORATION
Project Management

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco (Chairman of the Board) _____ _____
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

[illegible] IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE [illegible]

READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM

Sylvia Lichauco — [signature] — 9/6/85
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

[illegible]

5

145

GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Wendy Nelder

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Wendy Nelder (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3518

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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $250 to the "Friends of Wendy Nelder" committee received on February 15, 1984 and one of $500 to the "Wendy Nelder for San Francisco" committee received on November 29, 1985.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that decision regarding campaign contributions, were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3515

(147)

that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contributions in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, the Friends of Wendy Nelder committee received a contribution of $250 on February 15, 1984 and the Wendy Nelder for San Francisco committee received a contribution of $500 on November 29, 1985, both contributions in the name of Sylvia Lichauco, although the check to the Friends committee was drawn on the account of an affiliate of Sylvia Lichauco, Stanway, Inc. Sylvia Lichauco exercised the power of attorney with regard to Stanway, and her authority includes the power to draw checks on Stanway's account. See declaration of Wendy Nelder attached to this response as Exhibit A and incorporated herein by reference. Respondent did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986 the respective committees were informed otherwise in letters from the law firm of Bagatelos & Fadem, attorneys for The Jamestown Company. See declaration of Wendy Nelder.

The letter to the Friends of Wendy Nelder committee advised that the contribution ostensibly made by Sylvia Lichauco was made

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3319

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by the Jamestown Company through its agent Stanway, Inc. The letter to the Wendy Nelder for San Francisco committee advised that the contribution originally attributed to Sylvia Lichauco was, in fact, made by The Jamestown Company. See declaration of Wendy Nelder and the letters from the Law Offices of Bagatelos and Fadem dated March 20, 1986, true and correct copies of which are attached to this response as Exhibit B.

The fact that the ultimate source of the contributions was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference. On March 7, 1986, Respondent caused the Wendy Nelder for San Francisco committee to return the $500 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 127 drawn on account of Wendy Nelder for San Francisco dated March 7, 1986, a true and correct copy of which is attached to this response as Exhibit D and incorporated herein by reference. On May 28, 1986 Respondent caused the Friends of Wendy Nelder campaign to refund the $250 contribution to Stanway, the entity on whose account Lichauco's February 15, 1984 campaign contribution was drawn. The refund was made by way of a check drawn on the account of the Friends of Wendy Nelder, a true and correct copy of which is attached to this declaration as Exhibit E and incorporated herein by

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
554-3918

reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2nd, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company appearing on the corporation's most recent "Statement by Domestic Stock Corporation" filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3918

this response as Exhibit J and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal, Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a campaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the funds for the contribution in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

As noted, the contribution to the Friends of Wendy Nelder, ostensibly donated by Sylvia Lichauco was drawn on the account of Stanway, Inc. and ultimately came from The Jamestown Company. Stanway, Inc. is a Netherlands Antilles corporation that serves as an agent of The Jamestown Company. Stanway exercises no control or influence over the operations of The Jamestown Company and plays no role in determining the campaign contribution policy

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558-3218

of The Jamestown Company. See declaration of Joseph A. Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
>
> > (1) a government of a foreign country and a foreign political party;
> >
> > (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the

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558-3318

> laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined in the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and

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SAN FRANCISCO 94102
558-3516

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its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contributions were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company to Respondent violated federal election laws.

It must also be emphasized that at the time the contributions were made, Respondent had no reason to believe that the contribution came from anyone other than Sylvia Lichauco. There was nothing about the contribution to distinguish it from the scores of other contributions received by a candidate in the course of a campaign. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contributions. Respondent subsequently caused the contributions to be returned. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, although there is no indication that federal law has been violated, Respondent's action in returning the contribution will have effectively corrected any violation with respect to Respondent. When it is discovered that a candidate

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SAN FRANCISCO 94102
558-3518

has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has, out of an abundance of caution, already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contributions were made were derived from domestic operations of this corporation and the decisions regarding the contributions in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contributions in question been made in violation of Federal law, the return of the contribution by the Respondent would have cured the violation with respect to her. Accordingly, Respondent

/ / /

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3519

respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3510

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EXHIBIT A

(157)

DECLARATION OF WENDY NELDER

I, WENDY NELDER, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1/1981.

2. On February 15, 1984, the Friends of Wendy Nelder received a campaign contribution of $250 in the name of Sylvia Lichauco by way of a check from Stanway N. V. dated February 9, 1984. There was no indication at the time I received the check that Stanway N. V. was a foreign corporation. Subsequently, on November 29, 1985, the Wendy Nelder for San Francisco committee received a $500.00 contribution from Sylvia Lichauco by way of a check dated November 29, 1985 drawn on the account of Sylvia Lichauco. Neither the committees' treasurer nor I had any reason to believe that the source of the contributions was anyone other than Sylvia Lichauco.

3. On March 2, 1986, an article appeared in the San Francisco Examiner which indicated that donations received from Sylvia Lichauco might actually have had as their source the government of the Philippines. I consulted with the City Attorney on this matter, and I also consulted with my treasurer who assured me that, aside from the November 29, 1985 check received from Sylvia Lichauco, no other checks from Lichauco or other agents of the Philippine government had ever been received. On March 7, 1986, I caused the Wendy Nelder for San Francisco Committee to draw a check on its account made payable to Sylvia Lichauco for the purpose of refunding the $500.00

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contribution ostensibly made by Sylvia Lichauco. Subsequently, the Wendy Nelder for San Francisco Committee received on March 20, 1986 a letter from the law offices of Bagatelos & Fadem advising that the campaign contribution ostensibly made by Sylvia Lichauco was reimbursed on November 29, 1985 by The Jamestown Company. Also on March 20, 1986, the Friends of Wendy Nelder received a similar letter indicating that a contribution made to the Friends of Wendy Nelder on February 9, 1984, ostensibly by Sylvia Lichauco and of which I was unaware, was actually made by The Jamestown Company through its agent Stanway, N.V. Both of these letters advised that there was nothing illegal about the contributions made in that The Jamestown Company was an American subsidiary of a foreign corporation and was entitled to make contributions derived from its American business activities.

4. On May 1, 1986, I caused the Friends of Wendy Nelder committee to draw a check on its account in the amount of $250.00 and asked the City Attorney to advise me to whom it should be made payable; I am advised that it should be made payable to Stanway, N.V. for the contribution drawn on Stanway's account by Sylvia Lichauco, and it has been sent to Ms. Lichauco. These refunds will be reflected on the California Campaign Disclosure Statements due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true.

Executed this 29th day of May, 1986, at San Francisco, California.

WENDY NELDER

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EXHIBIT B

(100)

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1601
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

RECEIVED APR 1 - 1986

March 20, 1986

Wendy Nelder for San Francisco
c/o 160 Sansome St., Suite 800
San Francisco, CA 94104

Attn: Robert K. Werbe

Dear Mr. Werbe:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On November 29, 1985, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on November 29, 1985 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the

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technical reporting requirements of the elections and campaign laws.

This will also acknowledge receipt of a refund of $500 from your committee to Sylvia Lichauco, who will reimburse The Jamestown Company for this amount.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT C

EXPENDITURE AND MAJOR DONO.. COM.. /TEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or on the behalf of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

TYPE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE):
A

TOTAL PAGES
6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: SUPPORT	Check one: OPPOSE	AMOUNT	CUMULATIVE AMOUNT
	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Additional information on appropriately labeled continuation sheet.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §13428 (FPPC regu-
s). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for
mestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153
St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated
bove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

FICIAL USE ONLY	C	D	E	F

mation required to be provided in this attachment

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The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check on Supp.	Check on Opp.	AMOUNT	CU LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	5C
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	ID #840151 contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25(
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94101	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

...h additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

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...rmation required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on ... ...olitical Reform Act," Part X.

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... Company & Affiliated Entities

...NS MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

II LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

...h additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part 1) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...not received any contributions during this calendar year.

...e under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence ...paration.

The Jamestown Co. & Affiliated Entities

...d on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by [signature]

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co.	$12,000
	(2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

(172)

WENDY NELDER FOR SAN FRANCISCO

SAN FRANCISCO, CA

PAY TO THE ORDER OF

PAID

THE BANK OF SAN FRANCISCO

FOR Return of contribution

MAR 13 1985

THE BANK OF SAN FRANCISCO

SAN FRANCISCO

MR 8 13

P.E.A. C C C C C

1210-0037-4

PAY TO THE ORDER OF

SOUTHWOOD BANK

SAN FRANCISCO, CA

FOR DEPOSIT ONLY

SYLVIA LICHAVCO

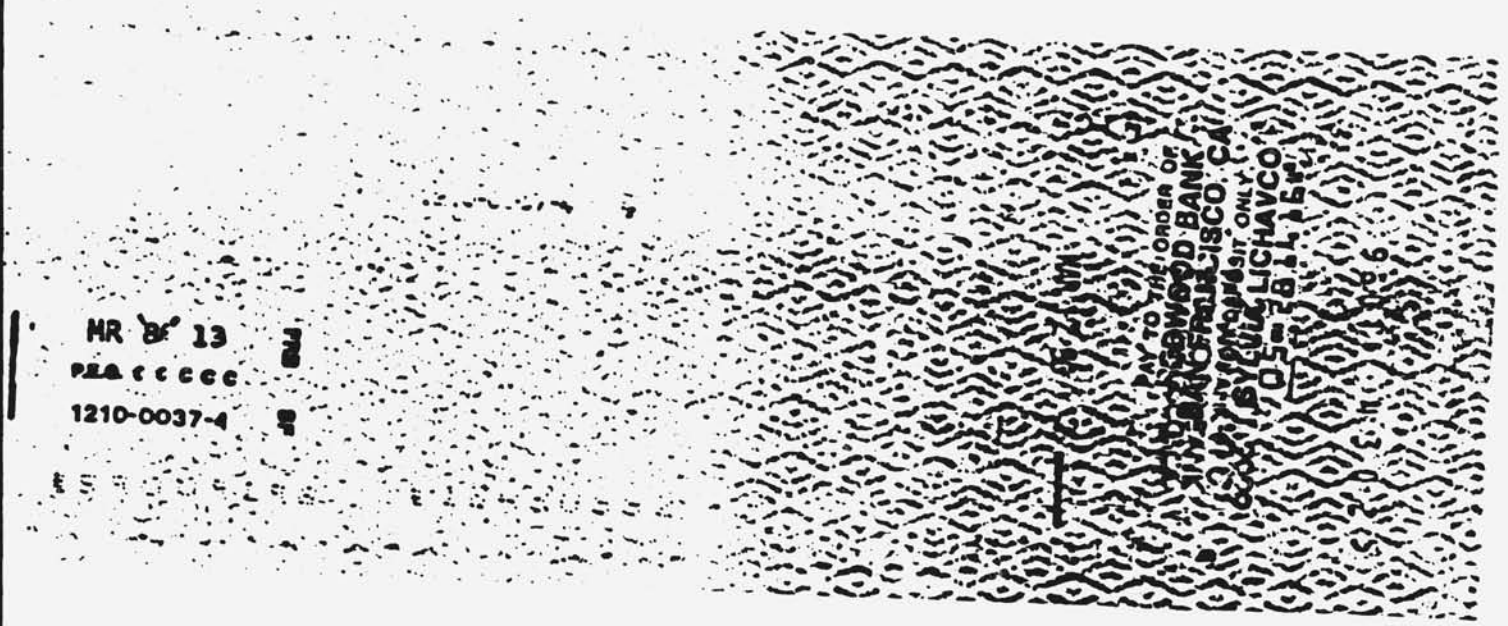

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EXHIBIT E

(174)

FRIENDS OF WENDY NELDER
% 160 SANSOME ST., NO. 800
SAN FRANCISCO, CA 94104

222

May 23 1986

11-3747
1210

PAY TO THE ORDER OF Stanway, N.V. $ 250—

Two hundred fifty only DOLLARS

THE BANK OF SAN FRANCISCO
PINE AND SANSOME STREETS
SAN FRANCISCO, CALIFORNIA 94104

FOR

⑈000222⑈ ⑆121037473⑆ 01030418⑈80

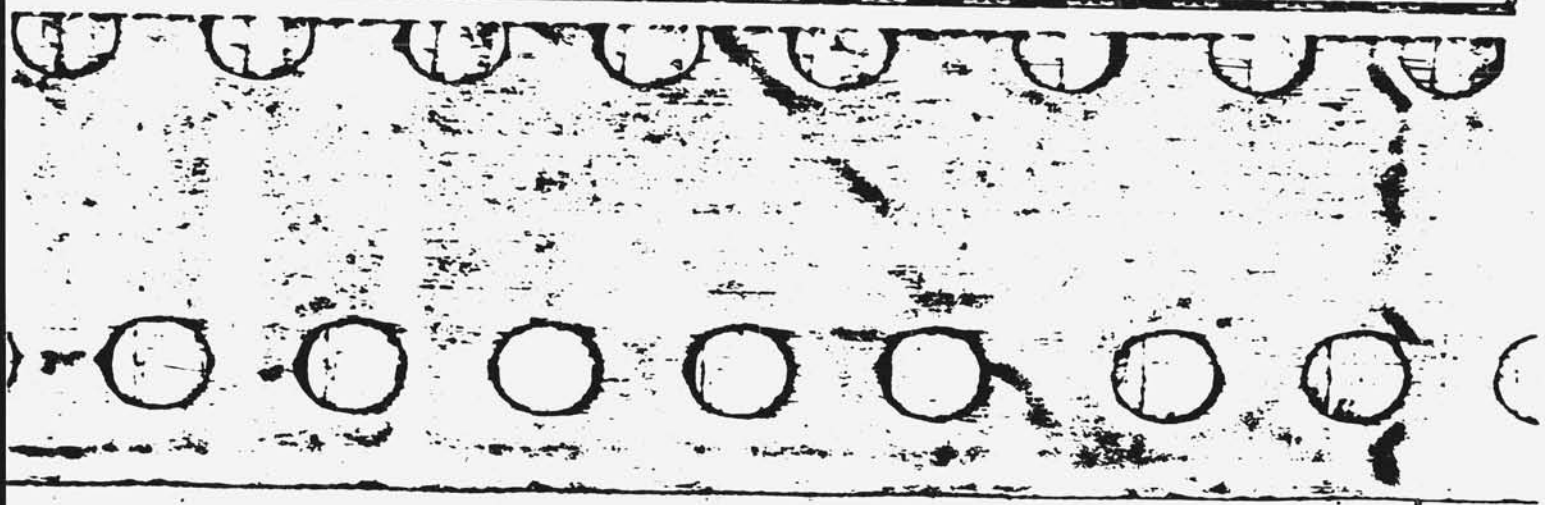

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EXHIBIT F

(176)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81.

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

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THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

8704043269 99

EXHIBIT G

178

1022192

FILED

APR 2 1981

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

87 04 13 27 00

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EXHIBIT H

(180)

State of California
March Fong Eu
Secretary of State

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225
THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

B110764

FILED
SACRAMENTO, CALIF
Mar 26 '85
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION: 153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT — Treasurer — TITLE — 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(HELP INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

22

SD-[illegible] (REV. [illegible])

8704043227703

EXHIBIT I

(182)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82.

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th day of May, 1986

March Fong Eu

Secretary of State

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EXHIBIT 5

(184)

1118369

FILED
In the office of the Secretary of State
of the State of California
JUL 28 1982
MARCH FONG EU, Secretary of State
By Phyllis E. Biggi
Deputy

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

(185)

Ma. GL. to ARCONAL, INC.

1118369

A253301

FILED
In the office of the Secretary of State
of the State of California

AUG 26 1982

[illegible] Secretary of State

[signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

[signature]
John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

[signature]
John C. Lyon

ST

186

NAME CHG. TO: BAY TOO COMPANY

1118369

A260103

FILED
In the office of the Secretary of State
of the State of California

JAN 21 1983

[illegible] Secretary of State

[illegible]
Deputy

CERTIFICATE OF AMENDMENT OF THE
ARTICLES OF INCORPORATION OF
ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

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(187)

NAME CHANGED TO: BAY TWO COMPANY

1118369

A261147

FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

8704032270

188

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

8704053 2710

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EXHIBIT K

190

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

8 7 0 4 0 5 3 2 7 1 2

Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

8704063271 3

Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Starway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Starway's account were from funds derived from The Jamestown Company and were made in each instance by Starway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

2165

193

86 MAY 13 AM 11:42

Member
Board of Supervisors
City and County of San Francisco

WENDY NELDER

May 8, 1986

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

Attention: Mr. Eric Kleinfeld

Dear Mr. Kleinfeld:

On Tuesday, April 29, 1986, I received materials from you concerning donations to my "Friends Committee", that is, a committee which collects funds to defray the costs of serving in public office as opposed to the costs from campaigning for public office. The donations seem to come from a woman named Sylvia Lichauco, and what I understand to be California corporations which she represents.

I have forwarded those materials to the San Francisco City Attorney, George Agnost, so that he can appropriately advise me and answer you in this matter.

However, I am enclosing herewith for your information, a copy of a memo dated May 7, 1986, with attachments, from me to the City Attorney's office concerning this matter since it contains the very brief history which surrounds the subject so far as I am concerned.

I am waiting for the City Attorney (or you) to advise as to the appropriate action to be taken concerning the "Friends Committee" contribution.

If, after you hear from the City Attorney's office, you need anything further from me, please so advise.

Sincerely,

WENDY NELDER
Member
San Francisco Board of Supervisors

WN/wz
Enclosure (1)

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194

WENDY NELDER
MEMBER, BOARD OF SUPERVISORS
CITY HALL, SAN FRANCISCO

DATE: MAY 7, 1986
TO: GEORGE AGNOST, CITY ATTORNEY
BURK E. DELVENTHAL, DEPUTY CITY ATTORNEY

FROM: SUPERVISOR WENDY NELDER

SUBJECT: CAMPAIGN CONTRIBUTIONS BEFORE FEDERAL ELECTIONS COMMISSION

Per your inquiry:

The Federal Elections Commission materials and complaint were received by me at my home on Tuesday, April 29, 1986, the same day I delivered them to the City Attorney's office.

I am puzzled and concerned by any implication that I or my treasurer should be charged with making a private investigation to determine the ultimate source, that is, any source other than that shown on a contributor's check, of any or all contributors to our accounts.

When I read in early newspaper articles of this matter, I consulted George Agnost and he advised me that, while there was no breach of law in accepting funds contributed to my committee by Sylvia Lichauco, who is described in San Francisco newspapers as a Filipina-American realtor, he, as my friend, wished that I would consider this entire issue as a public relation matter and return any such moneys. In accordance with his advice, I immediately returned $500.00 received by my campaign committee last December from Ms. Lichauco on a check drawn on her account at the Redwood Bank, 735 Montgomery Street, San Francisco, CA 94111, giving her address as 153 Kearny Street, Ste. 201, San Francisco, CA 94108, and appears to be signed by her.

Prior to receiving the Federal Elections Commission materials, I was advised by my treasurer's office that the $500.00 represented all campaign moneys I had ever received from Ms. Lichauco. I did receive a letter from the law firm of Bagatelos & Fadem saying they represent Ms. Lichauco and that a check to my Friends Committee in early 1984, reported by my treasurer as being from Ms. Lichauco, who evidently remitted it, was in fact from Stanway, Inc., an American corporation.

8704063276

On April 4, I requested factual information concerning the incorporation of Stanway, Inc. and the source of its funds. Herewith, I am attaching a copy of my letter to Mr. Peter Bagatelos. To date I have not received a reply to my inquiry although I explained to Mr. Bagatelos that I wished to take this matter up with the City Attorney.

I have had a check drawn in the amount of $250.00 to the account of Sylvia Lichauco and I hope you will advise me as to the appropriate action to take with it.

I believe that the Federal Elections Commission is being used or abused frivolously and possibly mischieviously. I would ask that you review the law in Torts to advise whether an abuse of process action might stand in these circumstances.

WN/wz
cc: Mark Kertz

Attachments:
1. copy of two checks received dated 2/9/84 & 11/29/85
2. copy of 4/4/86 letter from Supervisor Nelder to Mr. Peter Bagatelos
3. copy of Supervisor Nelder's check to Sylvia Lichauco dated 3/7/86

87040632717

(MC)

WENDY NELDER
MEMBER, BOARD OF SUPERVISORS
CITY HALL, SAN FRANCISCO

DATE: May 8, 1986

TO: GEORGE AGNOST, CITY ATTORNEY

FROM: SUPERVISOR WENDY NELDER

SUBJECT: CAMPAIGN CONTRIBUTIONS BEFORE FEDERAL ELECTIONS COMMISSION

In conjunction with my earlier memo, dated May 7, 1986, if it is your advice that I should return the $250.00 donation made to my Friends Committee in February, 1984 by either Sylvia Lichauco or Stanway, Inc., please advise to whom the check returning that contribution should be made out.

Thank you for your attention to this request.

WN/wz

cc: Burk E. Delventhal
Mark Kertz

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197

156

STANWAY N.V.

February 9 1984

11-2929/05
1210

PAY TO THE ORDER OF * FRIENDS OF WENDY NELDER ** $ 250.00

TWO HUNDRED FIFTY ONLY ** DOLLARS

Redwood Bank
725 Montgomery Street San Francisco California 94111

FOR luncheon

"000156" ⑆121029290⑆ 05-031266"

(Friends Committee contribution — not for campaigning but for costs of office)

A70405327119

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
725 Montgomery Street San Francisco California 94111

638

November 29 1985

11-2929/1210

PAY FIVE HUNDRED ONLY******** DOLLARS $500.00

TO THE ORDER OF WENDY NELDER FOR S.F.

"006382" ⑆121029290⑆ 05-28144 6"

9/26/85

(campaign contribution — refunded)

Member
Board of Supervisors
City and County of San Francisco

WENDY NELDER

April 4, 1986

Mr. Peter Bagatelos
Bagatelos & Fadem
The International Building
601 California Street, Suite 1801
San Francisco, California 94108

Dear Mr. Bagatelos:

Your letter of March 20, 1986 is incomplete:

> "On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $ 250. This contribution was reported by you as received from Sylvia Lichuaco.
>
> This is to advise you that the above contribution was made by the Jamestown Company through its agent Stanway, Inc.
>
> At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108."

My campaign contributions are recorded according to the name or names appearing on checks received. I assume you intend to imply Ms. Lichauco either received the money originally or through a reimbursement process from another source, but since your letter mentions at least two other sources, please answer the following questions so that I can take this matter up with the City Attorney for clarification:

1) Where is Stanway incorporated and headquartered, how is it funded, who are its directors, and are they legal residents of the United States?
2) Where is the Jamestown Company incorporated and headquartered, how is it funded, who are its directors, and are they legal residents of the United States?
3) What is the real source of the contribution to which you refer?

Your prompt attention to these questions would be appreciated.

Best regards,

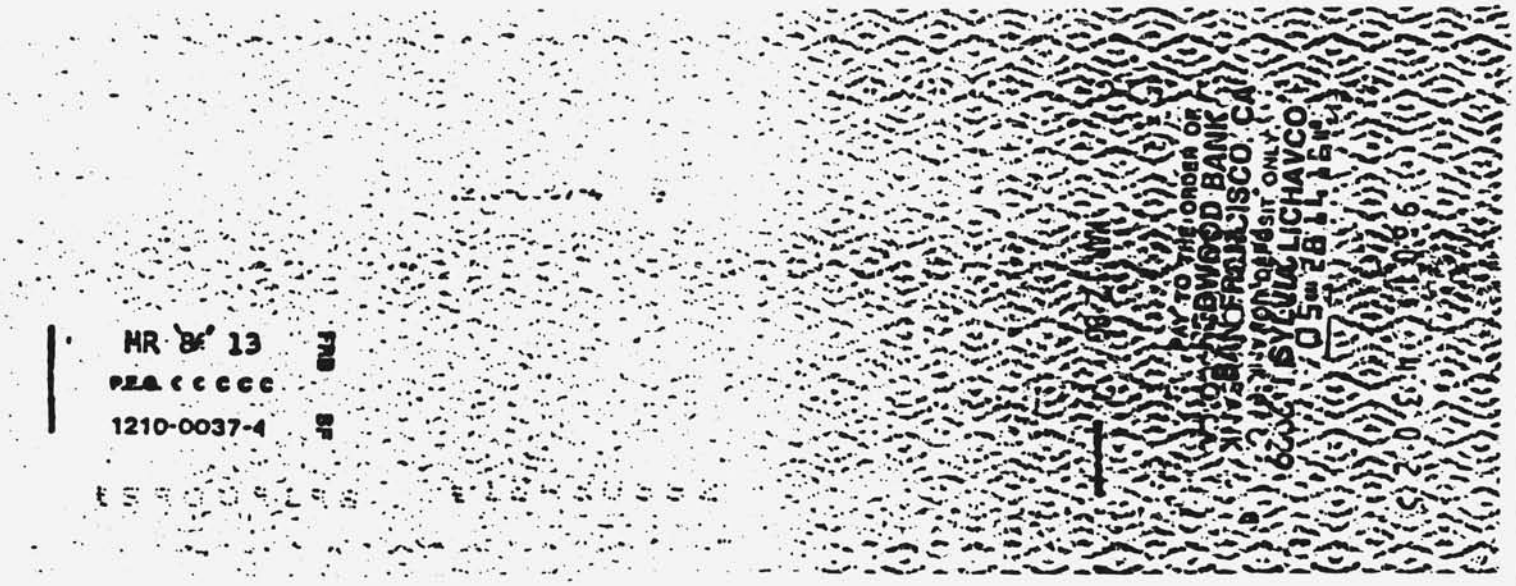
WENDY NELDER
Member
San Francisco Board of Supervisors

Room 235 • City Hall • San Francisco, California 94102 • (415) 558-2447

8704063272O

(199)

(refund of campaign contribution)



8704043227222

(200)

GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Louise Renne

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Louise Renne (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3515

information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $500 to the "Committee to Re-elect Louise Renne" received on August 8, 1984, and one of $200 to the "Friends of Louise Renne Committee" received on November 20, 1985.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that the The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of the United States entities or that the decision to make contributions was made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3518

that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contributions in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Respondent.

II.

FACTS

As noted, the Committee to Re-elect Louise Renne received a contribution of $500 on August 8, 1984 and the Friends of Louise Renne Committee received a contribution of $200 on November 20, 1985, both contributions in the name of of Sylvia Lichauco. See check numbers 5419 and 6343, dated July 27, 1984 and November 15, 1985, respectively, drawn on the account of Sylvia Lichauco, true and correct copies of which are attached to this response as Exhibit A and incorporated herein by reference. See also declaration of Louise Renne, attached to this response as Exhibit B incorporated herein by reference. Respondent did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986, when the respective committees were informed otherwise in letters from the law firm of Bagatelos & Fadem, attorneys for The Jamestown Company. See declaration of Louise Renne.

The letter concerning the $500 contribution to the Committee to Re-elect Louise Renne advised that the contribution

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3319

ostensibly made by Sylvia Lichauco was reimbursed by The Jamestown Company through its agent Stanway, Inc. The letter concerning the $200 contribution to the Friends of Louise Renne Committee mistakenly addressed to the Committee to Re-elect Louise Renne, advised that the contribution originally attributed to Sylvia Lichauco was reimbursed by The Jamestown Company. See declaration of Louise Renne and the letters from the Law Offices of Bagatelos and Fadem dated March 20, 1986, true and correct copies which are attached to this response as Exhibit C and incorporated herein by reference.

The fact that the ultimate source of the contribution was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit D and made a part hereof by reference. On March 7, 1986, Respondent caused the Friends of Louise Renne Committee to return the $700 in total contribution to Sylvia Lichauco, the person in whose name the contributions were made. See check number 560 drawn on account of Friends of Louise Renne, dated March 17, 1986, a true and correct copy of which is attached to this response as Exhibit E and incorporated herein by reference. As explained in the declaration of Louise Renne, the check for the refund of both contributions was drawn on the account of the Friends of Louise Renne since the Committee to Re-elect Louise Renne has been

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558-3310

closed under California law. Upon closing the Committee, funds in excess of $200 were transferred from the Committee to Re-elect Louise Renne to the Friends of Louise Renne Committee.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company appearing on the corporation's most recent "Statement by Domestic Stock Corporation" filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of

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558-3518

Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Joseph A. Sperske.

The decision of whether to make a campaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the funds for the contributions in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

As noted, the contribution to the Committee to Re-elect Louise Renne, ostensibly donated by Sylvia Lichauco, ultimately came from The Jamestown Company through its agent Stanway, Inc. Stanway, Inc. is a Netherlands Antilles corporation that serves as an agent of The Jamestown Company. Stanway exercises no

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558-3318

control or influence over the operations of The Jamestown Company and plays no role in determining the campaign contribution policy of The Jamestown Company. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.; "Act") provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
>
> > (1) a government of a foreign country and a foreign political party;
> >
> > (2) a person outside the United States, unless

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it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case set forth above clearly reveals that no violation of Federal law

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GEORGE AGNOST
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SAN FRANCISCO 94102
558-3318

has been committed.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contributions were made by the officers and directors of The Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of opinions of the Commission cited above, The Jamestown Company was entitled under the Act to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company to Respondent violated federal election laws.

It must also be emphasized that at the time the contributions were made, Respondent had no reason to believe that the contributions came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contributions. Respondent, out of an abundance of caution, caused the contributions to be returned. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, although there is no indication that federal law has been violated, Respondent's action in returning the

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SAN FRANCISCO 94102
558-3318

contribution will have effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contributions drawn on the account of Sylvia Lichauco were in fact made by anyone other than Ms. Lichauco. Moreover, even had contributions in question been made in violation of the Act, the return of the contributions by the Respondent cured the violation with respect to her. Since there is no evidence before the Commission suggesting that a violation of the Federal Elections Campaign Act has been committed, Respondent respectfully request

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

that the Commission close its file in this matter.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3918

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8704063 2733

EXHIBIT A

(212)

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street San Francisco California 94111

5419

July 27, 1984

11-2929/05
1210

PAY Five Hundred Only---------- DOLLARS $500.00---

TO THE ORDER OF Committee to re-elect Supervisor Louise H. Renne
(I.D. 830776)

⑈005419⑈ ⑆121029290⑆ 05⑉281416⑈

8 7 0 4 0 5 3 2 7 3 4

(213)

6343

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street San Francisco California 94111

11/15 1980

11-2929/08
1210

PAY Two hundred dollars DOLLARS $ 200.00/xx

TO THE ORDER OF Friends of Supervisor Louise Renne

⑈006343⑈ ⑆121029290⑆ 05-281416⑈

8704063 2735

8704043273 36

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EXHIBIT B

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DECLARATION OF LOUISE RENNE

I, LOUISE RENNE, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since December, 1978.

2. The Committee to Re-elect Supervisor Louise Renne received a campaign contribution by way of a check dated July 27, 1984, in the amount of $500.00 made payable to the Committee to Re-elect Louise Renne. At the time this check was received, neither the treasurer for the committee nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco, the name on whose account the check was drawn.

3. Subsequently the Friends of Louise Renne received by way of a check dated November 11, 1985 a contribution from Sylvia Lichauco in the amount of $200.00. Again, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco. I subsequently received a letter dated March 3, 1986, from the law firm of Bagatelos & Fadem who purported to represent The Jamestown Company. In that letter, Mr. Bagatelos advised that there had been newspaper accounts indicating that the contributions from Ms. Lichauco may have been made in violation of Federal law. The letter further advised that the contributions were legal under United States campaign election

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3319

laws.

4. Following the publication of certain newspaper articles which raised questions about the source of political contributions, on March 17, 1986, I caused the Friends of Louise Renne to draw a check on its account to return the $700.00 in campaign contributions made ostensibly by Sylvia Lichauco to the Committee to Re-elect Supervisor Louise Renne and the Friends of Louise Renne. Out of an abundance of caution and without investigation by me or my committees, this remittance was made as soon as a question was raised regarding the legality of the contribution. The remittance was made out of Friends of Louise Renne funds. This will be reflected on the next California Campaign Disclosure Statement due June 30, 1986. All of the money returned to Sylvia Lichauco came from the Friends of Louise Renne funds because the Committee to Re-elect Supervisor Louise Renne had been officially closed pursuant to California law. Prior to closing the Committee to Re-elect Louise Renne transferred more than $200.00 to the Friends of Louise Renne fund and thus the money returned for the Committee to Re-elect Supervisor Louise Renne will in fact come from funds from this committee. Again, this will be reflected on the June 30, 1986 Campaign Disclosure Statement.

5. The Committee to re-elect Supervisor Louise Renne received from Mr. Bagatelos a letter dated March 20, 1986 indicating that the source of the $500 contribution to the Committee to Re-elect Louise Renne was actually the Jamestown

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

Company and that the contribution was made through its agent Stanway, Inc. On the same date the Committee to Re-elect Louise Renne received a letter apparently meant for the Friends of Louise Renne indicating that the $200 contribution ostensibly donated by Sylvia Lichauco was reimbursed by The Jamestown Company. Again, these letters advised that the contributions were legal under United States campaign election laws.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 29th day of May, 1986, at San Francisco, California.

LOUISE RENNE

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3519

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EXHIBIT C

(214)

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Committee to ReElect Supervisor
Louise Renne
1 Maritime Plaza, 20th Floor
San Francisco, CA 94111

Attn: Paul Laveroni

Dear Mr. Laveroni:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On November 13, 1985, a contribution was made to your committee by Sylvia Lichauco in the amount of $200.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on November 29, 1985 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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Mr. Paul Laveroni
March 20, 1986
Page Two

contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

In addition, this is to advise you that Sylvia Lichauco has received your refund for the above contribution. Sylvia Lichauco will reimburse The Jamestown Company.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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(221)

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Committee to ReElect Supervisor
Louise Renne
1 Maritime Plaza, 20th Floor
San Francisco, CA 94111

Attn: Mr. Paul Laveroni

Dear Mr. Laveroni:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On July 27, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on August 1, 1984 by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company through its agent Stanway, Inc. and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

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The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

In addition, this is to advise you that Sylvia Lichauco has received your refund for the above contribution. Sylvia Lichauco will reimburse The Jamestown Company.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelas

Peter A. Bagatelas

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT D

(224)

EXPENDITURE AND MAJOR DONO.. COM. ..TEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar ... directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET | CITY | STATE | ZIP CODE | AREA CODE | PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): A | TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: SUPP	Check one: OPP	AMOUNT	CUMULATIVE AMOUNT
3327	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
0	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
4	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
8	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

If additional information on expenditures labeled continuation sheet.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-
ns). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for
mestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153
y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated
above.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

Information required to be provided to you [illegible] the Information

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	CHECK ONE		AMOUNT	CUMULATIVE AMOUNT
					SUP DIST	OTHER		
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
7	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	ID #840151 contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25(
2 7	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
3	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco,CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
4 0	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
7	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 94107	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

ach additional information on appropriately headed continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Political Reform Act," Part X.

... Jamestown Company & Affiliated Entities

...NS MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

...ch additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part 1) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...not received any contributions during this calendar year.

...re under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence ...reparation.

The Jamestown Co. & Affiliated Entities

...ed on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by [signature] (SIGNATURE OF CO...)

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT E

(231)

Ck #560

FRIENDS OF LOUISE RENNE

№ 0560

Mar 17 1986

Pay to the Order of Sylvia Lichauco $ 700.—

Seven hundred dollars and no/100 Dolls

SECURITY PACIFIC NATIONAL BANK
San Francisco Main Office 60512
One Embarcadero Center, San Francisco, CA 94111

return of contributions
Ck# 5419 - 7/27/84 - Committee to Reflect - $50.00
Ck# 6343 - 11/15/85 - Friends of Louise Renne - $200.00

Martha L. Moore

⑈000560⑈ ⑆121000044⑆ 512-074304⑈

7 0 4 0 5 3 2 7 5 3

PAY TO THE ORDER OF
REDWOOD BANK
SAN FRANCISCO, CA
FOR DEPOSIT ONLY
SYLVIA LICHAVCO
05⑈2814 16⑈

MAR 21 86

11-2989 REDWOOD BANK SAN FRAN CA
PAY ANY BANK F.E.S.
03 31 86 0000093

H.O.C.

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EXHIBIT F

293

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, 19 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT G

(235)

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FILED

APR 2 1981

Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein

Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein

Mark L. Epstein

870-4-0532757

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EXHIBIT H

(231)

State of California
March Fong Eu
Secretary of State

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

C1110764

FILED
In the office of the Secretary of State of the State of CALIF
Mar 28 '85
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[illegible]
Secretary of State

1. 10221920 DUE DATE 04/30/85 230228
THE JAMESTOWN COMPANY
151 KEARNY ST RM 201
SAN FRANCISCO, CA 94108

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 151 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY: 151 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 151 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 151 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 151 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 151 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

12A. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS OF AGENT IF AN INDIVIDUAL RESIDING IN CALIFORNIA. DO NOT USE P.O. BOX OR ABBREVIATIONS. ADDRESS OF AGENT IF A CORPORATION: 151 Kearny Street & 201, San Francisco, CA 94108

13. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

14. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] Treasurer 3/20/85
SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

15. IF THE AGENT NAMED IN ITEM 12 HAS BEEN CHANGED, OR THE ADDRESS OF THE AGENT CHANGED, OR THE CORPORATION HAS BEEN DISSOLVED, OR THE CORPORATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE WITH THE SECRETARY OF STATE'S OFFICE, CHECK THE APPROPRIATE BOX AND SEE INSTRUCTIONS BEFORE COMPLETING THIS ITEM

☐

SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

(22)

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EXHIBIT I

239

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, *19* 82.

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT J

(241)

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FILED

JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

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Ma. Ch. to ARCONAL, INC.

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FILED
In the office of the Secretary of State
of the State of California

AUG 26 1982

MARCH FONG LU, Secretary of State

Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

(243)

NAME CHG. TO: BAY TOO COMPANY

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A260103

FILED
In the office of the Secretary of State
of the State of California

JAN 21 1983

[illegible] Secretary of State

[illegible]
Deputy

CERTIFICATE OF AMENDMENT OF THE
ARTICLES OF INCORPORATION OF
ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

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NAME CHANGED TO: BAY TWO COMPANY

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FILED

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

FEB 4 1983

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

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Bay Two 01

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NAME CHG. TO: ARCONAL, INC.

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FILED

JUL 29 1983

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT K

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DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Carol Ruth Silver

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)
)
)
_____)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Carol Ruth Silver, were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3319

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Complainant based her complaint on two sources of information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company and affiliated entities made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions were five contributions made to the San Franciscans for Carol Ruth Silver committee ("Committee").

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence suggesting that the source of the contributions was anything other than revenues generated from American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3918

that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Complainant has acted in good faith in this matter. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

On January 24, 1984 the Committee received a contribution from Sylvia Lichauco in the amount of $500.00. Subsequently, on April 30, 1984, the Committee received a contribution from Sylvia Lichauco in the amount of $250.00. On August 22, 1984, the Committee received an inkind contribution of $295.00 by Sylvia Lichauco through her intermediary Jamestown Company. On October 9, 1984, San Franciscans for Supervisor Carol Ruth Silver received a contribution of $250.00 from Citistops, Inc. through Sylvia Lichauco. Finally, on October 9, 1984, San Franciscans for Carol Ruth Silver received a campaign of $250.00 from The Jamestown Company care of Sylvia Lichauco. See declaration of Carol Ruth Silver attached to this response as Exhibit A and incorporated herein by reference. Respondent did not have reason to know or believe that the actual contributor in these transactions was anyone other than the purported contributor until March 20, 1986 when the Committee received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that a contribution purportedly made to the Committee on January 24, 1984 by Sylvia Lichauco was later reimbursed by The

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3519

Jamestown Company. See letter dated March 20, 1986 attached to this response as Exhibit B and incorporated herein by reference.

The fact that the source of the January 24, 1984 contribution was The Jamestown Company and that the other contributions in question were made from the entities identified above is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit D and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3518

Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit G and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit G and made a part hereof by reference, and the "Articles Incorporation of Arcanol Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit H and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit I, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a company contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the source of funds for the contribution in question was derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Lichauco.

Citistops is also a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, August 8, 1984, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit L and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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contribution from a foreign national.

(b) As used in this section, the term "foreign national" means--

(1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

The term "foreign principal" includes--

(1) a government of a foreign country and a foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore

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legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company and Citistops were organized under the laws of California and their directors and officers are United States citizens.

The source of The Jamestown Company's campaign contributions to Respondent, including the one made through Lichauco and Stanway, was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding these contributions were made by the officers and directors of The Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was

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SAN FRANCISCO 94102
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entitled to make the contributions in question. Accordingly, there is simply no indication that the contributions by The Jamestown Company violated federal election laws.

This analyis applies with equal force to the contribution made by Citistops. Complainant presented absolutely no evidence suggesting that the contribution made by this California Corporation was in any way controlled, influenced, or funded by any foreign entity or person. With regard to the contributions made by Lichauco, it must again be pointed out that as a United States citizen, she is entitled to make political contributions to candidates for office in the United States.

Respondent has in all regards acted in good faith in this matter. Until the receipt of the March 20, 1986 letter from Mr. Bagatelos, neither the Committee nor Respondent had any reason to believe that the contribution originally attributed to Lichauco came from anywhere other than Lichauco. Respondent has no reason to know or believe that any of the contributions in question were made in violation of federal, state or local election laws. Accordingly, the Commission should close its files on this matter with respect to Respondent.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation,

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the funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
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EXHIBIT A

261

DECLARATION OF CAROL RUTH SILVER

I, CAROL RUTH SILVER, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1978.

2. I am advised that according to its campaign reports the following facts are true:

San Franciscans for Carol Ruth Silver received a contribution on January 24, 1984 from Sylvia Lichauco in the amount of $500.00. Subsequently, on April 30, 1984, the San Franciscans for Carol Ruth Silver received a contribution from Sylvia Lichauco in the amount of $250.00. On August 22, 1984, San Franciscans for Carol Ruth Silver received an inkind contribution of $295.00 by Sylvia Lichauco through her intermediary Jamestown Company. On October 9, 1984, San Franciscans for Supervisor Carol Ruth Silver received a contribution of $250.00 from Citystops, Inc. through Sylvia Lichauco. Finally, on October 9, 1984, San Franciscans for Carol Ruth Silver received a campaign of $250.00 from The Jamestown Company care of Sylvia Lichauco. I am further advised that each of these entities has been mentioned in a complaint filed with the Federal Elections Commission.

3. Neither I nor the treasurer for the San Franciscans for Carol Ruth Silver had reason to know or believe that the contributions were made by anyone other than the person ostensibly making the contributions.

4. Subsequently, on March 20, 1986, San Franciscans for

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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Carol Ruth Silver received a letter from the law firm of Bagatelos & Fadem who stated that they had been retained by The Jamestown Company, advising that the contribution made on January 24, 1984 ostensibly by Sylvia Lichauco in the amount of $500.00 was reimbursed by The Jamestown Company through its agent, Stanway, Inc. Again, until receiving this letter, neither the treasurer for the San Franciscans for Carol Ruth Silver nor myself had any reason to believe that this contribution or the other contributions identified above were made by anyone other than the persons or entities ostensibly making the contributions and I have no reason to know or believe that any of these contributions were made in violation of any federal, state, or local election law.

I declare under penalty of perjury under the laws of California that the foregoing is true.

Executed this 29th day of May, 1986, at San Francisco, California.

CAROL RUTH SILVER

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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EXHIBIT B

(164)

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

San Franciscans for Carol Ruth Silver
68 Ramona Street
San Francisco, CA 94103

Attn: Gardner Still, Jr.

Dear Mr. Still,

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and affiliated entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On January 24, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on February 1, 1984, by The Jamestown Company through its agent, Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company through its agent, Stanway, Inc., and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

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Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/www

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT C

267

EXPENDITURE AND MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT
3 2 7	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
[illegible]	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
[illegible]	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
[illegible]	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-
ns). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for
mestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153
St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated
above.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the information

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The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CU LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

...ach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

...formation required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign ... Political Reform Act," Part X.

8 7 0 4 0 5 3 2 7 0

... Company & Affiliated Entities

...NS MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

...ch additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part 1) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...not received any contributions during this calendar year.

...re under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence ...preparation.

The Jamestown Co. & Affiliated Entities

...ed on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by [signature] (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL PERSON)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co.	$12,000
	(2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, 19 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT E

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FILED

APR 2 1981

ARTICLES OF INCORPORATION
OF
THE JANESTOWN COMPANY

FIRST

The name of this corporation is THE JANESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

870-4-43279.8

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EXHIBIT F

278

State of California
March Fong Eu
Secretary of State

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE PER SEC. 1502, CORPORATIONS CODE)

C110764

FILED
In the office of the Secretary of State of the State of CALIF
MAR 26 '85

A $20 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK.

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230228
THE AMESTOWN COMPANY
151 KEARNY ST 201
SAN FRANCISCO, CA 94108

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 151 Kearny Street	ROOM NO. 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY 151 Kearny Street	ROOM NO. 201	3A. CITY San Francisco CA	3B. ZIP CODE 94108
4. MAILING ADDRESS 151 Kearny Street	ROOM NO. 201	4A. CITY & STATE San Francisco, CA	4B. ZIP CODE 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94111

DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 151 Kearny Street	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94111
10. NAME Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS 220 Jackson Street	10B. CITY & STATE San Francisco, CA	10C. ZIP CODE 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME
Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS OF AGENT IF AN INDIVIDUAL (DO NOT USE P.O. BOX) OR BUSINESS ADDRESS OF AGENT IF A CORPORATION
151 Kearny Street & 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THIS CORPORATION
Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X _____ Treasurer 3/20/85
SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

16. I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THIS CORPORATION FILED IN THE OFFICE OF THE SECRETARY OF STATE OF THIS STATE IS HEREBY DELETED.

☐ SEE INSTRUCTIONS BEFORE COMPLETING THIS ITEM

_____ _____ _____ _____
SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

22

SO-0000201 (REV 2/85)

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279

EXHIBIT G

(80)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

281

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EXHIBIT H

1118369

FILED

JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

(283)

The Co. to ARCONAL, INC.

1118369 A253301

FILED
in the office of the Secretary of State
of the State of California
AUG 26 1982
[illegible] Secretary of State
[signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

[signature]
John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

[signature]
John C. Lyon

ST

(284)

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

0 4 0 6 3 2 8 0 6

(285)

NAME CHANGED TO: BAY TWO COMPANY

A261147

111869

FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporations is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

R704053

(286)

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT I

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DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

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EXHIBIT J

(242)

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, *19* 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

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THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT K

(294)

1181881

FILED
AUG 9 1984

ARTICLES OF INCORPORATION
OF
CITISTOPS, INC.

I

The name of this corporation is CITISTOPS, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

George W. Putris
220 Jackson Street
San Francisco, California 94111

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is One Million (1,000,000).

Dated: August 7, 1984

George W. Putris

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

George W. Putris

GP1/vm

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EXHIBIT L

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March Forcy Ent.

DO NOT WRITE IN THIS SPACE

1. 11818810 DUE DATE 08-31-85 251385

CITISTORS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street.	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B. ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94108

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C. ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS IF ANY _____

12. NAME Gregory H. Patria

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
Flynn A Steinberg, 220 Jackson Street, San Francisco, CA 94111

14. SECURED TYPE OF BUSINESS OF THE CORPORATION
Project Management

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco (Chairman of the Board) _____ _____
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

Sylvia Lichauco — [signature] — 9/6/85
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

5

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

HAND DELIVERED

FEC
JUN 2 A10:16

GCC#626

May 28, 1986

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

Attn: Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

We are writing in response to your letter, dated April 18, 1986, on behalf of Arconal, Inc. and The Jamestown Company, Inc. Enclosed herewith are Statements of Designation Of Counsel for each entity.

This proceeding was initiated by a complaint filed by Sue Hestor on behalf of her client, Citizens for Representative Government. In discussions recently between Sue Hestor and The Jamestown Company's general legal counsel, Harvey Gould, Ms. Hestor indicated a willingness to withdraw the complaint. Irrespective of this willingness, we are pleased to provide clarification to you at this time.

While the complaint encompasses contributions made in 1984 to California election committees, we are including herein a description of all candidate related contribution activity in the state by The Jamestown Company and affiliated entities.

The issue raised by the complainant is whether or not expenditures were "... made in violation of federal laws which prohibit contributions by a foreign national in connection with an election for local public office." The complainant's allegations are misfounded since advisory opinions of the Federal Election Commission allow American subsidiary corporations of foreign corporations to make contributions in U.S. elections under certain circumstances.

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In this situation, contributions were made by The Jamestown Company and affiliated entities under The Jamestown Company's control. The Jamestown Company's parent corporations, including Arconal, Inc., were not involved in the making of contributions in connection with elections to office, as hereinafter discussed. The facts of this matter fall under the guidelines of the advisory opinions mentioned above, and do not involve violations of the prohibition against foreign national contributions. A more detailed analysis is set forth below.

PARTIES INVOLVED

1. ARCONAL, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, N.V., which is a corporation incorporated in the Netherlands-Antilles. ARCONAL, N.V., in turn, is wholly owned by the GSIS, which is a Philippine corporation organized to provide pension plans for Philippine government employees. The GSIS is permitted under Philippine laws to have foreign holdings.

2. THE JAMESTOWN COMPANY, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, INC. During the period under review, it has been operated by a three-person Board of Directors. The Directors were Joseph Sperske, Esq., John Lyon, Esq. (deceased February, 1986), and Sylvia Lichauco. All three persons are and have been citizens of the United States. The decision to make contributions from funds derived from the San Francisco business activities of The Jamestown Company was at all times within the control of the Board of Directors.

3. STANWAY, N.V. is a corporation incorporated in the Netherlands-Antilles. It is registered with the California Secretary of State to do business in California and has its principal place of business in San Francisco. Its activities have been limited to receiving and disbursing funds. During the period under review, its operations have been directed by Sylvia Lichauco under a power of attorney. Stanway has acted as an agent of The Jamestown Company, initially to assist in the purchase of a building at 212 Stockton Street in San Francisco, and subsequently to disburse funds for The Jamestown Company as directed by The Jamestown Company. Contribution funds did not lose their character as funds of Stanway's principal, The Jamestown Company, at any time. Stanway did not produce its own income or assets, but merely acted generally as a pass-through account for funds belonging to The Jamestown Company.

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COMPLAINT

The complainant has generally asserted that a violation of 2 U.S.C. Section 441e may have occurred. That section makes it unlawful for any foreign national to make a contribution in connection with any election to public office. Neither this section nor any other provision of the Federal Election Campaign Act of 1971, as amended, ("FECA") prohibits contributions in connection with ballot measure elections.

The complainant apparently is not familiar with advisory opinions of the Federal Election Commission which have interpreted and clarified the law. When the rulings of the advisory opinions are applied to this situation, the contributions made to various local candidates do not violate 2 U.S.C. Section 441e.

APPLICABLE LAW

Under both the FECA and the regulations of the Federal Elections Commission, "foreign nationals" are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. (2 U.S.C. Section 441e(a); 11 C.F.R. Section 110.4(a)). A "foreign national" is defined in the FECA by reference to 22 U.S.C. Section 611(b).

The Federal Election Commission has interpreted the above sections in various advisory opinions. According to several of those advisory opinions (see, e.g., FEC AO 1985-3, attached), a corporation organized under the laws of any state within the United States, even if it is an American subsidiary of a foreign corporation whose principal place of business is within the United States, is not a "foreign national" within the contemplation of 2 U.S.C. Section 441e(a).

The Federal Election Commission has further interpreted 2 U.S.C. Section 441e as permitting political contributions by the American subsidiary of a foreign corporation where: (a) the funds are those of the subsidiary, and not provided by the foreign parent corporation; and (b) where the decision to make the contribution is made by the Board of Directors of the subsidiary. (See, e.g., FEC AO 1985-3; FEC AO 1982-10; 1980-100.)

APPLICABLE FACTS

A. **SOURCE OF FUNDS**

The Jamestown Company's principal asset was a parcel of real

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property located at 212 Stockton Street in San Francisco, California. That property was acquired in November, 1982, with funds derived from American bank loans.

The Jamestown Company began receiving $19,000.00 per month in rents, commencing from the time of acquisition. Total rents received over the succeeding 30 month period produced in excess of $550,000.00. The building was leased on a triple-net basis, with The Jamestown Company being reimbursed for all property taxes and costs, and produced such income until May, 1985.

After the acquisition, The Jamestown Company obtained a $760,000.00 loan secured by the master lease from California First Bank. These funds were available during the period from July, 1984, through approximately May, 1985.

Thereafter, a second loan of $2 million was obtained from California First Bank, secured by the property itself, for the period commencing from approximately May, 1985, to the present time period. The property was sold on May 19, 1986.

The complainant expressed concern that sufficient funds did not exist to pay the various obligations of The Jamestown Company. However, the rental income and loan amounts received from California First Bank provided ample funds to pay the operational, debt-service and other obligations of the property, as well as the political contributions that were made.

In addition, The Jamestown Company earned substantial bank interest by placing rent amounts, as available, in short term money market accounts. These constituted additional revenues produced from local business activities of The Jamestown Company.

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CONTRIBUTIONS MADE

Contributions made in connection with elections to political office by The Jamestown Company and affiliated entities were made either directly by The Jamestown Company, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursement to other entities, such as Sylvia Lichauco, and by Sylvia Lichauco and accounts controlled by her.

All initial contributions by the various entities in connection with elections to office were made during the period from January, 1984, through November, 1985. Any reimbursements for the above referenced contributions also occurred during the same time frame, except reimbursement of $1,250.00 by The Jamestown Company to an account for Sylvia Lichauco and $295.00 reimbursed by Sylvia Lichauco to The Jamestown Company, which were completed in 1986.

The total of all local contributions made by the entities named in complainant's submission was $7,155.00 during 1984 and 1985. Of that amount, $1,580.00 is attributable to Sylvia Lichauco, leaving $5,575.00 as the amount that The Jamestown Company contributed directly, contributed through Stanway as its agent, or reimbursed to other entities. To comply with California campaign reporting laws, The Jamestown Company authorized this firm to notify recipients, as appropriate, of those cases where reimbursement occurred. Letters were sent during March, 1986, and The Jamestown Company and its agents have used reasonable diligence to seek compliance with California and local campaign reporting and related laws. A number of the contributions have been voluntarily refunded by the recipients out of caution.

The $7,155.00 mentioned above was contributed to 13 different recipients in payment amounts during the following months:

	1984	1985
January	$ 500	$ -0-
February	250	-0-
March	-0-	150
April	250	-0-
May	500	-0-
June	625	-0-
July	500	-0-
August	330	-0-
September	1,150	750
October	400	450
November	-0-	1,200
December	100	-0-
Sub-total:	$4,605	$2,550

At the time the nominal contributions above were made in each month, there were sufficient funds in The Jamestown Company accounts from the receipt of rents to demonstrate, using

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reasonable accounting methods, that the contributions were from funds derived from The Jamestown Company's business activities in California. These facts are consistent with 11 C.F.R. Section 102.5(b)(1)(ii), which provides that any organization that is not a political committee under the FECA can demonstrate through a reasonable accounting method that it received sufficient funds subject to the limitations and prohibitions of the Act to make contributions and expenditures.

C. ADVISORY OPINION CRITERIA SATISFIED

The Jamestown Company is incorporated in California. Enclosed herewith is a copy of its Article of Incorporation.

At all times relevant to the period under review, the Directors of The Jamestown Company included Joseph Sperske, Esq., and John Lyon, Esq. (now deceased) both of whom were licensed to practice law in California and were United States citizens during the period in which the contributions discussed above were made. Sylvia Lichauco, who was then also a Director, is also a citizen of the United States. The decisions to make contributions were within the purview of the Directors above, and not of any other entity.

CONCLUSION

In light of the foregoing, the criteria contained in the FEC advisory opinions, i.e. funds derived from local business activities, corporation organized under the laws of California, and decision-making by U.S. citizens, are satisifed. The Jamestown Company's income included rent in excess of $550,000.00, loans secured by the property and master lease in excess of $2,750,000.00, and interest income of thousands of dollars. The total contributions attributed to The Jamestown Company of approximately $5,575.00, when compared to total revenue in excess of $3 million dollars derived from its business activity of owning and operating the property in San Francisco, is quite nominal.

We respectfully request that the Commission and staff take no further action with respect to the complaint filed by Sue Hestor on behalf of her client. It is clear that permissible contributions in connection with elections to local office were involved and there is therefore no violation of the prohibition against contributions by foreign nationals. These activities are consistent with the provisions of the Federal Election Act of 1971, as amended, and guidelines of the Federal Election Commission in its advisory opinions.

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We appreciate the opportunity to provide the foregoing clarification on behalf of our clients.

Sincerely,

Peter A. Bagatelo

PAB:asp

Enclosures

cc: Federal Election Commission Members
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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> In any case in which...a labor organization and any of its subsidiaries...or local units establish or finance or maintain or control more than one separate segregated fund, all such ...funds shall be treated as a single separate segregated fund for purposes of the [contribution] limitations provided by... [§441a(a)(1) and (a)(2)]. See 2 U.S.C. §441a(a)(5).

The regulations provide more specifically that all of the political committees1/ set up by a single international union or its local unions (or both) are treated as a single political committee for purposes of the contribution limits in the Act. 11 CFR 100.5(g)(2)(i)(B), 110.3(a)(1)(ii)(B). These regulations reflect the so called per se affiliation rule that applies to certain categories of political committees based solely upon the relationship between their respective connected organizations.2/ This per se rule applies regardless of whether a political committee at the local level is established or controlled by another committee or connected organization at the national level. The application of the per se rule in the context of labor organizations and their political committees is discussed in Walther v. Federal Election Commission [¶9076], 468 F.Supp. 1235 (D.D.C.,1979).

It appears from your request that Local 91 is a local unit of LIU. Accordingly, the Fund is an affiliated committee of all political committees set up by LIU and its other local or subordinate labor organizations. The fact that LIU and its political committees do not finance, control, or maintain the Fund does not change this result. See discussion and citations above.

The status of the Fund as affiliated with political committee(s) set up by LIU means that the Fund and all its affiliated committees share a single set of contribution limits with respect to contributions made and also with respect to contributions received. 2 U.S.C. §441a(a) (5), also see Advisory Opinions 1982-36 [¶5680] and 1982-18 [¶5664]. However, the Fund must file separate reports reflecting its own receipts and disbursements as a separate political committee. See Advisory Opinions 1979-68 [¶5447] and 1979-56 [¶5445]. In addition, the Fund's Statement of Organization (FEC Form 1) must identify as affiliated committees each political committee established by Local 91's parent body, the Laborers International Union. See generally 11 CFR 102.2 and, in particular, 11 CFR 102.2(b)(1)(ii).

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Dated: February 28, 1985.

1/ A separate segregated fund under 2 U.S.C. §441b(b) is one type of political committee. 2 U.S.C. §431(4)(B).

2/ A "connected organization" is defined to include any organization (but not a political committee) such as a labor organization that directly or indirectly establishes, administers, or financially supports a political committee. 2 U.S.C. §431(7), 11 CFR 100.6.

[¶5809] AO 1985-3: State Contribution by Subsidiary of Foreign Corporation

[A corporation that is a subsidiary of a Canadian corporation may make a contribution to a state campaign so long as foreign money is not involved. Answer to Rod Diridon, Supervisor, Fourth District, Santa Clara County, P. O. Box 621, Santa Clara, California 95052.]

This responds to your letter of January 10, 1985, and other letters you submitted with it, in which you request an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to your proposed acceptance of a contribution from UTDC, Inc. (USA), a wholly-owned subsidiary of UTDC-Canada.

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You indicate that you are the Supervisor for the Fourth District of Santa Clara County, California, which is an elected office under California law. Your earlier letter to the California Fair Political Practices Commission indicates that on February 27, 1984, your campaign committee received a contribution of $1,000 from UTDC, Inc. (USA), which is a subsidiary of UTDC-Canada. Your letter explains that UTDC, Inc. (USA), is a Delaware corporation with headquarters in Detroit, Michigan, and with a Board of Directors which is "wholly or substantially comprised of U.S. citizens." You further stated that this corporation is a "separate profit center from UTDC-Canada and its financial involvement within the United States is substantial." In your letter of January 10, 1985, you ask whether it will be permissible for you to receive similar contributions in the future.

As a preliminary matter, the Commission notes that California law does not prohibit corporate contributions to candidates for state and local office, and that the prohibition against corporate contributions in 2 U.S.C. §441b does not apply in your case.

Under the Act and Commission regulations, foreign nationals are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. 2 U.S.C. §441e; 11 CFR 110.4(a). Unlike most of the other provisions of the Act, §441e applies to any election for any political office, including state and local offices as well as Federal offices. The term "foreign national" is defined by 2 U.S.C. §441e(b)(1) to mean a "foreign national" as this term is defined specifically by 22 U.S.C. §611(b). Section 611(b) defines a "foreign principal" as including:

(1) a government of a foreign country and a foreign political party;

(2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business in the United States, and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. §611(b), a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a "foreign national" under 2 U.S.C. §441e. Advisory Opinions 1983-31 [¶5735], 1982-10 [¶5651], and 1981-36 [¶5632]; also see opinions cited therein. The Commission concludes, therefore, that UTDC, Inc. (USA), a discrete corporate entity organized under the law of Delaware with its principal place of business in the United States, is not a foreign national, and therefore not subject to the prohibiton of 2 U.S.C. §441e.

Since, however, §441e prohibits contributions by a foreign national through any other person, and since the parent Canadian corporation is both a person, 2 U.S.C. §431(11), and a foreign national by application of 22 U.S.C. §611(b)(3), it follows that a contribution by UTDC, Inc. (USA), may only be made or accepted under certain conditions. Specifically, the parent Canadian corporation may not directly or indirectly provide the funds for such a political contribution. See Advisory Opinion 1981-36. Nor may that corporation or any other person who is a foreign national under 2 U.S.C. §441e have any decision-making role or control with respect to the making of any political contribution by UTDC, Inc. (USA). See Advisory Opinion 1983-31.

The Commission expresses no opinion regarding application of any other Federal statute or any state statute to the proposed transaction, since any issues thereunder are not within the Commission's jurisdiction.

This response consitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

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Dated: March 4, 1985.

CONCURRING OPINION OF COMMISSIONER FRANK P. REICHE

TO ADVISORY OPINION 1985-3

Advisory Opinion 1985-3, which was approved by the Federal Election Commission on February 28, 1985, contains a statement of the current law governing political contributions by U.S. corporations with foreign ties. In this case the Requestor, a locally elected official in California, questioned whether a campaign contribution received by him from a Delaware corporation that was a wholly-owned subsidiary of a Canadian corporation was permissible under 2 U.S.C. §441e of the Federal Election Campaign Act which prohibits foreign nationals from making contributions in connection with an election to any political office.

The Opinion states that "a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a 'foreign national' under 2 U.S.C. §441e." The Opinion further notes two qualifications to the above statement of existing law. The first would have the effect in this case of prohibiting the parent Canadian corporation from directly or indirectly providing the funds for such a political contribution. The second would prevent the parent Canadian corporation from having any decision-making role or control with respect to the making of said contribution.

My difficulty with the Opinion relates to the fact that although it provides a detailed description of the applicable law, it does not then apply such law to the facts presented by the Requestor. Specifically, it does not attempt to determine whether the second of these two qualifications applies even though the Requestor implicitly raised this issue by referring, in his statement of facts, to the composition of the Board of Directors of the contributing corporation. While the Commission has thus legally protected itself should facts subsequently disclose foreign involvement in this contribution, I believe the Commission has a responsibility not only to recite the law, but also to determine the impact of its application to the facts submitted by the Requestor.

During the Commission's consideration of this Opinion, I suggested that we seek additional information regarding the possible involvement of the parent Canadian corporation in the making of such contribution, since I did not believe that the Requestor recipient of this contribution had provided sufficient information on which the Commission could make an informed judgment. In stating my concerns, I emphasized that I was not being at all critical of the Requestor, who had apparently provided all the information available to him on this point, but rather that I concluded this was an issue that should be addressed by the Commission and required further evidence.

Interestingly enough, the Requestor had invited the Commission to seek more information regarding the U.S. subsidiary-contributor and included in his request the name, address and telephone number of both the President of the corporation and its Sacramento, California representative. Thus, it would not have been difficult for the Office of General Counsel to make an inquiry of the type I suggested. Indeed, the Office of General Counsel has on other occasions, frequently at the behest of the Commission, made similar inquiries concerning possible foreign involvement in political contributions by U.S. corporations or their political action committees.

What therefore troubles me is the absence of information on this point as contrasted with the Commission's historic interest in establishing the extent of foreign involvement before rendering opinions in related matters (e.g. Advisory Opinion 1983-31 [¶5735] and 1982-10 [¶5651]). The additional information to which I refer would include data on the composition and operations of the Board of Directors of the contributing corporation as well as information reflecting the possible participation of the parent foreign corporation in the making of decisions regarding these political contributions.

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In this particular case, it does not appear that Congressional fears over foreign participation in American elections will be realized if such a corporate contribution is permitted in this local campaign. Thus, I decided to concur in the result. I would not want my concurrence, however, to be construed as carte blanche approval of political contributions by U.S. corporations with foreign ties without the Commission first seeking to establish the nature and extent of foreign national involvement in such matters. My approval of this Opinion is therefore limited to the facts of this case.

Dated: March 4, 1985.

Dissenting Opinion

OF

Commissioners Thomas E. Harris and Danny L. Mc Donald

Re

Advisory Opinion 1985-3

Consistently with the position taken in our dissents in earlier opinions, we believe that the subsidiary of a foreign corporation may not make contributions, in connection with any elections in this country. See dissenting opinions in Advisory Opinion 1983-31 and Advisory Opinion 1983-19, 1 Fed. Election Camp. Fin. Guide (CCH) paras. 5735, 5722.

The opinion adopted by the majority will no doubt perplex the requestor, for it leaves unresolved whether the Commission does or does not view the foreign corporation involved as having "any decision-making role or control with respect to the making of any political contribution" by its subsidiary. It is our view that the parent-subsidiary relationship itself establishes such control.

Dated: February 28, 1985.

[¶5810] AO 1985-3: Treatment of Contributions Received After Election

[Contributions received after an election must be attributed to the next election if there are no campaign debts outstanding. Answer to Representative Joe Kolter.]

This responds to your letter of December 3, 1984, as supplemented by your letter of January 14, 1985, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the attribution of contributions received in 1984 by your principal campaign committee, the Committee to Re-elect Joe Kolter.

You state that a representative of the United Auto Workers Voluntary Community Action Program ("UAW V CAP") called you prior to the Pennsylvania primary election (held on April 10, 1984) to notify you of a $5,000 primary election contribution and to arrange a meeting for delivery of the check. You state that the meeting did not take place; thus, the contributor mailed the check (dated April 6, 1984). You state that the check was received after the primary but credited toward that election.1/

You further state that a similar sequence of events occurred at the time of the general election (held on November 6, 1984). You state that your campaign received and deposited a $200 check (dated October 16, 1984) from the same contributor on or before the general election. Before the general election, your campaign received a call from this contributor, who notified you of an additional $4,000 contribution for the general election. Your campaign and the contributor again unsuccessfully attempted to arrange a meeting. You state that the check (dated October 29, 1984) was mailed before the election but received and deposited the day after the election.2/ You have also provided a letter from the contributor

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(dated December 7, 1984), in which its regional representative stated that the $5,000 and the $4,800 checks were "delivered late" and added that "for the record," the $5,000 check was for the primary election and the $4,800 check was for the general election.

Regarding these contributions, you present your question as follows: "The campaign is going to continue to solicit the UAW V CAP for the 1986 election, so I would like to ask for this advisory opinion to justify our reporting them as [1984] primary and general contributions."

Commission regulations require that a written advisory opinion request "set forth a specific transaction or activity that the requesting person plans to undertake or is presently undertaking and intends to undertake in the future." 11 CFR 112.1(b). To the extent that your letter presents questions concerning contribution limits and the reporting of the $5,000 and $200 contributions (on checks dated April 6 and October 16 respectively), it relates to past, not prospective, activity. As such, it does not qualify as an advisory opinion request. See 11 CFR 112.1(b). Your letter, however, also presents a question whether the $4,800 contribution should be charged against the contributor's limitation with respect to the 1984 general election or the 1986 primary election. The correct attribution of the contribution directly relates to your campaign's proposed solicitation of contributions from UAW V CAP for the 1986 election. Accordingly, this portion of your inquiry concerns prospective activity and qualifies as an advisory opinion request.

With respect to your committee's financial position at the time the $4,800 contribution was received, the Commission notes that your principal campaign committee has not reported any outstanding debts or obligations on its pre-general election, post-general election, and year-end reports. It reported a cash-on-hand-balance of $35,469 on October 17, 1984. For the period from October 18, 1984, through December 31, 1984, your committee reported total expenditures of $40,791. In the same period it also reported additional contributions of $37,980, of which more that $20,000 was reported as received on or before November 6, 1984. As this information indicates, on the date your campaign received the $4,800 contribution it had at least $14,678 more than was needed to cover all expenditures made through the close of December 31, 1984.3/ Your committee also reported a cash-on-hand balance of $33,640 on December 31, 1984.

The Act and regulations limit a multi-candidate committee's contributions to a Federal candidate and his authorized committees to an aggregate of $5,000 with respect to any election for Federal office. 2 U.S.C. §441a(a)(2); 11 CFR 110.2(a) and (d). The Act and regulations also prohibit a candidate from accepting contributions in excess of such limits. 2 U.S.C. §441a(f); 11 CFR 110.9(a).

The Commission has previously addressed the application of the contribution limits in surplus fund situations similar to that presented in your request. In Advisory Opinion 1977-24 [¶5260], regarding the transfer of surplus funds from a candidate's 1976 committee to his 1978 committee, the Commission stated:

> ... to avoid application of the 1978 limits to each contribution comprising the transferred surplus, all funds transferred must have been received as of the date of the 1976 general election (rather than subsequent to that election) since, except to the extent of outstanding debts from a 1976 election, each "contribution" (as defined in 2 U.S.C. §431(e)) after the date of the general election in 1976 is charged against the contribution limits of the original contributor with respect to a future election.

Relying on this advisory opinion, the Commission further explained in Advisory Opinion 1978-37 [¶5335], regarding the transfer of surplus funds from a candidate's 1978 primary election campaign to repay outstanding debts from his 1976 general election campaign:

> ... However, the transfer of residual contributions made to a candidate in 1978 would not constitute a contribution to the 1976 Committee so long as the contributions were originally made to influence Mr. Caputo's 1978 election to Federal office and were received before the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 and had sufficient funds to retire 1978 campaign debts.

In a previous opinion the Commission determined that excess funds of a 1976 campaign committee could be transferred forward to the 1978 campaign committee

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of the same individual without application to those funds of the 1978 limits so long as all funds transferred were received prior to the date of the 1976 general election, the date on which that individual ceased to be a candidate for Federal office in 1976. See AO 1977-24, copy enclosed. The Commission believes that similar restrictions would apply to the transfer of excess funds from the 1978 Committee to the 1976 Committee. Thus the transfer of excess campaign funds from the 1978 Committee, following the retirement of its debts and obligations, to the 1976 Committee would not necessitate any designation of particular contributions as being used for particular 1978 Committee expenses, since those contributions comprising the amount transferred to the 1976 Committee would not be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

However, contributions to the 1978 Committee received after the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 (and had sufficient funds on hand to retire 1978 campaign debts) may not be regarded as made with respect to his 1978 candidacy for Federal office. Rather, they should be treated as contributions made for the purpose of retiring the debts of the 1976 Committee to the extent such debts are outstanding. They would therefore be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

See also Advisory Opinions 1981-9 [¶5594], 1980-143 [¶5587], and 1980-32 [¶5493].

In Advisory Opinion 1982-39 [¶5684], the Commission noted that "the entire amount of the transfer is comprised of funds received by the 1980 Committee prior to the date of the November 4, 1980 general election" and stated:

> [t]he Commission has held that funds received by a candidate prior to the date of a previous election are not counted against an individual's contribution limits with respect to a future election in the event that the candidate transfers excess funds from a previous campaign committee to a currently registered campaign committee.

Recently, in Advisory Opinion 1984-32 [¶5777], the Commission noted that funds available to pay 1984 primary election debts would include any surplus funds carried over from the 1982 election cycle and that post-general election 1982 contributions included in such carried over funds would be chargeable against the original contributors' limitations with respect to the 1984 primary election. See also Advisory Opinions 1980-60 [¶5499] and 1980-30 [¶5498].

This review of the previous advisory opinions leads to the conclusion that a similar response should be made to your question. The Commission notes that your committee could continue to receive contributions after the 1984 general election, such as the $4,800 contribution from UAW V CAP. Nevertheless, since your committee has no apparent debts outstanding with respect to the 1984 general election, the $4,800 contribution may not be applied toward UAW V CAP's limitation with respect to that election. Accordingly, the $4,800 contribution should be regarded as a contribution with respect to the 1986 primary election and aggregated with other contributions from UAW V CAP with respect to such election for limitation purposes. This treatment may also apply to other contributions your committee received after November 6, 1984. Also, if these contributions aggregate in excess of $5,000, you may also meet the requirements for candidacy status for the 1986 election cycle. See 11 CFR 100.3 and 101.1; Advisory Opinion 1977-29 [¶5263].

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transactions or activities set forth in your request. 2 U.S.C. §437f.

Dated: March 6, 1985.

1/ Your committee's report of this contribution itemizes the date as April 6, 1984. Pursuant to Commission regulations, the recipient committee reports the date of the receipt of a contribution. See 11 CFR 104.3(a)(4)(ii).

2/ Your committee's report of the $4,800 contribution itemizes the date as November 16, 1984. See 11 CFR 104.3(a)(4)(ii).

3/ $35,469 plus $20,000 minus $40,791 equals $14,678.

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HAND DELIVERED

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May 30, 1986

'6 JUN 2 P3:09

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

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

I am writing to you in response to your letter of April 18, 1986, to Stanway, N.V. and Sylvia Lichauco. Ms. Lichauco has been hospitalized and is unable to respond for herself at this time.

As a general response to the complaint filed with you by Sue C. Hestor, I believe it makes incorrect assumptions and conclusions regarding the facts surrounding contributions made by The Jamestown Company and its affiliated entities. The problem with her complaint is in her reliance on newspaper articles which are incomplete and which present some information out of context and in a potentially misleading manner.

To help clarify the situation, I have prepared and attached hereto a declaration explaining some pertinent facts. Please consider this information in conjunction with information submitted by The Jamestown Company's representative, in evaluating the Hestor complaint.

I trust that you will find that contributions made during 1984 and 1985 to committees involved with elections to office in California by The Jamestown Company and its affiliated entities were made by U.S. citizens acting in their capacities as directors of an American subsidiary of a foreign corporation and using funds derived from business activities in California.

Thank you for your cooperation and attention to this letter.

Sincerely,

Joseph A Sperske

Joseph A. Sperske

JAS:Tla
Enclosures

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DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the Government Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

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MUR 2165

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. I was a Director and President of The Jamestown Company, a California corporation, during the period of October 25, 19[illegible], through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the Government Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None of the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Joseph Sperske, Esq. and John Lyon, Esq. (deceased, March, 1986). To my knowledge, both men were citizens of the United States and attorneys in good standing with the State Bar of California during the relevant period under review.

5. I have also served as the owner's representative for The Jamestown Company's development project at 212 Stockton in San Francisco through Stanway, N.V., a Netherlands-Antilles corporation, and acted under the authority of a power of attorney.

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GENERAL COUNSEL

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6. I acted as a day-to-day coordinator of all activities in connection with developing The Jamestown Company's project; the benefits of this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Company.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office. Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements, and by me personally.

8. Contributions made, other than ones attributed to me personally, were generally derived from rents received from the building at 212 Stockton Street. The Jamestown Company received $19,000.00 per month in rent, commencing approximately in November, 1982, and continuing through approximately May, 1985. Additional funds derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, later increased to a $2 million loan, secured by the property, produced funds from approximately July 5, 1984 until May, 1985, for use until the

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property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway acted as agent for The Jamestown Company in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under a power of attorney, I directed Stanway's receipt and deposit of funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. I conferred with the other directors regarding contributions made, which were approved in advance orally or in writing, or ratified once made. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. The complaint filed by Sue Hestor, and attachments thereto, include references to Piper King, Inc. and Citistops, Inc. I am

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a shareholder, officer, and director of both of those companies, which are California corporations. They have no direct connection to The Jamestown Company. In some cases, those companies made direct contributions or reimbursed me from my shareholder accounts for contributions I made which related to the business interests of those entities in this area. In some cases where I sought reimbursement from The Jamestown Company for contributions I made in support of The Jamestown Company's business interests, I requested that The Jamestown Company reimburse me through my shareholder accounts in those other entities. This was done for my convenience and to lessen the administrative paperwork for me.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

DATED: June 10, 1982

SYLVIA LICHAUCO

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ATTACHMENT II

318

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Joseph A. Sperske, Esquire
25000 Industrial Boulevard
Hayward, CA 94545

RE: MUR 2165
Sylvia Lichauco and
Stanway, N.V.

Dear Mr. Sperske:

On April 18, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Sylvia Lichauco.

However, with regard to Stanway, N.V., the Commission, also on , 1986, determined that there is reason to believe that Stanway violated 2 U.S.C. § 44le, a provision of the Act. Specifically, it appears that Stanway, N.V., a foreign corporation made illegal contributions to Wendy Nelder, Louise Renne and Carol Ruth Silver, in violation of 2 U.S.C. § 44le.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent will not be entertained.

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

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that your client wishes the matter to be made public. Additionally, the Commission closed its file in this matter with regard to Sylvia Lichauco. This matter will become a part of the public record within 30 days after the file closes with regards to all other respondents in this matter.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

Enclosures
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

George Agnost, San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Wendy Nelder

Dear Mr. Agnost:

The Federal Election Commission notified your client on April 25, 1986, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on , 1986, determined that there is reason to beieve that your client has violated 2 U.S.C. § 441e, a provision of the Act. Specifically, it appears that your client accepted a contribution from Stanway, N.V., a foreign corporation, in violation of 2 U.S.C. § 441e.

You may submit any factual and legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further,

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requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent will not be entertained.

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

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that your client wishes the matter to be made public. This matter will become a part of the public record within 30 days after the file closes with regards to all other respondents in this matter.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

Enclosures
Procedures

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322

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

George Agnost, San Francisco City Attorney
City Hall, Room 206
San Francisco, CA 94102

RE: MUR 2165
Louise Renne, Carol Ruth Silver

Dear Mr. Agnost:

On , 1986, the Commission found reason to believe that your clients had violated 2 U.S.C. § 441e, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. It appears that your clients accepted contributions from Stanway, N.V., a foreign corporation, in violation of 2 U.S.C. § 441e. However, after considering the circustances of this matter, also on , 1986, the Commission determined to take no further action and close its file.

The file in this matter will be made part of the public record within 30 days, after it has closed with respect to all respondents in this matter.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Joan D. Aikens
Chairman

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Peter Bagatelos, Esquire
Bagatelos & Fadem
601 California Street
Suite 801
San Francisco, CA 94108

RE: MUR 2165
The Jamestown Company
Arconal, Inc.

Dear Mr. Bagatelos:

On April 18, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by you, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leonard B. Berger, Esquire
Dobbs, Berger, Molinari, Casalnuovo, Vannelli
& Nadel
Suite 2500, Alcoa Building
One Maritime Plaza
San Francisco, CA 94111

Re: MUR 2165
John L. Molinari

Dear Mr. Berger:

On April 25, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Kevin Starr
445 Chestnut Street
San Francisco, CA 94133

RE: MUR 2165
Kevin Starr

Dear Mr. Starr:

On April 25, 1986, the Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information provided by respondents, there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Sue C. Hestor, Esquire
870 Market Street, Suite 1121
San Francisco, CA 94102

Re: MUR 2165

Dear Ms. Hestor:

The Federal Election Commission has reviewed the allegations of your complaint dated April 11, 1986, and determined, on , that on the basis of the information provided in your complaint and information provided by the Respondents there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

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MUR 2165

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DECLARATION

I, SYLVIA LICHAUCO, declare:

1. I am a citizen of the United States.

2. I was a Director and President of The Jamestown Company, a California corporation, during the period of October 25, 19[illegible], through April 16, 1986.

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OFFICE OF THE GENERAL COUNSEL

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the Government Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None of the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Joseph Sperske, Esq. and John Lyon, Esq. (deceased, March, 1986). To my knowledge, both men were citizens of the United States and attorneys in good standing with the State Bar of California during the relevant period under review.

5. I have also served as the owner's representative for The Jamestown Company's development project at 212 Stockton in San Francisco through Stanway, N.V., a Netherlands-Antilles corporation, and acted under the authority of a power of attorney.

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6. I acted as a day-to-day coordinator of all activities in connection with developing The Jamestown Company's project; the benefits of this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Company.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office. Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements, and by me personally.

8. Contributions made, other than ones attributed to me personally, were generally derived from rents received from the building at 212 Stockton Street. The Jamestown Company received $19,000.00 per month in rent, commencing approximately in November, 1982, and continuing through approximately May, 1985. Additional funds derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, later increased to a $2 million loan, secured by the property, produced funds from approximately July 5, 1984 until May, 1985, for use until the

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property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway acted as agent for The Jamestown Company in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under a power of attorney, I directed Stanway's receipt and deposit of funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. I conferred with the other directors regarding contributions made, which were approved in advance orally or in writing, or ratified once made. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. The complaint filed by Sue Hestor, and attachments thereto, include references to Piper King, Inc. and Citistops, Inc. I am

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a shareholder, officer, and director of both of those companies, which are California corporations. They have no direct connection to The Jamestown Company. In some cases, those companies made direct contributions or reimbursed me from my shareholder accounts for contributions I made which related to the business interests of those entities in this area. In some cases where I sought reimbursement from The Jamestown Company for contributions I made in support of The Jamestown Company's business interests, I requested that The Jamestown Company reimburse me through my shareholder accounts in those other entities. This was done for my convenience and to lessen the administrative paperwork for me.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

DATED: June 10, 1982

SYLVIA LICHAUCO

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Stanway, Inc.

2040 Polk Street, #143

San Francisco, California 94109

SAN FRANCISCO CA 941 28
PM
17 JUN
1986

Eric Kleinfeld, Esq.
Federal Elections Commission
999 "E" Street N.W.
Washington, D.C. 20463

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 29, 1986

Sylvia Lichauco
Stanway, Inc.
2040 Polk Street
Suite 143
San Francisco, CA 94109

RE: MUR 2165
Sylvia Lichauco
Stanway, Inc.

Dear Ms. Lichauco:

This is in reference to your letter which the Commission received on May 28, 1986, requesting an extension of fifteen days to respond to the complaint filed in this matter.

Considering the Commission's responsibilities under 2 U.S.C. § 437g(a)(8)(A) to act expeditiously on complaints and the circumstances of this matter, we cannot agree to your requested extension.

If you have any questions, please contact Eric Kleinfeld, the attorney handling this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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LAW OFFICES
JOSEPH A. SPERSKE
25000 INDUSTRIAL BOULEVARD
HAYWARD, CALIFORNIA 94545
(415) 782-1952

MAILING ADDRESS:
P. O. BOX 3247
HAYWARD, CALIFORNIA 94540-3247

TELEX 17-1680
TELECOPIER
415-887-7695

May 30, 1986

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FEDERAL ELECTION
GENERAL COUNSEL

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

Attn: Mr. Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

I am writing to you in response to your letter of April 18, 1986, to Stanway, N.V. and Sylvia Lichauco. Ms. Lichauco has been hospitalized and is unable to respond for herself at this time.

As a general response to the complaint filed with you by Sue C. Hestor, I believe it makes incorrect assumptions and conclusions regarding the facts surrounding contributions made by The Jamestown Company and its affiliated entities. The problem with her complaint is in her reliance on newspaper articles which are incomplete and which present some information out of context and in a potentially misleading manner.

To help clarify the situation, I have prepared and attached hereto a declaration explaining some pertinent facts. Please consider this information in conjunction with information submitted by The Jamestown Company's representative, in evaluating the Hestor complaint.

I trust that you will find that contributions made during 1984 and 1985 to committees involved with elections to office in California by The Jamestown Company and its affiliated entities were made by U.S. citizens acting in their capacities as directors of an American subsidiary of a foreign corporation and using funds derived from business activities in California.

Thank you for your cooperation and attention to this letter.

Sincerely,

Joseph A. Sperske

JAS:Tla
Enclosures

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DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the Government Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

May 28, 1986

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RECEIVED
GENERAL COUNSEL
FEC

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

Attn: Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

We are writing in response to your letter, dated April 18, 1986, on behalf of Arconal, Inc. and The Jamestown Company, Inc. Enclosed herewith are Statements of Designation Of Counsel for each entity.

This proceeding was initiated by a complaint filed by Sue Hestor on behalf of her client, Citizens for Representative Government. In discussions recently between Sue Hestor and The Jamestown Company's general legal counsel, Harvey Gould, Ms. Hestor indicated a willingness to withdraw the complaint. Irrespective of this willingness, we are pleased to provide clarification to you at this time.

While the complaint encompasses contributions made in 1984 to California election committees, we are including herein a description of all candidate related contribution activity in the state by The Jamestown Company and affiliated entities.

The issue raised by the complainant is whether or not expenditures were "... made in violation of federal laws which prohibit contributions by a foreign national in connection with an election for local public office." The complainant's allegations are misfounded since advisory opinions of the Federal Election Commission allow American subsidiary corporations of foreign corporations to make contributions in U.S. elections under certain circumstances.

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In this situation, contributions were made by The Jamestown Company and affiliated entities under The Jamestown Company's control. The Jamestown Company's parent corporations, including Arconal, Inc., were not involved in the making of contributions in connection with elections to office, as hereinafter discussed. The facts of this matter fall under the guidelines of the advisory opinions mentioned above, and do not involve violations of the prohibition against foreign national contributions. A more detailed analysis is set forth below.

PARTIES INVOLVED

1. ARCONAL, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, N.V., which is a corporation incorporated in the Netherlands-Antilles. ARCONAL, N.V., in turn, is wholly owned by the GSIS, which is a Philippine corporation organized to provide pension plans for Philippine government employees. The GSIS is permitted under Philippine laws to have foreign holdings.

2. THE JAMESTOWN COMPANY, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, INC. During the period under review, it has been operated by a three-person Board of Directors. The Directors were Joseph Sperske, Esq., John Lyon, Esq. (deceased February, 1986), and Sylvia Lichauco. All three persons are and have been citizens of the United States. The decision to make contributions from funds derived from the San Francisco business activities of The Jamestown Company was at all times within the control of the Board of Directors.

3. STANWAY, N.V. is a corporation incorporated in the Netherlands-Antilles. It is registered with the California Secretary of State to do business in California and has its principal place of business in San Francisco. Its activities have been limited to receiving and disbursing funds. During the period under review, its operations have been directed by Sylvia Lichauco under a power of attorney. Stanway has acted as an agent of The Jamestown Company, initially to assist in the purchase of a building at 212 Stockton Street in San Francisco, and subsequently to disburse funds for The Jamestown Company as directed by The Jamestown Company. Contribution funds did not lose their character as funds of Stanway's principal, The Jamestown Company, at any time. Stanway did not produce its own income or assets, but merely acted generally as a pass-through account for funds belonging to The Jamestown Company.

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COMPLAINT

The complainant has generally asserted that a violation of 2 U.S.C. Section 441e may have occurred. That section makes it unlawful for any foreign national to make a contribution in connection with any election to public office. Neither this section nor any other provision of the Federal Election Campaign Act of 1971, as amended, ("FECA") prohibits contributions in connection with ballot measure elections.

The complainant apparently is not familiar with advisory opinions of the Federal Election Commission which have interpreted and clarified the law. When the rulings of the advisory opinions are applied to this situation, the contributions made to various local candidates do not violate 2 U.S.C. Section 441e.

APPLICABLE LAW

Under both the FECA and the regulations of the Federal Elections Commission, "foreign nationals" are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. (2 U.S.C. Section 441e(a); 11 C.F.R. Section 110.4(a)). A "foreign national" is defined in the FECA by reference to 22 U.S.C. Section 611(b).

The Federal Election Commission has interpreted the above sections in various advisory opinions. According to several of those advisory opinions (see, e.g., FEC AO 1985-3, attached), a corporation organized under the laws of any state within the United States, even if it is an American subsidiary of a foreign corporation whose principal place of business is within the United States, is not a "foreign national" within the contemplation of 2 U.S.C. Section 441e(a).

The Federal Election Commission has further interpreted 2 U.S.C. Section 441e as permitting political contributions by the American subsidiary of a foreign corporation where: (a) the funds are those of the subsidiary, and not provided by the foreign parent corporation; and (b) where the decision to make the contribution is made by the Board of Directors of the subsidiary. (See, e.g., FEC AO 1985-3; FEC AO 1982-10; 1980-100.)

APPLICABLE FACTS

A. SOURCE OF FUNDS

The Jamestown Company's principal asset was a parcel of real

property located at 212 Stockton Street in San Francisco, California. That property was acquired in November, 1982, with funds derived from American bank loans.

The Jamestown Company began receiving $19,000.00 per month in rents, commencing from the time of acquisition. Total rents received over the succeeding 30 month period produced in excess of $550,000.00. The building was leased on a triple-net basis, with The Jamestown Company being reimbursed for all property taxes and costs, and produced such income until May, 1985.

After the acquisition, The Jamestown Company obtained a $760,000.00 loan secured by the master lease from California First Bank. These funds were available during the period from July, 1984, through approximately May, 1985.

Thereafter, a second loan of $2 million was obtained from California First Bank, secured by the property itself, for the period commencing from approximately May, 1985, to the present time period. The property was sold on May 19, 1986.

The complainant expressed concern that sufficient funds did not exist to pay the various obligations of The Jamestown Company. However, the rental income and loan amounts received from California First Bank provided ample funds to pay the operational, debt-service and other obligations of the property, as well as the political contributions that were made.

In addition, The Jamestown Company earned substantial bank interest by placing rent amounts, as available, in short term money market accounts. These constituted additional revenues produced from local business activities of The Jamestown Company.

CONTRIBUTIONS MADE

Contributions made in connection with elections to political office by The Jamestown Company and affiliated entities were made either directly by The Jamestown Company, by The Jamestowm Company through Stanway as its agent, by The Jamestown Company through reimbursement to other entities, such as Sylvia Lichauco, and by Sylvia Lichauco and accounts controlled by her.

All initial contributions by the various entities in connection with elections to office were made during the period from January, 1984, through November, 1985. Any reimbursements for the above referenced contributions also occurred during the same time frame, except reimbursement of $1,250.00 by The Jamestown Company to an account for Sylvia Lichauco and $295.00 reimbursed by Sylvia Lichauco to The Jamestown Company, which were completed in 1986.

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The total of all local contributions made by the entities named in complainant's submission was $7,155.00 during 1984 and 1985. Of that amount, $1,580.00 is attributable to Sylvia Lichauco, leaving $5,575.00 as the amount that The Jamestown Company contributed directly, contributed through Stanway as its agent, or reimbursed to other entities. To comply with California campaign reporting laws, The Jamestown Company authorized this firm to notify recipients, as appropriate, of those cases where reimbursement occurred. Letters were sent during March, 1986, and The Jamestown Company and its agents have used reasonable diligence to seek compliance with California and local campaign reporting and related laws. A number of the contributions have been voluntarily refunded by the recipients out of caution.

The $7,155.00 mentioned above was contributed to 13 different recipients in payment amounts during the following months:

	1984	1985
January	$ 500	$ -0-
February	250	-0-
March	-0-	150
April	250	-0-
May	500	-0-
June	625	-0-
July	500	-0-
August	330	-0-
September	1,150	750
October	400	450
November	-0-	1,200
December	100	-0-
Sub-total:	$4,605	$2,550

At the time the nominal contributions above were made in each month, there were sufficient funds in The Jamestown Company accounts from the receipt of rents to demonstrate, using

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reasonable accounting methods, that the contributions were from funds derived from The Jamestown Company's business activities in California. These facts are consistent with 11 C.F.R. Section 102.5(b)(1)(ii), which provides that any organization that is not a political committee under the FECA can demonstrate through a reasonable accounting method that it received sufficient funds subject to the limitations and prohibitions of the Act to make contributions and expenditures.

C. ADVISORY OPINION CRITERIA SATISFIED

The Jamestown Company is incorporated in California. Enclosed herewith is a copy of its Article of Incorporation.

At all times relevant to the period under review, the Directors of The Jamestown Company included Joseph Sperske, Esq., and John Lyon, Esq. (now deceased) both of whom were licensed to practice law in California and were United States citizens during the period in which the contributions discussed above were made. Sylvia Lichauco, who was then also a Director, is also a citizen of the United States. The decisions to make contributions were within the purview of the Directors above, and not of any other entity.

CONCLUSION

In light of the foregoing, the criteria contained in the FEC advisory opinions, i.e. funds derived from local business activities, corporation organized under the laws of California, and decision-making by U.S. citizens, are satisifed. The Jamestown Company's income included rent in excess of $550,000.00, loans secured by the property and master lease in excess of $2,750,000.00, and interest income of thousands of dollars. The total contributions attributed to The Jamestown Company of approximately $5,575.00, when compared to total revenue in excess of $3 million dollars derived from its business activity of owning and operating the property in San Francisco, is quite nominal.

We respectfully request that the Commission and staff take no further action with respect to the complaint filed by Sue Hestor on behalf of her client. It is clear that permissible contributions in connection with elections to local office were involved and there is therefore no violation of the prohibition against contributions by foreign nationals. These activities are consistent with the provisions of the Federal Election Act of 1971, as amended, and guidelines of the Federal Election Commission in its advisory opinions.

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We appreciate the opportunity to provide the foregoing clarification on behalf of our clients.

Sincerely,

Peter A. Bagatelos

PAB:asp

Enclosures

cc: Federal Election Commission Members
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: Peter A. Bagatelos

ADDRESS: Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

TELEPHONE: (415) 982-7100

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 25, 1986
Date

Signature

RESPONDENT'S NAME: The Jamestown Company

ADDRESS: By: R. R. Garcia, Director
c/o Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

HOME PHONE:

BUSINESS PHONE: (415) 982-7100

8704063286

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: Peter A. Bagatelos

ADDRESS: Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

TELEPHONE: (415) 982-7100

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 25, 1986
Date

Signature

RESPONDENT'S NAME: Arconal, Inc.

ADDRESS: By: R. R. Garcia, Director
c/o Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

HOME PHONE:

BUSINESS PHONE: (415) 982-7100

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> In any case in which...a labor organization and any of its subsidiaries...or local units establish or finance or maintain or control more than one separate segregated fund, all such ...funds shall be treated as a single separate segregated fund for purposes of the [contribution] limitations provided by... [§441a(a)(1) and (a)(2)]. See 2 U.S.C. §441a(a)(5).

The regulations provide more specifically that all of the political committees1/ set up by a single international union or its local unions (or both) are treated as a single political committee for purposes of the contribution limits in the Act. 11 CFR 100.5(g)(2)(i)(B), 110.3(a)(1)(ii)(B). These regulations reflect the so called per se affiliation rule that applies to certain categories of political committees based solely upon the relationship between their respective connected organizations.2/ This per se rule applies regardless of whether a political committee at the local level is established or controlled by another committee or connected organization at the national level. The application of the per se rule in the context of labor organizations and their political committees is discussed in Walther v. Federal Election Commission [¶9076], 468 F.Supp. 1235 (D.D.C.,1979).

It appears from your request that Local 91 is a local unit of LIU. Accordingly, the Fund is an affiliated committee of all political committees set up by LIU and its other local or subordinate labor organizations. The fact that LIU and its political committees do not finance, control, or maintain the Fund does not change this result. See discussion and citations above.

The status of the Fund as affiliated with political committee(s) set up by LIU means that the Fund and all its affiliated committees share a single set of contribution limits with respect to contributions made and also with respect to contributions received. 2 U.S.C. §441a(a) (5), also see Advisory Opinions 1982-36 [¶5680] and 1982-18 [¶5664]. However, the Fund must file separate reports reflecting its own receipts and disbursements as a separate political committee. See Advisory Opinions 1979-68 [¶5447] and 1979-56 [¶5445]. In addition, the Fund's Statement of Organization (FEC Form 1) must identify as affiliated committees each political committee established by Local 91's parent body, the Laborers International Union. See generally 11 CFR 102.2 and, in particular, 11 CFR 102.2(b)(1)(ii).

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Dated: February 28, 1985.

1/ A separate segregated fund under 2 U.S.C. §441b(b) is one type of political committee. 2 U.S.C. §431(4)(B).

2/ A "connected organization" is defined to include any organization (but not a political committee) such as a labor organization that directly or indirectly establishes, administers, or financially supports a political committee. 2 U.S.C. §431(7), 11 CFR 100.6.

[¶5809] AO 1985-3: State Contribution by Subsidiary of Foreign Corporation

[A corporation that is a subsidiary of a Canadian corporation may make a contribution to a state campaign so long as foreign money is not involved. Answer to Rod Diridon, Supervisor, Fourth District, Santa Clara County, P. O. Box 621, Santa Clara, California 95052.]

This responds to your letter of January 10, 1985, and other letters you submitted with it, in which you request an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to your proposed acceptance of a contribution from UTDC, Inc. (USA), a wholly-owned subsidiary of UTDC-Canada.

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You indicate that you are the Supervisor for the Fourth District of Santa Clara County, California, which is an elected office under California law. Your earlier letter to the California Fair Political Practices Commission indicates that on February 27, 1984, your campaign committee received a contribution of $1,000 from UTDC, Inc. (USA), which is a subsidiary of UTDC-Canada. Your letter explains that UTDC, Inc. (USA), is a Delaware corporation with headquarters in Detroit, Michigan, and with a Board of Directors which is "wholly or substantially comprised of U.S. citizens." You further stated that this corporation is a "separate profit center from UTDC-Canada and its financial involvement within the United States is substantial." In your letter of January 10, 1985, you ask whether it will be permissible for you to receive similar contributions in the future.

As a preliminary matter, the Commission notes that California law does not prohibit corporate contributions to candidates for state and local office, and that the prohibition against corporate contributions in 2 U.S.C. §441b does not apply in your case.

Under the Act and Commission regulations, foreign nationals are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. 2 U.S.C. §441e; 11 CFR 110.4(a). Unlike most of the other provisions of the Act, §441e applies to any election for any political office, including state and local offices as well as Federal offices. The term "foreign national" is defined by 2 U.S.C. §441e(b)(1) to mean a "foreign national" as this term is defined specifically by 22 U.S.C. §611(b). Section 611(b) defines a "foreign principal" as including:

(1) a government of a foreign country and a foreign political party;

(2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business in the United States, and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. §611(b), a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a "foreign national" under 2 U.S.C. §441e. Advisory Opinions 1983-31 [¶5735], 1982-10 [¶5651], and 1981-36 [¶5632]; also see opinions cited therein. The Commission concludes, therefore, that UTDC, Inc. (USA), a discrete corporate entity organized under the law of Delaware with its principal place of business in the United States, is not a foreign national, and therefore not subject to the prohibiton of 2 U.S.C. §441e.

Since, however, §441e prohibits contributions by a foreign national through any other person, and since the parent Canadian corporation is both a person, 2 U.S.C. §431(11), and a foreign national by application of 22 U.S.C. §611(b)(3), it follows that a contribution by UTDC, Inc. (USA), may only be made or accepted under certain conditions. Specifically, the parent Canadian corporation may not directly or indirectly provide the funds for such a political contribution. See Advisory Opinion 1981-36. Nor may that corporation or any other person who is a foreign national under 2 U.S.C. §441e have any decision-making role or control with respect to the making of any political contribution by UTDC, Inc. (USA). See Advisory Opinion 1983-31.

The Commission expresses no opinion regarding application of any other Federal statute or any state statute to the proposed transaction, since any issues thereunder are not within the Commission's jurisdiction.

This response consitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

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Dated: March 4, 1985.

CONCURRING OPINION OF COMMISSIONER FRANK P. REICHE

TO ADVISORY OPINION 1985-3

Advisory Opinion 1985-3, which was approved by the Federal Election Commission on February 28, 1985, contains a statement of the current law governing political contributions by U.S. corporations with foreign ties. In this case the Requestor, a locally elected official in California, questioned whether a campaign contribution received by him from a Delaware corporation that was a wholly-owned subsidiary of a Canadian corporation was permissible under 2 U.S.C. §441e of the Federal Election Campaign Act which prohibits foreign nationals from making contributions in connection with an election to any political office.

The Opinion states that "a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a 'foreign national' under 2 U.S.C. §441e." The Opinion further notes two qualifications to the above statement of existing law. The first would have the effect in this case of prohibiting the parent Canadian corporation from directly or indirectly providing the funds for such a political contribution. The second would prevent the parent Canadian corporation from having any decision-making role or control with respect to the making of said contribution.

My difficulty with the Opinion relates to the fact that although it provides a detailed description of the applicable law, it does not then apply such law to the facts presented by the Requestor. Specifically, it does not attempt to determine whether the second of these two qualifications applies even though the Requestor implicitly raised this issue by referring, in his statement of facts, to the composition of the Board of Directors of the contributing corporation. While the Commission has thus legally protected itself should facts subsequently disclose foreign involvement in this contribution, I believe the Commission has a responsibility not only to recite the law, but also to determine the impact of its application to the facts submitted by the Requestor.

During the Commission's consideration of this Opinion, I suggested that we seek additional information regarding the possible involvement of the parent Canadian corporation in the making of such contribution, since I did not believe that the Requestor recipient of this contribution had provided sufficient information on which the Commission could make an informed judgment. In stating my concerns, I emphasized that I was not being at all critical of the Requestor, who had apparently provided all the information available to him on this point, but rather that I concluded this was an issue that should be addressed by the Commission and required further evidence.

Interestingly enough, the Requestor had invited the Commission to seek more information regarding the U.S. subsidiary-contributor and included in his request the name, address and telephone number of both the President of the corporation and its Sacramento, California representative. Thus, it would not have been difficult for the Office of General Counsel to make an inquiry of the type I suggested. Indeed, the Office of General Counsel has on other occasions, frequently at the behest of the Commission, made similar inquiries concerning possible foreign involvement in political contributions by U.S. corporations or their political action committees.

What therefore troubles me is the absence of information on this point as contrasted with the Commission's historic interest in establishing the extent of foreign involvement before rendering opinions in related matters (e.g. Advisory Opinion 1983-31 [¶5735] and 1982-10 [¶5651]). The additional information to which I refer would include data on the composition and operations of the Board of Directors of the contributing corporation as well as information reflecting the possible participation of the parent foreign corporation in the making of decisions regarding these political contributions.

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In this particular case, it does not appear that Congressional fears over foreign participation in American elections will be realized if such a corporate contribution is permitted in this local campaign. Thus, I decided to concur in the result. I would not want my concurrence, however, to be construed as carte blanche approval of political contributions by U.S. corporations with foreign ties without the Commission first seeking to establish the nature and extent of foreign national involvement in such matters. My approval of this Opinion is therefore limited to the facts of this case.

Dated: March 4, 1985.

Dissenting Opinion

OF

Commissioners Thomas E. Harris and Danny L. Mc Donald

Re

Advisory Opinion 1985-3

Consistently with the position taken in our dissents in earlier opinions, we believe that the subsidiary of a foreign corporation may not make contributions, in connection with any elections in this country. See dissenting opinions in Advisory Opinion 1983-31 and Advisory Opinion 1983-19, 1 Fed. Election Camp. Fin. Guide (CCH) paras. 5735, 5722.

The opinion adopted by the majority will no doubt perplex the requester, for it leaves unresolved whether the Commission does or does not view the foreign corporation involved as having "any decision-making role or control with respect to the making of any political contribution" by its subsidiary. It is our view that the parent-subsidiary relationship itself establishes such control.

Dated: February 28, 1985.

[¶5810] AO 1985-5: Treatment of Contributions Received After Election

[Contributions received after an election must be attributed to the next election if there are no campaign debts outstanding. Answer to Representative Joe Kolter.]

This responds to your letter of December 3, 1984, as supplemented by your letter of January 14, 1985, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the attribution of contributions received in 1984 by your principal campaign committee, the Committee to Re-elect Joe Kolter.

You state that a representative of the United Auto Workers Voluntary Community Action Program ("UAW V CAP") called you prior to the Pennsylvania primary election (held on April 10, 1984) to notify you of a $5,000 primary election contribution and to arrange a meeting for delivery of the check. You state that the meeting did not take place; thus, the contributor mailed the check (dated April 6, 1984). You state that the check was received after the primary but credited toward that election. 1/

You further state that a similar sequence of events occurred at the time of the general election (held on November 6, 1984). You state that your campaign received and deposited a $200 check (dated October 16, 1984) from the same contributor on or before the general election. Before the general election, your campaign received a call from this contributor, who notified you of an additional $4,800 contribution for the general election. Your campaign and the contributor again unsuccessfully attempted to arrange a meeting. You state that the check (dated October 29, 1984) was mailed before the election but received and deposited the day after the election. 2/ You have also provided a letter from the contributor

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(dated December 7, 1984), in which its regional representative stated that the $5,000 and the $4,800 checks were "delivered late" and added that "for the record," the $5,000 check was for the primary election and the $4,800 check was for the general election.

Regarding these contributions, you present your question as follows: "The campaign is going to continue to solicit the UAW V CAP for the 1986 election, so I would like to ask for this advisory opinion to justify our reporting them as [1984] primary and general contributions."

Commission regulations require that a written advisory opinion request "set forth a specific transaction or activity that the requesting person plans to undertake or is presently undertaking and intends to undertake in the future." 11 CFR 112.1(b). To the extent that your letter presents questions concerning contribution limits and the reporting of the $5,000 and $200 contributions (on checks dated April 6 and October 16 respectively), it relates to past, not prospective, activity. As such, it does not qualify as an advisory opinion request. See 11 CFR 112.1(b). Your letter, however, also presents a question whether the $4,800 contribution should be charged against the contributor's limitation with respect to the 1984 general election or the 1986 primary election. The correct attribution of the contribution directly relates to your campaign's proposed solicitation of contributions from UAW V CAP for the 1986 election. Accordingly, this portion of your inquiry concerns prospective activity and qualifies as an advisory opinion request.

With respect to your committee's financial position at the time the $4,800 contribution was received, the Commission notes that your principal campaign committee has not reported any outstanding debts or obligations on its pre-general election, post-general election, and year-end reports. It reported a cash-on-hand-balance of $35,469 on October 17, 1984. For the period from October 18, 1984, through December 31, 1984, your committee reported total expenditures of $40,791. In the same period it also reported additional contributions of $37,980, of which more that $20,000 was reported as received on or before November 6, 1984. As this information indicates, on the date your campaign received the $4,800 contribution it had at least $14,678 more than was needed to cover all expenditures made through the close of December 31, 1984.3/ Your committee also reported a cash-on-hand balance of $33,640 on December 31, 1984.

The Act and regulations limit a multi-candidate committee's contributions to a Federal candidate and his authorized committees to an aggregate of $5,000 with respect to any election for Federal office. 2 U.S.C. §441a(a)(2); 11 CFR 110.2(a) and (d). The Act and regulations also prohibit a candidate from accepting contributions in excess of such limits. 2 U.S.C. §441a(f); 11 CFR 110.9(a).

The Commission has previously addressed the application of the contribution limits in surplus fund situations similar to that presented in your request. In Advisory Opinion 1977-24 [¶5260], regarding the transfer of surplus funds from a candidate's 1976 committee to his 1978 committee, the Commission stated:

> ... to avoid application of the 1978 limits to each contribution comprising the transferred surplus, all funds transferred must have been received as of the date of the 1976 general election (rather than subsequent to that election) since, except to the extent of outstanding debts from a 1976 election, each "contribution" (as defined in 2 U.S.C. §431(e)) after the date of the general election in 1976 is charged against the contribution limits of the original contributor with respect to a future election.

Relying on this advisory opinion, the Commission further explained in Advisory Opinion 1978-37 [¶5335], regarding the transfer of surplus funds from a candidate's 1978 primary election campaign to repay outstanding debts from his 1976 general election campaign:

> ... However, the transfer of residual contributions made to a candidate in 1978 would not constitute a contribution to the 1976 Committee so long as the contributions were originally made to influence Mr. Caputo's 1978 election to Federal office and were received before the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 and had sufficient funds to retire 1978 campaign debts.

In a previous opinion the Commission determined that excess funds of a 1976 campaign committee could be transferred forward to the 1978 campaign committee

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of the same individual without application to those funds of the 1978 limits so long as all funds transferred were received prior to the date of the 1976 general election, the date on which that individual ceased to be a candidate for Federal office in 1976. See AO 1977-24, copy enclosed. The Commission believes that similar restrictions would apply to the transfer of excess funds from the 1978 Committee to the 1976 Committee. Thus the transfer of excess campaign funds from the 1978 Committee, following the retirement of its debts and obligations, to the 1976 Committee would not necessitate any designation of particular contributions as being used for particular 1978 Committee expenses, since those contributions comprising the amount transferred to the 1976 Committee would not be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

However, contributions to the 1978 Committee received after the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 (and had sufficient funds on hand to retire 1978 campaign debts) may not be regarded as made with respect to his 1978 candidacy for Federal office. Rather, they should be treated as contributions made for the purpose of retiring the debts of the 1976 Committee to the extent such debts are outstanding. They would therefore be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

See also Advisory Opinions 1981-9 [¶5594], 1980-143 [¶5587], and 1980-32 [¶5493].

In Advisory Opinion 1982-39 [¶5684], the Commission noted that "the entire amount of the transfer is comprised of funds received by the 1980 Committee prior to the date of the November 4, 1980 general election" and stated:

> [t]he Commission has held that funds received by a candidate prior to the date of a previous election are not counted against an individual's contribution limits with respect to a future election in the event that the candidate transfers excess funds from a previous campaign committee to a currently registered campaign committee.

Recently, in Advisory Opinion 1984-32 [¶5777], the Commission noted that funds available to pay 1984 primary election debts would include any surplus funds carried over from the 1982 election cycle and that post-general election 1982 contributions included in such carried over funds would be chargeable against the original contributors' limitations with respect to the 1984 primary election. See also Advisory Opinions 1980-60 [¶5499] and 1980-30 [¶5498].

This review of the previous advisory opinions leads to the conclusion that a similar response should be made to your question. The Commission notes that your committee could continue to receive contributions after the 1984 general election, such as the $4,800 contribution from UAW V CAP. Nevertheless, since your committee has no apparent debts outstanding with respect to the 1984 general election, the $4,800 contribution may not be applied toward UAW V CAP's limitation with respect to that election. Accordingly, the $4,800 contribution should be regarded as a contribution with respect to the 1986 primary election and aggregated with other contributions from UAW V CAP with respect to such election for limitation purposes. This treatment may also apply to other contributions your committee received after November 6, 1984. Also, if these contributions aggregate in excess of $5,000, you may also meet the requirements for candidacy status for the 1986 election cycle. See 11 CFR 100.3 and 101.1; Advisory Opinion 1977-29 [¶5263].

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transactions or activities set forth in your request. 2 U.S.C. §437f.

Dated: March 6, 1985.

1/ Your committee's report of this contribution itemizes the date as April 6, 1984. Pursuant to Commission regulations, the recipient committee reports the date of the receipt of a contribution. See 11 CFR 104.3(a)(4)(ii).

2/ Your committee's report of the $4,800 contribution itemizes the date as November 16, 1984. See 11 CFR 104.3(a)(4)(ii).

3/ $35,469 plus $20,000 minus $40,791 equals $14,678.

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Rec. Aikens
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OFFICE OF THE SEC
COMMISSION SECRETARY
86 JUN 2 P12:05

May 28, 1986

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

86 JUN 2 P12:47
RECEIVED
OFFICE OF THE
GENERAL COUNSEL

Attn: Eric Kleinfeld

Re: MUR 2165

Dear Mr. Kleinfeld:

We are writing in response to your letter, dated April 18, 1986, on behalf of Arconal, Inc. and The Jamestown Company, Inc. Enclosed herewith are Statements of Designation Of Counsel for each entity.

This proceeding was initiated by a complaint filed by Sue Hestor on behalf of her client, Citizens for Representative Government. In discussions recently between Sue Hestor and The Jamestown Company's general legal counsel, Harvey Gould, Ms. Hestor indicated a willingness to withdraw the complaint. Irrespective of this willingness, we are pleased to provide clarification to you at this time.

While the complaint encompasses contributions made in 1984 to California election committees, we are including herein a description of all candidate related contribution activity in the state by The Jamestown Company and affiliated entities.

The issue raised by the complainant is whether or not expenditures were "... made in violation of federal laws which prohibit contributions by a foreign national in connection with an election for local public office." The complainant's allegations are misfounded since advisory opinions of the Federal Election Commission allow American subsidiary corporations of foreign corporations to make contributions in U.S. elections under certain circumstances.

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In this situation, contributions were made by The Jamestown Company and affiliated entities under The Jamestown Company's control. The Jamestown Company's parent corporations, including Arconal, Inc., were not involved in the making of contributions in connection with elections to office, as hereinafter discussed. The facts of this matter fall under the guidelines of the advisory opinions mentioned above, and do not involve violations of the prohibition against foreign national contributions. A more detailed analysis is set forth below.

PARTIES INVOLVED

1. ARCONAL, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, N.V., which is a corporation incorporated in the Netherlands-Antilles. ARCONAL, N.V., in turn, is wholly owned by the GSIS, which is a Philippine corporation organized to provide pension plans for Philippine government employees. The GSIS is permitted under Philippine laws to have foreign holdings.

2. THE JAMESTOWN COMPANY, INC. is a California corporation in good standing. It is wholly owned by ARCONAL, INC. During the period under review, it has been operated by a three-person Board of Directors. The Directors were Joseph Sperske, Esq., John Lyon, Esq. (deceased February, 1986), and Sylvia Lichauco. All three persons are and have been citizens of the United States. The decision to make contributions from funds derived from the San Francisco business activities of The Jamestown Company was at all times within the control of the Board of Directors.

3. STANWAY, N.V. is a corporation incorporated in the Netherlands-Antilles. It is registered with the California Secretary of State to do business in California and has its principal place of business in San Francisco. Its activities have been limited to receiving and disbursing funds. During the period under review, its operations have been directed by Sylvia Lichauco under a power of attorney. Stanway has acted as an agent of The Jamestown Company, initially to assist in the purchase of a building at 212 Stockton Street in San Francisco, and subsequently to disburse funds for The Jamestown Company as directed by The Jamestown Company. Contribution funds did not lose their character as funds of Stanway's principal, The Jamestown Company, at any time. Stanway did not produce its own income or assets, but merely acted generally as a pass-through account for funds belonging to The Jamestown Company.

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COMPLAINT

The complainant has generally asserted that a violation of 2 U.S.C. Section 441e may have occurred. That section makes it unlawful for any foreign national to make a contribution in connection with any election to public office. Neither this section nor any other provision of the Federal Election Campaign Act of 1971, as amended, ("FECA") prohibits contributions in connection with ballot measure elections.

The complainant apparently is not familiar with advisory opinions of the Federal Election Commission which have interpreted and clarified the law. When the rulings of the advisory opinions are applied to this situation, the contributions made to various local candidates do not violate 2 U.S.C. Section 441e.

APPLICABLE LAW

Under both the FECA and the regulations of the Federal Elections Commission, "foreign nationals" are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. (2 U.S.C. Section 441e(a); 11 C.F.R. Section 110.4(a)). A "foreign national" is defined in the FECA by reference to 22 U.S.C. Section 611(b).

The Federal Election Commission has interpreted the above sections in various advisory opinions. According to several of those advisory opinions (see, e.g., FEC AO 1985-3, attached), a corporation organized under the laws of any state within the United States, even if it is an American subsidiary of a foreign corporation whose principal place of business is within the United States, is not a "foreign national" within the contemplation of 2 U.S.C. Section 441e(a).

The Federal Election Commission has further interpreted 2 U.S.C. Section 441e as permitting political contributions by the American subsidiary of a foreign corporation where: (a) the funds are those of the subsidiary, and not provided by the foreign parent corporation; and (b) where the decision to make the contribution is made by the Board of Directors of the subsidiary. (See, e.g., FEC AO 1985-3; FEC AO 1982-10; 1980-100.)

APPLICABLE FACTS

A. SOURCE OF FUNDS

The Jamestown Company's principal asset was a parcel of real

property located at 212 Stockton Street in San Francisco, California. That property was acquired in November, 1982, with funds derived from American bank loans.

The Jamestown Company began receiving $19,000.00 per month in rents, commencing from the time of acquisition. Total rents received over the succeeding 30 month period produced in excess of $550,000.00. The building was leased on a triple-net basis, with The Jamestown Company being reimbursed for all property taxes and costs, and produced such income until May, 1985.

After the acquisition, The Jamestown Company obtained a $760,000.00 loan secured by the master lease from California First Bank. These funds were available during the period from July, 1984, through approximately May, 1985.

Thereafter, a second loan of $2 million was obtained from California First Bank, secured by the property itself, for the period commencing from approximately May, 1985, to the present time period. The property was sold on May 19, 1986.

The complainant expressed concern that sufficient funds did not exist to pay the various obligations of The Jamestown Company. However, the rental income and loan amounts received from California First Bank provided ample funds to pay the operational, debt-service and other obligations of the property, as well as the political contributions that were made.

In addition, The Jamestown Company earned substantial bank interest by placing rent amounts, as available, in short term money market accounts. These constituted additional revenues produced from local business activities of The Jamestown Company.

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CONTRIBUTIONS MADE

Contributions made in connection with elections to political office by The Jamestown Company and affiliated entities were made either directly by The Jamestown Company, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursement to other entities, such as Sylvia Lichauco, and by Sylvia Lichauco and accounts controlled by her.

All initial contributions by the various entities in connection with elections to office were made during the period from January, 1984, through November, 1985. Any reimbursements for the above referenced contributions also occurred during the same time frame, except reimbursement of $1,250.00 by The Jamestown Company to an account for Sylvia Lichauco and $295.00 reimbursed by Sylvia Lichauco to The Jamestown Company, which were completed in 1986.

The total of all local contributions made by the entities named in complainant's submission was $7,155.00 during 1984 and 1985. Of that amount, $1,580.00 is attributable to Sylvia Lichauco, leaving $5,575.00 as the amount that The Jamestown Company contributed directly, contributed through Stanway as its agent, or reimbursed to other entities. To comply with California campaign reporting laws, The Jamestown Company authorized this firm to notify recipients, as appropriate, of those cases where reimbursement occurred. Letters were sent during March, 1986, and The Jamestown Company and its agents have used reasonable diligence to seek compliance with California and local campaign reporting and related laws. A number of the contributions have been voluntarily refunded by the recipients out of caution.

The $7,155.00 mentioned above was contributed to 13 different recipients in payment amounts during the following months:

	1984	1985
January	$ 500	$ -0-
February	250	-0-
March	-0-	150
April	250	-0-
May	500	-0-
June	625	-0-
July	500	-0-
August	330	-0-
September	1,150	750
October	400	450
November	-0-	1,200
December	100	-0-
Sub-total:	$4,605	$2,550

At the time the nominal contributions above were made in each month, there were sufficient funds in The Jamestown Company accounts from the receipt of rents to demonstrate, using

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reasonable accounting methods, that the contributions were from funds derived from The Jamestown Company's business activities in California. These facts are consistent with 11 C.F.R. Section 102.5(b)(1)(ii), which provides that any organization that is not a political committee under the FECA can demonstrate through a reasonable accounting method that it received sufficient funds subject to the limitations and prohibitions of the Act to make contributions and expenditures.

C. ADVISORY OPINION CRITERIA SATISFIED

The Jamestown Company is incorporated in California. Enclosed herewith is a copy of its Article of Incorporation.

At all times relevant to the period under review, the Directors of The Jamestown Company included Joseph Sperske, Esq., and John Lyon, Esq. (now deceased) both of whom were licensed to practice law in California and were United States citizens during the period in which the contributions discussed above were made. Sylvia Lichauco, who was then also a Director, is also a citizen of the United States. The decisions to make contributions were within the purview of the Directors above, and not of any other entity.

CONCLUSION

In light of the foregoing, the criteria contained in the FEC advisory opinions, i.e. funds derived from local business activities, corporation organized under the laws of California, and decision-making by U.S. citizens, are satisifed. The Jamestown Company's income included rent in excess of $550,000.00, loans secured by the property and master lease in excess of $2,750,000.00, and interest income of thousands of dollars. The total contributions attributed to The Jamestown Company of approximately $5,575.00, when compared to total revenue in excess of $3 million dollars derived from its business activity of owning and operating the property in San Francisco, is quite nominal.

We respectfully request that the Commission and staff take no further action with respect to the complaint filed by Sue Hestor on behalf of her client. It is clear that permissible contributions in connection with elections to local office were involved and there is therefore no violation of the prohibition against contributions by foreign nationals. These activities are consistent with the provisions of the Federal Election Act of 1971, as amended, and guidelines of the Federal Election Commission in its advisory opinions.

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We appreciate the opportunity to provide the foregoing clarification on behalf of our clients.

Sincerely,

Peter A. Bagatelos

PAB:asp

Enclosures

cc: Federal Election Commission Members
Honorable John McGarry
Honorable Joan Aikens
Honorable Lee Ann Elliott
Honorable Thomas Harris
Honorable Danny McDonald

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: Peter A. Bagatelos

ADDRESS: Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

TELEPHONE: (415) 982-7100

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 25, 1986
Date

Signature

RESPONDENT'S NAME: The Jamestown Company

ADDRESS: By: R. R. Garcia, Director
c/o Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

HOME PHONE:

BUSINESS PHONE: (415) 982-7100

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: Peter A. Bagatelos

ADDRESS: Bagatelos and Fadem
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San Francisco, California 94108

TELEPHONE: (415) 982-7100

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 25, 1986
Date

Signature

RESPONDENT'S NAME: Arconal, Inc.

ADDRESS: By: R. R. Garcia, Director
c/o Bagatelos and Fadem
601 California Street
Suite 1801
San Francisco, California 94108

HOME PHONE:

BUSINESS PHONE: (415) 982-7100

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> In any case in which...a labor organization and any of its subsidiaries...or local units establish or finance or maintain or control more than one separate segregated fund, all such ...funds shall be treated as a single separate segregated fund for purposes of the [contribution] limitations provided by... [§441a(a)(1) and (a)(2)]. See 2 U.S.C. §441a(a)(5).

The regulations provide more specifically that all of the political committees1/ set up by a single international union or its local unions (or both) are treated as a single political committee for purposes of the contribution limits in the Act. 11 CFR 100.5(g)(2)(i)(B), 110.3(a)(1)(ii)(B). These regulations reflect the so called per se affiliation rule that applies to certain categories of political committees based solely upon the relationship between their respective connected organizations.2/ This per se rule applies regardless of whether a political committee at the local level is established or controlled by another committee or connected organization at the national level. The application of the per se rule in the context of labor organizations and their political committees is discussed in Walther v. Federal Election Commission [¶9076], 468 F.Supp. 1235 (D.D.C.,1979).

It appears from your request that Local 91 is a local unit of LIU. Accordingly, the Fund is an affiliated committee of all political committees set up by LIU and its other local or subordinate labor organizations. The fact that LIU and its political committees do not finance, control, or maintain the Fund does not change this result. See discussion and citations above.

The status of the Fund as affiliated with political committee(s) set up by LIU means that the Fund and all its affiliated committees share a single set of contribution limits with respect to contributions made and also with respect to contributions received. 2 U.S.C. §441a(a) (5), also see Advisory Opinions 1982-36 [¶5680] and 1982-18 [¶5664]. However, the Fund must file separate reports reflecting its own receipts and disbursements as a separate political committee. See Advisory Opinions 1979-68 [¶5447] and 1979-56 [¶5445]. In addition, the Fund's Statement of Organization (FEC Form 1) must identify as affiliated committees each political committee established by Local 91's parent body, the Laborers International Union. See generally 11 CFR 102.2 and, in particular, 11 CFR 102.2(b)(1)(ii).

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Dated: February 28, 1985.

1/ A separate segregated fund under 2 U.S.C. §441b(b) is one type of political committee. 2 U.S.C. §431(4)(B).

2/ A "connected organization" is defined to include any organization (but not a political committee) such as a labor organization that directly or indirectly establishes, administers, or financially supports a political committee. 2 U.S.C. §431(7), 11 CFR 100.6.

[¶5809] AO 1985-3: State Contribution by Subsidiary of Foreign Corporation

[A corporation that is a subsidiary of a Canadian corporation may make a contribution to a state campaign so long as foreign money is not involved. Answer to Rod Diridon, Supervisor, Fourth District, Santa Clara County, P. O. Box 621, Santa Clara, California 95052.]

This responds to your letter of January 10, 1985, and other letters you submitted with it, in which you request an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to your proposed acceptance of a contribution from UTDC, Inc. (USA), a wholly-owned subsidiary of UTDC-Canada.

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You indicate that you are the Supervisor for the Fourth District of Santa Clara County, California, which is an elected office under California law. Your earlier letter to the California Fair Political Practices Commission indicates that on February 27, 1984, your campaign committee received a contribution of $1,000 from UTDC, Inc. (USA), which is a subsidiary of UTDC-Canada. Your letter explains that UTDC, Inc. (USA), is a Delaware corporation with headquarters in Detroit, Michigan, and with a Board of Directors which is "wholly or substantially comprised of U.S. citizens." You further stated that this corporation is a "separate profit center from UTDC-Canada and its financial involvement within the United States is substantial." In your letter of January 10, 1985, you ask whether it will be permissible for you to receive similar contributions in the future.

As a preliminary matter, the Commission notes that California law does not prohibit corporate contributions to candidates for state and local office, and that the prohibition against corporate contributions in 2 U.S.C. §441b does not apply in your case.

Under the Act and Commission regulations, foreign nationals are prohibited from making contributions, directly or through any other person, in connection with any election to any political office. 2 U.S.C. §441e; 11 CFR 110.4(a). Unlike most of the other provisions of the Act, §441e applies to any election for any political office, including state and local offices as well as Federal offices. The term "foreign national" is defined by 2 U.S.C. §441e(b)(1) to mean a "foreign national" as this term is defined specifically by 22 U.S.C. §611(b). Section 611(b) defines a "foreign principal" as including:

(1) a government of a foreign country and a foreign political party;

(2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has its principal place of business in the United States, and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Under 22 U.S.C. §611(b), a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a "foreign national" under 2 U.S.C. §441e. Advisory Opinions 1983-31 [¶5735], 1982-10 [¶5651], and 1981-36 [¶5632]; also see opinions cited therein. The Commission concludes, therefore, that UTDC, Inc. (USA), a discrete corporate entity organized under the law of Delaware with its principal place of business in the United States, is not a foreign national, and therefore not subject to the prohibiton of 2 U.S.C. §441e.

Since, however, §441e prohibits contributions by a foreign national through any other person, and since the parent Canadian corporation is both a person, 2 U.S.C. §431(11), and a foreign national by application of 22 U.S.C. §611(b)(3), it follows that a contribution by UTDC, Inc. (USA), may only be made or accepted under certain conditions. Specifically, the parent Canadian corporation may not directly or indirectly provide the funds for such a political contribution. See Advisory Opinion 1981-36. Nor may that corporation or any other person who is a foreign national under 2 U.S.C. §441e have any decision-making role or control with respect to the making of any political contribution by UTDC, Inc. (USA). See Advisory Opinion 1983-31.

The Commission expresses no opinion regarding application of any other Federal statute or any state statute to the proposed transaction, since any issues thereunder are not within the Commission's jurisdiction.

This response consitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

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Dated: March 4, 1985.

CONCURRING OPINION OF COMMISSIONER FRANK P. REICHE

TO ADVISORY OPINION 1985-3

Advisory Opinion 1985-3, which was approved by the Federal Election Commission on February 28, 1985, contains a statement of the current law governing political contributions by U.S. corporations with foreign ties. In this case the Requestor, a locally elected official in California, questioned whether a campaign contribution received by him from a Delaware corporation that was a wholly-owned subsidiary of a Canadian corporation was permissible under 2 U.S.C. §441e of the Federal Election Campaign Act which prohibits foreign nationals from making contributions in connection with an election to any political office.

The Opinion states that "a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal and, accordingly would not be a 'foreign national' under 2 U.S.C. §441e." The Opinion further notes two qualifications to the above statement of existing law. The first would have the effect in this case of prohibiting the parent Canadian corporation from directly or indirectly providing the funds for such a political contribution. The second would prevent the parent Canadian corporation from having any decision-making role or control with respect to the making of said contribution.

My difficulty with the Opinion relates to the fact that although it provides a detailed description of the applicable law, it does not then apply such law to the facts presented by the Requestor. Specifically, it does not attempt to determine whether the second of these two qualifications applies even though the Requestor implicitly raised this issue by referring, in his statement of facts, to the composition of the Board of Directors of the contributing corporation. While the Commission has thus legally protected itself should facts subsequently disclose foreign involvement in this contribution, I believe the Commission has a responsibility not only to recite the law, but also to determine the impact of its application to the facts submitted by the Requestor.

During the Commission's consideration of this Opinion, I suggested that we seek additional information regarding the possible involvement of the parent Canadian corporation in the making of such contribution, since I did not believe that the Requestor recipient of this contribution had provided sufficient information on which the Commission could make an informed judgment. In stating my concerns, I emphasized that I was not being at all critical of the Requestor, who had apparently provided all the information available to him on this point, but rather that I concluded this was an issue that should be addressed by the Commission and required further evidence.

Interestingly enough, the Requestor had invited the Commission to seek more information regarding the U.S. subsidiary-contributor and included in his request the name, address and telephone number of both the President of the corporation and its Sacramento, California representative. Thus, it would not have been difficult for the Office of General Counsel to make an inquiry of the type I suggested. Indeed, the Office of General Counsel has on other occasions, frequently at the behest of the Commission, made similar inquiries concerning possible foreign involvement in political contributions by U.S. corporations or their political action committees.

What therefore troubles me is the absence of information on this point as contrasted with the Commission's historic interest in establishing the extent of foreign involvement before rendering opinions in related matters (e.g. Advisory Opinion 1983-31 [¶5735] and 1982-10 [¶5651]). The additional information to which I refer would include data on the composition and operations of the Board of Directors of the contributing corporation as well as information reflecting the possible participation of the parent foreign corporation in the making of decisions regarding these political contributions.

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In this particular case, it does not appear that Congressional fears over foreign participation in American elections will be realized if such a corporate contribution is permitted in this local campaign. Thus, I decided to concur in the result. I would not want my concurrence, however, to be construed as carte blanche approval of political contributions by U.S. corporations with foreign ties without the Commission first seeking to establish the nature and extent of foreign national involvement in such matters. My approval of this Opinion is therefore limited to the facts of this case.

Dated: March 4, 1985.

Dissenting Opinion

OF

Commissioners Thomas E. Harris and Danny L. Mc Donald

Re

Advisory Opinion 1985-3

Consistently with the position taken in our dissents in earlier opinions, we believe that the subsidiary of a foreign corporation may not make contributions, in connection with any elections in this country. See dissenting opinions in Advisory Opinion 1983-31 and Advisory Opinion 1983-19, 1 Fed. Election Camp. Fin. Guide (CCH) paras. 5735, 5722.

The opinion adopted by the majority will no doubt perplex the requester, for it leaves unresolved whether the Commission does or does not view the foreign corporation involved as having "any decision-making role or control with respect to the making of any political contribution" by its subsidiary. It is our view that the parent-subsidiary relationship itself establishes such control.

Dated: February 28, 1985.

[¶5810] AO 1985-5: Treatment of Contributions Received After Election

[Contributions received after an election must be attributed to the next election if there are no campaign debts outstanding. Answer to Representative Joe Kolter.]

This responds to your letter of December 3, 1984, as supplemented by your letter of January 14, 1985, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the attribution of contributions received in 1984 by your principal campaign committee, the Committee to Re-elect Joe Kolter.

You state that a representative of the United Auto Workers Voluntary Community Action Program ("UAW V CAP") called you prior to the Pennsylvania primary election (held on April 10, 1984) to notify you of a $5,000 primary election contribution and to arrange a meeting for delivery of the check. You state that the meeting did not take place; thus, the contributor mailed the check (dated April 6, 1984). You state that the check was received after the primary but credited toward that election.1/

You further state that a similar sequence of events occurred at the time of the general election (held on November 6, 1984). You state that your campaign received and deposited a $200 check (dated October 16, 1984) from the same contributor on or before the general election. Before the general election, your campaign received a call from this contributor, who notified you of an additional $4,800 contribution for the general election. Your campaign and the contributor again unsuccessfully attempted to arrange a meeting. You state that the check (dated October 29, 1984) was mailed before the election but received and deposited the day after the election.2/ You have also provided a letter from the contributor

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(dated December 7, 1984), in which its regional representative stated that the $5,000 and the $4,800 checks were "delivered late" and added that "for the record," the $5,000 check was for the primary election and the $4,800 check was for the general election.

Regarding these contributions, you present your question as follows: "The campaign is going to continue to solicit the UAW V CAP for the 1986 election, so I would like to ask for this advisory opinion to justify our reporting them as [1984] primary and general contributions."

Commission regulations require that a written advisory opinion request "set forth a specific transaction or activity that the requesting person plans to undertake or is presently undertaking and intends to undertake in the future." 11 CFR 112.1(b). To the extent that your letter presents questions concerning contribution limits and the reporting of the $5,000 and $200 contributions (on checks dated April 6 and October 16 respectively), it relates to past, not prospective, activity. As such, it does not qualify as an advisory opinion request. See 11 CFR 112.1(b). Your letter, however, also presents a question whether the $4,800 contribution should be charged against the contributor's limitation with respect to the 1984 general election or the 1986 primary election. The correct attribution of the contribution directly relates to your campaign's proposed solicitation of contributions from UAW V CAP for the 1986 election. Accordingly, this portion of your inquiry concerns prospective activity and qualifies as an advisory opinion request.

With respect to your committee's financial position at the time the $4,800 contribution was received, the Commission notes that your principal campaign committee has not reported any outstanding debts or obligations on its pre-general election, post-general election, and year-end reports. It reported a cash-on-hand balance of $35,469 on October 17, 1984. For the period from October 18, 1984, through December 31, 1984, your committee reported total expenditures of $40,791. In the same period it also reported additional contributions of $37,980, of which more that $20,000 was reported as received on or before November 6, 1984. As this information indicates, on the date your campaign received the $4,800 contribution it had at least $14,678 more than was needed to cover all expenditures made through the close of December 31, 1984.3/ Your committee also reported a cash-on-hand balance of $33,640 on December 31, 1984.

The Act and regulations limit a multi-candidate committee's contributions to a Federal candidate and his authorized committees to an aggregate of $5,000 with respect to any election for Federal office. 2 U.S.C. §441a(a)(2); 11 CFR 110.2(a) and (d). The Act and regulations also prohibit a candidate from accepting contributions in excess of such limits. 2 U.S.C. §441a(f); 11 CFR 110.9(a).

The Commission has previously addressed the application of the contribution limits in surplus fund situations similar to that presented in your request. In Advisory Opinion 1977-24 [¶5260], regarding the transfer of surplus funds from a candidate's 1976 committee to his 1978 committee, the Commission stated:

> ... to avoid application of the 1978 limits to each contribution comprising the transferred surplus, all funds transferred must have been received as of the date of the 1976 general election (rather than subsequent to that election) since, except to the extent of outstanding debts from a 1976 election, each "contribution" (as defined in 2 U.S.C. §431(e)) after the date of the general election in 1976 is charged against the contribution limits of the original contributor with respect to a future election.

Relying on this advisory opinion, the Commission further explained in Advisory Opinion 1978-37 [¶5335], regarding the transfer of surplus funds from a candidate's 1978 primary election campaign to repay outstanding debts from his 1976 general election campaign:

> ... However, the transfer of residual contributions made to a candidate in 1978 would not constitute a contribution to the 1976 Committee so long as the contributions were originally made to influence Mr. Caputo's 1978 election to Federal office and were received before the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 and had sufficient funds to retire 1978 campaign debts.

In a previous opinion the Commission determined that excess funds of a 1976 campaign committee could be transferred forward to the 1978 campaign committee

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of the same individual without application to those funds of the 1978 limits so long as all funds transferred were received prior to the date of the 1976 general election, the date on which that individual ceased to be a candidate for Federal office in 1976. See AO 1977-24, copy enclosed. The Commission believes that similar restrictions would apply to the transfer of excess funds from the 1978 Committee to the 1976 Committee. Thus the transfer of excess campaign funds from the 1978 Committee, following the retirement of its debts and obligations, to the 1976 Committee would not necessitate any designation of particular contributions as being used for particular 1978 Committee expenses, since those contributions comprising the amount transferred to the 1976 Committee would not be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

However, contributions to the 1978 Committee received after the date on which Mr. Caputo ceased to be a candidate for Federal office in 1978 (and had sufficient funds on hand to retire 1978 campaign debts) may not be regarded as made with respect to his 1978 candidacy for Federal office. Rather, they should be treated as contributions made for the purpose of retiring the debts of the 1976 Committee to the extent such debts are outstanding. They would therefore be subject to the contribution limits of 2 U.S.C. §441a with respect to the 1976 general election.

See also Advisory Opinions 1981-9 [¶5594], 1980-143 [¶5587], and 1980-32 [¶5493].

In Advisory Opinion 1982-39 [¶5684], the Commission noted that "the entire amount of the transfer is comprised of funds received by the 1980 Committee prior to the date of the November 4, 1980 general election" and stated:

> [t]he Commission has held that funds received by a candidate prior to the date of a previous election are not counted against an individual's contribution limits with respect to a future election in the event that the candidate transfers excess funds from a previous campaign committee to a currently registered campaign committee.

Recently, in Advisory Opinion 1984-32 [¶5777], the Commission noted that funds available to pay 1984 primary election debts would include any surplus funds carried over from the 1982 election cycle and that post-general election 1982 contributions included in such carried over funds would be chargeable against the original contributors' limitations with respect to the 1984 primary election. See also Advisory Opinions 1980-60 [¶5499] and 1980-30 [¶5498].

This review of the previous advisory opinions leads to the conclusion that a similar response should be made to your question. The Commission notes that your committee could continue to receive contributions after the 1984 general election, such as the $4,800 contribution from UAW V CAP. Nevertheless, since your committee has no apparent debts outstanding with respect to the 1984 general election, the $4,800 contribution may not be applied toward UAW V CAP's limitation with respect to that election. Accordingly, the $4,800 contribution should be regarded as a contribution with respect to the 1986 primary election and aggregated with other contributions from UAW V CAP with respect to such election for limitation purposes. This treatment may also apply to other contributions your committee received after November 6, 1984. Also, if these contributions aggregate in excess of $5,000, you may also meet the requirements for candidacy status for the 1986 election cycle. See 11 CFR 100.3 and 101.1; Advisory Opinion 1977-29 [¶5263].

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transactions or activities set forth in your request. 2 U.S.C. §437f.

Dated: March 6, 1985.

1/ Your committee's report of this contribution itemizes the date as April 6, 1984. Pursuant to Commission regulations, the recipient committee reports the date of the receipt of a contribution. See 11 CFR 104.3(a)(4)(ii).

2/ Your committee's report of the $4,800 contribution itemizes the date as November 16, 1984. See 11 CFR 104.3(a)(4)(ii).

3/ $35,469 plus $20,000 minus $40,791 equals $14,678.

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City and County of San Francisco:

George Agnost,
City Attorney

Office of City Attorney

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May 29, 1986

Mr. Eric Kleinfeld
Office of General Counsel
Federal Elections Commission
999 "E" Street NW
Washington, DC 20463

Dear Mr. Kleinfeld:

We have enclosed the responses to Complaint No. MUR-2165 on behalf of Louise Renne, Quentin L. Kopp, Willie B. Kennedy, Dianne Feinstein, Carol Ruth Silver and Wendy Nelder.

Please feel free to call Randy Riddle at 415-558-3201 if you have any questions concerning this matter.

Very truly yours,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
Deputy City Attorney

RANDY RIDDLE
Deputy City Attorney

RER:vdg

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Attorneys for Respondent Louise Renne

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Louise Renne (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $500 to the "Committee to Re-elect Louise Renne" received on August 8, 1984, and one of $200 to the "Friends of Louise Renne Committee" received on November 20, 1985.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that the The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of the United States entities or that the decision to make contributions was made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contributions in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Respondent.

II.

FACTS

As noted, the Committee to Re-elect Louise Renne received a contribution of $500 on August 8, 1984 and the Friends of Louise Renne Committee received a contribution of $200 on November 20, 1985, both contributions in the name of of Sylvia Lichauco. See check numbers 5419 and 6343, dated July 27, 1984 and November 15, 1985, respectively, drawn on the account of Sylvia Lichauco, true and correct copies of which are attached to this response as Exhibit A and incorporated herein by reference. See also declaration of Louise Renne, attached to this response as Exhibit B incorporated herein by reference. Respondent did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986, when the respective committees were informed otherwise in letters from the law firm of Bagatelos & Fadem, attorneys for The Jamestown Company. See declaration of Louise Renne.

The letter concerning the $500 contribution to the Committee to Re-elect Louise Renne advised that the contribution

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ostensibly made by Sylvia Lichauco was reimbursed by The Jamestown Company through its agent Stanway, Inc. The letter concerning the $200 contribution to the Friends of Louise Renne Committee mistakenly addressed to the Committee to Re-elect Louise Renne, advised that the contribution originally attributed to Sylvia Lichauco was reimbursed by The Jamestown Company. See declaration of Louise Renne and the letters from the Law Offices of Bagatelos and Fadem dated March 20, 1986, true and correct copies which are attached to this response as Exhibit C and incorporated herein by reference.

The fact that the ultimate source of the contribution was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit D and made a part hereof by reference. On March 7, 1986, Respondent caused the Friends of Louise Renne Committee to return the $700 in total contribution to Sylvia Lichauco, the person in whose name the contributions were made. See check number 560 drawn on account of Friends of Louise Renne, dated March 17, 1986, a true and correct copy of which is attached to this response as Exhibit E and incorporated herein by reference. As explained in the declaration of Louise Renne, the check for the refund of both contributions was drawn on the account of the Friends of Louise Renne since the Committee to Re-elect Louise Renne has been

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closed under California law. Upon closing the Committee, funds in excess of $200 were transferred from the Committee to Re-elect Louise Renne to the Friends of Louise Renne Committee.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company appearing on the corporation's most recent "Statement by Domestic Stock Corporation" filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of

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Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Joseph A. Sperske.

The decision of whether to make a campaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the funds for the contributions in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

As noted, the contribution to the Committee to Re-elect Louise Renne, ostensibly donated by Sylvia Lichauco, ultimately came from The Jamestown Company through its agent Stanway, Inc. Stanway, Inc. is a Netherlands Antilles corporation that serves as an agent of The Jamestown Company. Stanway exercises no

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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control or influence over the operations of The Jamestown Company and plays no role in determining the campaign contribution policy of The Jamestown Company. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.; "Act") provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
>
> > (1) a government of a foreign country and a foreign political party;
> >
> > (2) a person outside the United States, unless

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> it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and
>
> (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case set forth above clearly reveals that no violation of Federal law

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SAN FRANCISCO 94102
558-3315

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has been committed.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contributions were made by the officers and directors of The Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of opinions of the Commission cited above, The Jamestown Company was entitled under the Act to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company to Respondent violated federal election laws.

It must also be emphasized that at the time the contributions were made, Respondent had no reason to believe that the contributions came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contributions. Respondent, out of an abundance of caution, caused the contributions to be returned. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, although there is no indication that federal law has been violated, Respondent's action in returning the

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558-3315

contribution will have effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contributions drawn on the account of Sylvia Lichauco were in fact made by anyone other than Ms. Lichauco. Moreover, even had contributions in question been made in violation of the Act, the return of the contributions by the Respondent cured the violation with respect to her. Since there is no evidence before the Commission suggesting that a violation of the Federal Elections Campaign Act has been committed, Respondent respectfully request

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

that the Commission close its file in this matter.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: _____

Veenah Bond
35% COTTON FIBER

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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EXHIBIT A

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street San Francisco California 94111

5419

July 27, 1984

11-2929/05
1210

PAY Five Hundred Only---------- DOLLARS $500.00---

TO THE ORDER OF Committee to re-elect Supervisor Louise H. Renne
(I.D. 830776)

⑈005419⑈ ⑆121029290⑆ 05⑈281416⑈

SECURE CHECK PRINTERS

8 7 0 4 0 5 3 2 9 0 2

6343

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street, San Francisco California 94111

11/15 1981

11-2029/08
1210

PAY Two hundred dollars DOLLARS $ 200.00/xx

TO THE ORDER OF Friends of Supervisor Louise Renne

⑈006343⑈ ⑆121029290⑆ 05-281416⑈

DELUXE CHECK PRINTERS

8 7 0 4 0 5 3 2 9 0 3

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EXHIBIT B

8704032905

DECLARATION OF LOUISE RENNE

I, LOUISE RENNE, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since December, 1978.

2. The Committee to Re-elect Supervisor Louise Renne received a campaign contribution by way of a check dated July 27, 1984, in the amount of $500.00 made payable to the Committee to Re-elect Louise Renne. At the time this check was received, neither the treasurer for the committee nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco, the name on whose account the check was drawn.

3. Subsequently the Friends of Louise Renne received by way of a check dated November 11, 1985 a contribution from Sylvia Lichauco in the amount of $200.00. Again, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco. I subsequently received a letter dated March 3, 1986, from the law firm of Bagatelos & Fadem who purported to represent The Jamestown Company. In that letter, Mr. Bagatelos advised that there had been newspaper accounts indicating that the contributions from Ms. Lichauco may have been made in violation of Federal law. The letter further advised that the contributions were legal under United States campaign election

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

laws.

4. Following the publication of certain newspaper articles which raised questions about the source of political contributions, on March 17, 1986, I caused the Friends of Louise Renne to draw a check on its account to return the $700.00 in campaign contributions made ostensibly by Sylvia Lichauco to the Committee to Re-elect Supervisor Louise Renne and the Friends of Louise Renne. Out of an abundance of caution and without investigation by me or my committees, this remittance was made as soon as a question was raised regarding the legality of the contribution. The remittance was made out of Friends of Louise Renne funds. This will be reflected on the next California Campaign Disclosure Statement due June 30, 1986. All of the money returned to Sylvia Lichauco came from the Friends of Louise Renne funds because the Committee to Re-elect Supervisor Louise Renne had been officially closed pursuant to California law. Prior to closing the Committee to Re-elect Louise Renne transferred more than $200.00 to the Friends of Louise Renne fund and thus the money returned for the Committee to Re-elect Supervisor Louise Renne will in fact come from funds from this committee. Again, this will be reflected on the June 30, 1986 Campaign Disclosure Statement.

5. The Committee to re-elect Supervisor Louise Renne received from Mr. Bagatelos a letter dated March 20, 1986 indicating that the source of the $500 contribution to the Committee to Re-elect Louise Renne was actually the Jamestown

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

Company and that the contribution was made through its agent Stanway, Inc. On the same date the Committee to Re-elect Louise Renne received a letter apparently meant for the Friends of Louise Renne indicating that the $200 contribution ostensibly donated by Sylvia Lichauco was reimbursed by The Jamestown Company. Again, these letters advised that the contributions were legal under United States campaign election laws.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 29th day of May, 1986, at San Francisco, California.

LOUISE RENNE

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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EXHIBIT C

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Committee to ReElect Supervisor
Louise Renne
1 Maritime Plaza, 20th Floor
San Francisco, CA 94111

Attn: Paul Laveroni

Dear Mr. Laveroni:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On November 13, 1985, a contribution was made to your committee by Sylvia Lichauco in the amount of $200.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on November 29, 1985 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

In addition, this is to advise you that Sylvia Lichauco has received your refund for the above contribution. Sylvia Lichauco will reimburse The Jamestown Company.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
501 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Committee to ReElect Supervisor
Louise Renne
1 Maritime Plaza, 20th Floor
San Francisco, CA 94111

Attn: Mr. Paul Laveroni

Dear Mr. Laveroni:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On July 27, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on August 1, 1984 by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company through its agent Stanway, Inc. and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

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The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

In addition, this is to advise you that Sylvia Lichauco has received your refund for the above contribution. Sylvia Lichauco will reimburse The Jamestown Company.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelas

Peter A. Bagatelas

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT D

EXPENDITURE AND MAJOR DONO.. COM. .TTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (if applicable):
N/A

TOTAL PAGES
6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: SUP	Check one: OP	AMOUNT	CUMULATIVE AMOUNT
201	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
203	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
204	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
207	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

(If additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-ons). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated nabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

nformation required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Supports	Check one: Opposes	AMOUNT	CUMULATIVE AMOUNT
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	500
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
5	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	ID #840151 contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25
9	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
3	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #C San Francisco,CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
4	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
7	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
8	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

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Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions for Political Reform Act," Part X.

... Company & Affiliated Entities

...NS MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part 1) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

...e not received any contributions during this calendar year.

...are under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence ...preparation.

The Jamestown Co. & Affiliated Entities

...ted on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by [signature] (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL DONOR)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT E

Ck#560

FRIENDS OF LOUISE RENNE № 0560

Mar 17 1986

Pay to the Order of Sylvia Lichauco $ 700.—

Seven hundred dollars and no/100 Dolla

SECURITY PACIFIC NATIONAL BANK
San Francisco Main Office #0512
One Embarcadero Center, San Francisco, CA 94111

return of contributions
Ck# 5419 - 7/27/84 - Committee to Effect - 500.00
Ck# 6343 - 11/15/85 - Friends of Louise Renne - 200.00

Martha L. Moore

⑈000560⑈ ⑆121000044⑆ 512-074304⑈

87 0 4 0 3 3 2 9 2 1

PAY TO THE ORDER OF
REDWOOD BANK
SAN FRANCISCO, CA
FOR DEPOSIT ONLY
SYLVIA LICHAVCO
05 28 14 16

MAR 21 86

11-2989 REDWOOD BANK SAN FRAN CA
PAY ANY BANK F.E.S.
03 21 86

PROCESSED
H.O.C.

0000693

EXHIBIT E

R70405329 22

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

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EXHIBIT G

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FILED

APR 2 1981

Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein

Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein

Mark L. Epstein

8704-0432925

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EXHIBIT H

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone (916) [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE)

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225

THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

M110764

FILED
SACRAMENTO, CALIF
Mar 26 '85
Mar[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION: 153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT | Treasurer — TITLE | 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

☐ (CHECK HERE) — SIGNATURE OF OFFICER OR AGENT | TITLE | DATE

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[illegible]

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EXHIBIT I

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

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EXHIBIT J

1118369

FILED
In the office of the Secretary of State
of the State of California
JUL 28 1982
[signature]
Deputy

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

[signature]
John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

[signature]
John C. Lyon

Re. Ch. to ARCONAL, INC.

1118969 A253301

FILED
in the office of the Secretary of State
of the State of California
AUG 26 1982
FRANK M. JORDAN, Secretary of State
By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

[signature]
John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

[signature]
John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
In the office of the Secretary of State
of the State of California

JAN 21 1983

MARCH FONG EU, Secretary of State

Deputy

CERTIFICATE OF AMENDMENT OF THE
ARTICLES OF INCORPORATION OF
ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

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NAME CHANGE TO: BAY TWO COMPANY

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FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 8A

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

MARCH FONG EU, Secretary of State

By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT K

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Quentin L. Kopp

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Quentin Kopp (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company and affilliated entities made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $500 to "The Committee to Re-elect Quentin Kopp" made on September 21, 1984 in the name of Sylvia Lichauco.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. These allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than U.S. citizens.

Complainant has produced no credible evidence suggesting

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, The Committee to Re-elect Quentin Kopp received a contribution of $500 on September 21, 1984 in the name of Sylvia Lichauco. Supervisor Kopp did not know nor did he have reason to believe that the actual contributor was anyone but Sylvia Lichauco. Mr. Gregoire A. Calegari, the treasurer of his Re-Election Committee, received a letter dated March 20, 1986, from Peter Bagatelos, an attorney representing The Jamestown Company. That letter advised that the contribution attributed to Lichauco was reimbursed by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California Corporation. The letter further advised that the Contribution was subsequently reimbursed by The Jamestown Company. See declaration of Quentin Kopp attached to this response as Exhibit A and the letter from Peter Bagatelos to the Committee to ReElect Quentin Kopp dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit B and incorporated herein by reference.

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SAN FRANCISCO 94102
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On May 27, 1986, Respondent caused the Committee to Re-Elect Quentin Kopp to return the $500 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 885 drawn on account of Friends of Kopp dated May 27, 1986, a true and correct copy of which is attached to this response as Exhibit C and incorporated herein by reference; see also, declaration of Dianne Feinstein.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit D and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit F and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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corporation. See State of California Certificate of Status of Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit G and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit H and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit I, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See declaration of Sperske.

The decision of whether to make a compaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See declaration of Sperske.

Finally, the funds ultimately used for the contribution in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions involved in this matter could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
> (1) a government of a foreign country and a foreign political party;
>
> (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. See F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case, set forth above, clearly reveals that no violation of Federal law has been committed.

As noted, it appears from the March 20 letter of Peter Bagatelos that the funds for the contribution ultimately came from The Jamestown Company. At all times relevant to this

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contribution in question. Accordingly, there is simply no evidence suggesting that the contribution by The Jamestown Company violated federal election laws.

Further, it should be pointed out that Citistops is also a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, August 8, 1984, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit L and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates. Citistops is not

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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controlled, influenced or funded by any foreign entity or entity. See Declaration of Sperske.

It must also be emphasized that at the time the contribution was made, Respondent had no reascn to believe that the contribution came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contribution. There was nothing to distinguish this contribution from the scores of other contributions a candidate receives in the course of a year. Subsequently, Respondent, out of an abundance of caution, returned the contribution. Respondent has acted in good faith in all aspects of this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, even had the contribution been made in violation of federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action is to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

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/ / /

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. He committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question been made in violation of the Act, the return of the contribution by the Respondent cured the violation with respect to him. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: Randy Riddle

8558E

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

8704053299

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EXHIBIT A

DECLARATION OF QUENTIN L. KOPP

I, QUENTIN L. KOPP, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1972.

2. The Committee to Re-elect Quentin Kopp received a campaign contribution September 21, 1984, in the amount of $500.00 made payable to the Committee to Re-elect Quentin Kopp. At the time this check was received, neither the treasurer for the committee nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco, the name on whose account the check was drawn.

3. The Committee to Re-elect Quentin Kopp subsequently received from the law firm of Bagatelos & Fadem a letter dated March 20, 1986 indicating that the contribution of $500.00 formerly attributed to Sylvia Lichauco was, in fact, reimbursed to her by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation. The letter further advised that The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

4. On May 27, 1986, I caused the Friends of Kopp Committee to draw a check on its account made payable to

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

Sylvia Lichauco for the purpose of refunding the $500.00 contribution ostensibly made by Sylvia Lichauco. The money was refunded from the funds of the Friends of Kopp because, pursuant to California law, the Committee to Re-elect Quentin Kopp has been terminated and the remaining funds were transfered to the Friends of Kopp Committee. These facts will be reflected on the next California Campaign Disclosure Statement due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 29th day of May, 1986, at San Francisco, California.

Quentin L. Kopp

QUENTIN L. KOPP

8535E/1-2

8704063295 2

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

8704043329553

EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1101
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

RECEIVED
MAR 24 1986
KOPP & DIFRANCO

March 20, 1986

Committee to ReElect Quentin Kopp
354 Pine Street, 3rd Floor
San Francisco, CA 94104

Attn: Gregoire A. Calegari

Dear Mr. Calegari:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On September 11, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on September 11, 1984 by Citistops, Inc. from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation.

Further, on December 6, 1985, The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

At the time the contribution and reimbursement was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company, and Citistops, Inc. (Sylvia Lichauco shareholder account)/Piper King, Inc. (Sylvia Lichauco shareholder account) as affiliated entities, and their addresses, on your campaign statements.

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The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT C

SECURITY PACIFIC NATIONAL BANK
California-Montgomery Office 60500
455 California St.
San Francisco, CA 94104

FRIENDS OF KOPP
I.D. NO. 760974
300 MONTGOMERY, RM. 730
SAN FRANCISCO, CA 94104

885

May 27 1986

11-4
1210

PAY Five hundred & 00/100 DOLLARS $ 500.00

TO THE ORDER OF Sylvia Lichanco

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS

Quentin L. Kopp

⑈000885⑈ ⑆121000044⑆500⑉027534⑈

8 7 0 4 0 5 3 2 9 5 7

8 7 0 4 0 6 3 2 9 5 8

EXHIBIT D

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, 19 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

84 33127

8704043290960

EXHIBIT E

1022192

FILED
In the office of the Secretary of State
of the State of California
APR 2 1981
In the Secretary of State
Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

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8704043290662

EXHIBIT F

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone (916) [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225

THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

M110764

FILED
SACRAMENTO, CALIF
MAR 26 '85
[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION: 153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT | Treasurer — TITLE | 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(SPACE HERE) SIGNATURE OF OFFICER OR AGENT | TITLE | DATE

22

SD-[illegible] (REV. 3-84)

8704063290664

EXHIBIT G

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

8704043290666

EXHIBIT H

1116369

FILED

JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this cofporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

Re. Ch. to ARCONAL, INC.

1118369 A253301

FILED
in the office of the Secretary of State
of the State of California
AUG 26 1982
MARCH FONG EU, Secretary of State
By Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

0040632969

NAME CHANGE TO: BAY TWO COMPANY

A261147

1118369

FILED
In the office of the Secretary of State
of the State of California
FEB 4 1983
[illegible]
Deputy

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectivaly of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

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NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

In the office of the Secretary of State
of the State of California

JUL 29 1983

MARCH FONG EU, Secretary of State

By Kathleen P. Jutzing
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

8 7 0 4 0 6 3 2 9 7 2

EXHIBIT I

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

8704053297 4

Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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EXHIBIT 5

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, *19* 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

8704063290978

EXHIBIT K

1022192

FILED

APR 2 1981

ARTICLES OF INCORPORATION
OF
THE JANESTOWN COMPANY

FIRST

The name of this corporation is THE JANESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 465 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

A704063279

8704063290R0

EXHIBIT L

SEP 24 1985

March Fong Eu

MARCH FONG EU
SECRETARY OF STATE

WHEN COMPLETING FORM, ISSUE THE BLACK INDIVIDUAL BRANCH OR BLACK INK

1. 11818810 DUE DATE 08-31-85 251385

CITISTOPS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street.	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B. ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94108

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C. ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY _____

12. NAME George M. Putris

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
Flynn & Steinberg, 220 Jackson Street, San Francisco, CA 94111

14. BRIEFLY TYPE OF BUSINESS OF THE CORPORATION
Project Management

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco (Chairman of the Board) _____ _____
TYPE OR PRINT NAME OF BIDDING OFFICER OR AGENT — SIGNATURE — DATE

16. [illegible] (READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(CHECK HERE) Sylvia Lichauco — TYPE OR PRINT NAME OF BIDDING OFFICER OR AGENT — [signature] — SIGNATURE — 9/6/85 — DATE

[illegible] (REV. 3-85)

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Dianne Feinstein

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Mayor Dianne Feinstein (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $125 to "The Friends of Mayor Dianne Feinstein" made on June 22, 1984 in the name of Sylvia Lichauco.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than U.S. citizens.

Complainant has produced no credible evidence suggesting

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent will have cured the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, "The Friends of Mayor Dianne Feinstein" received a contribution of $125 on June 22, 1984 in the name of Sylvia Lichauco. See declaration of Dianne Feinstein, attached to this response as Exhibit A and incorporated herein by reference. See check number 5330 dated June 22, 1984 drawn on the account of Sylvia Lichauco, a true and correct copy of which is attached to this response as Exhibit B and incorporated herein by reference. Mayor Feinstein did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986 when Mr. Henry Berman, the treasurer of her Friends Committee, received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that the actual source of the contribution was The Jamestown Company. See declaration of Dianne Feinstein and copy of letter dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit C and incorporated herein by reference. The fact that the ultimate source of the contribution was The

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Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit D and made a part hereof by reference. On March 24, 1986, Respondent caused the Friends of Mayor Dianne Feinstein to return the $125 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 1318 drawn on account of Friends of Mayor Dianne Feinstein dated March 24, 1986, a true and correct copy of which is attached to this response as Exhibit E and incorporated herein by reference; see also, declaration of Dianne Feinstein.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The

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three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See declaration of Joseph A. Sperske.

The decision of whether to make a company contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See declaration of Sperske.

Finally, the funds for the contribution in question were derived from income earned by The Jamestown Company in its United

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States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions in question in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

The term "foreign principal" includes--
(1) a government of a foreign country and a

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foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case

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set forth above clearly reveals that no violation of Federal law has been committed.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company violated federal election laws.

It must also be emphasized that at the time the contribution was made, Respondent had no reason to believe that the contribution came from anyone other than Sylvia Lichauco, a United States citizen. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contribution. There was nothing to distinguish this contribution from the scores of other contributions a candidate receives in the course of a year. At that time, Respondent, out of an abundance of caution, immediately returned the contribution. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on

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this matter with respect to Respondent.

Finally, even had the contribution been made in violation of federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question been made in violation of the Act, the return of the contribution by the Respondent cured the violation

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with respect to her. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: Randy Riddle

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EXHIBIT A

DECLARATION OF DIANNE FEINSTEIN

I, DIANNE FEINSTEIN, do hereby declare;

1. I am the duly elected Mayor of the City and County of San Francisco. I have served as Mayor of San Francisco since 1978.

2. The Friends of Dianne Feinstein received a campaign contribution by way of a check dated June 22, 1984, in the amount of $125.00 made payable to the Friends of Mayor Feinstein. The check was drawn on the account of Sylvia Lichauco. At the time this check was received, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than Sylvia Lichauco.

3. I subsequently received a letter dated March 20, 1986 from the law offices of Bagatelos & Fadem that advised me that they were the attorneys for the Jamestown Company. It further advised that the $125 contribution received on June 22, 1984 from Sylvia Lichauco was reimbursed on June 29, 1984 by the Jamestown Company. This letter also advised that the contribution was legal under United States campaign election laws.

4. On March 24, 1986, I caused the Friends of Dianne Feinstein to draw a check on its account in the amount of $125 to refund the contribution ostensibly made by Sylvia Lichauco. This fact will be reflected on the next California

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ROOM 206 CITY HALL
SAN FRANCISCO 94102
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Kenah Bond

campaign disclosure statement due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 28th day of May, 1986, at San Francisco, California.

DIANNE FEINSTEIN

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CITY ATTORNEY
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SAN FRANCISCO 94102
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EXHIBIT B

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

Redwood Bank
735 Montgomery Street San Francisco California 94111

5330

6/22 1984

11-2020/05
1219

TO THE ORDER OF

Friends of Mayor Feinstein

Sylvia

⑈005330⑈ ⑆121029290⑆ 05⑈281416⑈

420

8 7 0 4 0 5 3 2 9 9 6

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EXHIBIT C

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

TELEPHONE
(415) 982-1300

BARRY FADEM
PETER A. BAGATELOS

March 20, 1986

Peter We have refunded the contribution. Will show the transaction in Sch G of our 6/30/86 Report
Ralph Moore 4/2/86
cc: Henry
Hadley Roff

Friends of Mayor Dianne Feinstein
164 Marco Way
So. San Francisco, CA 94080

Attn: Henry Berman

Dear Mr. Berman:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On June 22, 1984, a contribution was made to your committee from Sylvia Lichauco in the amount of $125.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on June 29, 1984 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign

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laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT D

EXPENDITURE AND MAJOR DONO.. COM.. /TEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICER'S USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Supp.	Check one: Opp.	AMOUNT	CUMULATIVE AMOUNT
0 0 3 3 0	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
0 0 3 3 5	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
0 0 4 0 4	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
0 0 4 9 7	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

This report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regulations). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for the Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 Kearny St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated hereinabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

* Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

EXHIBIT

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Supports	Check one: Opposes	AMOUNT	CUMULATIVE AMOUNT
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,25
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #C San Francisco,CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions the Political Reform Act," Part X.

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
6/1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 6, Part IV) $ 9,602

IV SUMMARY

Expenditures and contributions made of $100 or more this period (Part I) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

ve not received any contributions during this calendar year.

clare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence preparation.

The Jamestown Co. & Affiliated Entities

cuted on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by _____ (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL OWNER)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co.	$12,000
	(2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

R704433006

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EXHIBIT E

FRIENDS OF MAYOR DIANNE FEINSTEIN
FPPC NO. 810269
POST OFFICE BOX 15926
SAN FRANCISCO, CALIFORNIA 94115

№ 1318

11-35/1210

March 24 19 86

Pay to the Order of ***Sylvia Lichauco***

$ *125.00*

One Hundred Twenty Five and no/100 Dollars

BANK OF AMERICA
4TH & BRANNAN BRANCH 1209
801 BRANNAN ST.
P.O. BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

Refund of Contribution-Your check #5330 Redwood Bank,
11-2929/05/1210 Acct #121029290 05 281416 dtd 6/22/84

/s/
Assistant Treasurer

⑈001318⑈ ⑆121000358⑆ 12090-02357⑈

CHECK

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EXHIBIT F

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

84 33122

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EXHIBIT G

1022192

FILED
In the office of the Secretary of State
of the State of California
APR 2 1981
MARCH FONG EU, Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

8 7 0 4 0 5 3 3 0 1 2

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EXHIBIT H

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone (916) [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225

THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

10764

FILED
SACRAMENTO, CALIF
Mar 26 '85
March Fong Eu
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL. (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION.
153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT
Treasurer — TITLE
3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(CHECK HERE)

SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

22

SD-[illegible] (REV. 3-84)

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EXHIBIT I

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

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EXHIBIT J

1118369

FILED
in the office of the Secretary of State
of the State of California
JUL 28 1982
Phyllis Zubiggi
Deputy

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

Re. Ch. to ARCONAL, INC.

1118369 A253301

FILED
in the office of the Secretary of State
of the State of California
AUG 26 1982
MARCH FONG EU, Secretary of State
By Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

0 4 0 5 3 3 0 2 0

NAME CHANGED TO: BAY TWO COMPANY

A261147

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FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

870403

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED
In the office of the Secretary of State
of the State of California

JUL 29 1983

MARCH FONG EU, Secretary of State
By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

[signature]
John C. Lyon
Vice President

[signature]
John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

[signature]
John C. Lyon
Vice President

[signature]
John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT, K

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

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Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Willie B. Kennedy

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government ("Complainant"), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Willie B. Kennedy ("Respondent"), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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Complainant based her complaint on two sources of information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $150 to the Campaign Committee to Elect Supervisor Willie B. Kennedy ("Committee") made on October 31, 1984 by The Jamestown Company and one purportedly made to the same committee in the name of Citistops on December 5, 1984 in the amount of $100.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions, not involving Respondent, were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence suggesting that the source of the contributions was anything other than revenues generated from American operations of United States entities or that the decisions regarding the campaign

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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contributions in question were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has corrected the violation by returning the contribution in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, the Campaign Committee to Elect Supervisor Willie B. Kennedy ("Committee") received a contribution of $150 on October 31, 1984 in the name of The Jamestown Company. See declaration of Willie B. Kennedy attached to this response as Exhibit A and incorporated herein by reference. Respondent did not and does not have reason to know or believe that the actual contributor was anyone but Jamestown. On March 20, 1986 the Committee received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that a contribution purportedly made to the Committee by Citistops Inc. was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops Inc., a California corporation. The letter also advised that this contribution was later reimbursed by The Jamestown Company. See letter dated March 20, 1986

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

attached to this response as Exhibit B and incorporated herein by reference. The records of the Committee do not indicate that it ever received such a contribution. See Declaration of Kennedy.

The fact that the source of the October 31, 1984 contribution was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference. On March 20, 1986, after the publication of newspaper articles raising questions about the source of certain political contributions, Respondent, out of an abundance of caution, caused the Committee to return the $150 contribution to The Jamestown Company, the entity in whose name the contribution was made. See check number 101 drawn on the account of the Committee dated March 20, 1986, a true and correct copy of which is attached to this response as Exhibit D and incorporated herein by reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3316

response as Exhibit F and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit G and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of Arconal, Inc., Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit H and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit I and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit J, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a company contribution to a

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the source of funds for the contribution in question was derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

With regard to the contribution allegedly made to the Committee by Citistops, it must again be emphasized that the records of the Committee do not indicate that such a contribution was ever received. In any event, the letter of March 20, 1986 from Peter Bagatelos to the treasurer of the Committee indicates that the contribution supposedly originally attributed to Citistops was made from funds held for the benefit of Sylvia Lichauco, a United States citizen, and was later reimbursed by The Jamestown Company.

Further, it should be pointed out that Citistops is itself a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; the "Articles of Incorporation of Citistops" filed with the California Secretary of State, August 8, 1984, a true and correct

8704063303 2

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3518

copy of which is attached to this response as Exhibit L and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit M and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates, and is no part of the corporation is owned, influenced, controlled or funded by any foreign entity or person. See Declaration of Sperske.

Finally, on May 28, 1986, the Respondent, out of an abundance of caution, caused the Committee to draw a check on its account made payable to Citistops, the entity on whose account the $100 contribution was originally purportedly made, to refund the alleged contribution. See check number 294 dated May 28, 1986 drawn on the account of the Campaign Committee to Elect Supervisor Willie B. Kennedy, a true and correct copy of which is attached to this response as Exhibit N .

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3918

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contribution from a foreign national.

(b) As used in this section, the term "foreign national" means--

(1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

The term "foreign principal" includes--

(1) a government of a foreign country and a foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company and Citistops were organized under the laws of California and their directors and officers are United States citizens.

The source of The Jamestown Company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contribution were made by the officers and directors of The Jamestown Company. This is also true with regard to the contribution purportedly made by The Jamestown Company via Citistops. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission

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SAN FRANCISCO 94102
558-3318

cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no indication that the contributions by The Jamestown Company violated federal election laws.

Also it must be emphasized that Respondent has had at no time reason to believe that the October 31, 1984 contribution came from anyone other than The Jamestown Company. Still, out of an abundance of caution, Respondent caused the Committee to refund the contribution.

It was not until the Bagatelos letter of March 20, 1986 that the Respondent was informed of the purported contribution involving Citistop, a California corporation with no foreign ownership, influence, or funding. Again, out of an abundance of caution, Respondent caused the alleged contribution to be refunded.

Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, even had the contribution been made in violation of the federal law, Respondent's action in returning the contribution effectively corrected any violation with respect to Respondent. When it is discovered that a candidate has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has, out of an abundance of caution,

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation, the funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contribution in question violated the Act, the return of the contribution by the Respondent cured the violation with respect to her. Accordingly,

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3215

Respondent respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: Randy Riddle

Neenah Bond
25% COTTON FIBER

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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EXHIBIT A

DECLARATION OF WILLIE B. KENNEDY

I, WILLIE B. KENNEDY, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1981.

2. The Willie B. Kennedy Campaign Committee received a campaign contribution made on October 31, 1984 in the amount of $150.00. At the time this contribution was received, neither my treasurer nor I had any reason to know or believe that the source of the contribution was anyone other than The Jamestown Company, the name on whose account the check was drawn.

3. I subsequently received a letter dated March 3, 1986 from the law firm of Bagatelos & Fadem, who purported to be representing The Jamestown Company. In that letter, Mr. Bagatelos advised that there had been newspaper accounts alleging that the contributions received from Sylvia Lichauco may have been made in violation of Federal law. The letter further advised that the contributions were legal under United States campaign election laws.

4. On March 20, 1986, out of an abundance of caution, I caused the Willie B. Kennedy Campaign Committee to draw a check on its account made payable to the order of The Jamestown Company in the amount of $150.00 to refund the contribution made by The Jamestown Company. At the time The Jamestown Company made the contribution, neither I nor my committee treasurer had any reason to believe that the contribution was made by anyone other than

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CITY ATTORNEY
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SAN FRANCISCO 94102
558-3318

The Jamestown Company.

5. Subsequently, the Willie B. Kennedy Campaign Committee received a letter from the law firm of Bagatelos & Fadem advising that a contribution of $100 purportedly made to the Committee by Citistops Inc. was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops Inc., a California Corporation. The letter also advised that this contribution was later reimbursed by The Jamestown Company. To my knowledge, the records of the Willie B. Kennedy Campaign Committee do not indicate that it ever received such a contribution. Nonetheless, on May 28, 1986, again out of an abundance of caution, I caused the Willie B. Kennedy Campaign Committee to draw a check on its account in the amount of $100 made payable to Citistops Inc. The March 20th and May 28th refunds will be reflected in the State Campaign Disclosure Statement due June 30, 1986.

I declare under penalty of perjury under the laws of California that the foregoing is true and correct.

Executed this 28th day of May, 1986, at San Francisco, California.

Willie B. Kennedy

WILLIE B. KENNEDY

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

RECEIVED
MAR 25 1986
JEFFERSON ASSOCIATES

TELEPHONE
(415) 982-7100

March 20, 1986

Supervisor Willie Kennedy Campaign Committee
683 McAllister
San Francisco, CA 94102

Attn: James De. Jefferson

Dear Mr. Jefferson:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On December 5, 1984, a contribution was made to your committee by Citistops, Inc. in the amount of $100.

This is to advise you that the above contribution was made from funds held in a shareholder account for Sylvia Lichauco maintained by Citistops, Inc., a California corporation.

Further, on December 6, 1985, The Jamestown Company reimbursed the above amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to the Citistops, Inc. shareholder account for Sylvia Lichauco.

At the time the contribution and reimbursement was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company, and Citistops, Inc. (Sylvia Lichauco shareholder account)/Piper King, Inc. (Sylvia Lichauco shareholder account) as affiliated entities, and their addresses, on your campaign statements.

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The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

photocopies: Willie Kennedy
Rich Nichols
3/25/86

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EXHIBIT C

EXPENDITURE AND MAJOR DONOR COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICER'S USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: SUP	OPP	AMOUNT	CUMULATIVE AMOUNT
C 3 3 0	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
C 0 5	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
C 0 4	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
C 7 0	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

(If additional information on appropriately labeled continuation sheets.)

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

s report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regulations). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated nabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CU LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,250
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheet.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

	FULL NAME AND ADDRESS OF DEBTOR (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
3	No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398
4			

Attach additional information on appropriately labeled continuation sheet.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part II) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

not received any contributions during this calendar year.

re under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence preparation.

ed on 3/20/86 (Date) at San Francisco, CA (City and State) by The Jamestown Co. & Affiliated Entities

(Signature of committee treasurer or individual owner)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

CAMPAIGN COMMITTEE TO ELECT
SUPERVISOR WILLIE B. KENNEDY

101

MARCH 20, 1986

11-35/1210

PAY TO THE ORDER OF JAMESTOWN CORPORATION $150.00

ONE HUNDRED FIFTY DOLLARS & NO/100---------- DOLLARS

BANK OF AMERICA
MARKET-VAN NESS BRANCH 0299
1525 MARKET STREET
BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

James A. Jefferson

Memo: Return of Campaign
Contribution

⑆121000358⑆0101⑈02998⑈07545⑈

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EXHIBIT E

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81.

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

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EXHIBIT F

1022192

FILED

APR 2 1981

Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey P. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein

Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein

Mark L. Epstein

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8704063058

EXHIBIT 6

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone: [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230228
THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

M110764

FILED
SACRAMENTO, CALIF
MAR 26 '85
[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION: 153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT — Treasurer — TITLE — 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(CHECK HERE) — SIGNATURE OF OFFICER OR AGENT — TITLE — DATE

22

[illegible]

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EXHIBIT 4

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, *19* 82.

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

A70406330 62

EXHIBIT I

1118369

FILED

JUL 28 1982

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

The Co. to ARCONAL, INC.

1118369 A253301

FILED
in the office of the Secretary of State
of the State of California
AUG 26 1982
[illegible] Secretary of State
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

John C. Lyon

ST

NAME CERT. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

0040613306S

NAME CHANGED TO: BAY TWO COMPANY

A261147

1118369

FILED
in the office of the Secretary of State
of the State of California
FEB 4 1983
[illegible]
Deputy

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporations is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

8704 03

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

In the office of the Secretary of State
of the State of California

JUL 29 1983

MARCH FONG EU, Secretary of State

By Kathleen P. Sutherland
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT 5

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

8 7 0 4 0 5 3 3 0 6 9

Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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EXHIBIT K

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, *19* 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

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IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

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EXHIBIT L

1181881

FILED
In the office of the Secretary of State
of the State of California
AUG 9 1984
MARCH FONG EU, Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
CITISTOPS, INC.

I

The name of this corporation is CITISTOPS, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

George W. Putris
220 Jackson Street
San Francisco, California 94111

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is One Million (1,000,000).

Dated: August 7, 1984

[signature]
George W. Putris

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

[signature]
George W. Putris

GP1/vm

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EXHIBIT B

SEP 26 1985

March Fong Eu

MARCH FONG EU
SECRETARY OF STATE

1. 11818810 DUE DATE 08-31-85 251385

CITISTOPS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street.	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B. ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94108

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C. ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY _____

12. NAME George M. Patris

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
Flynn & Steinberg, 220 Jackson Street, San Francisco, CA 94111

14. CHECKED TYPE OF BUSINESS OF THE CORPORATION
Project Management

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco (Chairman of the Board) _____ _____
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

16. [illegible] IS THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE [illegible] (READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

Sylvia Lichauco — [signature] — 9/6/85
TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT — SIGNATURE — DATE

(CHECK HERE)

10-310 (REV. 3-83)

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EXHIBIT 2

294

CAMPAIGN COMMITTEE TO ELECT
SUPERVISOR WILLIE B. KENNEDY

May 28, 1986

11-35/1210

PAY TO THE ORDER OF Citistops $100.00.

One hundred dollars only DOLLARS

BANK OF AMERICA NT&SA
MARKET-VAN NESS BRANCH 0299
1525 MARKET STREET
BOX 37001 RINCON ANNEX
SAN FRANCISCO, CA 94137

James A. Jefferson

(Memo: Return to contribution)

⑆121000358⑆0294⑈02998⑈07545⑈

8704 6330 7 91

GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Carol Ruth Silver

UNITED STATES
FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Carol Ruth Silver, were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3318

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Complainant based her complaint on two sources of information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company and affiliated entities made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions were five contributions made to the San Franciscans for Carol Ruth Silver committee ("Committee").

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence suggesting that the source of the contributions was anything other than revenues generated from American operations of United States entities or that the decisions regarding the campaign contributions in question were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Complainant has acted in good faith in this matter. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

On January 24, 1984 the Committee received a contribution from Sylvia Lichauco in the amount of $500.00. Subsequently, on April 30, 1984, the Committee received a contribution from Sylvia Lichauco in the amount of $250.00. On August 22, 1984, the Committee received an inkind contribution of $295.00 by Sylvia Lichauco through her intermediary Jamestown Company. On October 9, 1984, San Franciscans for Supervisor Carol Ruth Silver received a contribution of $250.00 from Citistops, Inc. through Sylvia Lichauco. Finally, on October 9, 1984, San Franciscans for Carol Ruth Silver received a campaign of $250.00 from The Jamestown Company care of Sylvia Lichauco. See declaration of Carol Ruth Silver attached to this response as Exhibit A and incorporated herein by reference. Respondent did not have reason to know or believe that the actual contributor in these transactions was anyone other than the purported contributor until March 20, 1986 when the Committee received a letter from Peter Bagatelos, an attorney representing The Jamestown Company, advising that a contribution purportedly made to the Committee on January 24, 1984 by Sylvia Lichauco was later reimbursed by The

GEORGE AGNOST
CITY ATTORNEY
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SAN FRANCISCO 94102
558-3315

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Jamestown Company. See letter dated March 20, 1986 attached to this response as Exhibit B and incorporated herein by reference.

The fact that the source of the January 24, 1984 contribution was The Jamestown Company and that the other contributions in question were made from the entities identified above is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit D and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit E and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company on the date the corporation's most recent "Statement by Domestic Stock Corporation" was filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit G and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit G and made a part hereof by reference, and the "Articles Incorporation of Arcanol Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to this response as Exhibit H and made a part herein by reference. See declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit I, incorporated herein by reference. Arconal Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a company contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the source of funds for the contribution in question was derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Lichauco.

Citistops is also a corporation organized under the laws of California. See State of California Certificate of Status of Citistops, Inc., Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit J and made a part herein by reference; the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, August 8, 1984, a true and correct copy of which is attached to this response as Exhibit K and made a part herein by reference; and the Statement by Domestic Stock Corporation", filed September 24, 1985 a true and correct copy of which is attached to this response as Exhibit L and incorporated herein by reference. The directors are United States citizens. Citistops is not in any way related to The Jamestown Company or its affiliates. See Declaration of Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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contribution from a foreign national.

(b) As used in this section, the term "foreign national" means--

(1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

The term "foreign principal" includes--

(1) a government of a foreign country and a foreign political party;

(2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined under the Act and may therefore

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company and Citistops were organized under the laws of California and their directors and officers are United States citizens.

The source of The Jamestown Company's campaign contributions to Respondent, including the one made through Lichauco and Stanway, was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding these contributions were made by the officers and directors of The Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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entitled to make the contributions in question. Accordingly, there is simply no indication that the contributions by The Jamestown Company violated federal election laws.

This analyis applies with equal force to the contribution made by Citistops. Complainant presented absolutely no evidence suggesting that the contribution made by this California Corporation was in any way controlled, influenced, or funded by any foreign entity or person. With regard to the contributions made by Lichauco, it must again be pointed out that as a United States citizen, she is entitled to make political contributions to candidates for office in the United States.

Respondent has in all regards acted in good faith in this matter. Until the receipt of the March 20, 1986 letter from Mr. Bagatelos, neither the Committee nor Respondent had any reason to believe that the contribution originally attributed to Lichauco came from anywhere other than Lichauco. Respondent has no reason to know or believe that any of the contributions in question were made in violation of federal, state or local election laws. Accordingly, the Commission should close its files on this matter with respect to Respondent.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation,

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3515

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the funds from which the contribution was made were derived from the domestic operations of this corporation and the decisions regarding the contribution in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Accordingly, we respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: Randy Riddle

8568E

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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EXHIBIT A

DECLARATION OF CAROL RUTH SILVER

I, CAROL RUTH SILVER, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1978.

2. I am advised that according to its campaign reports the following facts are true:

San Franciscans for Carol Ruth Silver received a contribution on January 24, 1984 from Sylvia Lichauco in the amount of $500.00. Subsequently, on April 30, 1984, the San Franciscans for Carol Ruth Silver received a contribution from Sylvia Lichauco in the amount of $250.00. On August 22, 1984, San Franciscans for Carol Ruth Silver received an inkind contribution of $295.00 by Sylvia Lichauco through her intermediary Jamestown Company. On October 9, 1984, San Franciscans for Supervisor Carol Ruth Silver received a contribution of $250.00 from Citystops, Inc. through Sylvia Lichauco. Finally, on October 9, 1984, San Franciscans for Carol Ruth Silver received a campaign of $250.00 from The Jamestown Company care of Sylvia Lichauco. I am further advised that each of these entities has been mentioned in a complaint filed with the Federal Elections Commission.

3. Neither I nor the treasurer for the San Franciscans for Carol Ruth Silver had reason to know or believe that the contributions were made by anyone other than the person ostensibly making the contributions.

4. Subsequently, on March 20, 1986, San Franciscans for

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3319

Carol Ruth Silver received a letter from the law firm of Bagatelos & Fadem who stated that they had been retained by The Jamestown Company, advising that the contribution made on January 24, 1984 ostensibly by Sylvia Lichauco in the amount of $500.00 was reimbursed by The Jamestown Company through its agent, Stanway, Inc. Again, until receiving this letter, neither the treasurer for the San Franciscans for Carol Ruth Silver nor myself had any reason to believe that this contribution or the other contributions identified above were made by anyone other than the persons or entities ostensibly making the contributions and I have no reason to know or believe that any of these contributions were made in violation of any federal, state, or local election law.

I declare under penalty of perjury under the laws of California that the foregoing is true.

Executed this 29th day of May, 1986, at San Francisco, California.

CAROL RUTH SILVER

8534E/1-2

GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
558-3315

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EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

San Franciscans for Carol Ruth Silver
68 Ramona Street
San Francisco, CA 94103

Attn: Gardner Still, Jr.

Dear Mr. Still,

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and affiliated entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On January 24, 1984, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on February 1, 1984, by The Jamestown Company through its agent, Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company through its agent, Stanway, Inc., and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

8704053094

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

Peter A. Bagatelos

PAB/wvw

cc: The Jamestown Company
Joseph L. Alioto, Esq.

8704063300995

87040633096

EXHIBIT C

EXPENDITURE AND MAJOR DONO.. COM.. /TEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICER USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (if applicable): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Supp.	Check one: Oppo.	AMOUNT	CUMULATIVE AMOUNT
1330	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
2065	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
2704	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
2787	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

(If additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-ons). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated nabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	500
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,045
8	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,250
0 9	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
3	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco,CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
0 4	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
7 0	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
8	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

ach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

nformation required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

II MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

	FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
2	No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398
3			
4			
5			

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 6, Part IV) $ 9,602

SUMMARY

Expenditures and contributions made of $100 or more this period (Part II) (Alice B. Toklas Gay Democratic Club)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

I not received any contributions during this calendar year.

are under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence preparation.

The Jamestown Co. & Affiliated Entities

ted on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by _____ (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL OFFICER)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, **MARCH FONG EU,** *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

84 33122

8704063105

EXHIBIT E

1022192

FILED
In the office of the Secretary of State
of the State of California
APR 2 1981
MARCH FONG EU, Secretary of State
By Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey P. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

870-0533105

8704043107

EXHIBIT F

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone: [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230228

THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

M110764

FILED
SACRAMENTO, CALIF
MAR 26 '85
[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO.: 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO.: 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO.: 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION
Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT | Treasurer — TITLE | 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(CHECK HERE) ☐ SIGNATURE OF OFFICER OR AGENT | TITLE | DATE

22

[illegible]

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EXHIBIT 6

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

8704043311

EXHIBIT H

1118369

FILED
In the office of the Secretary of State
of the State of California
JUL 28 1982
[illegible]
Deputy

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

Re. Ch. to ARCONAL, INC.

1118369 A253301

FILED
In the office of the Secretary of State
of the State of California
AUG 26 1982
MARCH FONG EU, Secretary of State
By [signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

[signature]
John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

[signature]
John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

NAME CHANGED TO: BAY TWO COMPANY

A261147

1118369

FILED
In the office of the Secretary of State
of the State of California

FEB 4 1983

MARCH FONG EU, Secretary of State

Deputy

CERTIFICATE OF AMENDMENT OF THE
ARTICLES OF INCORPORATION OF
BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

8 7 0 4 0 5

NAME CHG. TO: ARCONAL, INC. 1118369

A269013

FILED

JUL 29 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article I of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arcunal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 15th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

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EXHIBIT I

a704631-8

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

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Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

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EXHIBIT J

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 8th *day of* August, *19* 84,

CITISTOPS, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 9th *day of* May, 1986

March Fong Eu

Secretary of State

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EXHIBIT K

1181881

FILED
In the office of the Secretary of State
of the State of California
AUG 9 1984
MARCH FONG EU, Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
CITISTOPS, INC.

I

The name of this corporation is CITISTOPS, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

George W. Putris
220 Jackson Street
San Francisco, California 94111

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is One Million (1,000,000).

Dated: August 7, 1984

[signature]
George W. Putris

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

[signature]
George W. Putris

GP1/vm

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EXHIBIT L

Branch Forg Enc

1. 11818810 DUE DATE 08-31-85 25138S

CITISTOPS, INC.
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

DO NOT WRITE IN THIS SPACE

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE 153 Kearny Street.	ROOM NO Suite 201	2A. CITY & STATE San Francisco, CA	2B. ZIP CODE 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY)	ROOM NO	3A. CITY CA	3B. ZIP CODE
4. MAILING ADDRESS	ROOM NO	4A. CITY & STATE	4B. ZIP CODE

5. CHIEF EXECUTIVE OFFICER Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	5B. CITY & STATE San Francisco, CA	5C. ZIP CODE 94108
6. SECRETARY Purificacion Achacoso	6A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	6B. CITY & STATE San Francisco, CA	6C. ZIP CODE 94108
7. CHIEF FINANCIAL OFFICER Purificacion Achacoso	7A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	7B. CITY & STATE San Francisco, CA	7C. ZIP CODE 94108

8. NAME Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	8B. CITY & STATE San Francisco, CA	8C. ZIP CODE 94108
9. NAME Jose R. Reyes, Jr.	9A. BUSINESS OR RESIDENCE ADDRESS 153 Kearny Street, Suite 201	9B. CITY & STATE San Francisco, CA	9C. ZIP CODE 94108
10. NAME	10A. BUSINESS OR RESIDENCE ADDRESS	10B. CITY & STATE	10C. ZIP CODE

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY _____

12. NAME George H. Putris

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION
Flynn & Steinberg, 220 Jackson Street, San Francisco, CA 94111

14. BRIEFLY TYPE OF BUSINESS OF THE CORPORATION
Project Management

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

Sylvia Lichauco (Chairman of the Board) _____ SIGNATURE _____ DATE

[illegible] IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE [illegible] (READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

CHECK HERE

Sylvia Lichauco — TYPE OR PRINT NAME OF SIGNING OFFICER OR AGENT

[signature] — SIGNATURE

9/6/85 — DATE

5

GEORGE AGNOST
City Attorney
BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys
206 City Hall
San Francisco, CA 94102-4574
(415) 558-3559

Attorneys for Respondent Wendy Nelder

UNITED STATES

FEDERAL ELECTION COMMISSION

IN THE MATTER OF LICHAUCO, et al.,) MUR NO. 2165
)
)
)

I.

INTRODUCTION

On April 7, 1986, Sue Hestor, on behalf of an organization called Citizens For a Representative Government (Complainant), filed a complaint with the Office of General Counsel of the Federal Election ("Commission") alleging that certain San Francisco government officials, including Supervisor Wendy Nelder (Respondent), were the recipients of campaign contributions made by a foreign national in violation of federal law. Complainant requested that the Commission undertake an investigation of these alleged illegal contributions.

Complainant based her complaint on two sources of

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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information. First, she attached to her complaint the "Expenditure and Major Donor Committee Campaign Statement" filed by The Jamestown Company pursuant to 2 Cal.Admin. Code Sec. 18428. This statement reveals that The Jamestown Company made a number of campaign contributions to candidates for public office in San Francisco. Included in these contributions was one of $250 to the "Friends of Wendy Nelder" committee received on February 15, 1984 and one of $500 to the "Wendy Nelder for San Francisco" committee received on November 29, 1985.

The second source of information cited by Complainant in her complaint was a series of newspaper articles dealing with the building project commonly referred to as the 212 Stockton project. From these articles she culled a variety of information. First, she noted that The Jamestown Company is a California Corporation, albeit one that is ultimately owned by a foreign corporation. Complainant also cited articles alleging that some contributions were reimbursed by Stanway Inc., a foreign corporation. As noted below, these allegations are inconsistent with campaign statements filed by The Jamestown Company under penalty of perjury. Finally, Complainant has produced no credible evidence that the source of the contributions was derived from anything other than revenues generated from the American operations of United States entities or that decision regarding campaign contributions, were made by anyone other than United States citizens.

Complainant has produced no credible evidence suggesting

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ROOM 206 CITY HALL
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that any federal election law has been violated, and no evidence whatsoever indicating that Respondent has in any way acted unlawfully. Respondent has acted in good faith in this matter. Further, even had there been a violation, Respondent has cured the violation by returning the contributions in question. Accordingly, the Commission should close the file on this matter, particularly with regard to Complainant.

II.

FACTS

As noted, the Friends of Wendy Nelder committee received a contribution of $250 on February 15, 1984 and the Wendy Nelder for San Francisco committee received a contribution of $500 on November 29, 1985, both contributions in the name of Sylvia Lichauco, although the check to the Friends committee was drawn on the account of an affiliate of Sylvia Lichauco, Stanway, Inc. Sylvia Lichauco exercised the power of attorney with regard to Stanway, and her authority includes the power to draw checks on Stanway's account. See declaration of Wendy Nelder attached to this response as Exhibit A and incorporated herein by reference. Respondent did not know nor did she have reason to believe that the actual contributor was anyone but Sylvia Lichauco until March 20, 1986 the respective committees were informed otherwise in letters from the law firm of Bagatelos & Fadem, attorneys for The Jamestown Company. See declaration of Wendy Nelder.

The letter to the Friends of Wendy Nelder committee advised that the contribution ostensibly made by Sylvia Lichauco was made

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by the Jamestown Company through its agent Stanway, Inc. The letter to the Wendy Nelder for San Francisco committee advised that the contribution originally attributed to Sylvia Lichauco was, in fact, made by The Jamestown Company. See declaration of Wendy Nelder and the letters from the Law Offices of Bagatelos and Fadem dated March 20, 1986, true and correct copies of which are attached to this response as Exhibit B.

The fact that the ultimate source of the contributions was The Jamestown Company is reflected on the Expenditures and Contributions Statement filed by The Jamestown Company for the period January 1, 1984 to December 31, 1984, signed under penalty of perjury by corporate officer and director Sylvia Lichauco, a copy of which is attached to this response as Exhibit C and made a part hereof by reference. On March 7, 1986, Respondent caused the Wendy Nelder for San Francisco committee to return the $500 contribution to Sylvia Lichauco, the person in whose name the contribution was made. See check number 127 drawn on account of Wendy Nelder for San Francisco dated March 7, 1986, a true and correct copy of which is attached to this response as Exhibit D and incorporated herein by reference. On May 28, 1986 Respondent caused the Friends of Wendy Nelder campaign to refund the $250 contribution to Stanway, the entity on whose account Lichauco's February 15, 1984 campaign contribution was drawn. The refund was made by way of a check drawn on the account of the Friends of Wendy Nelder, a true and correct copy of which is attached to this declaration as Exhibit E and incorporated herein by

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SAN FRANCISCO 94102
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reference.

The Jamestown Company is a California corporation. Jamestown was incorporated in California April 2nd, 1981. See State of California Certificate of Status of The Jamestown Company, Domestic Corporation, a true and correct copy of which is attached to this response as Exhibit F and made a part herein by reference, and the "Articles of Incorporation of The Jamestown Company" filed with the California Secretary of State, April 2, 1981, a true and correct copy of which is attached to this response as Exhibit G and made a part herein by reference.

The Chief Executive Officer and Secretary of The Jamestown Company appearing on the corporation's most recent "Statement by Domestic Stock Corporation" filed, March 26, 1985, was Sylvia Lichauco. The Chief Financial Officer was John C. Lyon. The three directors of the corporation as of March 26, 1985 were Sylvia Lichauco, John Lyon and Joseph Sperske. See Statement by Domestic Stock Corporation", March 26, 1985, a true and correct copy of which is attached to this response as Exhibit H and incorporated herein by reference.

Jamestown is owned by Arconal Inc., a California corporation. See State of California Certificate of Status, Domestic Corporation, for Arconal Inc. a true and correct copy of which is attached to this response as Exhibit I and made a part hereof by reference, and the "Articles of Incorporation of Arconal Inc." filed with the California Secretary of State, July 29, 1982, a true and correct copy of which is attached to

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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this response as Exhibit J and made a part herein by reference; see declaration of Joseph A. Sperske, a true and correct copy of which is attached to this response as Exhibit K, incorporated herein by reference. Arconal, Inc. is owned by a foreign corporation, Arconal N.V.

Sylvia Lichauco, John C. Lyon and Joseph Sperske are and at all times relevant to this matter were citizens of the United States of America. See Declaration of Sperske.

The decision of whether to make a campaign contribution to a particular candidate was one made by the directors of The Jamestown Company. No other corporation or person was involved in this decision-making process. See Declaration of Sperske.

Finally, the funds for the contribution in question were derived from income earned by The Jamestown Company in its United States enterprise. In 1984 The Jamestown Company netted approximately $19,000 per month in revenue from rents. In other words, the entire amount of contributions made by Jamestown in 1984 could be earned by Jamestown in a 10-11 day period. See Declaration of Sperske.

As noted, the contribution to the Friends of Wendy Nelder, ostensibly donated by Sylvia Lichauco was drawn on the account of Stanway, Inc. and ultimately came from The Jamestown Company. Stanway, Inc. is a Netherlands Antilles corporation that serves as an agent of The Jamestown Company. Stanway exercises no control or influence over the operations of The Jamestown Company and plays no role in determining the campaign contribution policy

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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of The Jamestown Company. See declaration of Joseph A. Sperske.

III.

LEGAL ANALYSIS

The Federal Elections Campaign Act (2 U.S.C. § 431 et seq.) provides in pertinent part that:

> (a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make such a contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for a person to solicit, accept, or receive any such contribution from a foreign national.
>
> (b) As used in this section, the term "foreign national" means--
>
> > (1) a foreign principal, as that term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term "foreign national" shall not include any individual who is a citizen of the United States; or
> >
> > (2) an individual who is not a citizen of the United States and is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20).

Section 441e of Title 2 of the United States Code (1982)

Section 611(b) provides in pertinent part that:

> The term "foreign principal" includes--
>
> > (1) a government of a foreign country and a foreign political party;
> >
> > (2) a person outside the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized by the

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laws of the United States or any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States; and

(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

The Commission has opined that a corporation organized under the law of any state within the United States whose principal place of business is within the United States is not a foreign principal as defined in the Act and may therefore legally contribute to the campaigns of candidates for office in the United States even though that corporation is a wholly owned subsidiary of a foreign corporation. F.E.C. Advisory Opinion Nos. 1985-3 and 1982-10. The Commission has noted that since the Act also prohibits contributions by a foreign national through an intermediary, certain conditions must be met before a domestic corporation may make campaign contributions. First, the foreign parent may not directly or indirectly provide the funds for a political contribution. Further, neither the foreign parent nor any other foreign national may have any decision-making role or control with respect to the making of any political contribution by the United States subsidiary.

Application of these principles to the facts of this case clearly reveals that no violation of Federal law has occurred.

As noted, at all times relevant to this matter, The Jamestown Company was organized under the laws of California and

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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its directors and officers were United States citizens. The source of the company's campaign contribution to respondent was the revenue derived from The Jamestown Company's United States operations, namely rents. The decisions regarding contributions were made by the officers and directors of the Jamestown Company. Complainant has submitted no credible evidence to the contrary. Under the reasoning of the opinions of the Commission cited above, The Jamestown Company was entitled to make the contributions in question. Accordingly, there is simply no evidence suggesting that the contributions by The Jamestown Company to Respondent violated federal election laws.

It must also be emphasized that at the time the contributions were made, Respondent had no reason to believe that the contribution came from anyone other than Sylvia Lichauco. There was nothing about the contribution to distinguish it from the scores of other contributions received by a candidate in the course of a campaign. It was not until March 20, 1986 that the Respondent was informed of the actual source of the contributions. Respondent subsequently caused the contributions to be returned. Respondent has in all regards acted in good faith in this matter. Accordingly, the Commission should close its files on this matter with respect to Respondent.

Finally, although there is no indication that federal law has been violated, Respondent's action in returning the contribution will have effectively corrected any violation with respect to Respondent. When it is discovered that a candidate

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CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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has received a contribution in violation of federal law, the Commission's normal course of action appears to be to require the recipient to return the contribution. See F.E.C. Advisory Opinion No. 1984-52. Since Respondent has, out of an abundance of caution, already taken this action, there is simply no basis for taking any further action with respect to Respondent in this matter.

IV.

CONCLUSION

The Commission should take no action against Respondent in this matter. She committed no violation in accepting the campaign contribution in question. The corporation that contributed the money in question is a United States corporation. The funds from which the contributions were made were derived from domestic operations of this corporation and the decisions regarding the contributions in question were made by corporate officers and directors who are United States citizens. Further, Respondent had no reason to believe that the contribution drawn on the account of Sylvia Lichauco was made by anyone other than Ms. Lichauco. Moreover, even had the contributions in question been made in violation of Federal law, the return of the contribution by the Respondent would have cured the violation with respect to her. Accordingly, Respondent

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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respectfully request that the Commission close its file in this matter with regard to Respondent.

DATED: May 29, 1986

Respectfully submitted,

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
RANDY RIDDLE
Deputy City Attorneys

By: Randy Riddle

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GEORGE AGNOST
CITY ATTORNEY
ROOM 206 CITY HALL
SAN FRANCISCO 94102
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EXHIBIT A

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DECLARATION OF WENDY NELDER

I, WENDY NELDER, do hereby declare;

1. I am a duly elected member of the San Francisco Board of Supervisors. I have served as a member of the Board of Supervisors since 1/1981.

2. On February 15, 1984, the Friends of Wendy Nelder received a campaign contribution of $250 in the name of Sylvia Lichauco by way of a check from Stanway N. V. dated February 9, 1984. There was no indication at the time I received the check that Stanway N. V. was a foreign corporation. Subsequently, on November 29, 1985, the Wendy Nelder for San Francisco committee received a $500.00 contribution from Sylvia Lichauco by way of a check dated November 29, 1985 drawn on the account of Sylvia Lichauco. Neither the committees' treasurer nor I had any reason to believe that the source of the contributions was anyone other than Sylvia Lichauco.

3. On March 2, 1986, an article appeared in the San Francisco Examiner which indicated that donations received from Sylvia Lichauco might actually have had as their source the government of the Philippines. I consulted with the City Attorney on this matter, and I also consulted with my treasurer who assured me that, aside from the November 29, 1985 check received from Sylvia Lichauco, no other checks from Lichauco or other agents of the Philippine government had ever been received. On March 7, 1986, I caused the Wendy Nelder for San Francisco Committee to draw a check on its account made payable to Sylvia Lichauco for the purpose of refunding the $500.00

contribution ostensibly made by Sylvia Lichauco. Subsequently, the Wendy Nelder for San Francisco Committee received on March 20, 1986 a letter from the law offices of Bagatelos & Fadem advising that the campaign contribution ostensibly made by Sylvia Lichauco was reimbursed on November 29, 1985 by The Jamestown Company. Also on March 20, 1986, the Friends of Wendy Nelder received a similar letter indicating that a contribution made to the Friends of Wendy Nelder on February 9, 1984, ostensibly by Sylvia Lichauco and of which I was unaware, was actually made by The Jamestown Company through its agent Stanway, N.V. Both of these letters advised that there was nothing illegal about the contributions made in that The Jamestown Company was an American subsidiary of a foreign corporation and was entitled to make contributions derived from its American business activities.

4. On May 1, 1986, I caused the Friends of Wendy Nelder committee to draw a check on its account in the amount of $250.00 and asked the City Attorney to advise me to whom it should be made payable; I am advised that it should be made payable to Stanway, N.V. for the contribution drawn on Stanway's account by Sylvia Lichauco, and it has been sent to Ms. Lichauco. These refunds will be reflected on the California Campaign Disclosure Statements due June 30, 1986.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true.

Executed this 29th day of May, 1986, at San Francisco, California.

WENDY NELDER

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EXHIBIT B

LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1601
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

March 20, 1986

Friends of Wendy Nelder
150 Casitas Street
San Francisco, CA 94103

Attn: Ronald E. Hothem

Dear Mr. Hothem:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $250. This contribution was reported by you as received from Sylvia Lichauco.

This is to advise you that the above contribution was made by The Jamestown Company through its agent Stanway, Inc.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list The Jamestown Company through its agent Stanway, Inc. and their address, as the contributor on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other

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contributors, our client was generally unfamiliar with the technical reporting requirements of the elections and campaign laws.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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LAW OFFICES OF
BAGATELOS & FADEM
A PROFESSIONAL CORPORATION
THE INTERNATIONAL BUILDING
601 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

BARRY FADEM
PETER A. BAGATELOS

TELEPHONE
(415) 982-7100

RECEIVED APR 1 - 1986

March 20, 1986

Wendy Nelder for San Francisco
c/o 160 Sansome St., Suite 800
San Francisco, CA 94104

Attn: Robert K. Werbe

Dear Mr. Werbe:

This firm practices primarily in the area of elections and campaign law. We have been retained by The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco, to advise you regarding certain contributions received by you from our client, which are reportable under the California Political Reform Act.

On November 29, 1985, a contribution was made to your committee by Sylvia Lichauco in the amount of $500.

This is to advise you that Sylvia Lichauco was reimbursed for the above contribution on November 29, 1985 by The Jamestown Company.

At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108.

The law requires that your campaign statements list both The Jamestown Company and Sylvia Lichauco as an affiliated entity, and their addresses, on your campaign statements.

In addition, this is to advise you regarding the following: The Jamestown Company, as an American subsidiary corporation of a Philippine Corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from its American business activities.

The failure to advise you sooner of the above transactions was inadvertent. As is the case with countless other contributors, our client was generally unfamiliar with the

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technical reporting requirements of the elections and campaign laws.

This will also acknowledge receipt of a refund of $500 from your committee to Sylvia Lichauco, who will reimburse The Jamestown Company for this amount.

Please feel free to contact us if we can provide additional assistance or clarification.

Very truly yours,

Peter A. Bagatelos

PAB/mlh

cc: The Jamestown Company
Joseph L. Alioto, Esq.

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EXHIBIT C

Form 461
1984

EXPENDITURE AND MAJOR DONO.. COM.. /TEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or on the behalf of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

Statement covers period 1/1/84 through 12/31/84

OFFICIAL USE ONLY

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET CITY STATE ZIP CODE AREA CODE PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE): N/A

TOTAL PAGES: 6

EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Sup.	Check one: Opp.	AMOUNT	CUMULATIVE AMOUNT
5531	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
0205	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
0404	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
8705	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

If additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regu-ons). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for amestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 y St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated above.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions Political Reform Act," Part X.

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CU LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,250
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

Information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions ... Political Reform Act," Part X.

II MADE TO: (Amounts may be rounded off to whole dollars)

	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheet.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

	FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
2	No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398
3			
4			
5			

Attach additional information on appropriately labeled continuation sheet.

SUBTOTAL (Carry with additional subtotals to Line 5, Part IV) $ 9,602

SUMMARY OF (Alice B. Toklas Gay Democratic Club)

Expenditures and contributions made of $100 or more this period (Part II)	$ 4,570
Expenditures and contributions under $100 made this period (Not itemized)	35
Loans made this period (Part III) include all subtotals	12,000
TOTAL (Line 1 + 2 + 3)	16,605
Loans repaid this period (Part III) include all subtotals	9,602
Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
Cumulative expenditures and contributions made from prior statement	-0-
Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

e not received any contributions during this calendar year.

fare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence preparation.

The Jamestown Co. & Affiliated Entities

ted on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by _____ (SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL PERSON)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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EXHIBIT D

WENDY NELDER FOR SAN FRANCISCO
% 160 SANSOME ST., STE. 800
SAN FRANCISCO, CA 94104

127

PAY TO THE ORDER OF [illegible]

PAID

MAR 13 1986

THE BANK OF SAN FRANCISCO
FINE AND SANSOME STREETS
SAN FRANCISCO, CALIFORNIA 94104

FOR return of contribution

THE BANK OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA

⑈000127⑈ ⑆121034⑆ [illegible] ⑈0000050000⑈

8 7 0 4 0 6 3 3 1 5

MR 8 13
P.E.O. C C C C C
1210-0037-4

PAY TO THE ORDER OF
[illegible] SOWOOD BANK
SAN FRANCISCO, CA
[illegible] DEPOSIT ONLY
SYLVIA LICHAVCO

8704063155

EXHIBIT E

FRIENDS OF WENDY NELDER
% 160 SANSOME ST., NO. 800
SAN FRANCISCO, CA 94104

222

May 23 1986 11-3747 / 1210

PAY TO THE ORDER OF Steinway, N.Y. $ 250-

Two hundred fifty only DOLLARS

THE BANK OF SAN FRANCISCO
PINE AND SANSOME STREETS
SAN FRANCISCO, CALIFORNIA 94104

FOR _____

⑈000222⑈ ⑆121037473⑆ 0103041881⑈80

R7040633157

EXHIBIT F

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 2nd *day of* April, *19* 81,

THE JAMESTOWN COMPANY

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

THE GREAT SEAL OF THE STATE OF CALIFORNIA
EUREKA

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

SEC/STATE Form CE-112 (REV. 12-82)

84 33122

8704063159

EXHIBIT G

1022192

FILED
In the office of the Secretary of State
of the State of California
APR 2 1981
MARCH FONG EU, Secretary of State
By [signature]
Deputy

ARTICLES OF INCORPORATION
OF
THE JAMESTOWN COMPANY

FIRST

The name of this corporation is THE JAMESTOWN COMPANY.

SECOND

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THIRD

The name and address in the State of California of this corporation's initial agent for service of process is: Mr. Godfrey F. Jacobs, 445 Bush St., Suite 200, San Francisco, CA 94108.

FOURTH

This corporation is authorized to issue one class of shares of stock which shall be designated common stock. The number of shares authorized to be issued is 10,000 shares.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned, as incorporator of this corporation, has executed these Articles of Incorporation this March 31, 1981.

Mark L. Epstein
Mark L. Epstein

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Mark L. Epstein
Mark L. Epstein

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EXHIBIT H

State of California
March Fong Eu
Secretary of State

P.O. Box [illegible]
Sacramento, CA [illegible]
Phone: [illegible]

STATEMENT BY DOMESTIC STOCK CORPORATION

(THIS STATEMENT MUST BE FILED WITH CALIFORNIA SECRETARY OF STATE (SEC. 1502, CORPORATIONS CODE))

A $5 FILING FEE MUST ACCOMPANY THIS STATEMENT.

WHEN COMPLETING FORM, PLEASE USE BLACK TYPEWRITER RIBBON OR BLACK INK

IMPORTANT — Please Read Instructions On Back Of Form

1. 10221920 DUE DATE 04/30/85 230225

THE JAMESTOWN COMPANY
153 KEARNY ST #201
SAN FRANCISCO, CA 94108

DO NOT ALTER PREPRINTED NAME. IF ITEM NO. 1 IS BLANK, PLEASE ENTER CORPORATE NAME

110764

FILED
SACRAMENTO, CALIF
MAR 26 '85
[illegible] Eu
[illegible]
SECRETARY OF STATE

DO NOT WRITE IN THIS SPACE

THE CALIFORNIA CORPORATION NAMED HEREIN, MAKES THE FOLLOWING STATEMENT

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE: 153 Kearny Street	ROOM NO. 201	2A. CITY & STATE: San Francisco, CA	2B. ZIP CODE: 94108
3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA (IF ANY): 153 Kearny Street	ROOM NO. 201	3A. CITY: San Francisco CA	3B. ZIP CODE: 94108
4. MAILING ADDRESS: 153 Kearny Street	ROOM NO. 201	4A. CITY & STATE: San Francisco, CA	4B. ZIP CODE: 94108

THE NAMES OF THE FOLLOWING OFFICERS ARE:

5. CHIEF EXECUTIVE OFFICER: Sylvia Lichauco	5A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	5B. CITY & STATE: San Francisco, CA	5C. ZIP CODE: 94108
6. SECRETARY: Sylvia Lichauco	6A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	6B. CITY & STATE: San Francisco, CA	6C. ZIP CODE: 94108
7. CHIEF FINANCIAL OFFICER: John C. Lyon	7A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	7B. CITY & STATE: San Francisco, CA	7C. ZIP CODE: 94111

INCUMBENT DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (Attach supplemental list if necessary)

8. NAME: Sylvia Lichauco	8A. BUSINESS OR RESIDENCE ADDRESS: 153 Kearny Street	8B. CITY & STATE: San Francisco, CA	8C. ZIP CODE: 94108
9. NAME: John C. Lyon	9A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	9B. CITY & STATE: San Francisco, CA	9C. ZIP CODE: 94111
10. NAME: Joseph A. Sperske	10A. BUSINESS OR RESIDENCE ADDRESS: 220 Jackson Street	10B. CITY & STATE: San Francisco, CA	10C. ZIP CODE: 94111

11. THE NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY: NONE

DESIGNATED AGENT FOR SERVICE OF PROCESS (Only one agent may be named)

12. NAME: Sylvia Lichauco

13. CALIFORNIA BUSINESS OR RESIDENCE ADDRESS IF AGENT IS AN INDIVIDUAL (DO NOT USE P.O. BOX) DO NOT INCLUDE ADDRESS IF AGENT IS A CORPORATION: 153 Kearny Street # 201, San Francisco, CA 94108

14. PRINCIPAL BUSINESS ACTIVITY OF THE CORPORATION: Real Estate

15. I DECLARE THAT I HAVE EXAMINED THIS STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE

X [signature] — SIGNATURE OF OFFICER OR AGENT | Treasurer — TITLE | 3/20/85 — DATE

16. I DECLARE THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED IN THE LAST STATEMENT OF THE CORPORATION WHICH IS ON FILE IN THE SECRETARY OF STATE'S OFFICE.

(READ INSTRUCTIONS BEFORE COMPLETING THIS ITEM)

(SPEAK HERE) SIGNATURE OF OFFICER OR AGENT | TITLE | DATE

22

[illegible]

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EXHIBIT I

State of California

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF STATUS
DOMESTIC CORPORATION

I, MARCH FONG EU, *Secretary of State of the State of California, hereby certify:*

That on the 29th *day of* July, 19 82,

ARCONAL, INC.

became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That no record exists in this office of a certificate of dissolution of said corporation nor of a court order declaring dissolution thereof, nor of a merger or consolidation which terminated its existence; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this 5th *day of* May, 1986

March Fong Eu

Secretary of State

84 33122

8704043316S

EXHIBIT 5

1118369

FILED
In the office of the Secretary of State
of the State of California
JUL 28 1982
MARCH FONG EU, Secretary of State
By Phyllis E. Biggi
Deputy

ARTICLES OF INCORPORATION

OF

ARCANOL, INC.

I

The name of this corporation is Arcanol, Inc.

II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this Corporation's initial agent for service of process is:

John C. Lyon
220 Jackson Street
San Francisco, California 94111

IV

This Corporation is authorized to issue only one class of shares of stock; and the total number of shares which this Corporation is authorized to issue is Ten Thousand (10,000) shares common stock.

Dated: July 28, 1982

John C. Lyon
Sole Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

John C. Lyon

Re. Cr. to ARCONAL, INC.

1118369 A253301

FILED
In the office of the Secretary of State
of the State of California
AUG 26 1982
[illegible], Secretary of State
[signature]
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION

JOHN C. LYON hereby certifies:

1. That he is the Sole Incorporator of ARCANOL, INC., a California Corporation.

2. That he hereby adopts the following amendment of the Articles of Incorporation of said Corporation:

Article I is amended to read as follows:

"The name of this corporation is ARCONAL, INC."

3. That no shares have been issued and there are no share subscriptions outstanding. No Directors were named in the original Articles of Incorporation and none have been elected.

[signature]
John C. Lyon, Incorporator

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true and correct. Executed at San Francisco, California on August 3, 1982.

[signature]
John C. Lyon

ST

NAME CHG. TO: BAY TOO COMPANY

1118369 A260103

FILED
JAN 21 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF ARCONAL, INC.

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Arconal, Inc.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Too Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

NAME CHANGE TO: BAY TWO COMPANY

A261147

1118369

FILED

FEB 4 1983

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF BAY TOO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Too Company.

2. Article 1 of the Articles of Incorporaiton of this Corporation is amended to read as follows:

"The name of the Corporation is Bay Two Company."

3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 20th day of January, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL
Bay Two 01

8704.05

NAME CHG. TO: ARCONAL, INC.

1118369

A269043

FILED

JUL 29 1983

MARCH FONG EU, Secretary of State

By Kathleen P. Jutrzenka
Deputy

CERTIFICATE OF AMENDMENT
OF THE
ARTICLES OF INCORPORATION OF
BAY TWO COMPANY

John C. Lyon certifies that:

1. He is the Vice President and Treasurer, respectively of Bay Two Company.

2. Article 1 of the Articles of Incorporation of this Corporation is amended to read as follows:

"The name of the Corporation is Arconal, Inc."

3. The foregoing amendment of the articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing amendment of the Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902 of the Corporations Code. The total number of outstanding shares of the Corporation is 1,000 shares. The number of shares voting in favor of the Amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

John C. Lyon
Vice President

John C. Lyon
Treasurer

The undersigned declares under penalty of perjury that the matters set forth in the foregoing certificate are true of his own knowledge. Executed at San Francisco, California on this 25th day of July, 1983.

John C. Lyon
Vice President

John C. Lyon
Treasurer

JCL40
Cert of Amend

8704063171

EXHIBIT K

8704063172

DECLARATION

I, JOSEPH A. SPERSKE, declare:

1. I am a citizen of the United States.

2. I was a Director of The Jamestown Company, a California corporation, during the period of July 1, 1984, through April 16, 1986.

3. The Jamestown Company is owned by Arconal, Inc., a California corporation. Arconal, Inc. is owned by Arconal, N.V., a Netherlands-Antilles corporation. Arconal, N.V. is owned by the General Service Insurance System, ("GSIS"), a Philippine corporation whose purpose is to provide pension plans for government employees. None the the parent corporations, their directors, officers, agents, representatives, or other interested persons exercised any influence or control over the decisions made by The Jamestown Company directors to make contributions in connection with elections to office in California.

4. The other directors who served with me on the Board of Directors of The Jamestown Company were Sylvia Lichauco, Esq. and John Lyon, Esq. (deceased, February, 1986). To my knowledge, both of those individuals were citizens of the United States during the relevant period under review.

5. I have been an attorney in good standing with the State Bar of California since 1974.

6. I acted as counsel to The Jamestown Company in connection with developing The Jamestown Company's project at 212 Stockton Street in San Francisco, California; the benefits this project inure to the GSIS which is the ultimate parent corporation of The Jamestown Project.

7. Between January, 1984, and November, 1985, various contributions were made to committees in California involved with elections to office.

Contributions were made by The Jamestown Company directly, by The Jamestown Company through Stanway as its agent, by The Jamestown Company through reimbursements. I made no contributions personally.

8. Contributions made were generally derived from rents received from the 212 Stockton Street project. The Jamestown Company received $19,000.00 per month in rent, commencing approximately November, 1982, and continuing through approximately May, 1985. Additional funds were derived from operation of the San Francisco business property, obtained as explained below, were also available.

9. The Jamestown Company earned additional income through interest paid from time to time on short term money market accounts in which rental income was deposited as cash flow permitted.

10. After acquisition of the property at 212 Stockton Street, San Francisco, California in November, 1982, subsequent loans were secured from California First Bank. A $760,000.00 loan, secured by the property's master lease, produced funds for the period July 5, 1984, through approximately May, 1985. A $2 million loan, secured by the property, produced funds from approximately May, 1985, for use until the property was sold on May 19, 1986.

11. Funds existed in The Jamestown Company accounts held both in The Jamestown Company's name and by Stanway for the benefit of The Jamestown Company from the $19,000.00 rental income and other income in amounts adequate to make the nominal contributions each month. The contributions did not exceed $1,200.00 in any month and averaged approximately $500.00 for the months in which contributions were made to California committees involved with elections to office.

12. Stanway did not develop its own separate assets or income, but merely acted as agent for The Jamestown Company in the acquisition of 212 Stockton

R704533173

Street and subsequently in the day-to-day administration of certain receipts and expenditures on behalf of The Jamestown Company. Acting under power of attorney, Sylvia Lichauco directed Stanway's receipt and deposit funds, and their disbursement in accordance with The Jamestown Company's operational program and directives.

13. Contributions made from Stanway's account were from funds derived from The Jamestown Company and were made in each instance by Stanway as agent for The Jamestown Company.

14. The directors of The Jamestown Company exercised all decision-making power over the making of all contributions by The Jamestown Company and its affiliated entities. No control or influence was exercised by any foreign corporation or person at any time.

15. It is my understanding and belief that the filing of a complaint in this matter by Ms. Sue Hestor was motivated solely by her desire to utilize the publicity surrounding the investigation by the Federal Election Commission as a means to prevent the construction of the building that was properly approved for the property located at 212 Stockton Street, San Francisco, California.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: May 29, 1986

Joseph A. Sperske

DSM01

8704063174

2165

RECEIVED AT THE FEC
CCM 406
86 MAY 13 AM : 42

♦ Member
Board of Supervisors
City and County of San Francisco

WENDY NELDER

86 MAY 13 P3:31
GENERAL COUNSEL

May 8, 1986

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

Attention: Mr. Eric Kleinfeld

Dear Mr. Kleinfeld:

On Tuesday, April 29, 1986, I received materials from you concerning donations to my "Friends Committee", that is, a committee which collects funds to defray the costs of serving in public office as opposed to the costs from campaigning for public office. The donations seem to come from a woman named Sylvia Lichauco, and what I understand to be California corporations which she represents.

I have forwarded those materials to the San Francisco City Attorney, George Agnost, so that he can appropriately advise me and answer you in this matter.

However, I am enclosing herewith for your information, a copy of a memo dated May 7, 1986, with attachments, from me to the City Attorney's office concerning this matter since it contains the very brief history which surrounds the subject so far as I am concerned.

I am waiting for the City Attorney (or you) to advise as to the appropriate action to be taken concerning the "Friends Committee" contribution.

If, after you hear from the City Attorney's office, you need anything further from me, please so advise.

Sincerely,

WENDY NELDER
Member
San Francisco Board of Supervisors

WN/wz
Enclosure (1)

8704033175

WENDY NELDER
MEMBER, BOARD OF SUPERVISORS
CITY HALL, SAN FRANCISCO

DATE: MAY 7, 1986
TO: GEORGE AGNOST, CITY ATTORNEY
BURK E. DELVENTHAL, DEPUTY CITY ATTORNEY

FROM: SUPERVISOR WENDY NELDER

SUBJECT: CAMPAIGN CONTRIBUTIONS BEFORE FEDERAL ELECTIONS COMMISSION

Per your inquiry:

The Federal Elections Commission materials and complaint were received by me at my home on Tuesday, April 29, 1986, the same day I delivered them to the City Attorney's office.

I am puzzled and concerned by any implication that I or my treasurer should be charged with making a private investigation to determine the ultimate source, that is, any source other than that shown on a contributor's check, of any or all contributors to our accounts.

When I read in early newspaper articles of this matter, I consulted George Agnost and he advised me that, while there was no breach of law in accepting funds contributed to my committee by Sylvia Lichauco, who is described in San Francisco newspapers as a Filipina-American realtor, he, as my friend, wished that I would consider this entire issue as a public relation matter and return any such moneys. In accordance with his advice, I immediately returned $500.00 received by my campaign committee last December from Ms. Lichauco on a check drawn on her account at the Redwood Bank, 735 Montgomery Street, San Francisco, CA 94111, giving her address as 153 Kearny Street, Ste. 201, San Francisco, CA 94108, and appears to be signed by her.

Prior to receiving the Federal Elections Commission materials, I was advised by my treasurer's office that the $500.00 represented all campaign moneys I had ever received from Ms. Lichauco. I did receive a letter from the law firm of Bagatelos & Fadem saying they represent Ms. Lichauco and that a check to my Friends Committee in early 1984, reported by my treasurer as being from Ms. Lichauco, who evidently remitted it, was in fact from Stanway, Inc., an American corporation.

8704053176

On April 4, I requested factual information concerning the incorporation of Stanway, Inc. and the source of its funds. Herewith, I am attaching a copy of my letter to Mr. Peter Bagatelos. To date I have not received a reply to my inquiry although I explained to Mr. Bagatelos that I wished to take this matter up with the City Attorney.

I have had a check drawn in the amount of $250.00 to the account of Sylvia Lichauco and I hope you will advise me as to the appropriate action to take with it.

I believe that the Federal Elections Commission is being used or abused frivolously and possibly mischieviously. I would ask that you review the law in Torts to advise whether an abuse of process action might stand in these circumstances.

WN/wz
cc: Mark Kertz

Attachments:
1. copy of two checks received dated 2/9/84 & 11/29/85
2. copy of 4/4/86 letter from Supervisor Nelder to Mr. Peter Bagatelos
3. copy of Supervisor Nelder's check to Sylvia Lichauco dated 3/7/86

R70405331177

WENDY NELDER
MEMBER, BOARD OF SUPERVISORS
CITY HALL, SAN FRANCISCO

DATE: May 8, 1986

TO: GEORGE AGNOST, CITY ATTORNEY

FROM: SUPERVISOR WENDY NELDER

SUBJECT: CAMPAIGN CONTRIBUTIONS BEFORE FEDERAL ELECTIONS COMMISSION

In conjunction with my earlier memo, dated May 7, 1986, if it is your advice that I should return the $250.00 donation made to my Friends Committee in February, 1984 by either Sylvia Lichauco or Stanway, Inc., please advise to whom the check returning that contribution should be made out.

Thank you for your attention to this request.

WN/wz

cc: Burk E. Delventhal
Mark Kertz

8704063178

156

STANWAY N.V.

11-2929/05
1210

February 9 1984

Y TO THE RDER OF * FRIENDS OF WENDY NELDER ** $ 250.00

TWO HUNDRED FIFTY ONLY ** DOLLARS

Redwood Bank
735 Montgomery Street San Francisco California 94111

OR luncheon

"000156" ⑆121029290⑆ 05"031266"

(Friends Committee contribution — not for campaigning but for costs of office)

8704053331179

SYLVIA LICHAUCO
153 KEARNY ST., STE. 201
SAN FRANCISCO, CA 94108

6382

Redwood Bank
735 Montgomery Street San Francisco California 94111

November 29 1985

11-2929/05
1210

PAY FIVE HUNDRED ONLY******** DOLLARS $500.00

TO THE ORDER OF WENDY NELDER FOR S.F.

"006382" ⑆121029290⑆ 05" 2814416"

9/26/85

(campaign contribution — refunded)

Member
Board of Supervisors
City and County of San Francisco

WENDY NELDER

April 4, 1986

Mr. Peter Bagatelos
Bagatelos & Fadem
The International Building
601 California Street, Suite 1801
San Francisco, California 94108

Dear Mr. Bagatelos:

Your letter of March 20, 1986 is incomplete:

> "On February 9, 1984, a contribution was made to your committee by Stanway, Inc. in the amount of $ 250. This contribution was reported by you as received from Sylvia Lichuaco.
>
> This is to advise you that the above contribution was made by the Jamestown Company through its agent Stanway, Inc.
>
> At the time the contribution was made, the address of the contributing entities above was 153 Kearny St., San Francisco, CA 94108."

My campaign contributions are recorded according to the name or names appearing on checks received. I assume you intend to imply Ms. Lichauco either received the money originally or through a reimbursement process from another source, but since your letter mentions at least two other sources, please answer the following questions so that I can take this matter up with the City Attorney for clarification:

1) Where is Stanway incorporated and headquartered, how is it funded, who are its directors, and are they legal residents of the United States?

2) Where is the Jamestown Company incorporated and headquartered, how is it funded, who are its directors, and are they legal residents of the United States?

3) What is the real source of the contribution to which you refer?

Your prompt attention to these questions would be appreciated.

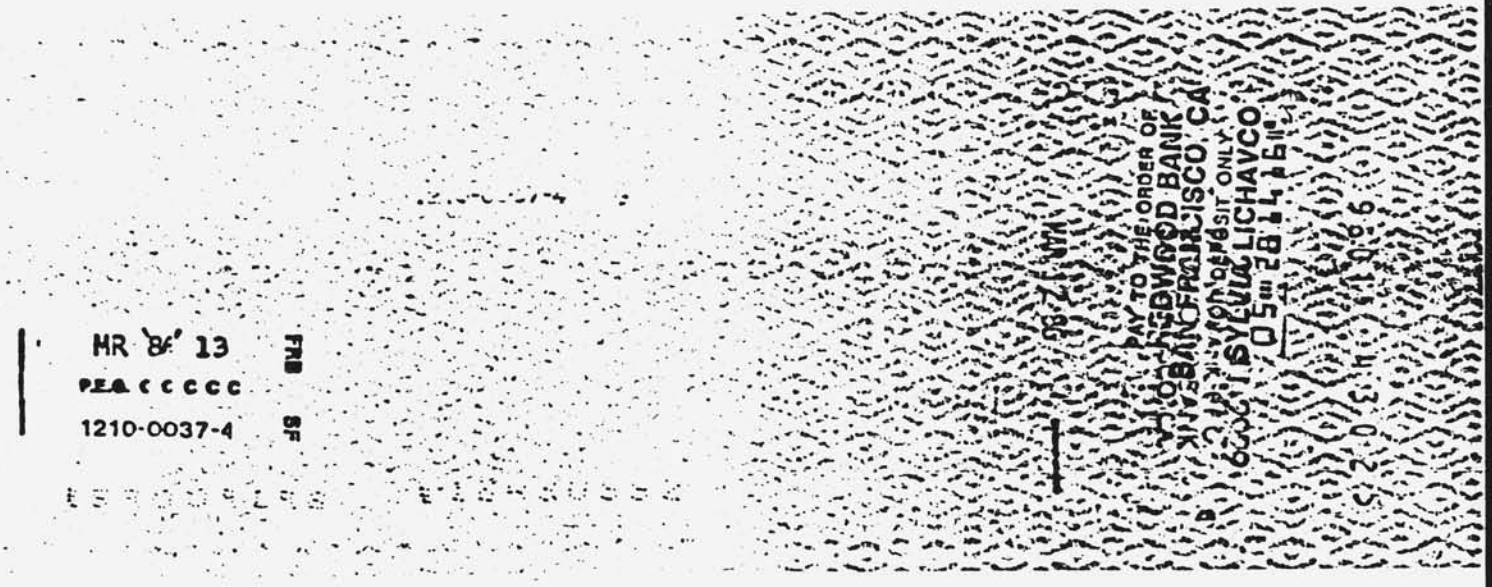
Best regards,

WENDY NELDER
Member
San Francisco Board of Supervisors

Room 235 • City Hall • San Francisco, California 94102 • (415) 558-2497

8704033180

(refund of campaign contribution)



RECEIVED AT THE FEC
GSA#578
86 MAY 28 A9:23

Stanway, Inc.

~~150 Kearny Street, Suite 201~~ San Francisco, California ~~94108~~ 415-956-8787

2040 Polk Street, Suite 143 94109

RECEIVED
FEDERAL ELECTION
COMMISSION
GENERAL COUNSEL
86 MAY 28 A11:07

May 20, 1986

Eric Kleinfeld, Esq.
Federal Elections Commission
999 "E" Street N.W.
Washington, D.C. 20463

RE: MUR2165

Dear Mr. Kleinfeld:

Further to my letter of 5/6/86 and our telephone conversation this morning, this is to request the FEC to provide me with an additional extension of time in the amount of 15 days from today, to respond to the above-referenced matter.

I hope for their favorable reply.

Very truly yours,

Sylvia Lichauco

SL/ja

8704063318 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 8, 1986

Harvey L. Gould, Esquire
Leland, Parachini, Steinberg,
Flinn, Matzger & Melnick
333 Market Street
27th Floor
San Francisco, California 94105

Re: MUR 2165
The Jamestown Company

Dear Mr. Gould:

This is in reference to your letter dated May 5, 1986, requesting an extension of time to respond to the complaint in the above-captionnd matter. After considering the circumstances presented in your letter, the Commission has determined to grant you an extension of two weeks. Accordingly, your response will be due on May 28, 1986.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704063318 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 8, 1986

Harvey L. Gould, Esquire
Leland, Parachini, Steinberg,
Flinn, Matzger & Melnick
333 Market Street
27th Floor
San Francisco, California 94105

Re: MUR 2165
The Jamestown Company

Dear Mr. Gould:

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

2040533184

GCC#411
RECEIVED AT THE FEC
HAND DELIVERED
86 MAY 8 A10:49

LAW OFFICES OF
LELAND, PARACHINI, STEINBERG,
FLINN, MATZGER & MELNICK
333 MARKET STREET - 27th FLOOR
SAN FRANCISCO, CALIFORNIA 94105-2171
TELEPHONE: (415) 957-1800
TELEX: 278641

May 5, 1986

HARVEY L. GOULD

VIA FEDERAL EXPRESS

Eric Kleinfeld, Esq.
Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

Re: In re The Jamestown Company, Stanway, Inc., Sylvia Lichauco
Federal Election Commission No. MUR 2165

Dear Mr. Kleinfeld:

Enclosed is a Statement of Designation of Counsel by which our law firm is appearing in this matter on behalf of The Jamestown Company.

On behalf of The Jamestown Company please accept this letter as a request for an extension of time for the filing of a response to the complaint. We are requesting the continuance so that we would have adequate time within which to prepare a proper response. In this connection, all of the directors and officers of Jamestown have been changed only within the last several weeks. The change of directors and officers is essentially the result of the fact that the ultimate beneficial ownership of Jamestown is the Government Service Insurance System (GSIS), a Philippine Government pension fund program for Philippine Government employees. In light of the change in the Philippine Government and the resulting change in control of the GSIS to individuals appointed by President Aquino, the new GSIS officers have only recently been able to make the changes in the Jamestown directors and officers. As a result of this extremely recent change, the present directors and officers are without any personal knowledge concerning any of the claims set forth in the complaint. Further, based on personal discussions I have had with Sue C. Hestor, the attorney for the complaining party in the instant matter, Ms. Hestor advises that her client would be prepared to withdraw the complaint which has been filed with the Federal Election Commission. It would therefore be helpful for us to have an extension of time so that we could further explore with Ms. Hestor and your office whatever alternatives might be available as a result of the complainant's present position on this matter. Thank you for any consideration you may be able to provide.

Very truly yours,

Harvey L. Gould

kah
Enclosure

86 MAY 9 P3:14

8704053185

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 13, 1986

George Agnost, Esquire
San Francisco City Attorney
City Hall, Room 206
San Francisco, California 94102

Re: MUR 2165
Dianne Feinstein, Quentin Kopp, Carol Ruth Silver, Louise Renne, Willie B. Kennedy and Wendy Nelder

Dear Mr. Agnost:

This is in reference to your letter dated May 8, 1986, requesting an extension of time until May 30, 1986 to respond to the complaint filed with the Commission in the above-captioned matter. After considering the circumstances presented in your letter, the Commission has determined to grant you your requested extension. Accordingly, your response will be due on May 30, 1986.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704063319 86

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 13, 1986

George Agnost, Esquire
San Francisco City Attorney
City Hall, Room 206
San Francisco, California 94102

Re: MUR 2165
Dianne Feinstein, Quentin Kopp, Carol Ruth Silver, Louise Renne, Willie B. Kennedy and Wendy Nelder

Dear Mr. Agnost:

This is in reference to your letter dated May 8, 1986, requesting an extension of time until May 30, 1986 to respond to the complaint filed with the Commission in the above-captioned matter. After considering the circumstances presented in your letter, the Commission has determined to grant you your requested extension. Accordingly, your response will be due on May 30, 1986.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

8704063187

City and County of San Francisco:

George Agnost,
City Attorney

HAND DELIVERED
FEC
86 MAY 12 P12:00

May 8, 1986

Mr. Eric Kleinfeld
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: FEC Complaint Number MUR 2165

Dear Mr. Kleinfeld:

We have enclosed with this letter statements designating George Agnost, the City Attorney for the City and County of San Francisco, and Deputy City Attorneys Burk E. Delventhal and Randy Riddle as attorneys in the matter identified above for respondents Mayor Dianne Feinstein and Supervisors Quentin Kopp, Carol Ruth Silver, Louise Renne, Willie B. Kennedy, and Wendy Nelder. Please address all further correspondence regarding this matter to this office.

We are also requesting on behalf of these respondents that the Commission grant an extension to May 30, 1986 for response to the complaint. The officials we represent received copies of the complaint on different dates, ranging from April 30 to May 5. The extension is needed to enable this office to compile a complete factual record for our response. Although we have been able to obtain a limited amount information about the some of contributors involved in this matter, we are still in the process of gathering information about the interrelationship of these entities. Further, since previous opinions of the Commission indicate that resolution of the question of whether a wholly owned subsidiary of a foreign corporation may lawfully contribute to a candidate for office in the United States depends in part on the citizenship of the directors of the subsidiary and whether the subsidiary is organized under the laws of one of the states of the United States, we are currently investigating these areas. We are confident that if granted the extension, we can uncover this additional information. This in turn will enable us to make the fullest possible record for our response.

2704053188

We would very much appreciate if you would phone this office at 415-558-3559 when you have reached a decision concerning the extension. Thank you very much for your consideration in this matter.

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
Deputy City Attorney

8704063189

City and County of San Francisco:

George Agnost,
City Attorney

RECEIVED AT THE FEC
HAND DELIVERED
86 MAY 12 P12:00
GCC#458

May 8, 1986

Mr. Eric Kleinfeld
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: FEC Complaint Number MUR 2165

86 MAY 12 P2:38
GENERAL COUNSEL'S OFFICE

Dear Mr. Kleinfeld:

We have enclosed with this letter statements designating George Agnost, the City Attorney for the City and County of San Francisco, and Deputy City Attorneys Burk E. Delventhal and Randy Riddle as attorneys in the matter identified above for respondents Mayor Dianne Feinstein and Supervisors Quentin Kopp, Carol Ruth Silver, Louise Renne, Willie B. Kennedy, and Wendy Nelder. Please address all further correspondence regarding this matter to this office.

We are also requesting on behalf of these respondents that the Commission grant an extension to May 30, 1986 for response to the complaint. The officials we represent received copies of the complaint on different dates, ranging from April 30 to May 5. The extension is needed to enable this office to compile a complete factual record for our response. Although we have been able to obtain a limited amount information about the some of contributors involved in this matter, we are still in the process of gathering information about the interrelationship of these entities. Further, since previous opinions of the Commission indicate that resolution of the question of whether a wholly owned subsidiary of a foreign corporation may lawfully contribute to a candidate for office in the United States depends in part on the citizenship of the directors of the subsidiary and whether the subsidiary is organized under the laws of one of the states of the United States, we are currently investigating these areas. We are confident that if granted the extension, we can uncover this additional information. This in turn will enable us to make the fullest possible record for our response.

8704063190

(415) 558-3315 Room 206 City Hall San Francisco 94102

We would very much appreciate if you would phone this office at 415-558-3559 when you have reached a decision concerning the extension. Thank you very much for your consideration in this matter.

GEORGE AGNOST
City Attorney

BURK E. DELVENTHAL
Deputy City Attorney

8704063191

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Burk E. Delventhal, Deputy City Attorney
Randy Riddle, Deputy City Attorney

ADDRESS: City Hall, Room 206
San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

5/8/84
Date

Louise H. Renne
Signature

RESPONDENT'S NAME: Louise H. Renne, Member, SF Board of Supervisors

ADDRESS: City Hall, Room 235
San Francisco, CA. 94102

HOME PHONE:

BUSINESS PHONE: (415) 558-5015

2704033192

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Burk E. Delventhal, Deputy City Attorney
Randy Riddle, Deputy City Attorney

ADDRESS: City Hall, Room 206
San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 8, 1986
Date

Signature

RESPONDENT'S NAME: Sup. Carol Ruth Silver

ADDRESS: City Hall, 400 Van Ness
Room 235
San Francisco, CA 94102

HOME PHONE: (415) 861-8450

BUSINESS PHONE: (415) 558-2254

8704063319 3

STATEMENT OF DESIGNATION OF COUNSEL

FPPC 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Deputy City Attorney Burk E. Delventhal
Deputy City Attorney Randy Riddle

ADDRESS: City Hall, Room 206, San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

5-8-86
Date

Willie B. Kennedy
Signature

RESPONDENT'S NAME: WILLIE B. KENNEDY

ADDRESS: Room 235 City Hall
SAN FRANCISCO, CA 94104

HOME PHONE:

BUSINESS PHONE: 415-558-2734 (2735)

870406331994

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Burk E. Delventhal, Deputy City Attorney
Randy Riddle, Deputy City Attorney

ADDRESS: City Hall, Room 206
San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 8, 1986
Date

Signature

RESPONDENT'S NAME: Dianne Feinstein

ADDRESS: Room 200
City Hall
San Francisco 94102

HOME PHONE: 415 221 4141

BUSINESS PHONE: 415 558 3456

8704063319 5

STATEMENT OF DESIGNATION OF COUNSEL

NOR 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Burk E. Delventhal, Deputy City Attorney
Randy Riddle, Deputy City Attorney

ADDRESS: City Hall, Room 206
San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

5/8/86
Date

Quentin L. Kopp
Signature

RESPONDENT'S NAME: Quentin L. Kopp

ADDRESS: Room 235
City Hall
San Francisco, CA 94102

HOME PHONE: 415-664-6461

BUSINESS PHONE: 415-558-2338

870405331996

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: George Agnost, San Francisco City Attorney
Burk E. Delventhal, Deputy City Attorney
Randy Riddle

ADDRESS: City Hall, Room 206
San Francisco, CA 94102

TELEPHONE: (415) 558-3559

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission. ~ But I want to know if anything comes in - and see any materials coming in or going out.

May 8, 1986
Date

Wendy Nelder
Signature

RESPONDENT'S NAME: SUPERVISOR WENDY NELDER

ADDRESS: CITY HALL ROOM 235
SAN FRANCISCO, CA 94102

HOME PHONE: 584-4455

BUSINESS PHONE: 558-2497

8704063 3197

RECEIVED AT THE FEC
GCC# 448
86 MAY 9 P12:29

DOBBS, BERGER, MOLINARI, CASALNUOVO, VANNELLI & NADEL
ATTORNEYS AT LAW

SUITE 2500, THE ALCOA BUILDING
ONE MARITIME PLAZA
SAN FRANCISCO, CALIFORNIA 94111-3574

(415) 362-1940
TELECOPIER (415) 362-5503
CABLE: DOBBSLAW

May 5, 1986

Mr. Charles N. Steele, General Counsel
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention: Eric Kleinfeld, Esq.
Re: MUR 2165

86 MAY 9 P3:31
RECEIVED
SECRETARIAT
GENERAL COUNSEL

Dear Sir:

This office represents Supervisor John L. Molinari, Supervisor of the City and County of San Francisco, California, and the Committee for Supervisor John L. Molinari, who are in receipt of a copy of the complaint filed with the Federal Election Commission, which complaint has been assigned the above-referenced Matter Under Review Number. Preliminarily, we wish to state that the surname "Molinari" appearing on the letterhead of this communication is not that of Supervisor John L. Molinari. We also note that, although your letter dated April 25, 1986 accompanying said complaint states that the complaint alleges that the Committee for Supervisor John L. Molinari and Supervisor John L. Molinari violated certain sections of the Federal Election Campaign Act of 1971, we note from a reading of the complaint that no such allegation is made by the complainant. The persons and entities complained of are: The Jamestown Company, Stanway Inc., and Sylvia Lichauco.

Because the complaint alleges, in part, that illegal campaign contributions by the named respondents were made to the Committee for Supervisor John L. Molinari and Supervisor John L. Molinari, the Committee and Supervisor Molinari deem it appropriate that they should state the facts and circumstances under which campaign contributions were made to, or on behalf of, Supervisor Molinari as appears in the "California Expenditure and Major Donor Committee Campaign Statement (Form 461)" alluded to in the subject complaint. The following statement is made in letter form pursuant to a telephonic conversation between the undersigned and Eric Kleinfeld, Esq.:

8704533198

On May 31, 1984 the Committee for Supervisor John L. Molinari received a check in the amount of $500.00 from Sylvia Lichauco. This check, dated May 31, 1984, bears the designation "Sylvia Lichauco, 153 Kearny Street, Ste. 201, San Francisco, CA 94108" and is made payable to the order of "Committee for Supervisor John L. Molinari" and is signed by Sylvia Lichauco. On June 27, 1984 the Committee received a similar check dated June 26, 1984 in the amount of $500.00. On September 24, 1984, the Committee received a third check, dated September 11, 1984, payable to the order of "Committee for Supervisor John L. Molinari" in the amount of $250.00. Said check bears the name "Citiscops, Inc." and is signed by "Sylvia Lichauco".

In the Committee's Recipient Committee Campaign Statements (Form 420) filed with the Registrar of Voters of the City and County of San Francisco Sylvia Lichauco is shown as the contributor of the two $500.00 contributions. Her occupation was shown as "President" and her employer as "Edgewood Investments, Inc., 153 Kearny Street, #201, San Francisco, CA 94108". The $250.00 contribution is shown on said statement as having been made by "Citiscops, Inc.", an "advertising agency", at 153 Kearny Street, San Francisco, CA 94108.

At all times Supervisor Molinari and the Committee believed that these contributions were made, respectively, by Sylvia Lichauco, as an individual, and by Citiscops, Inc. Neither Supervisor Molinari or the Committee had any information or knowledge that these contributions were made by persons or entities other than Lichauco or Citiscops, Inc.

On March 2, 1986, upon reading an article in the San Francisco Examiner to the effect that campaign contributions made by Sylvia Lichauco to local candidates were purportedly made by a foreign national in violation of Federal election laws and that these contributions may have been made on behalf of persons other than the designated contributors in violation of California law, Supervisor Molinari addressed a letter to Sylvia Lichauco stating that the campaign funds received from her and Citiscops were received in good faith and without knowledge of any impropriety and that, to avoid even the appearance of impropriety, he was instructing his committee to return these contributions to her.

R704633199

On March 12, 1986 the Committee for Supervisor John L. Molinari by one check dated March 12, 1986, payable to the order of Ms. Sylvia Lichauco, returned the two $500.00 contributions. On the same day the Committee by check dated March 12, 1986, payable to the order of Citiscops, Inc., in the amount of $250.00, returned the contribution made by Citiscops, Inc.

On March 20, 1986 the Committee for Supervisor John L. Molinari received a communication from the law offices of Bagatelos & Fadem stating that they had been retained by "The Jamestown Company and Affiliated Entities, including but not limited to, Sylvia Lichauco" to advise the Committee regarding certain contributions received by the Committee from their client. This letter advises that the contribution made by Citiscops, Inc. in the amount of $250.00 was made from funds held in a shareholder account for Sylvia Lichauco. This fund was maintained by Citiscops, Inc., and, the letter states, the Jamestown Company reimbursed this amount into a shareholder account for Sylvia Lichauco maintained by Piper King, Inc., a California corporation in lieu of payment to Citiscops, Inc. shareholder account for Sylvia Lichauco. The letter further states that the contributions in the amount of $1,000.00 made by Sylvia Lichauco were at all times from Sylvia Lichauco and not from any other entity. The letter requests that the Committee's campaign statements list the $250.00 contribution as having been made by the entities designated in the letter.

The foregoing can be substantiated by documentary evidence in the possession of Committee for Supervisor John L. Molinari and Supervisor John L. Molinari.

In summary, we believe that neither Supervisor Molinari nor his Committee are, or were, in violation of any law. As soon as Supervisor Molinari was apprised of the possibility that the contribution came from sources other than those represented, he caused the contribution to be returned, even if made lawfully.

I enclose the Statement of Designation of Counsel.

8704063200

If I may be of any further assistance to you regarding any of the foregoing, please do not hesitate to contact me.

Very truly yours,

LEONARD B. BERGER

LBB:ddl
Enclosure
8841L

8704063320

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: LEONARD B. BERGER

ADDRESS: SUITE 2500, THE ALCOA BLDG.
ONE MARITIME PLAZA
SAN FRANCISCO, CA 94111

TELEPHONE: (415) 362-1940

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

COMMITTEE FOR SUPERVISOR
JOHN L. MOLINARI

May 6, 1986
Date

By Pino J. Bellu
Signature Treasurer

John L. McMolinari
Signature

RESPONDENT'S NAME: John L. Molinari and Committee for Supervisor John L. Molinari

ADDRESS: 30 - 16th Avenue
San Francisco, CA 94118

HOME PHONE: (415) 668-1932 (John L. Molinari
(415) 668-1932 (Committee)

BUSINESS PHONE: (415) 558-2164 (John L. Molinari

8704063320 2

RECEIVED AT THE FEC
GCC#437
86 MAY 8 A10:50

KEVIN STARR

445 CHESTNUT STREET SAN FRANCISCO, CALIFORNIA 94133 TELEPHONE [415] 986-5864

May 5, 1986

Charles N. Steele
General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 2165

86 MAY 8 P 3:38
RECEIVED
OFFICE OF THE GENERAL COUNSEL

Dear Mr. Steele:

In 1984 I sought election to the Board of Supervisors of the City and County of San Francisco. Previously, I had been a daily columnist for the San Francisco Examiner. I mention this fact because my campaign raised over $300,000 towards my election. I was, at the time, as a former newspaper columnist and before that a former City Librarian a reasonably well-known San Franciscan.

I mention this fact because much of the $300,000-plus poured into my campaign in the form of unsolicited contributions. Many of these unsolicited contributions were in the $50 - $150 range. Most of these checks -- and there were hundres of them -- came as personal checks signed by individual San Franciscans acting on their own behalf. If there were any problems with any checks, my campaign fundraiser, Maryann Andrascik, would check them out. As a former fundraiser for Governor Jerry Brown, Ms. Andrascik was skilled in this matter and she had my complete confidence.

Apparently, one of the hundreds of smaller checks that came in came from Sylvia Lichauco. According to the information supplied you by Sue E. Hestor of San Francisco, Sylvia Lichauco was apparently being reimubursed for these donations by an offshore company.

Obviously, my campaign staff had no way of knowing this. This check, as I say, was one of hundreds of such personal checks we received. I do not know Sylvia Lichauco. To the best of my knowledge I did not speak to her during my campaign. However, I did shake thousands of hands, and so it is possible that I did meet her.

In any event, I had no conversations with her. Had Ms. Andrascik any suspicion that this check was from an offshore company, it would have been returned. Having raised over $300,000, none of us would be inclined to compromise our campaign for $150. I consider myself and my campaign staff to be the victims of deceit in this matter, if the allegations contained in Ms. Hestor's complaint are true.

I am prepared to swear to the above facts under oath, if necessary.

Yours sincerely,

Kevin Starr

Kevin Starr

8704053320 3

GCC#423
RECEIVED AT THE FEC
HAND DELIVERED
86 MAY 7 A10:12

Stanway, Inc.
~~[illegible] Kearny Street Suite 291, San Francisco, California 94108~~ 415-956-8787
1476 Pacific Ave. 94109

86 MAY 7 P3:55
RECEIVED
OFFICE OF
GENERAL COUNSEL

May 6, 1986

Eric Kleinfeld, Esq.
Federal Elections Commission
999 "E" Street N.W.
Washington D.C. 20463

RE: MUR2165

Dear Mr. Kleinfeld:

This is in response to a letter from Kenneth A. Gross dated April 18, 1986 regarding the above referenced matter and to request an extension of time to respond.

The letter was mailed to my former attorney, Joseph Alioto, whom had been retained by me on another matter. As a consequence, I did not receive the letter and attachments until April 29, 1986. Therefore, I respectfully request time be extended to formally respond until May 13, 1986, 15 days from my receipt of said correspondence.

At the present time, I am not represented by counsel for this matter and am seeking advice as to whether or not I should be represented, and, if so, who that may be.

I shall, however, provide a complete response to the complaint within the 15 days from receipt.

Very truly yours,

Joanna Au

for Sylvia Lichauco

SL/ja

8704063204

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645
06PM

Western Union Mailgram

Occt 424

1-018837I126 05/06/86 ICS IPMFXSB WSHA
021 MGM SANFRANCISCO CA 200 05-06 0600P PDT

86 MAY 7 A10:51
RECEIVED
FEC

ERIC KLEINFELD, ESQ.
FEDERAL ELECTIONS COMMISSION
999 "E" STREET N.W.
WASHINGTON DC 20463

RE: MUR2165

DEAR MR. KLEINFELD:

THIS IS IN RESPONSE TO A LETTER FROM KENNETH A. GROSS DATED APRIL 18, 1986, REGARDING THE ABOVE REFERENCED MATTER AND TO REQUEST AN EXTENSION OF TIME TO RESPOND.

THE LETTER WAS MAILED TO MY FORMER ATTORNEY, JOSEPH ALIOTO, WHOM HAD BEEN RETAINED BY ME ON ANOTHER MATTER. AS A CONSEQUENCE, I DID NOT RECEIVE THE LETTER AND ATTACHMENTS UNTIL APRIL 29, 1986. THEREFORE, I RESPECTFULLY REQUEST TIME BE EXTENDED TO FORMALLY RESPOND UNTIL MAY 13, 1986, 15 DAYS FROM MY RECEIPT OF SAID CORRESPONDENCE.

AT THE PRESENT TIME, I AM NOT REPRESENTED BY COUNSEL FOR THIS MATTER AND AM SEEKING ADVICE AS TO WHETHER OR NOT I SHOULD BE REPRESENTED, AND, IF SO, WHO THAT MAY BE.

I SHALL, HOWEVER, PROVIDE A COMPLETE RESPONSE TO THE COMPLAINT WITHIN THE 15 DAYS FROM RECEIPT.

VERY TRULY YOURS,

SYLVIA LICHAUCO
1476 PACIFIC AVE
SAN FRANCISCO CA 94109

20:32 EST

MGMCOMP

86 MAY 7 P3:55
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

5241 (R 7/82)

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

GCC#411
RECEIVED AT THE FEC
HAND DELIVERED
86 MAY 6 A10:49

LAW OFFICES OF
LELAND, PARACHINI, STEINBERG,
FLINN, MATZGER & MELNICK
333 MARKET STREET-27th FLOOR
SAN FRANCISCO, CALIFORNIA 94105-2171
TELEPHONE: (415) 957-1800
TELEX: 278941

HARVEY L. GOULD

May 5, 1986

86 MAY 6 P3:14
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

VIA FEDERAL EXPRESS

Eric Kleinfeld, Esq.
Federal Election Commission
999 E Street N.W.
Washington, D.C. 20463

Re: In re The Jamestown Company, Stanway, Inc., Sylvia Lichauco
Federal Election Commission No. MUR 2165

Dear Mr. Kleinfeld:

Enclosed is a Statement of Designation of Counsel by which our law firm is appearing in this matter on behalf of The Jamestown Company.

On behalf of The Jamestown Company please accept this letter as a request for an extension of time for the filing of a response to the complaint. We are requesting the continuance so that we would have adequate time within which to prepare a proper response. In this connection, all of the directors and officers of Jamestown have been changed only within the last several weeks. The change of directors and officers is essentially the result of the fact that the ultimate beneficial ownership of Jamestown is the Government Service Insurance System (GSIS), a Philippine Government pension fund program for Philippine Government employees. In light of the change in the Philippine Government and the resulting change in control of the GSIS to individuals appointed by President Aquino, the new GSIS officers have only recently been able to make the changes in the Jamestown directors and officers. As a result of this extremely recent change, the present directors and officers are without any personal knowledge concerning any of the claims set forth in the complaint. Further, based on personal discussions I have had with Sue C. Hestor, the attorney for the complaining party in the instant matter, Ms. Hestor advises that her client would be prepared to withdraw the complaint which has been filed with the Federal Election Commission. It would therefore be helpful for us to have an extension of time so that we could further explore with Ms. Hestor and your office whatever alternatives might be available as a result of the complainant's present position on this matter. Thank you for any consideration you may be able to provide.

Very truly yours,

Harvey L. Gould

kah
Enclosure

8704063206

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2165

NAME OF COUNSEL: HARVEY L. GOULD, ESQ.
LELAND, PARACHINI, STEINBERG,
FLINN, MATZGER & MELNICK

ADDRESS: 333 Market Street, Suite 2700
San Francisco, Calif. 94105

TELEPHONE: (415) 957-1800

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 5, 1986
Date

Signature

RESPONDENT'S NAME: The Jamestown Company
By: R. R. Garcia, Director

ADDRESS: c/o Leland, Parachini, et al.
333 Market Street, Suite 2700
San Francisco, Calif. 94105

HOME PHONE:

BUSINESS PHONE: (415) 957-1800

8704053320 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Arconal, Inc.
c/o Joseph L. Alioto
650 California St.
23rd Floor
San Francisco, CA 94108

Re: MUR 2165

Dear Sir:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Arconal, Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Arconal, Inc. in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

8704063208

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704043209

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Kevin Starr
Kevin Starr for Supervisor
1840 Van Ness Ave. #6
San Francisco, CA 94109

Re: MUR 2165

Dear Mr. Starr:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Kevin Starr for Supervisor and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

2704033210

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063211

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Louise Renne
Committee to ReElect Supervisor Louise Renne
1 Maritime Plaza
San Francisco, CA 94111

Re: MUR 2165

Dear Ms. Renne:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee to ReElect Supervisor Louise Renne and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

8704063212

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063321 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Carol Ruth Silver
San Franciscans for Carol Ruth Silver
68 Ramona St.
San Francisco, CA 94103

Re: MUR 2165

Dear Ms. Silver:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that San Franciscans for Carol Ruth Silver and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

8704063214

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

John Molinari
Committee for Supervisor John Molinari
30 16th Avenue
San Francisco, CA 94118

Re: MUR 2165

Dear Mr. Molinari:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee for Supervisor John Molinari and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

R704043215

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063216

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Willie Kennedy
Supervisor Willie Kennedy Campaign Committee
400 Van Ness Ave., #234
San Francisco, CA 94102

Re: MUR 2165

Dear Mr. Kennedy:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Supervisor Willie Kennedy Campaign Committee and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statemepnts should be submitted under oath.

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

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

8704063217

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063218

8704043321 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

The Honorable Dianne Feinstein
Friends of Mayor Dianne Feinstein
P.O. Box 15296
San Francisco, CA 94115

Re: MUR 2165

Dear Mayor Feinstein:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Friends of Mayor Dianne Feinstein and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statemepnts should be submitted under oath.

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

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704043322 20

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Wendy Nelder
Friends of Wendy Nelder
150 Casitas St.
San Francisco, CA 94103

Re: MUR 2165

Dear Ms. Nelder:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Friends of Wendy Nelder and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

8704063221

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063322

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 25, 1986

Quentin Kopp
Committee to ReElect Quentin Kopp
354 Pine Street
San Francisco, CA 94104

Re: MUR 2165

Dear Mr. Kopp:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee to ReElect Quentin Kopp and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

8704063323

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

R704053322 24

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 1986

Sue C. Hestor, Esquire
870 Market Street
Suite 1121
San Francisco, CA 94102

Dear Ms. Hestor:

This letter will acknowledge receipt of a complaint filed by you which we received on April 14, 1986, which alleges possible violations of the Federal Election Campaign Act of 1971, as amended, (the "Act"), by The Jamestown Company, Stanway Inc. and Silvia Lichauco. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter under review MUR 2165. Please refer to this number in all future correspondence. If you have any questions, please contact Lorraine F. Ramos at (202) 376-3110.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8704033225

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 1986

Silvia Lichauco
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Silvia Lichauco may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Silvia Lichauco in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

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8704063328

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 1986

Stanway Inc.
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Stanway Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Stanway Inc. in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
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8704063322 29

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 18, 1986

The Jamestown Company
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that The Jamestown Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against The Jamestown Company in this matter. Your response must be within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063323 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Sue C. Hestor, Esquire
870 Market Street
Suite 1121
San Francisco, CA 94102

Dear Ms. Hestor:

This letter will acknowledge receipt of a complaint filed by you which we received on April 14, 1986, which alleges possible violations of the Federal Election Campaign Act of 1971, as amended, (the "Act"), by The Jamestown Company, Stanway Inc. and Silvia Lichauco. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter under review MUR 2165. Please refer to this number in all future correspondence. If you have any questions, please contact Lorraine F. Ramos at (202) 376-3110.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

8704063323 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Silvia Lichauco
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

SLC

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Silvia Lichauco may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Silvia Lichauco in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063234

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Stanway Inc.
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

EIC

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Stanway Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Stanway Inc. in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063236

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

The Jamestown Company
c/o Joseph L. Alioto
650 California Street
23rd Floor
San Francisco, CA 94108

SL

Re: MUR 2165

Dear Mr. Alioto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that The Jamestown Company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against The Jamestown Company in this matter. Your response must be within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
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8704063238

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Arconal, Inc.
c/o Joseph L. Alioto
650 California St.
23rd Floor
San Francisco, CA 94108

Re: MUR 2165 EK

Dear Sir:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Arconal, Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Arconal, Inc. in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
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Designation of Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Kevin Starr
Kevin Starr for Supervisor
1840 Van Ness Ave. #6
San Francisco, CA 94109

Re: MUR 2165

EIC

Dear Mr. Starr:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Kevin Starr for Supervisor and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
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8704063324 2

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Louise Renne
Committee to ReElect Supervisor Louise Renne
1 Maritime Plaza
San Francisco, CA 94111

Re: MUR 2165

Dear Ms. Renne:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee to ReElect Supervisor Louise Renne and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704063324

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Carol Ruth Silver
San Franciscans for Carol Ruth Silver
68 Ramona St.
San Francisco, CA 94103

EC

Re: MUR 2165

Dear Ms. Silver:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that San Franciscans for Carol Ruth Silver and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
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Procedures
Designation of Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John Molinari
Committee for Supervisor John Molinari
30 16th Avenue
San Francisco, CA 94118

Re: MUR 2165

Dear Mr. Molinari:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee for Supervisor John Molinari and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
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Designation of Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Willie Kennedy
Supervisor Willie Kennedy Campaign Committee
400 Van Ness Ave., #234
San Francisco, CA 94102

Re: MUR 2165

Dear Mr. Kennedy:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Supervisor Willie Kennedy Campaign Committee and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statemepnts should be submitted under oath.

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

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

8704043250

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

The Honorable Dianne Feinstein
Friends of Mayor Dianne Feinstein
P.O. Box 15296
San Francisco, CA 94115

Re: MUR 2165

Dear Mayor Feinstein:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Friends of Mayor Dianne Feinstein and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statemepnts should be submitted under oath.

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

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
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Designation of Counsel

8704063252

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Wendy Nelder
Friends of Wendy Nelder
150 Casitas St.
San Francisco, CA 94103

Re: MUR 2165

Dear Ms. Nelder:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Friends of Wendy Nelder and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
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Designation of Counsel

8704063254

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Quentin Kopp
Committee to ReElect Quentin Kopp
354 Pine Street
San Francisco, CA 94104

Re: MUR 2165 SK

Dear Mr. Kopp:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that the Committee to ReElect Quentin Kopp and you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2165. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and your Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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.

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

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If you have any questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel

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M2165

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

SENSITIVE

SUE C. HESTOR
Attorney at Law
870 Market Street, Rm. 1121
San Francisco, CA 94102
(415) 362-2778
552-2194

86 APR 11 P3:20

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

86 APR 11 A9:47

April 7, 1986

Office of General Counsel
Federal Elections Commission
999 E Street NW
Washington DC 20463

To Whom it May Concern:

Enclosed are two copies of a complaint I am filing on behalf of my client, Citizens for Representative Government, against the Jamestown Company, Stanway Inc. and Sylvia Lichauco.

Please acknowledge receipt by stamping one of the copies and returning it the stamped, self-addressed envelop supplied.

Thank you for your assistance.

Sincerely,

Sue C Hestor

Sue C. Hestor

8704063257

SUE C. HESTOR
870 Market Street, Ste 1121
San Francisco CA 94102
Telephone: (415) 362-2778

Attorney for Complainant
CITIZENS FOR REPRESENTATIVE GOVERNMENT

FEDERAL ELECTIONS COMMISSION

In the Matter of:

THE JAMESTOWN COMPANY
STANWAY INC.
SYLVIA LICHAUCO

CITIZENS FOR REPRESENTATIVE GOVERNMENT,

Complainant.

NO. MUR 2165

TO: Office of General Counsel
Federal Elections Commission
999 E Street NW
Washington DC 20463

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO) ss.

SUE C. HESTOR, being duly sworn, deposes and says:

On behalf of Citizens for Representative Government I hereby complain and request an investigation of campaign contributions made in violation of federal laws which prohibit

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contributions by a foreign national in connection with an election for local public office.

Complainant is California non-profit association Citizens for Representative Government. Its address is c/o Sue C. Hestor, Attorney, 870 Market Street Suite 1121, San Francisco California 94102.

The persons and entities complained of are:

The Jamestown Company, a California company which is a wholly owned subsidiary of the Netherlands Antilles Corporation, Arconal Inc. That corporation is wholly owned by an agency of the Philippine government. These companies were established by the Marcos government in the Philippines to develop real estate in San Francisco.

Stanway Inc., a Netherlands Antilles corporation

Sylvia Lichauco, the agent of the Jamestown Company, Arconal Inc and Stanway Inc.

According to papers filed with the Registrar of Voters in San Francisco, California, the address for all entities complained of is c/o Joseph L. Alioto, 650 California Street, 23rd floor, San Francisco CA 94108.

The contributions complained of were related to the development of a a 54,000 square foot office and retail

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building called 212 Stockton Street on Union Square in San Francisco.

In support of this complaint Complainant offers the following documents identified in paragraphs number 1 through 7. Of my own personal knowledge they are true and correct copies. The facts set out herein are true as to my own personal knowledge, except as to matters which are stated on information and belief, and as to those matters I believe them to be true:

(1) California form 461, Expenditure and Major Donor Committee Campaign Statement, for the calendar year 1984, filed March 21, 1986 by Sylvia Lichauco.

This document was obtained from the Registrar of Voters, City Hall, San Francisco, California. According to that document it shows contributions by the Jamestown Company, Stanway, Inc. (agent for the Jamestown Company) and Sylvia Lichauco.

The statement shows the following campaign contributions to candidates for California elected office:

Supervisor Carol Ruth Silver - $1,545

Supervisor Wendy Nelder - $250

Supervisor John Molinari - $1,250

Mayor Dianne Feinstein - $125

Supervisor Louise Renne - $500

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Supervisor Quentin Kopp - $500

Candidate for the Board of Supervisors Kevin Starr - $150

Supervisor Willie Kennedy - $250

Unspecified - $35

In addition to those contributions to candidates for local office, the statement shows a $12,000 loan to the campaign against a San Francisco ballot proposition, Proposition K, which prohibited additional shadowing of local parks by new development projects.

The statement shows that contributions were made by four different entities - the Jamestown Company, Stanway Inc., Sylvia Lichauco or Citistops - and were reimbursed by the Jamestown Company or Citistops. As is set out below Stanway Inc. is a Netherlands Antilles corporation. Jamestown is a wholly owned subsidiary of Arconal Inc., another Netherlands Antilles corporation. All three corporations were established by an agency of the the former Philippines government to develop real estate in San Francisco.

(2) San Francisco Examiner, March 2, 1986 - article, "S.F. project owned by Philippine institution"

This article was the first expose of the ownership of the 212 Stockton Street project by the Marcos government in the Philippines. It relates the connections between the nominal owner, The Jamestown Company, and its agent, Sylvia Lichauco.

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The chain of ownership of the 212 Stockton Street site is that Jamestown Company, a California corporation, nominally owns the site. It is in turn owned by a Netherlands Antilles corporation (i.e. a foreign corporation), which is in turn a wholly owned subsidiary of the General Service Insurance System (GSIS) pension fund. GSIS is an agency of the Philippine government.

In an interview with Ms. Lichauco, reported in the article, it is stated that:

> "she said Jamestown Co. was actually owned by another California corporation, which in turn was owned by a Netherlands Antilles corporation."

The article clearly states that the ownership of the Jamestown Company was wholly foreign. This was confirmed by another person in that same article:

> "John C. Lyon, a lawyer and director of Jamestown Co., said GSIS was the sole owner of those corporations as well -- and thus, of the project."

The article goes on:

> "To bolster her assertion that GSIS 'truly owns' 212 Stockton St., Lichauco showed the Examiner a letter from San Francisco Philippine Consul Romeo Arguelles...'After reviewing the documents and correspondence relating to 212 Stockton I can confirm that the ultimate owner...is GSIS' the letter said.
>
> "'Jamestown was acquired by GSIS,' Lichauco said. 'Jamestown is a wholly owned subsidiary of GSIS.'"

The article then goes on to state:

> "Lichauco said, she set up a Netherlands Antilles company, Stanway, N.V., to buy out leases of tenants in the building.
>
> "'Stanway was an instrument of Jamestown, so the lease-holder wouldn't know it was Jamestown,' Lichauco said. 'I can write a check for Stanway or Jamestown. It's the project's money. When I wrote a check...the

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money was project money, GSIS money.'

"Lichauco also said she reimbursed herself with 'project money' when she made campaign contributions to local officials.

"For example, according to bank records, Lichauco on February 24, 1984, wrote a check to 'a toast to Carol Ruth Silver,' a fund-raiser for the supervisor.

"On Feb. 1, 1984, Lichauco recorded a $500 deposit marked 'deposit from Stanway NV - reimburse contribution to C.R. Silver.'"

From the above admissions - that Stanway reimbursed campaign contributions, that Stanway is a Netherlands Antilles corporation, i.e. a foreign corporation - it is clear on its face that contributions were being made to local candidates by a foreign national in violation of the Federal election laws.

(3) San Francisco Examiner, March 4, 1986 - article, "D.A. probes Philippine connection to S.F. Building"

A subsequent article in the San Francisco Examiner identifies the Netherlands Antilles corporation which owns the Jamestown Company as "Arconal Inc., and Arconal NV, a April 7, Netherlands Antilles corporation, set up at the behest of GSIS to own the 212 Stockton St. project."

(4) San Francisco Examiner March 9, 1986 - article "Panel gets S.F. project papers"

That article claims that "Until GSIS was identified as the owner, the agency's role was hidden by a series of corporate entities located in California and in the Netherlands Antilles, a small island in the Caribbean that many people use to escape U.S. taxes or hide true ownership

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of corporations. It further states that "Lichauco purchased the property in 1982 using GSIS money."

(5) San Francisco Examiner, March 10, 1986 - article, "Why Philippine agency hid ties to 212 Stockton project"

As reported in that article, the former head of the GSIS admitted that the property was purchased with Philippine government money. That article was based on a memo written by Roman Cruz, the outgoing president and general manager of the GSIS. The article states:

> "The GSIS role was hidden from the time the agency acquired the property for $10 million in August 1982....The memo said: 'During the bidding process it was deemed necessary to conceal the identity of the buyer, the GSIS, from the sellers to keep the purchase price down.'"

(6) San Francisco Examiner, March 19, 1986 - article, "S.F. probes political aid by Filipinos"

That article states that:

> "Lichauco told the Examiner she reimbursed herself with GSIS funds after making campaign contributions to local officials, including Mayor Feinstein, Board of Supervisors President John Molinari, Supervisors Carol Ruth Silver, Louise Renne, Quentin Kopp, Bill Maher and Willie Kennedy and local ballot measures."

(7) San Francisco Examiner, March 23, 1986 - article, "Philippine tie in S.F. elections"

This article reports on the campaign filing submitted as Exhibit 1. It states that:

> "the documents also indicate that on five of the

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> occasions on which she reimbursed herself for contributions, Lichauco received money from the checking account of a foreign corporation set up in the Netherlands Antilles islands in connection with the project."

It also reports that Ms. Lichauco's attorney claims that the "rents" from the project had a California source and therefore the campaign contributions were legal since they were from California funds.

However, the site was purchased with Philippine government money, and the proceeds from the rent belonged to the Philippine government.

Even if one counts "rents" as a California source, those proceeds were not sufficient to cover all of the expenditures of the project.

My client is informed and believes that expenses for legal fees, for city charges in conjunction with review of the project and issuance of necessary permits, for architectural plans for the site, for construction and demolition costs to date, for the cost of buying out tenant leases, plus Ms. Lichauco's management services, far exceed the rental proceeds of $19,000 per month for less than three years of ownership -- a substantial portion of that time with no tenants on the site.

No accounting of those expenditures versus income is currently available to members of the public, but my client strongly doubts that any excess "California" funds were ever available and specifically claims that monthly attorney's fees

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paid alone exceeded the purported $19,000 per month of tenant rent.

On behalf of Citizens for Representative Government, I formally request that the Federal Elections Commission investigate this matter to determine whether federal laws have been violated and to impose appropriate penalties as provided for by law.

Sue C Hestor

SUE C. HESTOR

Subscribed and sworn to before me on April 7, 1986

Herb Schwartz

HERB SCHWARTZ
Notary Public

OFFICIAL SEAL
HERB SCHWARTZ
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
ALAMEDA COUNTY
My Commission Expires March 30, 1988

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EXPENDITURE AND MAJOR DONO.. COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

OFFICIAL USE ONLY

Statement covers period 1/1/84 through 12/31/84

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE):
N/A

TOTAL PAGES
6

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT
12567	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
13	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
14040	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
17041	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

This report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regulations). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for The Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 Kearny St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated hereinabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

EXHIBIT 1

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUM LAT AMO
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	50
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,04
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,250
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #6 San Francisco, CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave. #234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

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II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
6/1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 6, Part IV) $ 9,602

IV SUMMARY

1.	Expenditures and contributions made of $100 or more this period (Part 1)	$ 4,570
2.	Expenditures and contributions under $100 made this period (Not itemized) (Alice B. Toklas Gay Democratic Club)	35
3.	Loans made this period (Part III) include all subtotals	12,000
4.	TOTAL (Line 1 + 2 + 3)	16,605
5.	Loans repaid this period (Part III) include all subtotals	9,602
6.	Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
7.	Cumulative expenditures and contributions made from prior statement	-0-
8.	Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

I have not received any contributions during this calendar year.

I declare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in its preparation.

Executed on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by The Jamestown Co. & Affiliated Entities

(SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL DONOR)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co.	$12,000
	(2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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WEATHER: March comes in like a fog-bound lamb Page B-10

San Francisco Examiner

$1.00 Sunday, March 2, 1986 ★★★★

EXHIBIT 2

S.F. project owned by Philippine institution

By Lance Williams and John Jacobs
OF THE EXAMINER STAFF
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A controversial development project on San Francisco's Union Square was financed and owned by a Philippine government institution controlled by the administration of ousted President Ferdinand Marcos, The Examiner has learned.

After a two-month investigation, The Examiner has determined that the so-called "212 Stockton Street Project" — in which the old three-story Philippine Airlines building on Union Square was razed to make way for a 10-story building — was funded through a California corporation actually controlled and owned by a Philippine government pension fund.

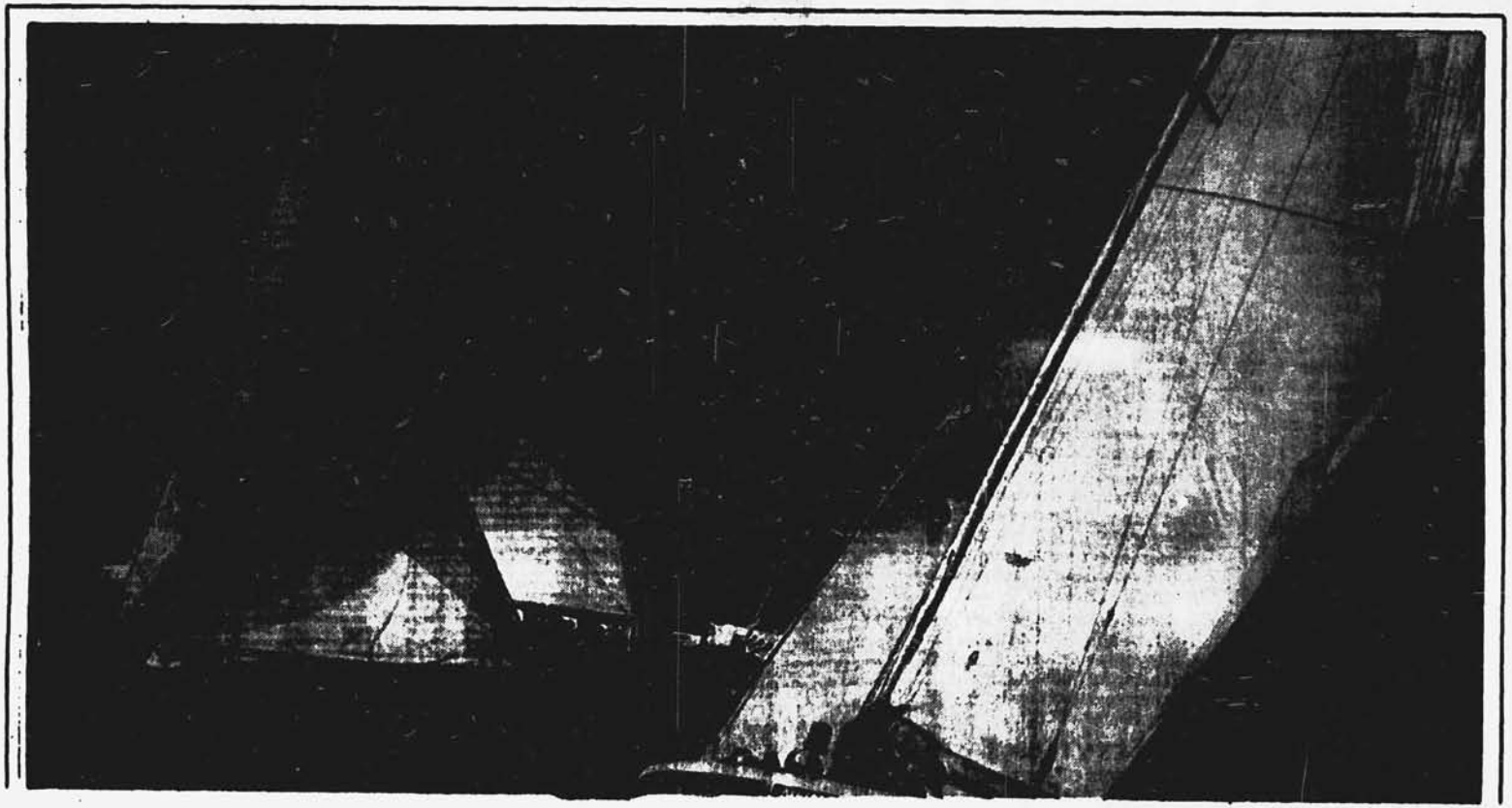
That institution, known as the Government Service Insurance System — GSIS — was operated until last week by Marcos administration official Roman A. Cruz Jr., a protege of Imelda Marcos, wife of the ousted president. Cruz was also president of Philippine Airlines, which GSIS controlled after Marcos nationalized it.

Allegations of hidden financial dealings by the Marcos family in the United States have become the subject of recent congressional investigations because of concern that the money involved may have come from U.S. aid to the Philippines. The Examiner disclosures mark the first time a Philippine government institution itself has been identified as making investments in the United States.

According both to documents and informed sources, Philippine government pension funds were used for all aspects of the 212 Stockton project through the GSIS ownership of a California corporation called Jamestown Co.

In an interview, Sylvia Lichauco, a Filipino-American Realtor who represented the corporation, here, said she reimbursed herself with GSIS funds after making campaign contributions to local officials. Those contributions were made in connection with Lichauco's lobbying to exempt the project from zoning

— Please see PROJECT, A-10



Shocked Sweden hunts killer

Impact of assassination worries open society

ASSOCIATED PRESS

STOCKHOLM — As police scoured the nation for the killer of Prime Minister Olof Palme, Sweden's leaders measured the changes the assassination would bring to the nation's open society.

Police reported yesterday that Palme's widow Lisbet could not identify the assailant. Lisbet Palme was grazed by the single 9mm bullet that fatally wounded her husband late Friday night.

Although police had previously reported Palme's wife thought she had seen the killer before, Superintendent Kenneth Karlsson said yesterday, "She has not reported that she in any way knew the man" or that he resembled anyone she had met. She told police she got only a brief glance at the killer as he ran from the scene.

Police described the gunman as 35 to 40 years old, about 5-feet-7.

S.F. gave unusual, lucrative breaks to project

By John Jacobs
and Gerald Adams
OF THE EXAMINER STAFF
COPYRIGHT © 1986, SAN FRANCISCO EXAMINER

San Francisco officials granted unprecedented favors worth millions to a Union Square project with ties to the government of ex-Philippine President Ferdinand Marcos, a two-month Examiner investigation has shown.

The $33 million project — now a hole in the ground at 212 Stockton St. in San Francisco's famous downtown shopping district — has benefited from an extraordinary combination of special permits and exemptions that expanded the size of the building by 60 percent and will generate more than $600,000 a year in additional revenue.

Proponents of the development project have been aggressive contributors to city political coffers as the project — formerly the site of Philippine Airlines — obtained exemptions from The City's landmark shadow ordinance and the pending Downtown Plan, including controls on density and height.

The project's lawyer, Timothy Tosta, wrote language into the 1984 shadow ordinance, Proposition K on the June ballot, that protected the project from crucial height restrictions. He also wrote an exemption into a Board of Supervisors ordinance that, in effect, allowed the previous building on the site to be demolished.

While the project worked its way past major provisions and ordinances designed to limit density, protect sunshine in public parks and control street and sidewalk congestion, backers contributed $42,500 in campaign funds to city officials.

The money went to Mayor Feinstein and nearly every member of the Board of Supervisors between 1982 and 1985, according to campaign documents on file at City Hall.

As much as $7,000 in donations from Filipino-American Realtor Sylvia Lichauco and her Jamestown Co. may have violated federal election laws. It is illegal under federal law for a foreign government to funnel political contributions into U.S. elections. But Lichauco and her associates say Jamestown's owner was a Philippine corporation, not a government agency, whose U.S. subsidiary was able to make campaign donations legally.

According to a 1983 Philippine government report, Government Service Insurance System — GSIS — which owns Jamestown Co., is an "attached corporation" of the Philippine government that is supervised by the National Economic and Development Authority. Other attached corporations include the Philippine National Bank and the state Social Security system.

The report calls GSIS both a "government non-bank financial institution" and a "social institution" that was given "broad powers ... to promote human and economic interests" under terms of a 1977 Marcos presidential decree.

Supervisor Louise Renne said it was common knowledge in political circles that the building was connected somehow to the Marcos government. But supervisors said they were unaware that the project was owned by GSIS, which was controlled by close Marcos associates.

"I think it was well-known it may be a Marcos building," Renne said in a recent interview. "Sure, everybody knew.... It was the rumor. My understanding was it was members of the Marcos family, close ties or extended family, and that Sylvia (Lichauco) was sent out here to put the deal together, but (was) not really in charge."

Director Dean Macris' Planning

— Please see BUILDING A-1

PROJECT
— From A-1

law restrictions.

"I was reimbursed for campaign contributions when it was for the project," Lichauco said. "The source of Jamestown (project) funds was GSIS."

Lichauco and Jamestown funneled as much as $7,000 to local ballot measures and politicians, including to Mayor Feinstein, Supervisor John Molinari and Supervisor Carol Ruth Silver. She also contributed to the opponents of the 1983 anti-growth Proposition M.

Although Lichauco, in the interview, contended that "all the proper applicable laws were consulted," the Philippine institution's foray into San Francisco real estate development may have violated California and U.S. law.

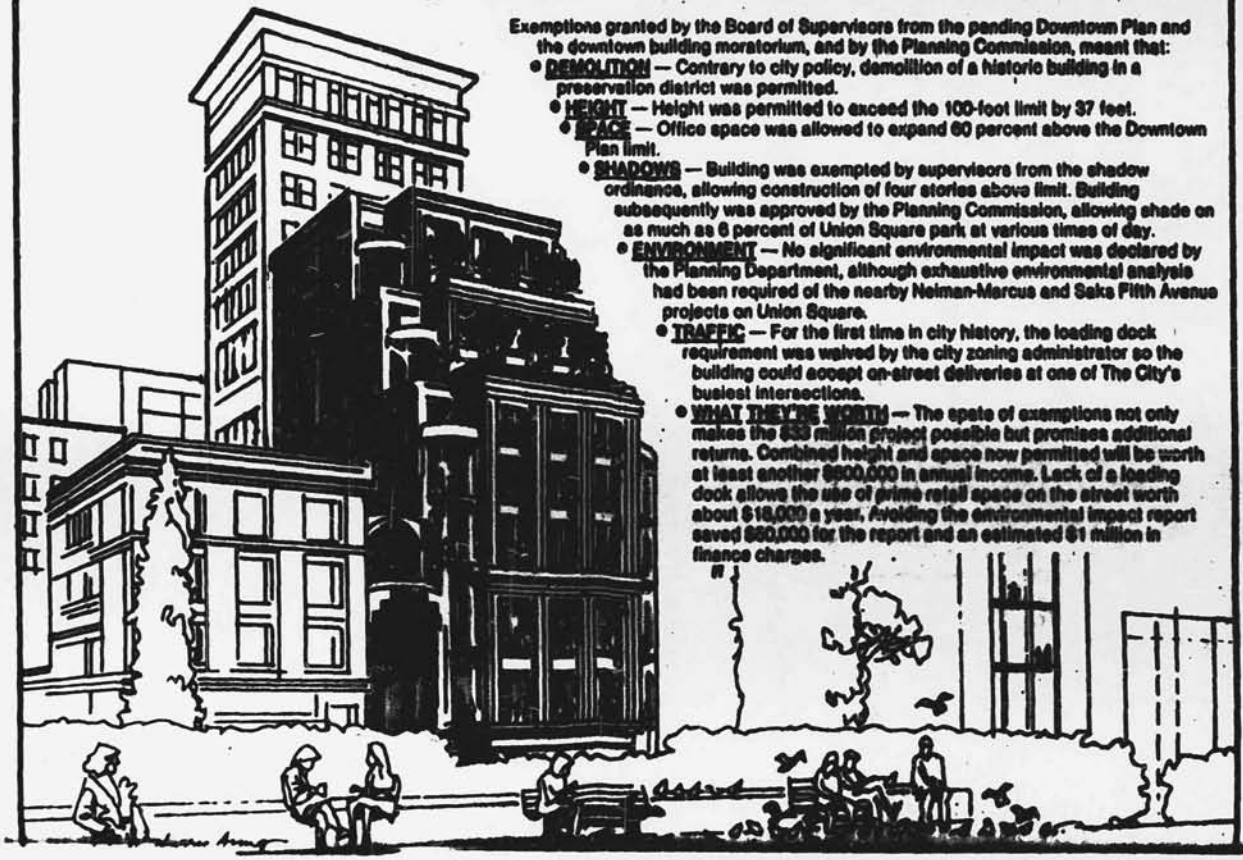
Under California law, it is illegal to conceal the true source of a campaign contribution by passing it through an intermediary.

Under federal law, it is illegal for a foreign government to make campaign contributions in U.S. elections, either directly or through an intermediary.

In an interview Friday, Peter Bagatelas, one of Lichauco's lawyers, described the Realtor's actions as at worst "inadvertent misreporting" of campaign contributions and said she never intended to misrepresent the source of money she used in the contributions to local officials.

Bagatelas said it is legal for U.S. subsidiaries of foreign corporations

What The City did for 212 Stockton St.



Exemptions granted by the Board of Supervisors from the pending Downtown Plan and the downtown building moratorium, and by the Planning Commission, meant that:

- **DEMOLITION** — Contrary to city policy, demolition of a historic building in a preservation district was permitted.
- **HEIGHT** — Height was permitted to exceed the 100-foot limit by 37 feet.
- **SPACE** — Office space was allowed to expand 60 percent above the Downtown Plan limit.
- **SHADOWS** — Building was exempted by supervisors from the shadow ordinance, allowing construction of four stories above limit. Building subsequently was approved by the Planning Commission, allowing shade on as much as 6 percent of Union Square park at various times of day.
- **ENVIRONMENT** — No significant environmental impact was declared by the Planning Department, although exhaustive environmental analysis had been required of the nearby Neiman-Marcus and Saks Fifth Avenue projects on Union Square.
- **TRAFFIC** — For the first time in city history, the loading dock requirement was waived by the city zoning administrator so the building could accept on-street deliveries at one of The City's busiest intersections.
- **WHAT THEY'RE WORTH** — The spate of exemptions not only makes the $33 million project possible but promises additional returns. Combined height and space now permitted will be worth at least another $600,000 in annual income. Lack of a loading dock allows the use of prime retail space on the street worth about $18,000 a year. Avoiding the environmental impact report saved $80,000 for the report and an estimated $1 million in finance charges.

said she used GSIS funds to purchase Jamestown Co. outright — and thus, the building.

In an interview Friday, she said Jamestown Co. was actually owned by another California corporation, which in turn was owned by a Netherlands Antilles corporation.

John C. Lyon, a lawyer and director of Jamestown Co., said GSIS was the sole owner of those corporations as well — and thus, of the project.

Records at the San Francisco recorder's office indicate that the property, currently valued at about $11 million, is owned by Jamestown Co., and identify Lichauco as Jamestown's president.

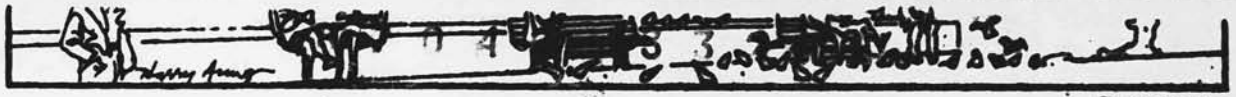
To bolster her assertion that GSIS "truly owns" 212 Stockton St., Lichauco showed The Examiner a letter from San Francisco Philippine Consul Romeo Arguelles, longtime Marcos loyalist who renounced the president two days before Marcos was ousted.

"After reviewing the documents and correspondence relating to 212 Stockton I can confirm that the ultimate owner ... is GSIS" the letter said.

"Jamestown was acquired by GSIS," Lichauco said. "Jamestown is a wholly owned subsidiary of GSIS."

Lichauco said GSIS head Cruz originally told her to form a new company to pursue a a permit to build a new office tower on the property — a process started by the old owners of Jamestown Co.

But because the development application was already in Jamestown's name, she said she decided not to



An artist's conception of the 212 Stockton St. building from Union Square; Neiman-Marcus store is on the right

contributions to local officials.

Bagatelas said it is legal for U.S. subsidiaries of foreign corporations to make campaign contributions in the United States as long as they use funds generated here, and he maintained that the Philippine pension fund is a foreign corporation.

"I don't believe (GSIS) is an arm of the government," the lawyer said.

According to a 1983 Philippine government report, GSIS is an "attached corporation" of the Philippine government that is supervised by the National Economic and Development Authority. Other attached corporations include the Philippine National Bank and the state Social Security system.

The report calls GSIS both a "government non-bank financial institution" and a "social institution" that was given "broad powers ... to promote human and economic interests" under terms of a 1977 Marcos presidential decree.

GSIS' investment in U.S. real estate appears to contradict what the Marcos government maintained it was doing with the government pension money.

The report says GSIS funds were to be invested in the Philippines to fund "the creation of (Philippine) infrastructure, schools and hospitals."

In a telex, a GSIS attorney also confirmed that the institution owns the 212 Stockton St. project. The attorney, Marius Corpus, said purchase of the site was approved by officers of the Central Bank of the Philippines.

At the time, directors of both GSIS and the Central Bank were appointed by Marcos.

Several sources in the anti-Marcos Filipino community alleged that three powerful Filipinos — GSIS President Cruz, Marcos son-in-law Gregory Araneta and Ferdinand "Bong Bong" Marcos Jr., the ex-president's son — had expressed great interest in the project.

According to the sources, the three men hoped to convert the building, once constructed, to their personal property as a source of income, much as Marcos and his associates appropriated the assets of private and public corporations.

Marcos' overthrow last week leaves the project site still in the ownership of GSIS.

Philippine Airlines moved into the old Coleson building on Stockton Street shortly after World War II. For the next 30 years, it occupied offices overlooking the monument in Union Square commemorating Adm. Dewey's famous 1898 victory over the Spanish in the Battle of Manila Bay.

But in the 1970s, a chain of events led to the sale and demolition of the building, the relocation on the square.

The first of the events occurred after Marcos declared martial law in 1972 and began practicing what critics dubbed "crony capitalism." He nationalized many of his country's key industries by simply seizing them from their owners without payment, and then turned their operation over to relatives or friends.

In 1978, Marcos seized Philippine Airlines from owner Benigno Toda, reportedly after Toda complained that Imelda Marcos and her entourage wouldn't pay a $3 million tab for international flights.

After nationalizing Philippine Airlines, Marcos made Imelda Marcos' uncle, Eduardo Romualdez, chairman of the airline; for a time, when Romualdez was Philippine ambassador to the United States, Imelda Marcos herself was chairwoman.

Marcos put the airline's assets in the control of GSIS, the institution charged with administering and investing pension funds belonging to government employees and their families.

Roman A. "Jun" Cruz Jr., a wealthy, Harvard-educated Filipino who had impressed Imelda Marcos, became both president of GSIS and president of Philippine Airlines.

Cruz similarly assumed top offices in other companies as they were nationalized or as GSIS acquired their assets.

For example, the 49-year-old Cruz became chairman of the troubled Manila Hotel Corp. — owner of three hotels, including the Manila Hyatt — when the firm was nationalized after it began defaulting on huge loans extended by GSIS in the mid-1970s.

Until last week, the increasingly powerful Cruz was also chairman of the Commercial Bank of the Philippines, all the assets of which were

several financial panics, one of them brought on by the collapse of the investment empire of Marcos associate Dewey Dee, the economy seemed in a state of perpetual crisis.

By the early '80s, many wealthy Filipinos — including, according to testimony before a congressional subcommittee, many Marcos associates and the Marcoses themselves — began investing large sums in U.S. real estate to protect their money in the event of economic collapse.

According to testimony before a subcommittee of the House Foreign Affairs Committee, many of those investments were made through so-called "offshore" corporations, set up in foreign countries — a favorite was the Netherland Antilles islands in the Caribbean — where local laws conceal the identity of investors.

Then, after setting up the offshore corporation, the wealthy Filipinos typically would grant a "power of attorney" to a lawyer or Realtor in the United States and have that person buy real estate in the name of the Netherlands Antilles corporation.

It was by that method, according to the testimony, that the Marcoses are thought to have secretly bought more than $200 million worth of New York City real estate, acting through a Netherlands Antilles shell corporation and some real estate brokers, the Bernstein brothers.

Anti-Marcos activists have bitterly complained that through such clandestine methods, Marcos and his associates looted the Philippine economy of billions of dollars between the declaration of martial law and his overthrow.

During the four months after the 1983 assassination opposition leader Benigno Aquino, $1 billion was invested in the United States by Filipinos, according to John Lind of the Northern California Interfaith Committee on Corporate Responsibility.

Public records indicate that Filipinos who wanted to use Netherlands Antilles corporations to quietly buy real estate in the Bay Area turned to either the San Francisco law firm of Graham & James — or, increasingly after 1981, to Realtor Sylvia Lichauco.

Lichauco, 39, was a well-connected Filipino-American. Her father, Marcial, was a Princeton graduate who later was Philippine ambassador to Great Britain. Her mother,

under the Marcos regime, and went to Georgetown University in Washington, D.C.

According to court records, Lichauco moved here and gained her U.S. citizenship in 1973, after leaving her husband, the scion of a family who owned steamship lines.

In the late 1970s, she set up her own real estate company, Edgewood Investments, and began buying property on the behalf of Filipinos.

According to county real-estate records, she helped Jose "Babes" Romualdez, son of the man who headed Philippine Airlines after Marcos seized it, to use a Netherlands Antilles company to buy a condominium in the Telegraph Landing development in San Francisco.

She performed a similar service for John Litton, who was deputy director of the Exposition Cinema of the Philippines, a pet project of Imelda Marcos.

In all, she made dozens of real estate purchases throughout the

Bank, in San Francisco, which anti-Marcos activists contend is secretly owned by Marcos.

Lichauco herself had at least four accounts there.

Until recently, one of her office assistants was Myra Sulit, a favorite niece of Imelda Marcos.

Lichauco's partner in a travel agency located in the same office as Lichauco's other businesses was Patricia Araneta, sister of Ferdinand Marcos son-in-law Gregory Araneta.

In an interview, she described Gregory Araneta as as longtime friend, and also said she knows "Bong Bong" Marcos, the ex-president's son, and Irwin Robinson, a former Redwood Bank director and alleged Marcos attorney.

Lichauco said she became involved with the Union Square project in 1982, when she was hired by Roman Cruz to buy the building for GSIS.

At the time, the building was owned by millionaire Hong Kong developer Kevin Hsu through

application was already in Jamestown's name, she said she decided not to.

At that point, Lichauco said, she set up a Netherlands Antilles company, Stanway, N.V., to buy out leases of tenants in the building.

"Stanway was an instrument of Jamestown, so the lease-holder wouldn't know it was Jamestown," Lichauco said. "I can write a check for Stanway or Jamestown. It's the project's money. When I wrote a check ... the money was project money, GSIS money."

Lichauco also said she reimbursed herself with "project money" when she made campaign contributions to local officials.

For example, according to bank records, Lichauco on Feb. 24, 1984, wrote a $500 check to "a toast to Carol Ruth Silver," a fund-raiser for the supervisor.

On Feb. 1, 1984, Lichauco recorded a $500 deposit marked "deposit from Stanway NV — reimburse contribution to C.R. Silver."

In that and a subsequent interview, Lichauco said she could not remember that transaction.

She said she believed all her campaign contributions were legal, and did not intend to conceal where the money was actually from.

Testa, the development lawyer, said that in 1983, when Lichauco approached him about representing the project, he had heard "rumors" that the project was actually owned by the Marcos family. He said he took the job only after Lichauco "satisfied" him that was not the case.

Testa said he was first told that the Philippine pension fund owned the project about two months ago.

Lichauco also said GSIS President Cruz recommended that a Boston architectural firm called The Architectural Collaborative be used for the 212 Stockton project.

TAC's Howard Elkus, who designed the Union Square building, told The Examiner in a telephone interview that his firm was first hired by Cruz in the late 1970s to design the new GSIS headquarters building in Manila.

Elkus said that both Cruz and Imelda Marcos loved that building, which won several international design awards.

"I had the opportunity of meeting (Mrs. Marcos) ... here in this country," the architect said. "She wanted to extend her congratulations and her happiness with the design."

Lichauco insisted in the interview that the Marcos family was not the real owner of the project. "I

How the report was researched

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Government firm behind project

By Lance Williams
OF THE EXAMINER STAFF

According to a Philippine government publication, the Government Service Insurance System is a "government non-bank financial institution" set up both to guarantee pension funds for government workers and to boost the Philippine economy by investing in it.

The report, published in 1983 by the National Census and Statistics office, says GSIS is an "attached corporation" of the National Economic and Development Authority, which is an agency of the Philippine government.

Other attached corporations include such major institutions as the Philippine National Bank, the Development Bank of the Philippines and the state Social Security system.

The report calls GSIS both a "government non-bank financial institution" and a "social institution" that was set up after World War II.

In 1977, five years after Marcos declared martial law, he signed a presidential decree giving GSIS "broad powers necessary to operate effectively and efficiently ... to promote human and economic interests" through investments of its pension funds.

GSIS' investments, according to the report, involve "extending finance to support a wide range of economic development projects ... placing its immense financial resources behind the creation of infrastructure, schools (and) hospitals."

Until Marcos' ouster, GSIS' president was Roman Cruz Jr., a protege of Imelda Marcos. After Marcos nationalized Philippine Airlines, it was made a subsidiary of GSIS and Cruz was installed as president.

Cruz also became president of Manila Hotel Corp. after that company defaulted on huge GSIS loans. Finally, Cruz was chairman of the Commercial Bank of the Philippines, another wholly owned GSIS subsidiary.

Gen. Fabian Ver, the military leader implicated in the assassination of opposition leader Benigno Aquino, was a director of the bank.

In 1982, GSIS' assets amounted to about 10 billion Philippine pesos, or about $1.2 billion in U.S. dollars.

Government firm paying project

By Lance Williams
of the Examiner staff

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But in the 1970s, a chain of events led to the sale and demolition of the building, the relocation of the airline offices and ultimately to the involvement of the Marcos government institution in a highly controversial development project on the square.

The first of the events occurred after Marcos declared martial law in 1972 and began practicing what critics dubbed "crony capitalism." He nationalized many of his country's key industries by simply seizing them from their owners without payment, and then turned their operation over to relatives or friends.

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Until last week, the increasingly powerful Cruz was also chairman of the Commercial Bank of the Philippines, all the assets of which were controlled by GSIS.

Marcos' system of "crony capitalism" did nothing to boost the Philippines' stagnant economy, and after the investment empire of Marcos associate Dewey Dee, the economy seemed in a state of perpetual crisis.

By the early '80s, many wealthy Filipinos — including, according to testimony before a congressional subcommittee, many Marcos associates and the Marcoses themselves — began investing large sums in U.S. real estate to protect their money in the event of economic collapse.

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She grew up in the islands, associating from childhood with people who would have wealth and power under the Marcos regime, and went to Georgetown University in Washington, D.C.

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In all, she made dozens of real estate purchases throughout the Bay Area for Filipinos or for unidentified owners of Netherlands Antilles corporations.

Several of the transactions were made with loans from Redwood Bank, in San Francisco, which anti-Marcos activists contend is secretly owned by Marcos.

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Lichauco said she became involved with the Union Square project in 1982, when she was hired by Roman Cruz to buy the building for GSIS.

At the time, the building was owned by millionaire Hong Kong developer Kevin Hsu through Jamestown, a corporation he had formed.

In the interview, conducted Wednesday in the office of development lawyer Tim Tosta, Lichauco

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"I had the opportunity of meeting Gloria Marcos) ... here in this country," the architect said. "She wanted to extend her congratulations and her happiness with the design."

Lichauco insisted in the interview that the Marcos family was not the real owner of the project. "I would never work for Marcos," she said.

Steven A. Capps of The Examiner staff contributed to this report.

Examiner/Chris Hardy

[illegible]boats find that breezy does it

The 12-meter sailboat USA pulled ahead of Canada I on San Francisco Bay yesterday as it won a series of races between the America's Cup challengers. The first race turned into chaos when Canada I misread race instructions and went on the wrong course. The boats will race again today. See Sports/C-1.

Marcos tried to use U.S. aid for campaign boost

How Aquino spent anxious hours before her ascension to power

By [illegible] Bernstein
OF THE EXAMINER STAFF
COPYRIGHT © 1986, SAN FRANCISCO EXAMINER

MANILA — It was past 11 p.m. on Saturday, Feb. 22.

Corazon Aquino was hidden away in a Carmelite convent in Cebu City on the central Philippine island of Cebu.

Her advisers were at the U.S. mission in Cebu asking the American government for help.

[illegible], a military reformist [illegible] the presidential palace of Ferdinand Marcos had been discovered before it could be carried out. Now the plotters were under siege in two military camps, threatened with attack by Marcos.

Two of Aquino's strategists had given the military rebels advance assurance that she would support the coup, and there was concern that she might be targeted by Marcos for arrest or even murder.

The U.S. consul in Cebu, Blaine Porter, sent a coded message to U.S. Ambassador Stephen Bosworth in

— Please see PLOT, A-9

- The last days of Marcos rule — an Examiner special report in pictures inside this section following Page A-8
- Aides ponder shape of their new government Page A-8
- Bitter debate over Marcos in Hawaii Page A-8
- Aquino fires 22 generals, frees more prisoners Page A-9

Building spree launched in violation of assistance terms

By David Johnston
OF THE EXAMINER STAFF
COPYRIGHT © 1986, SAN FRANCISCO EXAMINER

MANILA — The Philippine government attempted to spend $1.2 million in U.S. foreign aid funds last month to bolster former President Ferdinand Marcos' image as a public benefactor in advance of the election, The Examiner has learned.

Barely a month before the election, Marcos went on a building spree, starting work on several public markets and nearly 80 schools. The money was to come from U.S. aid funds, said a U.S. official familiar with the details.

The projects, also intended to solidify support among the provincial governors, were launched without U.S. knowledge or required approval.

Frederick Schieck, the Agency for International Development (AID) mission chief here, told The Examiner that U.S. officials intervened to stop the Marcos government from using the funds as soon as they learned that construction

— Please see AID, A-16

its citizens' concern for each other. Palme was one of the last West European leaders who felt able to appear in public without bodyguards. He had dismissed his guards earlier in the evening and walked unguarded into the street after watching a film premiere.

King Carl XVI Gustaf told a nation in mourning yesterday that the death of Palme, a leading advocate of peace and disarmament causes, was "a blow to the open society that Palme always worked for."

Rushing back to the capital from a skiing holiday, the king said Palme had "wanted to live a personal life even if he was the country's prime minister."

"The meaningless violence will forever cast its shadow over our political life," said Palme's chief political opponent, Moderate Party leader Ulf Adelsohn. "It is a tragedy for the democratic ideals that all we Swedes honor."

Palme's Social Democrats had defeated Adelsohn's Moderate-led coalition in national elections last Sept. 15, giving Palme his fourth three-year term as prime minister.

"The public will definitely lose in quality of life," have less access to political institutions and be subject to more security checks, said Bo Svensson of the government Crime Prevention Council.

Leaders of the governing Social Democratic Party, which has been in power almost continuously since 1932, met in emergency session and

— Please see PALME, A-16

The Sunday Examiner . . .

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Tom Stienstra	C-10	Wood on Food	8
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Robert Bruce	R-5	ImageWord	40

William Randolph Hearst Jr. says the transition in the Philippines was a political miracle. Editor's Report/Page A-16.

Now you know

[illegible] Griffith and Keith Carradine were born in this month.

[illegible] No. 9

[illegible] Examiner ..... 777-[illegible]

Luxury 'skyboxes' go on sale

49ers offering cubicles at Candlestick starting at $39,000

By Paul Farhi
OF THE EXAMINER STAFF

For lease: 351-square-foot cubicle, available 10 afternoons a year in drafty, aging structure near waterfront. Asking $325,000 for five-year term. Call Eddie.

The advertisement is imaginary, but the real estate is for real. With little public fanfare but lots of marketing flash, the San Francisco 49ers have begun selling leases to 49 new luxury "skyboxes" at Candlestick Park.

On a square-foot basis, the boxes may be the most expensive — and possibly most lucrative — real estate ever put on the market in The City. Leasing of all 49 cubicles would generate $2.6 million a year, or about $14 million during the first five years.

The boxes, which the team is touting in a slick prospectus as "The Suites of San Francisco," will be plenty luxurious, at least by the standards of Candlestick Park, the stadium 49ers owner Eddie DeBartolo Jr. once called "a pigsty."

The cantilevered, designer-decorated cubicles on the stadium's renovated mezzanine level will replace the less-luxurious boxes already in the stadium. The new boxes will contain wet bars, oak cabinetry, remote-controlled color televisions, refrigerators and heating and sound systems.

No less impressive are the price tags: $39,000 per season for a bottom-of-the-line, 171-square-foot box above the end zone to $65,000 for the largest model, the 351-square-foot "Bay Suite" near the 5-yard line. Boxes on the 50-yard line, considered the choice location, are smaller but more expensive per square foot.

The box-holders will receive 12 to 27 tickets to 10 49ers home games each year, depending on the size of the box. Based on the cost of the least expensive box, the price of each ticket comes to $325 a game. For the money, however, the Niners are throwing in free parking spaces and "access to exclusive, attended rest rooms," according to the prospectus.

Team officials won't say who is being offered the luxury boxes other than that potential customers are long-time holders of the less-luxurious boxes, sponsors of game broadcasts and others — presumably big corporate names.

Bartolo and 49ers coach Bill Walsh have personally made pitches to a select list of potential

— Please see BOXES, A-16

Jerry Brown's view of the high court

Edmund G. Brown Jr., who appointed Chief Justice Rose Bird to the state Supreme Court while he was governor of California, says the state needs justices who follow the law rather than public opinion polls. A special guest column/Page A-15.

BUILDING

—From A-10

Department also determined that the proposed 10-story, 137-foot building did not need a costly and time-consuming environmental impact report. Despite public protests before the Planning Commission over the building's size, traffic congestion and the impact on sunshine in Union Square, the commissioners upheld the department's finding that the building would have no significant impact.

Saks Fifth Avenue and Neiman-Marcus, nearby buildings that also front Union Square, had been required to do extensive environmental impact reports. And those two retailers were committed to occupying all the space in their respective buildings. No major tenants have yet been announced for 212 Stockton St.

When built, the new project will occupy the Stockton and Geary streets corner of Union Square, which attracts millions of shoppers each year to Neiman-Marcus, Saks, Macy's, I. Magnin and luxury specialty shops. Often clogged by pedestrians and traffic, it is considered among the most active and attractive shopping environments in the United States.

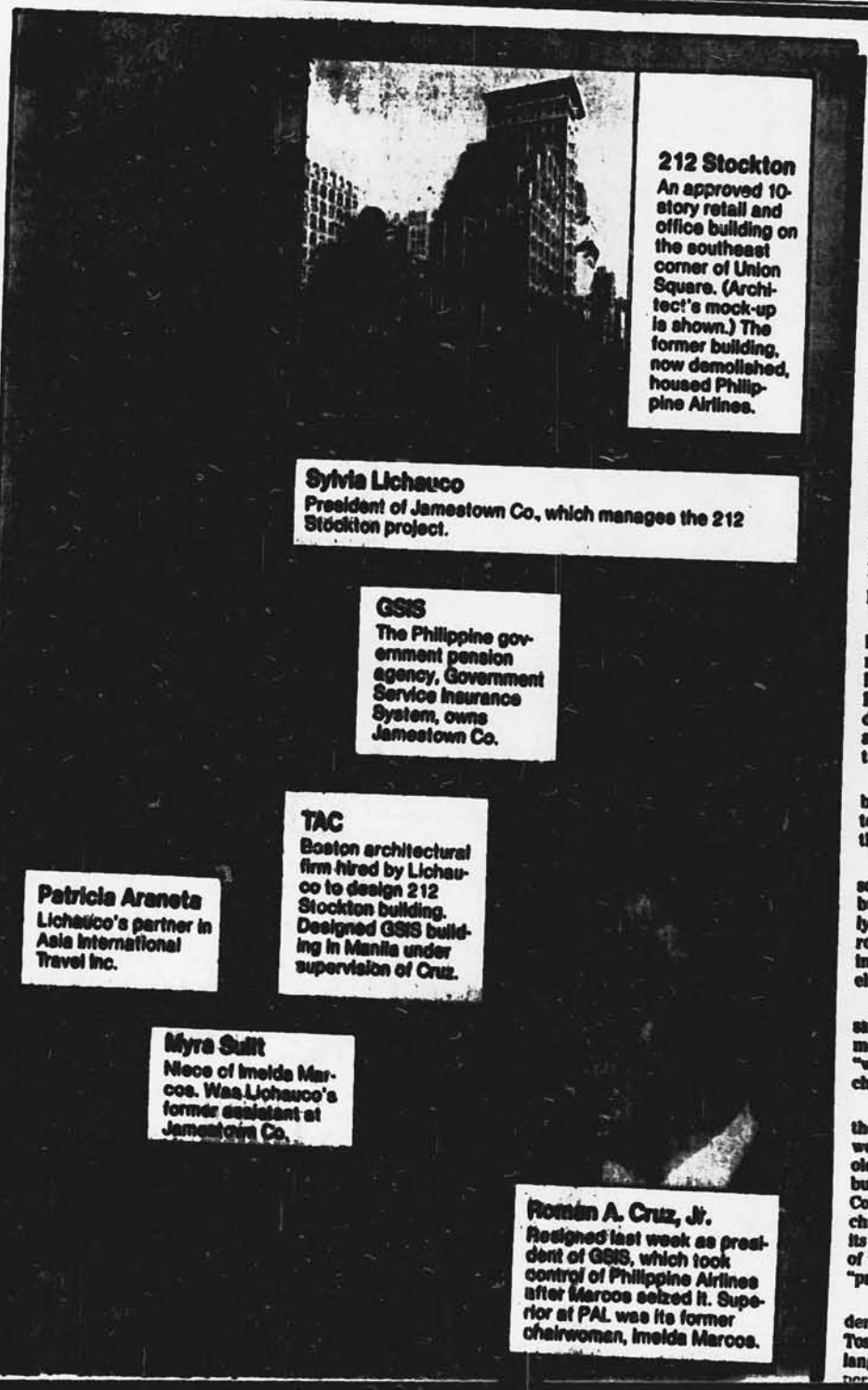
The new Philippine government confirmed Friday that the Philippines' GSIS owns the property, calling it "one of the top five real-estate locations in the United States." It said GSIS bought the property "both for investment purposes and to preserve the presence of Philippine Airlines at this prestigious location."

The property's title is held by the Jamestown Co., a California corporation, its president, Lichauco, said she reported to GSIS General Manager and Philippine Airlines President Roman C. Cruz Jr. A protege of Imelda Marcos, he resigned last week when the Marcos regime fell, and his whereabouts are unknown.

The extraordinary combination of special exemptions for the project was engineered through the Planning Department, the Planning Commission, the Board of Supervisors and the Bureau of Permit Appeals. Lichauco, developer Grant [illegible] and development lawyer [illegible]

[illegible] politicians accepting these [illegible] that they did not know [illegible] was, as Lichauco [illegible] owned subsidiary [illegible]

"No one asked us why announce[illegible]



212 Stockton
An approved 10-story retail and office building on the southeast corner of Union Square. (Architect's mock-up is shown.) The former building, now demolished, housed Philippine Airlines.

Sylvia Lichauco
President of Jamestown Co., which manages the 212 Stockton project.

GSIS
The Philippine government pension agency, Government Service Insurance System, owns Jamestown Co.

TAC
Boston architectural firm hired by Lichauco to design 212 Stockton building. Designed GSIS building in Manila under supervision of Cruz.

Patricia Araneta
Lichauco's partner in Asia International Travel Inc.

Myra Sulit
Niece of Imelda Marcos. Was Lichauco's former assistant at Jamestown Co.

Roman A. Cruz, Jr.
Resigned last week as president of GSIS, which took control of Philippine Airlines after Marcos seized it. Superior at PAL was its former chairwoman, Imelda Marcos.

The steps that helped 212 Stockton project

By Gerald Adams and John Jacobs
OF THE EXAMINER STAFF

Here are the legislative steps that allowed 212 Stockton St. to win an unprecedented combination of special construction permits and exemptions.

• **Escape from the pending Downtown Plan:** The Board of Supervisors' Ordinance 54-84 was approved 7-3 on Jan. 23, 1984, and signed by Mayor Feinstein Feb. 3, 1984. It gave the Jamestown Co. developers their biggest advantages. By imposing an 18-month moratorium on major building permits and exempting that property from it, the ordinance assured Jamestown President Sylvia Lichauco that work could begin long before the Downtown Plan's effective date.

By exempting buildings that had less than 50,000 square feet of new office space, the ordinance allowed 212 Stockton St. to escape Downtown Plan restrictions on the density and height of the building, as well preservation of the structure on site.

It would be permitted to grow by four stories (37 feet) and expand to 10 times the size of the lot, rather than the proposed six times lot size.

The approximately 20,000 extra square feet of space, which this building was thus awarded, virtually all of it for offices, is worth roughly $600,000 in annual rental income, based on current rent levels of $30 per square foot.

Planning Director Dean Macris said such exemptions are a fair means of treating those developers "who get trapped by pending rule changes."

• **Demolition:** Under terms of the same ordinance, developers were permitted to tear down the old three-story Philippine Airlines building. That was known as the Coleson building and considered architecturally significant because of its context to nearby buildings, all of which were considered part of a "preservation district."

Demolition was not allowed under city policy, but attorney Tim Tosta said he got special-interest language put into the ordinance [illegible] been published by the Department of City Planning prior to the date of adoption of this initiative ordinance." That meant 212 Stockton St.

Maher said he accepted that exemption and exemptions for other downtown buildings into his ordinance initiative as the price of obtaining other supervisors' signatures for Prop. K, the ordinance to protect downtown against shadows from new construction.

A number of supervisors who eventually signed the ordinance said they would have preferred no exemptions, but took what they could get. All but Supervisors Nelder, Kopp and Hongisto signed.

• **The Negative Declaration:** When the Planning Department published its May 4, 1984, Negative Declaration, it meant, by definition, that 212 Stockton St. would have no impact on the environment. But by issuing it before June 5, the Prop. K deadline, the department also protected the building from Prop. K.

"I understood people were trying to get a (Negative Declaration)," said Molinari, with Silver a strong proponent of the project, "and I assume it was her (Lichauco's) attorneys. Those efforts usually take the form of hiring an attorney and sitting down with City Planning. These things occur all the time. That's how lawyers make money in this city."

When the Planning Commission voted 5-2 to uphold the Negative Declaration, dissenting Commissioner Susan Bierman said, "I just think this is too cynical to believe." But Toby Rosenblatt, commission president, said the majority considered the shadow and other impacts "not substantial."

And when on the same day the commission also voted 5-2 to approve the 212 Stockton project, Grant Dehart, then chief executive of the Foundation for San Francisco's Architectural Heritage, called the action a "reward" for "special interests' behind-the-scenes lobbying efforts for a single development [illegible]

donations insist they did not know that Jamestown was, as Lichauco put it, "a wholly owned subsidiary of CSIS."

"No one asked, so why announce it?" Lichauco said. "No one ever asks. Somebody once asked if Imelda Marcos owned it. I said no."

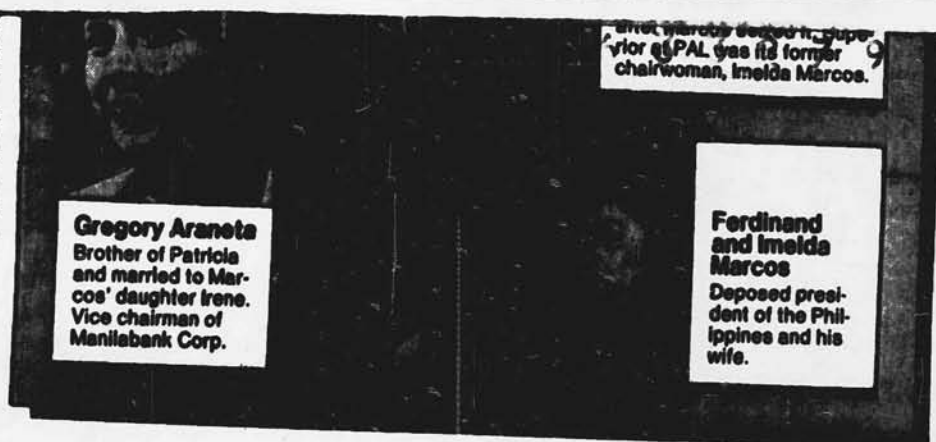
The leading recipient of 212 Stockton St. campaign contributions is Feinstein, with $10,140, although only $125 came from Lichauco herself. Most of it came during Feinstein's 1983 recall and re-election effort.

"People in connection with the building never asked me for a single thing. They never called me for anything, they never came to see me for anything. I've never even seen the plans," said Feinstein. She was not involved in the approval process, but is responsible for appointing members of planning and permit appeal boards and commissions.

Asked whether The City should know the ownership of major downtown building projects, Deputy Mayor Hadley Roff said, "It is difficult to do background checks. We're running a planning department, not the CIA."

Board of Supervisors President John Molinari received $9,450 in donations from parties with interests in the building. Part of that total came from two $500-a-person campaign lunches at Campton Place, a luxury hotel and restaurant owned by wealthy Filipinos, in 1984. One party was hosted by Tosta, the other by Lichauco.

Molinari said he did not know 212 Stockton St. was connected to the Marcos administration or the Philippine government and had never heard rumors to that effect.



Gregory Araneta
Brother of Patricia and married to Marcos' daughter Irene. Vice chairman of Manilabank Corp.

Ferdinand and Imelda Marcos
Deposed president of the Philippines and his wife.

...vior of PAL, was its former chairwoman, Imelda Marcos.

Examiner/David Lemon

He said he helped the project sponsors get an exemption from Prop. K, the shadow ordinance, because "it would, in fact, prohibit them from doing what they intended to do. Their building was a fair piece down the pipeline and it was unfair that they be trapped at the last moment."

Molinari said he helped Lichauco because she told him that another of her companies, Edgewood Investments, was "small investors, women, (who) were going to be harmed if this project couldn't go through as originally planned."

"If I was deceived, of course I'm angry," said Molinari. "I don't like being deceived. I appreciate being told the whole deal."

Renne, a potential 1987 mayoral rival of Molinari, received $5,400 in donations and a dinner at Campton Place. She co-sponsored the shadow ordinance and said she opposed exempting 212 Stockton St. from it.

Renne voted against other exemptions for the project, along with Supervisors Harry Britt, who received a total of $800, and Nancy Walker, the only supervisor not to get any money.

Asked if she could think of another downtown building treated as favorably by The City as this one, Renne said, "None that I can recall."

Supervisor Quentin Kopp called the exemptions accorded 212 Stockton St. "gargantuan in scope." He refused to sign the shadow ordinance that went on the ballot and exempted the project. But he did vote to approve exemptions from the proposed Downtown Plan. Kopp received $1,250 in contributions from the building's proponents during those four years.

Another proponent of special exemptions for 212 Stockton St. was Supervisor Carol Ruth Silver, a close political associate of lawyer Tosta. She received $4,750 in contributions from parties interested in the project and argued strenuously for exemptions from the shadow ordinance, which she signed. She also voted for other exemptions.

Silver recently put together a finance committee to raise money for her race for the state Senate seat now held by retiring Sen. John Foran, D-San Francisco. Listed among the committee of 21 fundraisers are Tosta and Lichauco.

"If this were a Marcos (deal), I would have no part of it," Silver said. "It is owned by a pension fund for the benefit of thousands of little people who put their pennies away, part of their wages every month, into the pension fund."

Asked about Lichauco on her finance committee, Silver said, "She's a longtime supporter and friend. I asked her to contribute to my campaign."

Lance Williams and Alex Neill of The Examiner staff contributed to this report.

Demolition was not allowed under city policy, but attorney Tim Tosta said he got special-interest language put into the ordinance permitting demolition when "the city Planning Commission finds that the replacement building appropriately maintains the character of the district."

"They (the city Planning Department) said they wouldn't object if we got a specific exemption for the building," Tosta said.

Ordinance 54-84 won "yes" votes from Supervisors Richard Hongisto, Willie Kennedy, Bill Maher, John Molinari, Wendy Nelder, Carol Ruth Silver and Doris Ward. Voting against it were Supervisors Harry Britt, Louise Renne and Nancy Walker.

• **The shadow ordinance:** Because of increasing pressure from neighborhood and anti-growth activists, supervisors began devising a ballot measure that would prevent new buildings from being constructed that would cast shadows on public parks.

On March 14, 1984, Maher and seven other supervisors signed an initiative ordinance to put such an issue before the voters. It would become known as Proposition K, the shadow ordinance. Tosta realized from an early draft that the measure would apply to 212 Stockton St.

Shadow studies showed the new building would cast shadows on as much as 6 percent of Union Square or 18 percent of previously unshaded areas on the square. Most shadows, however, would be gone by 9 a.m.

Tosta wrote an exemption that would apply to any building for which "a Negative Declaration has the action a "reward" for "special interests' behind-the-scenes lobbying efforts for a single development interest."

• **An unprecedented variance:** On Dec. 21, 1984, Zoning Administrator Robert Passmore granted Jamestown Co.'s 212 Stockton St. project The City's first-ever loading dock variance, enabling the building's tenants to accept deliveries on what is one of the busiest intersections in San Francisco: Geary and Stockton streets.

This variance freed the developer from having to use extremely valuable retail space — estimated by one informed developer as rentable at $150 a square foot a year — for a loading dock.

Municipal Railway planner Peter Strauss protested that the variance, if granted, would result in trucks double-parking on an already severely congested Geary Street, thus blocking buses on The City's most heavily traveled line.

Passmore said he issued the variance because a loading dock would have consumed "important retail frontage for a garage."

Muni's objections were outweighed, Passmore said, by drivers' statements that they preferred to wait for or steer around double-parked trucks than to wait for trucks backing out of a narrow driveway.

Passmore's variance was upheld on appeal by the Board of Permit Appeals on a 3-1 vote Feb. 21, 1985.

Soviet party delegates see red at 'Star Wars'

EXAMINER NEWS SERVICES

MOSCOW — The 5,000 delegates to the 27th Communist Party Congress vowed yesterday to render the U.S. "Star Wars" program useless and pledged to double industrial production by the year 2000.

The congress, completing one of its primary tasks, approved a new edition of the Communist Party program and changes in party rules expected to stress improved discipline.

The rule changes impose harsher penalties for Communists who commit crimes, and may set them on the issue of the prohibition of nuclear weapons tests, and this cannot be regarded in any other way than Washington's desire to continue the nuclear arms race," he said.

Party congresses are held every five years. This is the first since the leaders that rose under Leonid Brezhnev relinquished power to Gorbachev's generation with the death of President Konstantin Chernenko last March.

It provides an important forum for Gorbachev to weave economic strategy into party policy and to complete the first phase of personnel changes. The new membership of the party Central Committee is to be announced next week.

Many details of Gorbachev's strategy remain vague, despite his 5½-hour speech Tuesday and a series of news conferences for more than 2,700 Soviet and foreign reporters.

chev has said repeatedly that party members — "the vanguard of society" — who commit crimes should be punished more harshly than average citizens.

Yesterday, Defense Minister Sergei Sokolov reviewed foreign affairs and revived an anti-American theme familiar to the delegates.

"U.S. plans to realize the so-called Strategic Defense Initiative that provides for the deployment of space strike weapons in outer space constitute a special threat," he said in a speech.

Sokolov said President Reagan's recent response to the So-

Churchgoers attack 'police informer'

ASSOCIATED PRESS

JOHANNESBURG — The Rev. Allan Boesak, a leading anti-apartheid clergyman, leaped from the altar yesterday to rescue a black man from vengeful funeral mourners who believed he was a police informer.

Black mourners in George, a town east of Cape Town, attacked the man after the Rev. Freddie Booi, a black Anglican priest, declared during his eulogy: "There is an informer in the church, and there he sits."

Boesak, who is of mixed race, rescued the bleeding man from assailants, shielded him and helped

blacks were killed in rioting in 16 communities from late Friday to last night.

Police shot and killed two blacks in clashes at Potchefstroom's black township, 75 miles southwest of Johannesburg, said a nightly police summary. In Soweto, outside Johannesburg, a mob firebombed a car and the driver retaliated, killing one man, it said.

The funeral service in George was for two blacks shot by police in rioting. It resumed after Boesak drove the man accused of being an informer to safety in Lawaaikamp, George's black township.

The man Booi denounced was Madlavu Mathuka, who residents

that he should not come to a church and provoke the people with his presence."

Boesak, a founder of the United Democratic Front anti-apartheid movement, is a fiery 40-year-old preacher who began campaigning in his teens against apartheid. After rejoining the funeral service he said in his delayed eulogy, "You all saw what has just happened, and I say to the South African government, do not use our people's poverty to make informers of them, for this is the result that we see." The service concluded peacefully.

Black policemen, township councilors and suspected informers

Rob Morse

Eggs Benedict Arnold

MORE FUN AND GAMES from our friends at the California lottery: Back in January, A.J. Holmes of San Francisco scratched her lottery ticket and found three queens — a $100 winner and a chance at the Big Spin. She filled out her form, mailed it off to the lottery commissars and waited. Weeks went by, and no hundred bucks, no Big Spin. Finally, she called the lottery people, who referred her to headquarters in Sacramento. She told someone her problem, and that person said, "A.J., did you use a green pen on your form?" A.J. said yes, and was told: "We use green pens here in the office, so you can't. Any forms in green pen are sent over to security." A.J. protested that nowhere did it say on the form not to use green pen. "Because they use green pens, we're supposed to be psychic," she says. She's still waiting for security to approve her green penmanship so she can finally enjoy her $100. Sure, she missed the Big Spin on her particular game. But she has been told by the lottery that there will be a special Big Spin just for those who used green pen. It's funny that illiterates' applications get by, but a creative type with a green pen gets the green wienie.

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AMAZING FINDINGS: As a black-sheep alumnus of both Harvard and Stanford, I was intrigued to see reports of a study that discovered that Harvard and Stanford alumni are different from average Americans. Well, I sure as hell hope so, because it costs a hell of a lot of money and anguish to get into and through those institutions. At the end if you ended up like an average American, you should sue for educational malpractice. Some of the findings fall into the gag-me-with-a-silver-spoon category: Seventy-six percent of Stanvard alumni say they are motivated by "seeking enriching experiences." They don't mean in a monetary sense, but then they have a median income of $72,000 a year. Most of the general public, on the other hand, are motivated by the desire to "own things." If the general public had gone to Harvard or Stanford, it would know that you don't say "I want to own things" in polite company.

AID

— From A-1

was under way.

"They were told it would be a violation of the U.S. aid agreement if they were to use the funds in this way," said Schieck. "They were urged to use their own budgetary resources to finance these projects."

American aid officials feared that if the United States had reimbursed the Marcos government for the pre-election projects, the Reagan administration's carefully cultivated posture of neutrality in the Feb. 7 election would have been seriously compromised.

Under U.S. aid agreements with the Philippines, the government must spend its own funds for such projects. As work progresses and the project is approved, the government is reimbursed with U.S. aid money.

During the campaign, Marcos frequently enlivened his public appearances by signing on-the-spot proclamations promising aid projects in depressed areas. He did not mention how the projects were to be financed.

As the election campaign progressed, AID engineers noticed schools under construction such as those in the outlying area of Iloilo, a province on the island of Panay that was closely contested during the election.

When U.S. officials asked for an explanation, Marcos representatives said they planned to pay for the projects using U.S. Economic Support Fund assistance, according to the official.

Such money is kept in a Philippines Central Bank account that is jointly administered by U.S. and Philippine officials. It is conceivable, the U.S. official said, that money could be removed from the ac-

'They were told it would be a violation of the U.S. aid agreement . . .'

— Frederick Schieck
AID mission chief in Manila

Examiner/Paul Kitagaki Jr.

CAMPAIGNING MARCOS GIVES MANILA ROTARIANS VICTORY SIGN
He had just signed proclamation approving a construction project

In the past, the Philippine government has used the program to build roads, markets and hundreds of three-room typhoon-resistant schoolhouses.

The school program was the subject of an earlier controversy in 1981 when the AID inspector general's office discovered that $8 million for school construction was placed in a five-year certificate of deposit account at Philippine National Bank.

Several hundred schools were constructed, but the audit found no evidence that the schools were built with U.S. aid funds, which remain in the account.

AID program rules also permit the Philippine government to spend 15 percent of the total construction cost of a project as an advance to local officials.

These officials are supposed to use the advance funds to hire contractors and for start-up costs to get projects off the ground. But U.S. officials found out about the projects and the plans to use aid funds to pay for them in late January.

The discovery also was embarrassing. It came one week before a team of congressional auditors from the General Accounting Office arrived in Manila to investigate the possible abuse of aid funds.

Officials at AID and the State Department in Washington "went nuts" when they learned of the attempted diversion of aid funds by the Marcos government, said the official.

The GAO auditors, who were told of the projects, left the Philippines last week. They are scheduled to meet with members of Congress soon to discuss the findings of the monthlong inquiry requested by Sen. Edward Kennedy, D-Mass.

In the Marcos government, U.S. economic aid was channeled

It may take time to get aid to Aquino

By David Johnston
OF THE EXAMINER STAFF

MANILA — While the Reagan administration appears ready to pump more American aid into the Philippines, U.S. officials here say the realities of foreign aid may make such a move difficult.

The nation's new leaders, preoccupied with the immediate problems of taking over the controls of government, have had little time to consider detailed plans to cope with an economy in a shambles and poverty of epidemic proportions.

"We just don't know what the absorptive capacity is yet," said Frederick Schieck, the mission chief at the Agency for International Development here.

"We don't know what the policy framework is going to be."

While special U.S. envoy Philip Habib has held talks with cabinet ministers, aid officials like Schieck, who are responsible for distributing the assistance funds, have yet to meet their new counterparts.

"They've barely had time to move into their offices," said Schieck. "It will be a couple of weeks before we really sit down and talk to them."

Exactly who in the Aquino government will handle U.S. aid is uncertain. The six-day-old administration has yet to choose an agency to serve as the conduit for U.S. funds, although it appears likely the existing aid secretariat, formerly headed by Imelda Marcos, will be dismantled.

Although the relationship between the governments has yet to jell, it is evident U.S. officials are far more confident about the Aquino administration than they were about the Marcos regime, whose economic policies appeared to center on maintaining the wealth of a handful of political allies.

The presence of business leaders in Aquino's cabinet like Jaime Ongpin, who openly opposed Marcos, have impressed U.S. officials.

"When Jaime Ongpin says he's going to do something, I have confidence, he's going to do it," said Schieck.

However, any new aid proposal is likely to run into a variety of problems, not all of them in the Philippines.

On the U.S. side, spending limitations imposed by the Gramm-Rudman budget-balancing law may frustrate attempts to obtain more funds.

At the same time, Reagan administration aid planners may have difficulty justifying a larger aid package to Congress when more than $230 million in economic aid funds already appropriated for the Philippines are stuck in the funding pipeline.

U.S. economic aid has moved slowly because much of it has been set aside to finance building projects like roads, schools and markets. Frequently such projects have taken years to plan and carry out.

Often, U.S. aid funds destined for the Philippines have simply been held in government bank accounts waiting for projects to materialize. An increase in funds to finance more construction projects may not be of much help.

"It doesn't mean you couldn't find more projects,

educational malpractice. Some of the findings fall into the gag-me-with-a-silver-spoon category: Seventy-six percent of Stanvard alumni say they are motivated by "seeking enriching experiences." They don't mean in a monetary sense, but then they have a median income of $72,000 a year. Most of the general public, on the other hand, are motivated by the desire to "own things." If the general public had gone to Harvard or Stanford, it would know that you don't say "I want to own things" in polite company. Instead you talk about enriching experiences. Isn't education wonderful?

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MORSELS: Spotted on Market Street's famous schlock shop row: a banner reading "Grand opening" over a store called Close Outs. Quick turnover, I suppose. . . . Charles Atwood sends me his new book of beautiful cartoons that I don't really get, but the title makes a heck of a lot of sense: "A Doughnut on the Nose Is Better than Mustard on the Toes." I don't know, it depends. Jelly or plain? . . . Harry DeWildt left yesterday for Antarctica to scout for a new home for the Marcos family. At least that's what someone told me, and I can't think of any other good reason for going. . . . Yes, the Marcos jokes keep pouring in. The latest going around is that, over in the Philippines, they now call Marcos the Manila folder.

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COLUMNIST OVERBOARD: I guess this has been noted elsewhere, but the other day I saw a yellow sticker in the back window of a car, and it said: "Driver on board." It was very reassuring, except it wasn't true. . . . I can't wait until they get really braggy, the way car stickers do. "Harvard man on board" (break that window), "Stud on board" or "Columnist on board." Geez, around here, everyone would have that one. . . . Department of Redundancy Department: I don't know why KKCY (The City) labels its billboards as boring. At the bottom of them it says, "The most unique jazz, folk, rock and blues." "Most unique" isn't boring — it's uniquely infuriating, mostly.

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SHE'S NICE, REALLY: A reminder to fans of high bitchery: the Joan Collins film tribute will occur Saturday at the Castro Theater, with beautiful Michelle Alioto and her husband Joe Jr. as special guests. You have to admit, the Alioto family would make a terrific TV series, too — "Dynasty III: the Aliotl." They're handsome, sexy and they have a great line of — how shall I say it? — patter. In addition to the Aliotos, at the Castro Saturday there should be a lot of Joan Collins look-alikes, says a friend who knows about these things. You can bet there will a lot of Joan Collins act-alikes. After all, Mayor Feinstein declared next Saturday "Joan Collins Day" in San Francisco. That means we give drop-dead looks and comments to everybody all day long. Do we have to smoke those skinny brown things, too?

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STATE OF GRACE: The struggle to raise money to buy Grace Marchant Garden as a

U.S. aid ... agreement ...'

— Frederick Schieck
AID mission chief in Manila

Philippine officials. It is conceivable, the U.S. official said, that money could be removed from the accounts for such projects without U.S. knowledge or approval.

More than $100 million in ESF funds are provided to the Philippines each year under an agreement giving the U.S. rights to use two large military bases here — Clark Air Base and Subic Bay Naval Station.

The ESF funds are distributed by AID, an independent executive branch agency that funds development assistance projects throughout the world often in close consultation with the State Department.

evidence that the schools were built with U.S. aid funds, which remain in the account.

AID program rules also permit the Philippine government to spend 15 percent of the total construction cost of a project as an advance to local officials.

These officials are supposed to use the advance funds to hire contractors and for start-up costs to get projects off the ground. But U.S. officials suspect the Marcos government was attempting to use the advances in part to create provincial campaign war chests.

A preliminary review of financial records shows the government has not billed U.S. assistance accounts for the projects, but financed them from other sources.

"It wasn't a whole lot of money," said the official, "but if it had been one single penny, it would have been a big deal."

U.S. officials were alarmed because the attempted diversion appears to be part of a broader attempted diversion of aid funds by the Marcos government, said the official.

The GAO auditors, who were told of the projects, left the Philippines last week. They are scheduled to meet with members of Congress soon to discuss the findings of the monthlong inquiry requested by Sen. Edward Kennedy, D-Mass.

In the Marcos government, U.S. economic aid was channeled through a secretariat under the control of the president's office. The secretariat's chairman was Imelda Marcos.

Employees of the secretariat, like those throughout the Marcos government, were under pressure to use their program to help the ex-president's campaign, said the official.

"It was never explained what kind of pressure they were under," the official said. "But they were under all kinds of pressure to do something for the cause."

pines are stuck in the funding pipeline.

U.S. economic aid has moved slowly because much of it has been set aside to finance building projects like roads, schools and markets. Frequently such projects have taken years to plan and carry out.

Often, U.S. aid funds destined for the Philippines have simply been held in government bank accounts waiting for projects to materialise. An increase in funds to finance more construction projects may not be of much help.

"It doesn't mean you couldn't find more projects, but it would take time," said Schieck. "There is a limit to what you can do with project assistance."

There is another form of economic aid that flows more quickly because it involves a simple transfer funds to the Philippine Central Bank.

This form of aid, called program assistance, is used to supply the heavily indebted nation with dollars to help solve broader economic problems such as a growth-inhibiting balance of payments gap.

However, program assistance has its own drawbacks. It tends to artificially magnify the size of the Philippine budget deficit, which the government must reduce to qualify for loans from international development banks.

BOXES

—From A-1

customers, including The Examiner, the Chronicle, the San Jose Mercury News and KPIX-TV. And just so no one would overlook the invitation, the team recently enlisted members of its Gold Rush cheerleading squad to hand-deliver brochures and contracts.

The initial group of would-be buyers must commit to five-year leases by tomorrow. After that, the boxes will be offered to those on a 500-name waiting list. Ken Flower, vice president of marketing and community affairs for the 49ers, said he expects all 49 boxes to be leased by the start of the team's exhibition season Aug. 9.

If you miss your chance at a box this time, wait until summer, when 30 more boxes are scheduled to be built. Another 30 or so will be put in beginning in July 1987 as part of the five-year, $27.8 million stadium renovation agreement worked out between the 49ers and The City last fall.

The agreement, which extends the 49ers' lease at Candlestick through at least the year 2008, includes adding 8,800 more seats and a new scoreboard, improving and expanding restrooms, concession areas and concourses and building about 115 luxury boxes.

The City is paying $19 million of the construction expenses — $9.4 million out of the Candlestick Park Fund, which is filled by stadium revenue, and $9.6 million from San Francisco's general fund. The rest will come from box leases, a $1 surcharge on 49ers tickets through 1992 and increased rents and admissions taxes after the stadium is expanded in 1988.

When all of The City's costs are paid, San Francisco ultimately will earn an estimated $35 million between 1994 and 2007 on Candlestick Park activities, according to Deputy Mayor Jim Lazarus.

"You could look at this as city tax money going to pay for luxury boxes, but it's more accurate to think of it as The City investing in what will be a profit-making facility," Lazarus says.

Under terms of the new lease, The City is to receive 20 percent of the revenue from the boxes, or about $2.8 million, based on figures in the prospectus.

San Francisco officials also will get rent-free access to one 12-seat box that Lazarus said will be used by the

Drawing of a 12-seat luxury box, one of 49 currently under construction. 60 more are planned

The team's earnings from the boxes are likely to soar when the additional 60 boxes available for lease are built over the next two years. Flower said leasing rates haven't been established on those boxes, but he

hadn't established a marketing strategy. The late start was due to uncertainty over where the Giants would play their 1986 season, a situation resolved in January when the team agreed to play at Candlestick for at

D.A. probes Philippine connection to S.F. building

San Francisco District Attorney Arlo Smith says his office is conducting a "preliminary investigation" into the possibility that an institution of the Philippine government may have illegally funneled campaign contributions to San Francisco supervisors in connection with a Union Square development project.

Smith's disclosure yesterday was one of a number of official reactions to an Examiner story Sunday tying the financing of the project at 212 Stockton St. to the General Service Insurance System. GSIS is an attached corporation of the government of deposed Philippine President Ferdinand Marcos.

"We're taking a look at the basic facts and then we'll decide whether to proceed full scale," Smith said yesterday. He estimated that his office would decide within a week to 10 days.

Supervisor Quentin Kopp introduced legislation to the board yesterday to change the way projects such as 212 Stockton St. are approved. The project received an unprecedented string of land use exemptions from city government.

Also yesterday, San Francisco lawyer John Lyon, 38, a director of the Jamestown Co., was found dead, an apparent suicide.

Lyon was also a director of Arconal Inc., and Arconal NV, a Netherlands Antilles corporation, set up at the behest of GSIS to own the 212 Stockton St. project.

GSIS owned the project through ownership of Netherlands Antilles corporations that in turn owned the Jamestown Co. Its president, Filipina-American real estate agent Sylvia Lichauco, contributed as much as $7,000 to local politicians.

Those contributions may violate laws that prohibit attempting to conceal the true source of a contribution by passing it through an intermediary, and that bar a foreign government from making con-

EXHIBIT 3

—Please see PROBE, A-12

Examiner/Gordon Stone

Site at Geary and Stockton in S.F., where project owned by Philippine institution is under construction

PROBE

—From A-1

tributions in U.S. elections.

Supervisor Nancy Walker put forward a resolution, subsequently referred to committee, calling on all supervisors who may have received contributions from the Jamestown Company or from Lichauco to return them to the new Philippine government of Corazon Aquino.

Walker had planned to ask for approval of an emergency resolution, but that requires unanimous consent, and she said she knew that Supervisor Carol Ruth Silver would object.

"So I referred it to committee," Walker said. "It will have a hearing there."

Silver, meanwhile, who has accepted contributions from Lichauco and who listed her on a committee of key financial supporters, called Walker's move "a cheap shot."

"Nancy's resolution prejudges that all contributions are illegal," Silver said.

Board President John Molinari announced Sunday that he was returning $1,500 that Lichauco and another company of hers, Citistops, contributed to him.

Kopp, meanwhile, asked for a district attorney's office and grand jury investigation to "ascertain if the source of campaign money is in fact from GSIS."

Kopp also asked the city attorney's office to draft an ordinance giving the Board of Supervisors final authority over whether projects are required to file environmental impact reports.

Currently, that power rests with the Planning Department and can be appealed to the Planning Commission.

In issuing what is called a "Negative Declaration," the Planning Department determined on May 4, 1984, that the proposed 16-story office-retail project on the corner of Geary and Stockton streets would not have a significant environmental impact.

On June 7, 1984, the Planning Commission upheld that decision by a 5-2 vote.

"The ramifications of the project are such that it really baffles me why the Planning Department issued a Negative Declaration," Kopp said. "I think we need to change the law."

Kopp was also upset that the Planning Department issued a variance so that the project would not have to construct a loading dock for retail deliveries on one of the busiest intersections in San Francisco.

"That variance is one of the dumbest things I've ever seen," Kopp said. "That street, as difficult and congested as it already is, gets turned into a one-lane street."

The Board of Permit Appeals upheld the department's decision on the variance. It is being challenged in court by the Tanana Corp., which owns the Whittell Building on 166 Geary St. A large portion of its view would be obscured by the proposed building.

"I was very upset about what happened," said Leslie Tang, who manages 166 Geary St. for Tanana, in a recent interview. "I felt we were really steamrolled. ... I think the whole process was done in unseemly haste."

"I have friends who are developers. Trying to get projects through is long and frustrating, yet this permit got through in almost record time. All I know is all objections were brushed aside."

Attorney dies in apparent suicide

EXAMINER STAFF REPORT

John C. Lyon, 38, a tax specialist and partner in the law firm of Flynn, Steinberg, Dick and Lee, was found dead at 9:30 a.m. yesterday in his office, an apparent suicide, the coroner reported.

He had suffered a single shot to the head, said coroner's spokesman Alan Prindle. He said materials had been found in the office at 220 Jackson St. to suggest a suicide, but would not disclose details. An autopsy was scheduled today.

A graduate of the University of California at Berkeley and Boalt Hall Law School, Lyon had apparently been suffering from depression, according to a statement released by the law firm.

Describing him as "a lawyer of highest professional integrity and intelligence," the statement said Lyon had been "a perfectionist in all aspects of his life, particularly in his profession, but said that the tendency "had become more extreme in recent months, to the point of generating concern about his depression on the part of his partners in the firm."

Read by managing partner Randall G. Dick, the statement said "that the hint of impropriety in a Sunday Examiner newspaper article may have been enough to cause such an irrational action."

According to Dick, Lyon handled real estate financing for the Jamestown Co., a California corporation named in Sunday editions of The Examiner as the company of record in a controversial building project at 212 Stockton St.

A graduate of Berkeley High School, the son of retired UC-Berkeley Professor David Lyon and his late wife Bernice, Lyon joined the law firm in 1975 as a clerk, rose to associate and was made a partner five years ago.

In addition to his father, he is survived by his wife of seven years, Diane, and a sister, Louise of San Jose.

Panel gets S.F. project papers

Aquino board looks at ownership of Stockton Street development

By David Johnston
OF THE EXAMINER STAFF
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MANILA — The head of the Philippine government institution behind a controversial real-estate development on San Francisco's Union Square has turned over project ownership records to President Corazon Aquino's anti-corruption commission.

Ramon "Jun" Cruz Jr., who was president and general manager of the Government Service Insurance System — GSIS — under deposed President Ferdinand Marcos, submitted the documents in a meeting Friday with Mary Concepcion Bautista, a member of Aquino's Good Government Commission.

"He showed me some papers that really established the (GSIS) ownership of this property, since it is not being managed by GSIS," Bautista said.

The commission is trying to recover assets taken abroad by the ex-president. The investigation is rapidly widening into an international inquiry into financial dealings by Marcos, his relatives and close associates.

Bautista, a lawyer and consumer-rights activist, said the written material included shareholder records relating to the 212 Stockton St. project, a memo from Cruz explaining the government's role in the property and a copy of an Examiner article, published last week, that revealed the GSIS ownership.

"He was volunteering information," Bautista said. "He felt he had to explain (the project's ownership)."

Until GSIS was identified as the owner, the agency's role was hidden by a series of corporate entities located in California and in the Netherland Antilles, a small island in the Caribbean that many people use to escape U.S. taxes or hide true ownership of corporations.

The disclosure has caused a stir within Aquino's government because the agency's involvement was apparently known by only a

they retire. Under a 1977 presidential decree by Marcos, GSIS was given broader investment powers.

"This diversion is really to the prejudice of government employees," Bautista said. "If there's a good price, I imagine this property will be sold."

Before Aquino took power, GSIS was widely known as one of several government agencies under the control of former First Lady Imelda Marcos. According to knowledgeable Filipinos, other agencies dominated by Imelda Marcos were the Ministry of Human Settlements, the National Food Authority and the Ministry of Tourism.

The former first lady used GSIS to finance pet projects that often had little to do with the fund's objectives of benefiting the employees who paid into it.

The GSIS ownership of the 212 Stockton St. project was concealed through a "chain of companies" that included as many as five intermediary companies, said Ramon Diaz, another member of the commission who headed GSIS before Marcos removed him from the job the ex-dictator declared martial law in 1972.

The company that represented itself as the owner of the property in San Francisco was Jamestown Co., managed by Silvia Lichauco, a Filipino-American Realtor with powerful friends in the Marcos government.

Lichauco has sent feelers to the commission expressing a willingness to cooperate with the investigation into the Stockton Street property, according to friends here.

While the rationale for keeping GSIS' ownership role secret is as yet unexplained, it is assumed here that the arrangement could have been devised to shield the involvement of prominent people close to Marcos.

"It was a very wily financial scheme to put government money in private hands," said Hetherson Alvarez, who recently returned to the Philippines from New York, where he spent years as a leader in

practice of granting mortgage loans to employee contributors to the fund.

Instead, GSIS financed construction of several luxury hotels in Manila and paid for the purchase of the Manila Hotel, where most visiting U.S. officials live, attended by Filipino bellhops wearing sailor suits.

Cruz became president of the hotel and officials in the Marcos government were permitted to run up bills without paying, Bautista said. "I wouldn't say government employees benefited from that," she said.

In January, when Marcos addressed the Manila Rotary Club at the hotel, GSIS employees identifiable in their work uniforms were

In 1978, GSIS acquired Philippine Airlines and Cruz was installed as president after the former owner quarreled publicly with Imelda Marcos over a $3 million bill for globe-trotting flights on the airline. GSIS money subsidized any operating losses the airline suffered.

Philippine Airlines occupied the building on the site of the Stockton Street project from the 1940s until the late 1970s. Lichauco purchased the property in 1982 using GSIS money.

The $33 million development planned for the site required several valuable exemptions from San Francisco ordinances, permitting the new building to exceed height and square-footage limits.

While the development was

has concentrated on obtaining documents to penetrate the secretive "crony" system of wealth that flourished under Marcos.

The commission has also sought to halt withdrawals from several Manila banks, fearing these liquid assets may be transferred abroad before it is determined whether they were lawfully acquired.

Bank accounts amounting to 1 billion pesos ($50 million) have been frozen on orders issued by the Central Bank at the commission's direction, Bautista said.

Among the banks affected are Royal Traders Bank, owned by Roberto Benedicto, a sugar magnate, and Security Bank and Trust, headed by Rolando Gapud. Marcos' fi-

Europe, Brazil and Switzerland. Commission Chairman Jovito Salonga is considering a trip to the United States in connection with efforts to obtain records in Marcos' possession.

Commission members also met with Rep. Stephen Solarz, D-N.Y., who visited the Philippines last week, to discuss recovery of the assets.

Solarz is chairman of the House Asian and Pacific affairs subcommittee, which held hearings into Marcos' alleged ownership of commercial property in Manhattan worth an estimated $350 million.

The commission let Solarz examine a document he referred to as the "smoking gun" verifying the

© 1986, The San Francisco Examiner/Tim Kawasaki

GSIS workers bused in as supporters surrounded then-President Ferdinand Marcos before speech in January

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The disclosure has caused a stir within Aquino's government because the agency's involvement was apparently known by only a few intimates of Marcos, who had used GSIS to finance questionable activities.

Bautista said the commission will examine corporate statements, checking-account records and other documents seeking a more detailed explanation of the project.

GSIS was established as a pension fund in the late 1930s. Its purpose was to invest in welfare and economic development projects in the Philippines.

Part of government workers' monthly checks is deducted, and workers anticipate pensions when

the National Food Authority and the Ministry of Tourism.

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"It was a very wily financial scheme to put government money in private hands," said Heherson Alvarez, who recently returned to the Philippines from New York, where he spent years as a leader in the opposition movement researching Marcos' overseas investments.

Besides Cruz, Gregory Araneta, Marcos' son-in-law, and Ferdinand "Bong Bong" Marcos Jr., the ex-ruler's son, were interested in the project, according to anti-Marcos investigators.

GSIS holds assets amounting to about 50 billion pesos ($200 million), Diaz said. But he said that after 20 years of Marcos rule, the fund "is for all practical purposes bankrupt."

Under Marcos, GSIS funding of humanitarian projects such as hospitals was stopped along with the practice of granting mortgage loans to employee contributors to the fund.

Instead, GSIS financed construction of several luxury hotels in Manila and paid for the purchase of the Manila Hotel, where most visiting U.S. officials live, attended by Filipino bellhops wearing sailor suits.

Cruz became president of the hotel and officials in the Marcos government were permitted to run up bills without paying, Bautista said. "I wouldn't say government employees benefited from that," she said.

In January, when Marcos addressed the Manila Rotary Club at the hotel, GSIS employees identifiable in their work uniforms were bused from the nearby GSIS office to appear as a crowd of supporters. After Marcos arrived, the employees were taken to a separate room in the hotel and given a free lunch.

Last week, a group of GSIS employees issued an open letter to Aquino asking her to oust Cruz and audit the agency.

"Working conditions were at their worst during his administration," the letter said. "Employees are packed like sardines in rooms along with envelopes and working forms, comfort rooms are in a deplorable state, while Mr. Cruz lived in luxury in the Manila Hotel."

© 1986, The San Francisco Examiner/Kim Komenich

GSIS workers bused in as supporters surrounded then-President Ferdinand Marcos before speech in January

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Philippine Airlines occupied the building on the site of the Stockton Street project from the 1940s until the late 1970s. Lichauco purchased the property in 1982 using GSIS money.

The $33 million development planned for the site required several valuable exemptions from San Francisco ordinances, permitting the new building to exceed height and square-footage limits.

While the development was under consideration by San Francisco officials, companies and people associated with the project — most of whom were not connected to the Philippines — were also active political contributors, giving $42,500 to city officials, including Mayor Feinstein and nearly every member of the Board of Supervisors.

The Union Square property is one of scores of costly pieces of real estate, investments and bank accounts under review by the week-old commission appointed by Aquino.

Operating under a broad but undefined authority, the commission has concentrated on obtaining documents to penetrate the secretive "crony" system of wealth that flourished under Marcos.

The commission has also sought to halt withdrawals from several Manila banks, fearing these liquid assets may be transferred abroad before it is determined whether they were lawfully acquired.

Bank accounts amounting to 1 billion pesos ($50 million) have been frozen on orders issued by the Central Bank at the commission's direction, Bautista said.

Among the banks affected are Royal Traders Bank, owned by Roberto Benedicto, a sugar magnate, and Security Bank and Trust, headed by Rolando Gapud, Marcos' financial adviser.

Gapud, who is said to be in hiding, was named as the Marcos operative who allegedly engineered multimillion dollar acquisitions for the ex-president that ranged from commercial property in New York to Redwood Bank in San Francisco.

The concern that records and illegally acquired wealth will disappear are behind legal efforts to halt the sale of the New York properties and attempts to recover documents from a U.S. military plane that accompanied Marcos when he fled the Philippines.

Teams of commission investigators are also expected to be sent to Europe, Brazil and Switzerland. Commission Chairman Jovito Salonga is considering a trip to the United States in connection with efforts to obtain records in Marcos' possession.

Commission members also met with Rep. Stephen Solarz, D-N.Y., who visited the Philippines last week, to discuss recovery of the assets.

Solarz is chairman of the House Asian and Pacific affairs subcommittee, which held hearings into Marcos' alleged ownership of commercial property in Manhattan worth an estimated $350 million.

The commission let Solarz examine a document he referred to as the "smoking gun" verifying the former president's ownership of the Manhattan property. The document was found in a book at Marcos' bedside in the presidential palace, Diaz said.

Solarz agreed to provide the commission with evidence compiled during his hearing that indicated Marcos owned the property.

Solarz said he would introduce a bill this week allowing the Philippine government to sue in U.S. courts to recover assets in this country. He is also trying to persuade the U.S. Customs Service to release a list of items aboard the plane that flew with Marcos to Hawaii.

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Why Philippine agency hid ties to 212 Stockton project

SAN FRANCISCO EXAMINER 3/10/86

By David Johnston
OF THE EXAMINER STAFF

MANILA — The Philippine government concealed its ownership of an $11 million property on Union Square from San Francisco officials, fearing Ferdinand Marcos' negative public image would "contaminate" development plans and "prejudice" local approval, according to a memo written by the head of the agency that owns the site.

The memo, explaining the Philippine government's secret 1982 purchase of the property, was written by Roman "Jun" Cruz, the outgoing president and general manager of the Government Service Insurance System, or GSIS, which owns the Stockton Street site.

"It was candidly felt even at that time that any association with Philippine government, which was run by the already unpopular President Marcos might, although without basis, contaminate the project with the Marcos image, (and) prejudice pending applications and negotiations for the redevelopment of the property," the memo said.

Roman Cruz
He didn't want to prejudice The City's leaders

Cruz submitted the four-page memo to President Corazon Aquino's Good Government Commission, which is investigating corruption by Marcos, his relatives and friends. A copy of the memo was

MEMO, A-14

EXHIBIT 5

MEMO
—From A-1

made available to The Examiner.

Until the GSIS role was revealed in a March 2 Examiner article, the agency's ownership of the property was unknown outside the Marcos government.

The memo defends the purchase and seeks to explain the reasons for hiding the GSIS ownership behind a veil of California and Caribbean corporations.

GSIS is a government-managed pension fund, whose activities are financed by government workers who contribute to it. The disclosure of the GSIS ownership is controversial here because the agency's objectives are to finance humanitarian projects within the Philippines, for the benefit of GSIS members.

During the Marcos years, the GSIS was one of several public institutions in which first lady Imelda Marcos took a personal interest. GSIS stopped financing projects such as hospitals and schools and instead used its funds for luxury hotels and the purchase of a majority interest in Philippine Airlines.

The airline held a 30-year lease on a three-story building at the Stockton Street address before GSIS acquired the property. After the purchase, the building was razed to make way for a $33 million development, which has yet to be constructed.

"The GSIS under its charter has broad investment powers and the purchase of this property violated no Philippine or American laws," the memo said.

However, commission members have expressed skepticism that Cruz's memo is a complete account of the project. They are seeking additional documents and plan an audit of GSIS. Commission member Mary Concepcion Bautista, who met with Cruz Friday, said the building site may be sold because the development does not appear to benefit Philippine government workers directly.

The memo denies the theory of anti-Marcos researchers that the secrecy was intended to allow private individuals to profit from the development project.

"The ongoing redevelopment project on this site has been carefully and professionally managed exclusively for the benefit of GSIS and its one million members, and not of any individual or private groups," the memo said.

The memo asserted "there is absolutely no truth whatsoever ... that deposed Philippine President Marcos, members of his family or his friends benefited or stood to benefit in any way from this property."

The memo discloses that the Bank of America is providing a "medium-term" loan to finance the project.

The loan is guaranteed by the Development Bank of the Philippines, the memo said. "The only outlays made by GSIS so far are for interest payments," according to the memo.

The development bank is a government-operated entity that provided loan guarantees to a number

property for $10 million in August 1982. The property was appraised at $12 million and purchased through an intermediary firm from a Hong Kong developer, Kevin Hsu.

The memo said: "During the bidding process it was deemed necessary to conceal the identity of the buyer, the GSIS, from the sellers to keep the purchase price down. Were the sellers to know that the buyer was one of the largest Philippine financial institutions with immense resources, they might have increased their selling price. After the purchase, the secrecy continued. GSIS feared that city officials might be unwilling to approve a project knowing the Marcos government was behind it.

"Subsequently, while various permits from the San Francisco authorities for the redevelopment of the property were being applied for, it was deemed necessary to continue keeping the GSIS in the background," the memo said.

Obtaining the necessary permits was controversial because the proposed project design required several variances from local ordinances, including lucrative exemptions that allow the new building to exceed height and square footage limits.

While the project was under consideration, individuals and companies connected to the project contributed $42,500 to city officials, including Mayor Feinstein and nearly every member of the Board of Supervisors.

Cruz's memo said the GSIS wanted to develop the site as an office for Philippine Airlines and as a dollar-based investment.

GSIS, as a majority stockholder in Philippine Airlines, wanted to maintain the presence of "the national flag carrier in this highly prestigious location.

"Had it been sold to another bidder, PAL would have had to vacate the place in 1986, move to an inferior location and give up the marketing advantage and prestige of being in this place," the memo said.

The memo said one plan under consideration was to sell the building back to Philippine Airlines upon completion, in exchange for cash, airline stock or debt instruments.

Secondly, Cruz said, GSIS wanted an investment based on U.S. dollars. "Its purpose was to help protect the trust funds and the interests of (GSIS') more than one million members, all public servants, from deleterious effects of the then-weakening peso and the growing threats of devaluation."

He said GSIS originally sought to purchase the property outright, but was denied permission by the Philippine Central Bank, which controls the flow of funds from the country. The Central Bank advised GSIS to "finance the purchase with a U.S. sourced loan," the memo said.

"Thus, the purchase was financed by a short-term loan from the U.S. branch of the Philippine National Bank, which was then repaid from a medium-term loan from Bank of America," according to the memo.

Cruz said that if the development plans are completed, "the handsome new edifice will be

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EXHIBIT 5 see MEMO, A-14

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The development bank is a government-operated entity that provided loan guarantees to a number of firms owned by Marcos "cronies," including some that later defaulted and left the government to pay off the loans. Officials in Aquino's government have said the bank may be phased out.

The GSIS role was hidden from the time the agency acquired the

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Cruz said that if the development plans are completed, "the handsome new edifice will be called the Philippines Airline Building, thus preserving the strong Philippine presence in San Francisco's famed Union Square."

The memo added, "Such plans, of course, are subject to review by the government under President Corazon Aquino."

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[redacted]

PROBE

—From A-1

ney's office.

It is illegal in California to conceal the source of a campaign contribution by passing it through an intermediary. Federal law forbids a foreign government to contribute financially to U.S. election candidates, directly or through an intermediary.

Lichauco told The Examiner she reimbursed herself with GSIS funds after making campaign contributions to local officials, including Mayor Feinstein, Board of Supervisors President John Molinari, Supervisors Carol Ruth Silver, Louise Renne, Quentin Kopp, Bill Maher and Willie Kennedy and local ballot measures.

She said she believed her contributions were legal and she never intended to conceal their source.

Parties interested in the project — architects, lawyer-lobbyists and construction firms — contributed about $42,500 to local campaigns over four years.

The 10-story project was granted several exemptions from planning code restrictions by the Board of Supervisors, the Planning Department, the Planning Commission and the Board of Permit Appeals.

GSIS owned the project through ownership of Netherlands Antilles corporations that owned the Jamestown Co.

A 1983 Philippine government publication describes GSIS as a "government non-bank financial institution" and a "social institution" set up after World War II to guarantee pensions and boost the Philippine government by investing in it.

[redacted]

Lichauco's attorney, former San Francisco Mayor Joseph L. Alioto, said Lichauco's contributions amounted to $13,000 over four years. He said it was legal because Jamestown is an "American subsidiary of a Dutch company."

Aviles said he "can't answer at this time" whether his office will interview San Francisco politicians as part of its investigation.

Alioto told The Examiner yesterday: "We have already told the district attorney that we are preparing a full statement of all contributions and the source of them. We will have that for the D.A. this week."

Alioto said "not one dime of con-

SFEx 3/19/86

S.F. probes political aid by Filipinos

EXHIBIT 6

By John Jacobs
EXAMINER POLITICAL WRITER

The San Francisco district attorney's office has begun an investigation into possible illegal campaign contributions related to a Union Square real estate project.

The $33 million development, known as 212 Stockton St., is owned by an attached corporation of the Philippine government, the Government Service Insurance System.

GSIS, which operates a pension fund for government workers, owns Philippine Airlines, several luxury hotels in Manila and the Commercial Bank of the Philippines, among other holdings.

Until the Marcos government fell several weeks ago, GSIS was run by Roman Cruz Jr., considered a protege of Imelda Marcos, wife of the ousted Philippine president. Cruz resigned, and the new Aquino government has claimed the development.

The Examiner reported on March 2 that the contributions a local developer, Filipina-American real estate agent Sylvia Lichauco and her Jamestown Co., made to local politicians may have violated so-called clean-government laws.

"We have decided to conduct a full investigation into the 212 Stockton Street project . . . to see if there is any criminal wrongdoing, any criminal conduct involving Sylvia Lichauco or the Jamestown Co.," said Peter Aviles, chief of special operations for the district attor-

—Please see PROBE, A-6

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Alioto told The Examiner yesterday: "We have already told the district attorney that we are preparing a full statement of all contributions and the source of them. We will have that for the D.A. this week."

Alioto said "not one dime of contributions to any official came from any source other than the Stockton Street property."

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EXAMINER 3/23/88

Philippine tie in S.F. elections

Development exec details funds' source

EXHIBIT 7

By John Jacobs and Lance Williams
OF THE EXAMINER STAFF

The head of a controversial development project owned by a Philippine government pension fund made eight local campaign contributions in 1984 without disclosing the ultimate source of the money, according to documents filed Friday with The City.

In documents submitted to the registrar of voters, Filipina-American Realtor Sylvia Lichauco said she made the campaign contributions in her own name and then reimbursed herself with money from two Philippine-owned corporations that are involved in constructing a $33 million, 10-story building on Union Square.

The documents also indicate that on five of the occasions on which she reimbursed herself for contributions, Lichauco received money from the checking account of a foreign corporation set up in the Netherlands Antilles islands in connection with the project.

In addition, the documents indicate that on one occasion, Lichauco loaned $12,000 to opponents of a local ballot measure who apparently did not report the loan on documents that are on file in the registrar's office.

State law requires politicians to report campaign donations, and it requires donors to correctly identify the ultimate source of money used in their contributions. State law also bans "intermediary" contributions in which the actual source of a donation is not reported

— Please see LICHAUCO, A-8

LICHAUCO

— From A-1

on campaign-finance documents.

Federal law prohibits foreign nationals, companies and governments from contributing to U.S. elections.

Lichauco filed the documents with the registrar after District Attorney Arlo Smith ordered an investigation into campaign contributions made in connection with the so-called 218 Stockton St. project. The investigation began after The Examiner reported that the project is owned by the Philippine Government Service Insurance System pension fund, or GSIS.

In interviews, Lichauco has said she was hired in 1981 by a Marcos administration official, GSIS President Roman Cruz, to head the development through Jamestown Co., a California corporation.

Since Marcos left office, Cruz has told the new government of Corazon Aquino that he chose to keep GSIS' ownership of the San Francisco project a secret because he feared local officials would not give it needed permits if they knew

chauco, described her as a "first-time filer" who wanted to correct "inadvertent" mistakes in 1984 campaign finance documents that occurred because of her unfamiliarity with the law.

Another of her lawyers, former San Francisco Mayor Joseph Alioto, said all her donations were legal.

"To the extent there were implications ... that maybe this money may have come from a foreign source, I want(ed) to dispel that," he said.

He added that it is legal for a foreign corporation to make campaign contributions in the United States as long as they use funds generated here, and he maintained that GSIS is a corporation, not a government agency.

Moreover, Alioto said all campaign contributions came from $19,000-a-month rents paid to Jamestown from the tenants of the old Philippine Air Lines building, which was torn down last year to make way for the new building.

Alioto said that if Lichauco attended a fund-raising party for a local supervisor, for example, and wrote a check for $100, she could get reimbursed from Jamestown months later for the check

... even though they reported it as a check from Sylvia Lichauco."

Bagatelos asked Registrar of Voters Jay Patterson to waive the $10-a-day penalty for filing campaign finance documents after the deadline. Patterson said he has agreed to forgive the penalties, which amount to $4,000, because Lichauco voluntarily submitted the amended campaign finance documents.

"When people turn them in without our prodding ... the fine is waived," Patterson said.

According to the letter to the registrar, Lichauco in 1984 made campaign donations of $2,320 and loans of $12,000 in which the ultimate source of the funds was not disclosed at the time.

For example, the letter shows that in January 1984, Lichauco wrote a $500 personal check to make a contribution to Supervisor Carol Ruth Silver, and then reimbursed herself with a check from Stanway, a Netherlands Antilles corporation set up in connection with the Stockton Street development project.

Until Lichauco sent her letter to the registrar of voters Friday, there was no indication that the actual

Mayor Feinstein in June 1984, and then reimbursed herself with a check from Jamestown. In July, Lichauco made a $500 donation to Supervisor Louise Renne and reimbursed herself with Jamestown funds, the documents show.

In September, Lichauco made a $500 donation to Supervisor Quentin Kopp and a $150 donation to supervisorial candidate Kevin Starr and then reimbursed herself with funds from Citistops Inc., a company she set up to bid on a contract to build bus-stop shelters for the Municipal Railway.

The letter indicates that Lichauco was a party to three other campaign contributions in 1984 that involved similar reimbursements. However, in those cases her account of the amounts and dates of the contributions is at variance with what the politicians in question reported in the contribution statements they filed.

For example, Lichauco's letter says that Aug. 22, 1984, she paid $295 to the Campton Place Hotel as a contribution to Silver. She says the donation was made "by the Jamestown Co. through Stanway."

But Silver's campaign finance report shows no donation at all

LICHAUCO

—From A-1

on campaign-finance documents.

Federal law prohibits foreign nationals, companies and governments from contributing to U.S. elections.

Lichauco filed the documents with the registrar after District Attorney Arlo Smith ordered an investigation into campaign contributions made in connection with the so-called 212 Stockton St. project. The investigation began after The Examiner reported that the project is owned by the Philippine Government Service Insurance System pension fund, or GSIS.

In interviews, Lichauco has said she was hired in 1981 by a Marcos administration official, GSIS President Roman Cruz, to head the development through Jamestown Co., a California corporation.

Since Marcos left office, Cruz has told the new government of Corazon Aquino that he chose to keep GSIS' ownership of the San Francisco project a secret because he feared local officials would not give it needed permits if they knew an institution of the Marcos government was involved.

Peter Bagatelos, the lawyer who prepared the documents for Lichauco, described her as a "first-time filer" who wanted to correct "inadvertent" mistakes in 1984 campaign finance documents that occurred because of her unfamiliarity with the law.

Another of her lawyers, former San Francisco Mayor Joseph Alioto, said all her donations were legal.

"To the extent there were implications ... that maybe this money may have come from a foreign source, I wanted to dispel that," he said.

He added that it is legal for a foreign corporation to make campaign contributions in the United States as long as they use funds generated here, and he maintained that GSIS is a corporation, not a government agency.

Moreover, Alioto said all campaign contributions came from $19,000-a-month rents paid to Jamestown from the tenants of the old Philippine Air Lines building, which was torn down last year to make way for the new building.

Alioto said that if Lichauco attended a fund-raising party for a local supervisor, for example, and wrote a check for $100, she would get reimbursed from Jamestown months later for the check.

"Now the Jamestown Co. has made the donation," Alioto said. "It's perfectly legal for it and for her. Ultimately, Jamestown paid it ... even though they reported it as a check from Sylvia Lichauco."

Bagatelos asked Registrar of Voters Jay Patterson to waive the $10-a-day penalty for filing campaign finance documents after the deadline. Patterson said he has agreed to forgive the penalties, which amount to $4,000, because Lichauco voluntarily submitted the amended campaign finance documents.

"When people turn them in without our prodding ... the fine is waived," Patterson said.

According to the letter to the registrar, Lichauco in 1984 made campaign donations of $2,220 and loans of $12,000 in which the ultimate source of the funds was not disclosed at the time.

For example, the letter shows that in January 1984, Lichauco wrote a $500 personal check to make a contribution to Supervisor Carol Ruth Silver, and then reimbursed herself with a check from Stanway, a Netherlands Antilles corporation set up in connection with the Stockton Street development project.

Until Lichauco sent her letter to the registrar of voters Friday, there was no indication that the actual source of funds for the donation was the corporation, not Lichauco.

Similarly, the letter shows that Lichauco made a $125 donation to Mayor Feinstein in June 1984, and then reimbursed herself with a check from Jamestown. In July, Lichauco made a $500 donation to Supervisor Louise Renne and reimbursed herself with Jamestown funds, the documents show.

In September, Lichauco made a $500 donation to Supervisor Quentin Kopp and a $150 donation to supervisorial candidate Kevin Starr and then reimbursed herself with funds from Citistops Inc., a company she set up to bid on a contract to build bus-stop shelters for the Municipal Railway.

The letter indicates that Lichauco was a party to three other campaign contributions in 1984 that involved similar reimbursements. However, in those cases her account of the amounts and dates of the contributions is at variance with what the politicians in question reported in the contribution statements they filed.

For example, Lichauco's letter says that Aug. 22, 1984, she paid $295 to the Campton Place Hotel as a contribution to Silver. She says the donation was made "by the Jamestown Co. through Stanway."

But Silver's campaign finance report shows no donation at all from Jamestown, Stanway or Lichauco in August 1984. It does report a donation of $280, not $295, from Jamestown in October.

SUE C. HESTOR
Attorney at Law
870 Market Street, Rm. 1121
San Francisco, CA 94102
(415) 362-2778
552-2194

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RECEIVED
OFFICE OF THE
GENERAL COUNSEL
86 APR 11 A8:47

April 7, 1986

Office of General Counsel
Federal Elections Commission
999 E Street NW
Washington DC 20463

To Whom it May Concern:

Enclosed are two copies of a complaint I am filing on behalf of my client, Citizens for Representative Government, against the Jamestown Company, Stanway Inc. and Sylvia Lichauco.

Please acknowledge receipt by stamping one of the copies and returning it the stamped, self-addressed envelop supplied.

Thank you for your assistance.

Sincerely,

Sue C Hestor

Sue C. Hestor

8704063291

EXPENDITURE AND MAJOR DONO.. COMMITTEE CAMPAIGN STATEMENT

(Government Code Section 84200–84217)

Form 461
1984

For use by: (1) persons who have made expenditures or contributions totaling $5,000 or more in a calendar year directly to or at the behest of candidates, officeholders or committees; or, (2) persons who have made independent expenditures on behalf of candidates, officeholders or ballot measures totaling $500 or more in a calendar year.

(Type or Print in Ink)

OFFICIAL USE ONLY

Statement covers period 1/1/84 through 12/31/84

NAME OF FILER:
The Jamestown Company & Affiliated Entities

PERMANENT ADDRESS: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

NAME OF TREASURER:
Sylvia Lichauco

PERMANENT ADDRESS OF TREASURER: NO. AND STREET / CITY / STATE / ZIP CODE / AREA CODE / PHONE NUMBER
c/o Joseph L. Alioto 650 California St. 23rd Fl. San Francisco, CA 94108 (415) 434-2100

DATE OF ELECTION (MO., DAY, YR.) (IF APPLICABLE):
N/A

TOTAL PAGES
6

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check one: Support	Check one: Oppose	AMOUNT	CUMULATIVE AMOUNT
2 9 2 3 3	1/24	San Franciscans for Supervisor Carol Ruth Silver 68 Ramona St. San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		500	500
3	2/9	Friends of Wendy Nelder 150 Casitas St., San Francisco, CA 94103	contribution check ID #810489	Wendy Nelder Supervisor City & County of San Francisco	X		250	250
4 0 5	4/30	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	750
7 0	5/3	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	500
8	6/22	Friends of Mayor Dianne Feinstein P.O. Box 15296, San Francisco, CA 94115	contribution check ID #810269	Dianne Feinstein Mayor City & County of San Francisco	X		125	125
	6/26	Committee for Supervisor John Molinari 30-16th Ave., San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		500	1000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,125

*This report is filed consistent with Title 2, California Administrative Code §18428 (FPPC regulations). The entities included herein include the Jamestown Company, Stanway, Inc. (agent for The Jamestown Company), and Sylvia Lichauco. During 1984, the address for all entities was 153 Kearny St., Suite 201, San Francisco, CA 94108. The current address for all entities is stated hereinabove.

YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

EXHIBIT 1

The Jamestown Company & Affiliated Entities

I EXPENDITURES AND CONTRIBUTIONS MADE TO: (Amounts may be rounded off to whole dollars)

OFFICIAL USE ONLY	DATE	NAME & ADDRESS OF PAYEE (If committee, also enter I.D. No. or Treasurer's name and address)	DESCRIPTION OF EXPENDITURE OR CONTRIBUTION MADE	NAME OF CANDIDATE & OFFICE OR NAME OF BALLOT MEASURE & BALLOT NUMBER OR LETTER	Check only Sup-port	Check only Op-pose	AMOUNT	CUMULATIVE AMOUNT
	7/27	Comm. to ReElect Supervisor Louise Renne 1 Maritime Plaza, 20th Fl., San Francisco, CA 94111	contribution check ID #830766	Louise Renne Supervisor City & County of San Francisco	X		500	500
	8/22	Campton Place Hotel 340 Stockton St. San Francisco, CA 94108	non-monetary contribution for luncheon for Carol Ruth Silver	Carol Ruth Silver Supervisor City & County of San Francisco	X		295	1,045
	9/11	Committee for Supervisor John Molinari 30 - 16th Avenue San Francisco, CA 94118	contribution check ID #741912	John Molinari Supervisor City & County of San Francisco	X		250	1,250
	9/11	Committee to ReElect Quentin Kopp 354 Pine St. 3rd Fl. San Francisco, CA 94104	contribution check ID # 841403	Quentin Kopp Supervisor City & County of San Francisco	X		500	500
	9/25	Kevin Starr for Supervisor 1840 Van Ness Ave. #C San Francisco,CA 94109	contribution check ID #840000	Kevin Starr Supervisor City & County of San Francisco	X		150	150
	9/28	San Franciscans for Carol Ruth Silver 68 Ramona, San Francisco, CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,295
	10/3	San Franciscans for Carol Ruth Silver 68 Ramona San Francisco,CA 94103	contribution check ID #840151	Carol Ruth Silver Supervisor City & County of San Francisco	X		250	1,545
	10/31	Supervisor Willie Kennedy Campaign Comm. 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		150	150
	12/5	Supervisor Willie Kennedy Campaign 400 Van Ness Ave.#234 San Francisco, CA 94102	contribution check ID #810708	Willie Kennedy Supervisor City & County of San Francisco	X		100	250

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with any additional subtotals to Line 1, Part IV) $ 2,445

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YOU MUST COMPLETE THE SUMMARY AND VERIFICATION ON PAGE 2

OFFICIAL USE ONLY	C	D	E	F	

For information required to be provided to you pursuant to the Information Practices Act of 1977, see "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," Part X.

II LOANS MADE TO: (Amounts may be rounded off to whole dollars)

DATE	FULL NAME & ADDRESS OF RECIPIENT (If committee, also enter I.D. Number or Treasurer's name and address)	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	Check one: Support	Check one: Oppose	INTEREST RATE	AMOUNT OF LOAN	CUMULATIVE AMOUNT
6/1	No on Proposition K Comm. 233 Sansome St., 8th Fl. San Francisco, CA 94104 ID #841059	Proposition K City & County of San Francisco		X	-0-	12,000	12,000

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 3, Part IV) $ 12,000

III LOANS REPAID BY: (Amounts may be rounded off to whole dollars)

FULL NAME AND ADDRESS OF DEBTOR PLUS PERSON WHO REPAID THE LOAN IF DIFFERENT (If the loan was made to a committee, list the committee's name, address and I.D. Number. If the committee I.D. Number is unknown list the treasurer's full name and street address.)	AMOUNT REPAID THIS PERIOD	UNPAID BALANCE
No on Proposition K Committee 233 Sansome St., 8th Floor San Francisco, CA 94104 ID #841059	9,602	2,398

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL (Carry with additional subtotals to Line 6, Part IV) $ 9,602

IV SUMMARY

1.	Expenditures and contributions made of $100 or more this period (Part 1)	$ 4,570
2.	Expenditures and contributions under $100 made this period (Not itemized) (Alice B. Toklas Gay Democratic Club)	35
3.	Loans made this period (Part III) include all subtotals	12,000
4.	TOTAL (Line 1 + 2 + 3)	16,605
5.	Loans repaid this period (Part III) include all subtotals	9,602
6.	Net expenditures and contributions made this period (Line 4 - 5, this can be a negative amount)	7,003
7.	Cumulative expenditures and contributions made from prior statement	-0-
8.	Cumulative expenditures and contributions made to date (Line 6 + 7)	$ 7,003

VERIFICATION

I have not received any contributions during this calendar year.

I declare under penalty of perjury that this campaign statement is true, correct and complete and that I have used all reasonable diligence in its preparation.

Executed on 3/20/86 (DATE) at San Francisco, CA (CITY AND STATE) by The Jamestown Co. & Affiliated Entities

(SIGNATURE OF COMMITTEE TREASURER OR INDIVIDUAL DONOR)

Sylvia Lichauco

THE JAMESTOWN COMPANY & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

THE JAMESTOWN COMPANY & STANWAY, INC.

(N.B. The contributions below were made directly by The Jamestown Company, or by Stanway, Inc. as agent for Jamestown, from funds derived from The Jamestown Company. The Jamestown Company, as an American subsidiary corporation of a Philippine corporation (GSIS), is entitled by applicable laws to make contributions from funds derived from American business activities.)

Date	Name of Recipient	Amount
2/9	Friends of Wendy Nelder (1) Contribution made by The Jamestown Co. through Stanway.	$ 250
6/1	No on K Committee (1) Loan for $7,000 made by The Jamestown Co. through Stanway on 6/1/84. No on K Committee repaid $4,502 on 8/9/84 and $2,498 on 9/4/84 to The Jamestown Co. (2) Contribution/loan of $5,000 was made to No on K Committee by The Jamestown Co. on 6/1/84 with understanding that any part of this payment which No on K Committee could not repay would be treated as a contribution. No on K Committee repaid $2,502 on 9/4/84 to The Jamestown Co. The unpaid balance of $2,398 is a contribution to No on K by The Jamestown Co.	$12,000
8/22	Campton Place Hotel (1) Contribution for San Franciscans for Carol Ruth Silver made by The Jamestown Co. through Stanway. (2) Contribution reimbursed to The Jamestown Co. by Sylvia Lichauco on 3/20/86.	$ 295
10/3	San Franciscans for Carol Ruth Silver (1) Contribution made by The Jamestown Co.	$ 250
10/31	Supervisor Willie Kennedy Campaign (1) Contribution made by The Jamestown Co.	$ 150

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THE JAMESTOWN CO. & AFFILIATED ENTITIES
ATTACHMENT FOR FORM 461
PERIOD COVERED: 1/1/84 - 12/31/84

SYLVIA LICHAUCO, CITISTOPS, INC. & PIPER KING, INC.

(N.B. The contributions made below by Sylvia Lichauco include contributions reimbursed by The Jamestown Company, and contributions involving funds held in Citistops, Inc. shareholder account for Sylvia Lichauco and in Piper King, Inc. shareholder account for Sylvia Lichauco.)

Date	Name of Recipient	Amount
1/24	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 2/1/84.	$ 500
4/30	San Franciscans for Carol Ruth Silver (1) Contribution made by Sylvia Lichauco.	$ 250
5/3	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
6/22	Friends of Mayor Dianne Feinstein (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. on 6/29/84.	$ 125
6/26	Committee for Supervisor John Molinari (1) Contribution made by Sylvia Lichauco. (2) Contribution returned to Sylvia Lichauco by Committee for Supervisor John Molinari on 3/12/86.	$ 500
7/27	Comm. To ReElect Supervisor Louise Renne (1) Contribution made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by The Jamestown Co. through Stanway on 8/1/84.	$ 500
8/9	Alice B. Toklas Gay Democratic Club (1) Contribution made by Sylvia Lichauco.	$ 35

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9/11	Committee to ReElect Quentin Kopp (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 9/11/84.	$ 500
9/11	Committee for Supervisor John Molinari (1) Contribution made through Citistops.	$ 250
9/25	Kevin Starr for Supervisor (1) Contributions made by Sylvia Lichauco. (2) Contribution reimbursed to Sylvia Lichauco by Citistops on 10/9/84.	$ 150
9/28	San Franciscans for Carol Ruth Silver (1) Contribution made by Citistops.	$ 250
12/5	Supervisor Willie Kennedy Campaign (1) Contribution made by Citistops.	$ 100

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SUE C. HESTOR
870 Market Street, Ste 1121
San Francisco CA 94102
Telephone: (415) 362-2778

Attorney for Complainant
CITIZENS FOR REPRESENTATIVE GOVERNMENT

FEDERAL ELECTIONS COMMISSION

In the Matter of:) NO. MUR2165
)
THE JAMESTOWN COMPANY)
STANWAY INC.)
SYLVIA LICHAUCO)
)
CITIZENS FOR REPRESENTATIVE)
GOVERNMENT,)
)
Complainant.)

TO: Office of General Counsel
Federal Elections Commission
999 E Street NW
Washington DC 20463

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO) ss.

SUE C. HESTOR, being duly sworn, deposes and says:

On behalf of Citizens for Representative Government I hereby complain and request an investigation of campaign contributions made in violation of federal laws which prohibit

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contributions by a foreign national in connection with an election for local public office.

Complainant is California non-profit association Citizens for Representative Government. Its address is c/o Sue C. Hestor, Attorney, 870 Market Street Suite 1121, San Francisco California 94102.

The persons and entities complained of are:

The Jamestown Company, a California company which is a wholly owned subsidiary of the Netherlands Antilles Corporation, Arconal Inc. That corporation is wholly owned by an agency of the Philippine government. These companies were established by the Marcos government in the Philippines to develop real estate in San Francisco.

Stanway Inc., a Netherlands Antilles corporation

Sylvia Lichauco, the agent of the Jamestown Company, Arconal Inc and Stanway Inc.

According to papers filed with the Registrar of Voters in San Francisco, California, the address for all entities complained of is c/o Joseph L. Alioto, 650 California Street, 23rd floor, San Francisco CA 94108.

The contributions complained of were related to the development of a a 54,000 square foot office and retail

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building called 212 Stockton Street on Union Square in San Francisco.

In support of this complaint Complainant offers the following documents identified in paragraphs number 1 through 7. Of my own personal knowledge they are true and correct copies. The facts set out herein are true as to my own personal knowledge, except as to matters which are stated on information and belief, and as to those matters I believe them to be true:

(1) California form 461, Expenditure and Major Donor Committee Campaign Statement, for the calendar year 1984, filed March 21, 1986 by Sylvia Lichauco.

This document was obtained from the Registrar of Voters, City Hall, San Francisco, California. According to that document it shows contributions by the Jamestown Company, Stanway, Inc. (agent for the Jamestown Company) and Sylvia Lichauco.

The statement shows the following campaign contributions to candidates for California elected office:

Supervisor Carol Ruth Silver - $1,545

Supervisor Wendy Nelder - $250

Supervisor John Molinari - $1,250

Mayor Dianne Feinstein - $125

Supervisor Louise Renne - $500

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Supervisor Quentin Kopp - $500

Candidate for the Board of Supervisors Kevin Starr - $150

Supervisor Willie Kennedy - $250

Unspecified - $35

In addition to those contributions to candidates for local office, the statement shows a $12,000 loan to the campaign against a San Francisco ballot proposition, Proposition K, which prohibited additional shadowing of local parks by new development projects.

The statement shows that contributions were made by four different entities - the Jamestown Company, Stanway Inc., Sylvia Lichauco or Citistops - and were reimbursed by the Jamestown Company or Citistops. As is set out below Stanway Inc. is a Netherlands Antilles corporation. Jamestown is a wholly owned subsidiary of Arconal Inc., another Netherlands Antilles corporation. All three corporations were established by an agency of the the former Philippines government to develop real estate in San Francisco.

(2) San Francisco Examiner, March 2, 1986 - article, "S.F. project owned by Philippine institution"

This article was the first expose of the ownership of the 212 Stockton Street project by the Marcos government in the Philippines. It relates the connections between the nominal owner, The Jamestown Company, and its agent, Sylvia Lichauco.

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The chain of ownership of the 212 Stockton Street site is that Jamestown Company, a California corporation, nominally owns the site. It is in turn owned by a Netherlands Antilles corporation (i.e. a foreign corporation), which is in turn a wholly owned subsidiary of the General Service Insurance System (GSIS) pension fund. GSIS is an agency of the Philippine government.

In an interview with Ms. Lichauco, reported in the article, it is stated that:

> "she said Jamestown Co. was actually owned by another California corporation, which in turn was owned by a Netherlands Antilles corporation."

The article clearly states that the ownership of the Jamestown Company was wholly foreign. This was confirmed by another person in that same article:

> "John C. Lyon, a lawyer and director of Jamestown Co., said GSIS was the sole owner of those corporations as well -- and thus, of the project."

The article goes on:

> "To bolster her assertion that GSIS 'truly owns' 212 Stockton St., Lichauco showed the Examiner a letter from San Francisco Philippine Consul Romeo Arguelles...'After reviewing the documents and correspondence relating to 212 Stockton I can confirm that the ultimate owner...is GSIS' the letter said.
>
> "'Jamestown was acquired by GSIS,' Lichauco said. 'Jamestown is a wholly owned subsidiary of GSIS.'"

The article then goes on to state:

> "Lichauco said, she set up a Netherlands Antilles company, Stanway, N.V., to buy out leases of tenants in the building.
>
> "'Stanway was an instrument of Jamestown, so the lease-holder wouldn't know it was Jamestown,' Lichauco said. 'I can write a check for Stanway or Jamestown. It's the project's money. When I wrote a check...the

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DEMOCRACY BOND
LOYOLA CONTENT U.S.A.

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money was project money, GSIS money.'

"Lichauco also said she reimbursed herself with 'project money' when she made campaign contributions to local officials.

"For example, according to bank records, Lichauco on February 24, 1984, wrote a check to 'a toast to Carol Ruth Silver,' a fund-raiser for the supervisor.

"On Feb. 1, 1984, Lichauco recorded a $500 deposit marked 'deposit from Stanway NV - reimburse contribution to C.R. Silver.'"

From the above admissions - that Stanway reimbursed campaign contributions, that Stanway is a Netherlands Antilles corporation, i.e. a foreign corporation - it is clear on its face that contributions were being made to local candidates by a foreign national in violation of the Federal election laws.

(3) San Francisco Examiner, March 4, 1986 - article, "D.A. probes Philippine connection to S.F. Building"

A subsequent article in the San Francisco Examiner identifies the Netherlands Antilles corporation which owns the Jamestown Company as "Arconal Inc., and Arconal NV, a April 7, Netherlands Antilles corporation, set up at the behest of GSIS to own the 212 Stockton St. project."

(4) San Francisco Examiner March 9, 1986 - article "Panel gets S.F. project papers"

That article claims that "Until GSIS was identified as the owner, the agency's role was hidden by a series of corporate entities located in California and in the Netherlands Antilles, a small island in the Caribbean that many people use to escape U.S. taxes or hide true ownership

of corporations. It further states that "Lichauco purchased the property in 1982 using GSIS money."

(5) San Francisco Examiner, March 10, 1986 - article, "Why Philippine agency hid ties to 212 Stockton project"

As reported in that article, the former head of the GSIS admitted that the property was purchased with Philippine government money. That article was based on a memo written by Roman Cruz, the outgoing president and general manager of the GSIS. The article states:

> "The GSIS role was hidden from the time the agency acquired the property for $10 million in August 1982....The memo said: 'During the bidding process it was deemed necessary to conceal the identity of the buyer, the GSIS, from the sellers to keep the purchase price down.'"

(6) San Francisco Examiner, March 19, 1986 - article, "S.F. probes political aid by Filipinos"

That article states that:

> "Lichauco told the Examiner she reimbursed herself with GSIS funds after making campaign contributions to local officials, including Mayor Feinstein, Board of Supervisors President John Molinari, Supervisors Carol Ruth Silver, Louise Renne, Quentin Kopp, Bill Maher and Willie Kennedy and local ballot measures."

(7) San Francisco Examiner, March 23, 1986 - article, "Philippine tie in S.F. elections"

This article reports on the campaign filing submitted as Exhibit 1. It states that:

> "the documents also indicate that on five of the

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occasions on which she reimbursed herself for contributions, Lichauco received money from the checking account of a foreign corporation set up in the Netherlands Antilles islands in connection with the project."

It also reports that Ms. Lichauco's attorney claims that the "rents" from the project had a California source and therefore the campaign contributions were legal since they were from California funds.

However, the site was purchased with Philippine government money, and the proceeds from the rent belonged to the Philippine government.

Even if one counts "rents" as a California source, those proceeds were not sufficient to cover all of the expenditures of the project.

My client is informed and believes that expenses for legal fees, for city charges in conjunction with review of the project and issuance of necessary permits, for architectural plans for the site, for construction and demolition costs to date, for the cost of buying out tenant leases, plus Ms. Lichauco's management services, far exceed the rental proceeds of $19,000 per month for less than three years of ownership -- a substantial portion of that time with no tenants on the site.

No accounting of those expenditures versus income is currently available to members of the public, but my client strongly doubts that any excess "California" funds were ever available and specifically claims that monthly attorney's fees

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paid alone exceeded the purported $19,000 per month of tenant rent.

On behalf of Citizens for Representative Government, I formally request that the Federal Elections Commission investigate this matter to determine whether federal laws have been violated and to impose appropriate penalties as provided for by law.

Sue C Hestor

SUE C. HESTOR

Subscribed and sworn to before me on April 7, 1986

Herb Schwartz

HERB SCHWARTZ
Notary Public

OFFICIAL SEAL
HERB SCHWARTZ
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
ALAMEDA COUNTY
My Commission Expires March 30, 1988

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

THIS IS THE BEGINNING OF MUR # 2165

Date Filmed 2/1/87 Camera No. --- 2

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2/13/87

THE FOLLOWING MATERIAL IS BEING ADDED TO THE PUBLIC FILE OF CLOSED MUR 2165.

9 7 0 1 0 5 4 2 2 2 4

GCC# 2915
RECEIVED BY THE FEC
86 NOV 24 A9:40

SUE C. HESTOR
Attorney at Law
870 Market Street, Rm. 1121
San Francisco, CA 94102
(415) 362-2778

November 18, 1986

86 NOV 24 A10:46

Charles N. Steele
General Counsel
Federal Elections Commission
Washington DC 20463

RE: MUR 2165

Dear Mr. Steele:

I am the attorney for Citizens for Representative Government, complainant in the above matter concerning campaign contributions made by the Jamestown Company, Stanway, Inc. and Sylvia Lichauco. Your office received my complaint on April 11, 1986.

On November 5, 1986 you transmitted your General Counsel's Report, "In the Matter of Stanway, N.V. and Wendy Nelder." That report states that on July 9, 1986 the FEC determined there is reason to believe that Stanway N.V., Sylvia Lichauco and Wendy Nelder violated 2 USC sec. 44le. Your cover letter, but not the General Counsel's Report, also states that on July 9, 1986 the Commission determined with respect to the other respondents (unnamed by you) that there was no reason to believe that a violation of the Act has been committed.

I am hereby requesting additional information on your determination regarding "the other respondents."

My complaint transmitted and incorporated by reference California form 461, Expenditure and Major Donor Committee Campaign Statement, for the Calendar Year 1984, filed March 21, 1986 by Sylvia Lichauco. The "Attachment for Form 461, Period Covered: 1/1/84 - 12/31/84" specifically states that the following additional contributions were made by Stanway, N.V.:

6/1 Campton Place Hotel, contribution on behalf of San Francisco Supervisor Carol Ruth Silver by Stanway, N.V. - $295

1/24 contribution to San Franciscans for Carol Ruth Silver reimbursed to Sylvia Lichauco through Stanway on 2/1/84 - $500

7/27 contribution to Comm. to ReElect Supervisor Louise Renne reimbursed to Sylvia Lichauco through Stanway on 8/1/84 - $500

Why were these contributions by Stanway not considered in your decision? I would point out that under California law that payment to the Campton Place Hotel was clearly a campaign contribution to an elected municipal official, Supervisor Carol Ruth Silver.

That same "Attachment" also shows a multitude of campaign contributions from the Jamestown Company, a California company that was wholly owned by a foreign national, specifically contributions:

10/3/84 contribution to San Franciscans for Carol Ruth Silver - $250

10/31/84 contribution to Supervisor Willie Kennedy Campaign - $150

If the FEC has already made a determination that distinguishes those contributions from those made to Supervisor Nelder, please transmit a copy of that determination. If no determination has been made on those contributions, please consider this "a complaint pursuant to the requirements set forth in 2 U.S.C. sec. 437(a)(1) and 11 C.F.R. sec. 111.4, since they were originally set out in my April 11 complaint. If there is any deficiency as to form, please inform me immediately so that I may rectify it.

Did you determine that "Citistops" was not a foreign national? Also, why is the decision I received stamped "Sensitive?"

Sincerely,

Sue C. Hestor

UE C HESTOR
ttorney at Law
70 Market Street, Ste. 1121
an Francisco, CA 94102

GREETING

Charles Steele
General Counsel
Federal Election Commission
S. W. Washington

6 NOV 2 PM 9:40