



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2417

DATE FILMED 2/24/89 CAMERA NO. 4

CAMERAMAN AS

89040755194

REPORTS ANALYSIS REFERRAL  
TO  
OFFICE OF GENERAL COUNSEL

DATE: November 10, 1986

ANALYST: Robin Kelly

I. COMMITTEE:

Marks for Congress Committee  
AKA Milton Marks' Friends  
C00153205  
Charles Puck, Jr., Treasurer  
(October 8, 1986-Present)<sup>1/</sup>  
David Kurland, Treasurer  
(April 17, 1985-October 8, 1986)  
Peter Burns, Treasurer  
(April 5, 1982-April 17, 1985)  
350 California Street, Suite 1220  
San Francisco, CA 94104<sup>2/</sup>

II. RELEVANT STATUTE: 2 U.S.C. §441a(f)

III. BACKGROUND:

Receipt of an Apparent Excessive Contribution.

The Marks for Congress Committee ("the Committee") has received and partially repaid a \$256,500 apparent excessive contribution in the form of a loan from the candidate's spouse.

The Committee's 1981-82 and 1983-84 election cycle reports disclosed the receipt of a \$265,000 loan from the "personal funds" of the candidate, Milton Marks, on October 27, 1982 for the 1982 General election (see examples at Attachment 2). Throughout these reporting periods, no disbursements in repayment of this loan were disclosed by the Committee.

Schedule C of the Committee's 1985 Mid-Year Report failed to disclose the status of the \$265,000 candidate loan; however, the Committee did disclose a \$269,000 loan with a receipt date of October 27, 1982 as being from Carolene Marks, the wife of the candidate (Attachment 3).

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<sup>1/</sup> Mr. Frank Masino, counsel for the Committee, has submitted some of the correspondence relating to this matter.

<sup>2/</sup> The Committee informed the Commission of a change in address on October 8, 1986.

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MARKS FOR CONGRESS COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
PAGE 2

The Committee also disclosed on Schedule C a total of \$159,000 owed to Carolene Marks in interest on this loan. In addition, the Committee disclosed on Schedule C a total of \$35,000 in repayment of the principal and \$15,000 in payment of the interest; however, no Schedule B was provided to support these payments.<sup>3/</sup>

Schedule C of the Committee's 1985 Year End Report disclosed the \$269,000 loan as being from Mrs. Marks (Attachment 4). Of this amount, \$105,000 was disclosed as having been repaid. The interest owed to Mrs. Marks on this loan was disclosed as \$201,800, of which \$45,000 was shown as having been paid. The Committee disclosed on Schedule B three (3) payments of \$35,000 each made to Mrs. Marks on June 29, September 4, and November 11, 1985 in repayment of the principal, and three (3) payments of \$15,000 each made to Mrs. Marks on these dates in payment of the interest. This report failed to include the \$265,000 candidate loan.

A Request for Additional Information ("RFAI") was sent to the Committee on April 1, 1986 regarding the 1985 Year End Report (Attachment 5). The RFAI noted the receipt of the apparent excessive contribution from Mrs. Marks and requested the refund of the amount in excess of \$1,000. The RFAI also requested clarification of the current status of the candidate loan.

A Second Notice was sent to the Committee on April 24, 1986 for failure to respond (Attachment 6).

On May 29, 1986 a Reports Analysis Division analyst called the treasurer, Mr. David Kurland (Attachment 7). The analyst explained that the loan from the candidate's wife was considered an excessive contribution. The treasurer said he believed the money was from community property and that he would clarify this in an amendment.

On May 30, 1986 a 1985 Amended Year End Report was received (Attachment 8). The report now disclosed the \$269,000 loan as being from Carolene and Milton Marks with a notation, "As Community Property." Interest on the loan was shown as being owed to Mr. and Mrs. Marks in the amount of \$201,800.

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<sup>3/</sup> The Committee reported an outstanding balance of \$230,000 for this loan. The Committee later clarified that the actual amount of the loan was \$265,000.

89040755196

MARKS FOR CONGRESS COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
PAGE 3

On June 17, 1986 a RFAI was sent regarding the 1985 Amended Year End Report (Attachment 9). The RFAI informed the Committee that the candidate's wife was subject to the \$1,000 per election limitation. In addition, the RFAI asked if the loan in question was secured by property or other joint assets.

The treasurer, Mr. Kurland, responded on June 30, 1986 (Attachment 10). The response stated that the loan was made from "cash" which was considered "community property under California law; therefore, the loan made to the campaign was the candidate's."

On August 8, 1986 a Second Notice was sent to the Committee for failure to adequately respond (Attachment 11). The notice cited 11 CFR 110.10(b)(3) and explained that, "For purposes of the Federal Election Campaign Act, each spouse in a community property state is considered to be a legal owner of an equal interest in all jointly held property. Thus, fifty percent of the total value of the jointly held assets are considered to be the personal funds of the candidate." In addition, the notice requested that the Committee provide the total value of the jointly held assets that were used to make this loan to the Committee.

On August 21, 1986 the analyst received a call from Mr. Frank Masino (Attachment 12). He explained that he was now counsel for the Committee and that Mr. Kurland had been removed as treasurer. Mr. Masino said that the August 8, 1986 letter from the Commission was the first correspondence he had received regarding this matter, and requested an extension of time in which to respond. The analyst advised Mr. Masino of the seriousness of the matter and told him to respond as soon as possible. Mr. Masino said he first needed to get copies of the Committee's reports from Mr. Kurland and talk with the candidate.

On August 25, 1986, a letter was received at the Commission from Mr. Masino, in which he repeated his intention to respond as soon as possible (Attachment 13).

On September 15, 1986 Mr. Masino called the analyst and said that he had asked Mr. Kurland to send the reports; however, so far he had not received them (Attachment 14).

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MARKS FOR CONGRESS COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
PAGE 4

On September 19, 1986 the analyst called Mr. Masino to see if the reports had been received (Attachment 15). Mr. Masino said he still hadn't received the reports and wasn't sure Mr. Kurland would cooperate. Then Mr. Masino said that he could have someone from his D.C. office pick up copies of the reports at the Commission. Mr. Starr from Mr. Masino's office picked up the 1985-1986 reports at the FEC that same day. Also on this date, a letter was received at the Commission from Mr. Masino, in which he stated that he would be able to pick up the records from Mr. Kurland on September 19, 1986 (Attachment 16).

On September 25, 1986 a response was received from Mr. Masino (Attachment 17). In the reply, Mr. Masino stated that he had done a preliminary review and had determined that Mr. and Mrs. Marks loaned a total of \$265,000 to the Committee in October 1982. The funds used to make up the loan were borrowed against stock held in four (4) separate accounts. Two (2) of these accounts were in both their names and were the source of funds for loans totalling \$15,000. The other two (2) accounts were in Mrs. Marks' name only, and were the source of funds for loans totalling \$250,000. Based on this information, the analyst determined that the apparent excessive amount received from Mrs. Marks was \$256,500. Mr. Masino further stated that "of the \$250,000 provided from the accounts in Mrs. Marks' name, \$200,000 has been repaid," and indicated that the remainder would be repaid as soon as possible.<sup>4/</sup>

The analyst called Mr. Masino on September 26, 1986 (Attachment 18). Mr. Masino said that he was still researching the reports and trying to determine the amount of money in the accounts at the time the loan was incurred. He stated that the funds used were "community property", by California law. To date no further responses regarding this matter have been received.

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<sup>4/</sup> Records at the Commission indicate the Committee has repaid a total of \$140,000 in principal and \$60,000 in interest. These amounts include payments of \$35,000 in principal and \$15,000 in interest which were apparently made during the 1986 April Quarterly reporting period and for which the Committee has failed to provide a Schedule B. Schedule C of the Committee's 1986 July Quarterly Report disclosed a total of \$13,127 in additional interest owed to Mr. and Mrs. Marks for 1986.

MARKS FOR CONGRESS COMMITTEE  
REPORTS ANALYSIS OGC REFERRAL  
PAGE 5

IV. OTHER PENDING MATTERS INITIATED BY RAD:

Two RFAIs were sent to the Committee on September 30, 1986. They referenced the 1986 April Quarterly and July Quarterly Reports. The letters requested that the Committee provide missing schedules and correct mathematical errors detected in review. On October 23, 1986, a Second Notice was sent to the Committee for failure to respond to these RFAIs.

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8 9 0 4 0 7 5 5 2 0 0

FEDERAL ELECTION COMMISSION  
1983-1984

DATE 10NOV86

## CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)

PAGE 1

CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS		DISBURSEMENTS		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
			PRIMARY	GENERAL	PRIMARY	GENERAL			
-----									
MARKS, MILTON		HOUSE 05 REPUBLICAN PARTY							
					CALIFORNIA		1982 ELECTION	ID# H2CA05012	
1. STATEMENT OF CANDIDATE									
2. CANDIDATE REPORTS OF RECEIPTS & EXPENDITURES									
3. PRINCIPAL CAMPAIGN COMMITTEE									
MARKS FOR CONGRESS COMMITTEE									
ID# C00153205 HOUSE									
1983 MID-YEAR REPORT			5,257		7,867	1JAN83 -30JUN83	11	83HSE/249/1896	
MID-YEAR REPORT - AMENDMENT			5,257		7,867	1JAN83 -30JUN83	10	84HSE/260/2497	
REQUEST FOR ADDITIONAL INFORMATION						1JAN83 -30JUN83	1	84FEC/307/5023	
REQUEST FOR ADDITIONAL INFORMATION 2ND						1JAN83 -30JUN83	4	84FEC/313/2336	
YEAR-END			51		9,500	1JUL83 -31DEC83	7	84HSE/254/2657	
YEAR-END - AMENDMENT			51		9,500	1JUL83 -31DEC83	7	84HSE/260/2479	
REQUEST FOR ADDITIONAL INFORMATION						1JUL83 -31DEC83	2	84FEC/307/5025	
REQUEST FOR ADDITIONAL INFORMATION 2ND						1JUL83 -31DEC83	1	84FEC/313/2707	
1984 MISCELLANEOUS REPORT						8MAY84 TO FEC	1	84HSE/260/1237	
MID-YEAR REPORT			0		0	1JAN84 -30JUN84	5	84HSE/266/4170	
YEAR-END			51		0	1JUL84 -31DEC84	6	85HSE/285/1111	
TOTAL			0	5,359	0	17,367	55	TOTAL PAGES	
4. AUTHORIZED COMMITTEES									
4B. TRANSEERS IN FROM JOINT FUNDRAISING COMMITTEES									

All reports listed above have been reviewed.

Ending cash-on-hand as of 12/31/84: \$489.81

Outstanding debts and obligations as of 12/31/84: \$329,889.44

ATTACHMENT 1 (page 1 of 2)

8 9 0 4 0 7 5 5 2 0 1  
FEDERAL ELECTION COMMISSION  
1985-1986  
CANDIDATE INDEX OF SUPPORTING DOCUMENTS - (E)

DATE 10NOV86

PAGE 1

CANDIDATE/COMMITTEE/DOCUMENT	OFFICE SOUGHT/	PARTY	RECEIPTS		DISBURSEMENTS		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
			PRIMARY	GENERAL	PRIMARY	GENERAL			
MARKS, MILTON	HOUSE 05 REPUBLICAN PARTY						1982 ELECTION	ID# H2CA05012	
1. STATEMENT OF CANDIDATE									
2. PRINCIPAL CAMPAIGN COMMITTEE									
MARKS FOR CONGRESS COMMITTEE									
1985 MISCELLANEOUS REPORT	TO FEC						ID# C00153205 HOUSE		
MID-YEAR REPORT							17APR85	1	85HSE/286/2282
MID-YEAR REPORT	- AMENDMENT						1JAN85 -30JUN85	16	85HSE/288/1299
REQUEST FOR ADDITIONAL INFORMATION							1JAN85 -30JUN85	2	85HSE/291/1896
REQUEST FOR ADDITIONAL INFORMATION 2ND							1JAN85 -30JUN85	4	85FEC/392/0952
YEAR-END			392,983		153,174		1JAN85 -30JUN85	5	85FEC/393/4147
YEAR-END	- AMENDMENT		392,983		153,174		1JAN85 -31DEC85	34	86HSE/296/4061
YEAR-END	- AMENDMENT						1JAN85 -31DEC85	35	86HSE/305/0646
YEAR-END	- AMENDMENT						1JAN85 -31DEC85	1	86HSE/305/4605
YEAR-END	- AMENDMENT						1JAN85 -31DEC85	1	86HSE/312/3699
YEAR-END	- AMENDMENT						1JAN85 -31DEC85	1	86HSE/314/2722
YEAR-END	- AMENDMENT						1JAN85 -31DEC85	2	86HSE/314/3756
REQUEST FOR ADDITIONAL INFORMATION							1JAN85 -31DEC85	4	86FEC/406/4660
REQUEST FOR ADDITIONAL INFORMATION 2ND							1JAN85 -31DEC85	5	86FEC/412/2115
REQUEST FOR ADDITIONAL INFORMATION							1JAN85 -31DEC85	2	86FEC/416/5291
REQUEST FOR ADDITIONAL INFORMATION 2ND							1JAN85 -31DEC85	2	86FEC/426/3442
1986 MISCELLANEOUS REPORT	TO FEC						16SEP86	1	86HSE/314/1631
STATEMENT OF ORGANIZATION - AMENDMENT							8OCT86	1	86HSE/315/0002
APRIL QUARTERLY			30,633		53,315		1JAN86 -31MAR86	6	86HSE/302/4367
APRIL QUARTERLY	- AMENDMENT		30,633		53,315		1JAN86 -31MAR86	3	86HSE/305/0566
REQUEST FOR ADDITIONAL INFORMATION							1JAN86 -31MAR86	2	86FEC/432/2644
REQUEST FOR ADDITIONAL INFORMATION 2ND							1JAN86 -31MAR86	6	86FEC/442/0989
JULY QUARTERLY		37,761			450		1APR86 -30JUN86	12	86HSE/309/3668
REQUEST FOR ADDITIONAL INFORMATION							1APR86 -30JUN86	3	86FEC/432/2640
REQUEST FOR ADDITIONAL INFORMATION 2ND							1APR86 -30JUN86	1	86FEC/442/0995
TOTAL		37,761	423,616		450	206,489		150	TOTAL PAGES
3. AUTHORIZED COMMITTEES									
4. JOINT FUNDRAISING COMMITTEES AUTHORIZED BY THE CAMPAIGN									

All reports listed above have been reviewed.

Ending cash-on-hand as of 6/30/86: \$31,020.51

Outstanding debts and obligations as of 6/30/86: \$331,979.96

ATTACHMENT 1 (page 2 of 2)

## LOANS

Page 1 of 1  
LONG BEACH, CA  
JULY 1964  
See next page for more info

Name of Committee (in Full) Marks for Congress Committee			
A. Full Name, Mailing Address and ZIP Code of Loan Borrower		Original Amount of Loan	Balance Outstanding at Close of This Period
Milton Marks 55 Jordan Ave San Francisco, CA 94118 Section: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)		11,000.00	33,000.00
Terms: Date Incurred 10/26/82 Date Due		Interest Rate (Specify)	<input type="checkbox"/> Secured
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
		Name of Employer	
2. Full Name, Mailing Address and ZIP Code		Occupation	
		Amount Guaranteed Outstanding	
		Name of Employer	
		Occupation	
3. Full Name, Mailing Address and ZIP Code		Amount Guaranteed Outstanding	
B. Full Name, Mailing Address and ZIP Code of Loan Borrower		Original Amount of Loan	Balance Outstanding at Close of This Period
Milton Marks 55 Jordan Ave San Francisco, CA 94118 Section: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)		265,000.00	265,000.00
Terms: Date Incurred Date Due		Interest Rate (Specify)	<input type="checkbox"/> Secured
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
		Name of Employer	
2. Full Name, Mailing Address and ZIP Code		Occupation	
		Amount Guaranteed Outstanding	
		Name of Employer	
		Occupation	
3. Full Name, Mailing Address and ZIP Code		Amount Guaranteed Outstanding	
SUBTOTALS This Period This Page (optional)			
TOTALS This Period (Run page in this line only)		296,000.00	
Carry outstanding balance only to LINE 2, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			

Name of Borrower (in full)		Original Amount of Loan	Cumulative Payments To Date	Balance Outstanding at Close of This Period
<b>MARKS FOR CONGRU'S</b> <b>MILTON MARKS</b> <b>55 JORDAN AVE</b> <b>LAWN FAIRVIEW, CA 94116</b> Election <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		265,000.00	- 0	265,000.00
Terms Date Incurred <b>10/27/82</b> Date Due _____ Interest Rate _____ <input type="checkbox"/> Secured				
Let All Endorsers or Guarantors (if any) to item A				
1. Full Name, Mailing Address and ZIP Code <b>Tom CHARLES</b> <b>PERSONAL FUND</b>		Name of Employer Occupation Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer Occupation Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer Occupation Amount Guaranteed Outstanding \$		
B Full Name, Mailing Address and ZIP Code of Loan Source Election <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Original Amount of Loan	Cumulative Payments To Date	Balance Outstanding at Close of This Period
Terms Date Incurred _____ Date Due _____ Interest Rate _____ <input type="checkbox"/> Secured				
Let All Endorsers or Guarantors (if any) to item B				
1. Full Name, Mailing Address and ZIP Code		Name of Employer Occupation Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer Occupation Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer Occupation Amount Guaranteed Outstanding \$		
SUBTOTALS This Period This Page (exclusive)				
TOTALS This Period (last page in this line only)				310,729.86
Carry outstanding balance only to LINE 2, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.				

82042605342904



Form 1041-1  
(Revised 3-83)

Name of Corporation (in Full) <b>MARK'S FOR CASH</b>			
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>MILTON MARK 33 JORDAN SPR. FRENCH, CA 94118</b>		Original Amount of Loan <b>265,000.00</b>	Balance Outstanding at Close of This Period <b>265,000.00</b>
Election: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Cumulative Payments To Date <b>-0-</b>	
Terms: Date Incurred <b>1/2/82</b> Date Due _____ Interest Rate _____ % (april) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code <b>* (From Overseas Personal Funds)</b>	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source		Original Amount of Loan	Balance Outstanding at Close of This Period
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Cumulative Payments To Date	
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (april) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
SUBTOTALS This Period This Page (continued) .....			
TOTALS This Period (See also p. 1041-1) .....			<b>265,000.00</b>
Copy continuing from p. 1041-1 to p. 1041-2, and attach to Form 1041-1, and forward to the IRS.			

885041028531195

Name of Committee (in Full):				
<b>MILTON MARKS' FRIENDS AZZ/A MARKS FOR CONGRESS</b>				
A. Full Name, Mailing Address and ZIP Code of Loan Source		Original Amount of Loan	Balance Outstanding at Close of This Period	
CAROLENE MARKS 55 JORDAN SAN FRANCISCO, CA 94118 (Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):)		200,000	230,000	
Term: Date Incurred <u>10/27/82</u> Date Due _____ Interest Rate <u>VAR</u> (Rate:)		<input type="checkbox"/> Secured		
List All Endorsers or Guarantors (if any) to Item A				
1. Full Name, Mailing Address and ZIP Code		Name of Employer		
PERSONAL FUNDS		Occupation		
		Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source		Original Amount of Loan		Balance Outstanding at Close of This Period
CAROLENE MARKS 55 JORDAN AVENUE SAN FRANCISCO, CA 94118 (Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (Specify):)		INTEREST ON ABOVE 150,000		144,000
Term: Date Incurred _____ Date Due _____ Interest Rate _____ (Rate:)		<input type="checkbox"/> Secured		
List All Endorsers or Guarantors (if any) to Item B				
1. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
SUBTOTALS This Period This Page (optional) .....				
TOTALS This Period (last page in this line only) .....		419,729.86		
Carry outstanding balance only to LINE 2, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.				

39040755205

1  
Schedule D  
Form 2000

LOANS

Use separate schedules  
for each numbered line

Name of Committee (in Full) <b>NILTON MARKS' FRIENDS</b>			
A. Full Name, Address and ZIP Code of Lender <b>CAROLINE MARKS 55 Jordan Street San Francisco, CA 94118</b>		Original Amount of Loan <b>269,000</b>	Completed Payments To Date <b>105,000</b> ✓
Station: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify):		Balance Outstanding at Close of This Period <b>164,000</b>	
Terms: Date Incurred: Date Due: Interest Rate: <input type="checkbox"/> Fixed <input type="checkbox"/> Variable			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
2. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
3. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
B. Full Name, Mailing Address and ZIP Code of Loan Source <b>CAROLINE MARKS 55 Jordan Street San Francisco, CA 94118</b>		Original Amount of Loan Interest on above <b>201,000</b>	Completed Payments To Date <b>45,000</b> ✓
Station: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify):		Balance Outstanding at Close of This Period <b>156,000</b>	
Terms: Date Incurred: Date Due: Interest Rate: <input type="checkbox"/> Fixed <input type="checkbox"/> Variable			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code <b>Interest on above</b>		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
2. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
3. Full Name, Mailing Address and ZIP Code		Name of Employer	
		Occupation	
		Amount Guaranteed Outstanding	
SUBTOTALS This Period This Page (Schedule D) .....			<b>320,800</b>
TOTALS This Period (See page 1 in this line only) .....			<b>371,101.86</b>

Carry outstanding balances only to LINE 2, Schedule D, for this line. If on Schedule D, carry forward to appropriate line of Summary.

000034064034094



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

APR 1 1986

David E. Kurland, Treasurer  
Milton Marks' Friends (AKA  
Marks for Congress)  
333 Market Street, 29th Floor  
San Francisco, CA 94105

Identification Number: C00153205

Reference: Year End Report (1/1/85-12/31/85)

Dear Mr. Kurland:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion attached) discloses contributions which appear to exceed the limits set forth in the Act. An individual or a political committee, other than a multicandidate committee may not make contributions to a candidate for Federal office in excess of \$1,000 per election. If you have received contributions which exceed the limits, the Commission recommends that you refund to the donors the amount in excess of \$1,000. Your report also discloses an apparent corporate contribution from The Northern California Construction Institute. This is prohibited unless it is made from a separate segregated fund established by the organization. If you have received prohibited contributions, the Commission recommends that you refund the full amounts to the donors. The Commission should be notified in writing if any refunds are necessary. In addition, any refunds should appear on Line 20 of the Detailed Summary Page and Schedule B of your next report. (2 U.S.C. §§441a(a) and (f) and 441b(a))

The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.

If you find the contributions in question were disclosed incompletely or incorrectly, please amend your original report with the clarifying information.

8 6 0 3 4 0 6 4 6 6 0  
3 9 0 4 0 7 5 5 2 0 8

RK

Although the Commission may take further legal steps concerning the acceptance of excessive and prohibited contributions, prompt action by you to refund the contributions will be taken into consideration by the Commission. RK

-The beginning cash balance of this report should equal the ending balance of your 1984 Year End report. Please clarify this discrepancy and amend any subsequent report(s) which may be affected by this correction.

-Columns A and B, Line 7(a) of the Summary Page should equal Line 17 of the Detailed Summary Page.

-Line 8 of the Summary Page should equal Line 27 of the Detailed Summary Page.

-Line 24 Column A of the Detailed Summary Page should equal Line 16 of the Detailed Summary Page.

-Commission Regulations require the continuous reporting of all outstanding loans. This report omits the loan(s) itemized on your previous report(s). Please amend your report(s) to indicate the current status of the following loan(s): Milton Marks (11 CFR 104.3(d) and 104.11) RK

-Commission Regulations require the continuous reporting of all outstanding debts. Review of this report indicates an omission a debt itemized on your previous report(s). (11 CFR 104.3(d) and 104.11) Please amend your report to indicate the current status of this omitted debt:

The Sleviv Co.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Clerk of the House of Representatives, 1036 Longworth House Office Building, Washington, DC 20515 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

*Thomas White*

Thomas White  
Reports Analyst  
Reports Analysis Division

86034064661  
89040755209





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-3

April 24, 1986

David E. Kurland, Treasurer  
Milton Marks' Friends (AKA  
Marks for Congress)  
333 Market Street, 29th Floor  
San Francisco, CA 94105

Identification Number: C00153205

Reference: Year End Report (1/1/85-12/31/85)

Dear Mr. Kurland:

This letter is to inform you that as of April 23, 1986, the Commission has not received your response to our request for additional information, dated April 1, 1986. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Thomas White on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

A handwritten signature in cursive script, reading "John D. Gibson".

John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

Enclosure

36903412110



**MEMORANDUM FOR FILES: TELECON**

**SUBJECT:** RFAI concerning an excessive loan from the candidate's wife

**FROM:** Robin Kelly, analyst

**TO:** David Kurland, Treasurer (415)442-6958

**NAME OF COMMITTEE:** Marks for Congress - CA/05

**DATE:** May 29, 1986

---

On May 29, 1986 I called Mr. Kurland, the committee's treasurer. I explained to him that it appeared the committee had accepted an excessive contribution from the candidate's wife. He told me that he believed the money was from community property and said he would amend his reports to clarify this.

8904075211

19 Amended Year End Report

**SCHEDULE C**  
(Required)**LOANS**Page 3 of 3 for  
LINE NUMBER  
Use separate schedules  
for each numbered line

Name of Committee (in Full) <b>MILTON MARKS' FRIENDS</b>				
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>Carolene Marks &amp; Milton Marks As Community Property 55 Jordan Street San Francisco, CA 94118</b> Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Original Amount of Loan <b>269,000</b>	Cumulative Payment To Date <b>105,000</b>	Balance Outstanding at Close of This Period <b>164,000</b>
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ (State) <input type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item A				
1. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source <b>Carolene Marks &amp; Milton Marks As Community Property 55 Jordan Street San Francisco, CA 94118</b> Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):		Original Amount of Loan <b>Interest on above 201,800</b>	Cumulative Payment To Date <b>45,000</b>	Balance Outstanding at Close of This Period <b>156,800</b>
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ (State) <input type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item B				
1. Full Name, Mailing Address and ZIP Code <b>Interest on above</b>		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code		Name of Employer		
		Occupation		
		Amount Guaranteed Outstanding \$		
SUBTOTALS This Period This Page (optional) .....				<b>320,800</b>
TOTALS This Period (next page in this line only) .....				<b>371,101.86</b>
Carry outstanding balances only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.				

86043030603



**FEDERAL ELECTION COMMISSION**  
WASHINGTON, D.C. 20463

RQ-2

JUN 17 1986

David E. Kurland, Treasurer  
Milton Marks' Friends (AKA  
Marks for Congress)  
333 Market Street, 29th Floor  
San Francisco, CA 94105

Identification Number: C00153205

Reference: Amended Year End Report (1/1/85-12/31/85)

Dear Mr. Kurland:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule C of your report (pertinent portion attached) discloses a contribution which appears to exceed the limits set forth in the Act. An individual may not make contributions to a candidate for Federal office in excess of \$1,000 per election. A candidate's spouse is subject to the same limitations. If the contributions or loans in question were secured by property based on joint assets, please clarify your report with the following information:

- the name and address of the lending institution
- the interest rate
- whether or not the loan was secured
- the due date or amortization schedule
- brief description of the collateral or property used as a basis for the loan
- the owners of the collateral or the property used as a basis for the loan
- the type of ownership of such property (e.g., tenants by the entireties, joint tenants, tenants in common, etc.)
- the percentage of such property owned by each owner
- value of such property
- the names of all signatories on both the security instrument and the commercial note
- the capacity in which each signatory signed (e.g., co-maker, endorser, guarantor)

If upon further examination, you find that you have received a contribution which exceeds the limits, the

89040755214

**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

1985 Year End Report

ATTACHMENT 4 (page 2 of 2)

LINE NUMBER

Use same line number for each category of the Detailed Summary Page

Any information concerning contributions and Statements may not be used for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

**MILTON MARK'S FRIENDS**

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
CAROLINE MARKS 33 Jordan Street San Francisco, CA 94118	Interest owed Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	6/29/85	\$15,000
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SAME	Interest owed Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	9/4/85	15,000
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SAME	Interest owed Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	11/11/85	15,000
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SAME	Principal repayment Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	6/29/85	35,000
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SAME	Principal repayment Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	9/4/85	35,000
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SAME	Principal repayment Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	11/11/85	35,000
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SF MEDICAL SOCIETY San Francisco	Reimbursement Reception expense Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	9/23/85	130.45
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
SUSAN BOGGLAND Oakland, CA	Secretarial Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	9/23/85	44.88
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
ROBERT PINDMORE, CATERING San Francisco, CA	Reception Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	10/1/85	399.38
SUBTOTAL of Disbursements This Page (optional) .....			
TOTAL This Period (last page this line number only) .....			

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pk

10151 442-8938

STARN

JULY 30 1988

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Rabin -

100609

Attached are records  
per your request  
As to the \$19,000 that  
was an ad agency and their  
bill was paid before it  
became involved. It was a  
campaign expense and  
it suspect should not have  
been a "loan". The only  
loans now outstanding  
are the candidate's and  
the candidate/wife as community  
property.

RK

It is trying - - -

James L

86013050646

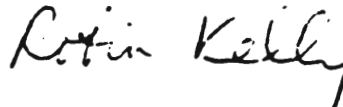
RECEIVED 7  
OFFICE OF THE ATTORNEY GENERAL  
JUL 31 1988  
IN 205

Commission recommends that you refund to the donor the amount in excess of \$1,000 per election. The Commission should be notified in writing if a refund is necessary. In addition, any refund or repayment should appear on your next report on Line 19 or 20 of the Detailed Summary Page, as appropriate. (11 CFR 100.7, 100.8, 110.10)

Although the Commission may take further steps concerning the acceptance of an excessive contribution, prompt action by you to refund the excessive amount will be taken into consideration.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Clerk of the House of Representatives, 1036 Longworth House Office Building, Washington, DC 20515 within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Robin Kelly  
Reports Analyst  
Reports Analysis Division

89040755215



June 23, 1986  
 EAC

June 23, 1986

Ms. Robin Kelly  
 Report Analysis Division  
 House of Representatives  
 1036 Longworth House Office Bldg.  
 Washington, DC 20515

Re: Amended Year End Report (1/1/85-12/31/84)

100609

Dear Robin:

Answers to your queries of June 17th, are as follows:

Senator and Mrs. Marks have been man and wife since August 14, 1955 and were and remain California residents. This property is community property under California law, therefore, the loan made to the campaign was the candidate's. It was made in cash so the,

- 1) Names and address of where the funds come from is the Candidate's, 55 Jordan Street, San Francisco 94114
- 2) Under the definition of Community Property, there is control over the funds by either party. We have amended our filing forms to reflect this per your instructions.
- 3) The rate of interest is set by me as treasurer using broker's interest rates on margin money.
- 4) As to "refund": the campaign returns to the Marks' funds as received and will continue to do so as quickly as possible.
- 5) There is no other debt.

Very truly yours,

MILTON MARKS, FRIENDS

*[Signature]*  
 David C. Aultman  
 Treasurer

cc: Carolene Marks  
 Milton Marks

89040755210

33013054605



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-3

August 8, 1986

David E. Kurland, Treasurer  
Milton Marks' Friends (AKA  
Marks for Congress)  
333 Market Street, 29th Floor  
San Francisco, CA 94105

Identification Number: C00153205

Reference: Amended Year End Report (1/1/85-12/31/85)

Dear Mr. Kurland:

On June 17, 1986 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your June 23, 1986 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your response indicates that the loan made by the candidate and the candidate's spouse to your committee was solely from the candidate because of the community property law in California. Please note that candidates for Federal office may make unlimited expenditures from "personal funds". Under 11 CFR 110.10(b)(3) a candidate may use a portion of assets jointly owned with his or her spouse as personal funds. The portion of the jointly owned assets that shall be considered as personal funds of the candidate shall be that portion which is the candidate's share under the instrument(s) of conveyance or ownership.

For purposes of the Federal Election Campaign Act, each spouse in a community property state is considered to be a legal owner of an equal interest in all jointly held property. Thus, fifty percent of the total value of the jointly held assets are considered to be the personal funds of the candidate.

Please provide the total value of the jointly held assets that were used to make this loan to your Committee.

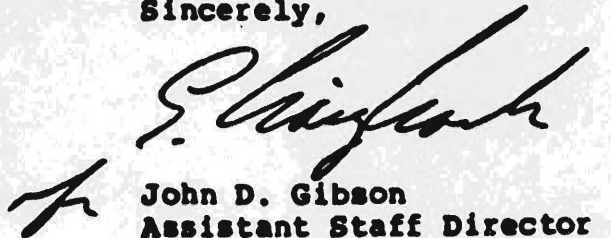
8603426341?  
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RK

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Robin Kelly on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

  
John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

86034263443  
89040755218

**MEMORANDUM FOR FILES: TELECON**

**SUBJECT:** RFAI sent on the Amended 1985 Year End Report

**FROM:** call initiated by Mr. Frank Masino, Counsel for the Committee

**TO:** Robin Kelly, RAD analyst

**NAME OF COMMITTEE:** Marks for Congress (CA/05)

**DATE:** August 21, 1986

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89040755219

Mr. Frank Masino called. He said he had received the Commission's letter dated August 8, 1986 which requested information regarding the 1985 Amended Year End Report. He told me that Mr. Kurland was no longer treasurer and that he was now counsel for the committee. He noted that this was the first correspondence he had received and wanted to know if he could have an extension. I explained to him the situation was serious and advised him to get a response sent in as soon as possible. He told me that he needed to get the reports from the treasurer and talk to the candidate.

RECEIVED AT THE FEC  
ATTACHMENT 13

AUG 25 AID: 59

AUG 22 1986

REGULAR MAIL

LAST OFFERS OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
160 SPEAR STREET, SUITE 1210  
SAN FRANCISCO, CALIFORNIA 94105  
(415) 543-1896

August 22, 1986

Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

100609

RECEIVED  
OFFICE OF THE CLERK  
U.S. HOUSE OF REPRESENTATIVES  
AUG 26 10 46

Re: FEC Inquiry into Amended Year End Report  
(1/1/85 - 12/31/85); Identification  
No. C00153205.

Dear Mr. Kelly:

This is to confirm our telephone conversation yesterday concerning the above matter and the FEC's letter of August 8, 1986, to Mr. David Kurland.

As I indicated in our conversation, Senator Marks intends to make prompt response to the inquiry set forth in that letter, but will not be able to do so within the time specified. I will contact you in the very near future to let you know of our progress in this matter.

If, in the meantime, you have any questions, please do not hesitate to contact me. Thank you for your courtesy and cooperation.

Sincerely,

*Frank N. Masino*

Frank N. Masino

FNM/smd

cc: Senator Milton Marks

01262507503220

**MEMORANDUM FOR FILES: TELECON**

**SUBJECT:** Attempt to receive campaign reports from the treasurer

**FROM:** call initiated by Frank Masino, Counsel for the Committee

**TO:** Robin Kelly, RAD analyst

**NAME OF COMMITTEE:** Marks for Congress - CA/05

**DATE:** September 15, 1986

---

Mr. Masino called to tell me he had asked the treasurer to send him the reports. To date, he had not received them.

89040755221



**MEMORANDUM FOR FILES: TELECON**

**SUBJECT:** Status on Response from committee

**FROM:** Call made by Robin Kelly, RAD Analyst

**TO:** Mr. Frank Masino, Counsel (415) 393-9214

**NAME OF COMMITTEE:** Marks for Congress - CA/05

**DATE:** September 19, 1986

---

On September 19, 1986, I called Mr. Masino to see if he had received the reports yet. He said he had not and that he wasn't sure the treasurer was going to cooperate. Mr. Masino said he could have someone from his D.C. office pick up copies of the reports. I told him I would copy the 1985 and 1986 reports and have them ready.

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ATTACHMENT 16

TELEPHONE (415) 222-2222

CODE ADDRESS  
CHICAGO

WRITER & DIRECT DIAL NUMBER

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
THREE CUBACABERD CENTER  
EIGHTH FLOOR  
SAN FRANCISCO 94111

RECEIVED AT THE FEC  
**HAND DELIVERED**  
86 SEP 18 10:02  
WASHINGTON D.C. OFFICE  
1215 H STREET, N.W.  
SUITE 200  
WASHINGTON, D.C. 20005  
TELEPHONE (202) 462-7454

September 18, 1986

**FEDERAL EXPRESS**

Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

100609

RECEIVED  
SEP 18 10:10:18  
U.S. SENATE

Re: FEC Inquiry into Amended Year End Report  
(1/1/85 - 12/31/85); Identification  
No. C00153205.

Dear Ms. Kelly:

By letter dated September 8, 1986, Mr. David Kurland was formally notified of his removal as Treasurer of Friends of Milton Marks - II (Marks for Congress, Identification No. C00153205). That letter also directed Mr. Kurland to turn over all records in his possession regarding his activities in that position to me. On September 16, 1986, my office contacted Mr. Kurland and was informed that those records would not be available for me to pick up until Friday, September 19, 1986.

Please consider this formal notification of a change to the Statement of Organization and be assured that we will be responding to the FEC's pending inquiry as soon as practicable after my receipt and review of those records.

Sincerely,

*Frank M. Masino*  
Frank M. Masino

FNM/nda

cc: Clerk of the House of Representatives

FEDERAL EXPRESS NO. 1836453710.

8 1 3 0 0 4 1 0 3 7 5 9 2 2 2 8

2

66 SEP 25 1986

LAW OFFICES OF

**CHICKERING & GREGORY**

A PROFESSIONAL CORPORATION

THREE EMBARCADERO CENTER  
EIGHTH FLOOR

SAN FRANCISCO 94111

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006

TELEPHONE (202) 463-7486

(415) 393-9214

September 24, 1986

**FEDERAL EXPRESS**

Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: FEC Inquiry into Amended Year End Report  
(1/1/85 - 12/31/85); Identification  
No. C00153205.

Dear Ms. Kelly:

We have received and begun our review of Mr. Kurland's records and the documents provided by your office. We are still missing copies of the year-end reports for 1983 and 1984. However, Ms. Linda Tangrey of your office graciously agreed to send us copies of those reports.

Our preliminary review discloses that in October 1982 Senator and Mrs. Marks loaned \$265,000 to Senator Marks' campaign for election to the U. S. House of Representatives. They regarded these funds as community property. We have not yet determined the proper status of this transaction under FEC regulations.

These funds were borrowed against stock held in four (4) separate accounts maintained at a broker-dealer; two of which were in both their names and two of which were in Mrs. Marks' name. The accounts in both their names were the source of loans of \$5,000 and \$10,000 respectively; the accounts in Mrs. Marks' name were the source of loans of \$100,000 and \$150,000 respectively.

Of the \$250,000 provided from accounts in Mrs. Marks' name, \$200,000 has been repaid by the campaign; another \$30,000 will be repaid as soon as a new Treasurer is found for the campaign; the final \$20,000 should also be repaid within the next several months.

We are still trying to determine whether in fact Senator Marks made other loans of \$33,000 and \$125,000 to the campaign. As is obvious from the foregoing, the reporting of these transactions to the FEC has been confusing and possibly inaccurate.

89040755224

**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION

Ms. Robin Kelly  
Re: FEC Inquiry into Amended Year End Report  
(1/1/85 - 12/31/85); I.D. No. C00153205.  
September 24, 1986  
Page 2

We are continuing to review and analyse the records and reports of these various transactions in an effort to specify their compliance with FEC regulations. Senator and Mrs. Marks are quite upset about this matter since they believed the campaign reporting was being handled competently. We have been directed by them to respond directly and immediately to any inquiry you may make in this regard. Please be assured that we are seeking to satisfy the FEC's concerns in this matter as promptly as possible.

Thank you for your continued courtesy and cooperation.

Sincerely,



Frank N. Masino

FNM/nda

cc: Senator and Mrs. Milton Marks

Federal Express Airbill No. 1836453614.

390907552223

**MEMORANDUM FOR FILES: TELECON**

**SUBJECT:** Letter received September 25, 1986

**FROM:** Call made by Robin Kelly, RAD Analyst

**TO:** Frank Masino, Counsel for Committee - (415)393-9214

**NAME OF COMMITTEE:** Marks for Congress - CA/05

**DATE:** 9/26/86

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I called Mr. Masino to discuss the response I received from him on September 25, 1986. He said that they were still researching the reports and trying to determine the amount of money in those accounts at the time the loans were made. He went on to explain that the funds were from "community property" per California state law. I told him that I wasn't sure how the Commission would interpret this.

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 \_\_\_\_\_

RAD Referral 86L-26  
Staff Member: John Drury

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENTS' NAMES: Marks for Congress Committee, and  
Charles Puck, Jr., as treasurer  
Carolene Marks

RELEVANT STATUTES: 2 U.S.C. § 441a(f)  
2 U.S.C. § 441a(a)(1)(A)  
2 U.S.C. § 431(8)(A)(i)  
11 C.F.R. § 110.10(a)  
11 C.F.R. § 110.10(b)

INTERNAL REPORTS CHECKED: C Index

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was referred to the Office of the General  
Counsel on November 10, 1986.

SUMMARY OF ALLEGATIONS

The Reports Analysis Division materials allege that the  
Marks for Congress Committee ("the committee") violated 2 U.S.C.  
§ 441a(f) by accepting an apparently excessive contribution in  
the form of a loan from candidate Milton Marks' spouse, Carolene  
Marks. It also appears that Carolene Marks made an excessive  
contribution to the committee.

FACTUAL AND LEGAL ANALYSIS

The committee's reports disclose receipt of a \$265,000 loan  
from candidate Milton Marks and the candidate's wife, Carolene  
Marks. Specifically, it appears that Milton and Carolene Marks  
made a loan of \$265,000 to the Marks for Congress Committee, and  
that in order to raise these funds, Mr. and Mrs. Marks used stock

87 MAY 11 A 9:08

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION

89040755227



as collateral. The stock was held in four accounts. Two of the accounts were held in the name of Mr. and Mrs. Marks. Two of the accounts were listed as belonging to Mrs. Marks alone. The former accounts yielded \$15,000, while the stock in Mrs. Marks' accounts was used to produce \$250,000.

Pursuant to 2 U.S.C. § 441a(a)(1)(A), the maximum amount Carolene Marks could have legally contributed to the Marks for Congress Committee was \$1,000. Pursuant to 2 U.S.C. § 431(8)(a)(1), a loan is a contribution. Therefore, the amount which Carolene Marks loaned to the committee must be treated as a contribution. It is unclear how much she loaned the committee, since there are questions as to the ownership and nature of the property used to produce the funds which Mr. and Mrs. Marks loaned to the committee. However, even if the questions are resolved in the manner most beneficial to Mrs. Marks, it nevertheless appears that she made an excessive contribution to her husband's committee.

Pursuant to 11 C.F.R. § 110.10(a), a candidate may make unlimited expenditures from personal funds. The regulations define personal funds as follows:

For purposes of this section, "personal funds" means ... [a]ny assets which, under applicable state law, at the time he or she became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate, had either ... [l]egal and rightful title, or ... [a]n equitable interest.

Pursuant to § 110.10(b)(3), if the assets are jointly owned by the candidate and his spouse, and no share is specified as the

89040755228

candidate's under the instrument of conveyance of the asset, then the value of one-half of the property used shall be considered as personal funds of the candidate.

In response to inquiries by the Reports Analysis Division, the committee stated that all of the property which was used to acquire the funds to make up the total amount of the loan was community property. It is apparently the respondents' assertion that funds in the form of community property qualify as the personal funds of the candidate. As previously stated, in order for assets to qualify as the candidate's personal funds the candidate must have both:

- 1) legal right of access or control over the property; and
- 2) legal and rightful title to or an equitable interest in the property.

Under California community property law either spouse in a marriage has, subject to certain restrictions, a right to manage or control all the community property. Further, upon dissolution of the marriage each spouse normally is entitled to one-half the value of the community property.

Although each spouse has control over all the community property, it appears each spouse is entitled to only one half of the community property. Consequently, it is apparent that the candidate can claim only one half of the community property as "personal funds."

This conclusion is also consistent with 11 C.F.R. 110.10(b)(3), which states that a candidate may use a portion of assets jointly owned with his or her spouse as personal funds, that portion being equal to the candidate's share as set forth in

89040755229

the instrument(s) of conveyance or ownership. Additionally, "[i]f no specific share is indicated by an instrument of conveyance or ownership, the value of one-half of the property used shall be considered as personal funds of the candidate."

11 C.F.R. § 110.10(b)(3).

Therefore, assuming that all of the assets were community property, then the maximum amount available to Milton Marks as personal funds out of the \$15,000 derived from the two accounts of stock held jointly by the candidate and his wife was \$7,500. The maximum amount available as personal funds with regard to the \$250,000 raised from the stock held in Mrs. Marks' name alone was \$125,000. The maximum Mrs. Marks was allowed to contribute was \$1,000, pursuant to 2 U.S.C. § 441a(a)(1)(A). Hence, if all of the stock used to raise the \$265,000 was community property, the amount of the loan attributable to Mrs. Marks would be \$132,500 (\$125,000 + \$7,500). Because she was entitled to make a \$1000 contribution, the amount of her contribution in excess of the limitations would be \$131,500. By accepting this contribution the committee would be in violation of 2 U.S.C. § 441a(f).

The above analysis assumes that all of the stock which Mr. and Mrs. Marks used as collateral for the loans was community property. Although this may be the case, the fact that certain property was held in the name of Mrs. Marks alone is evidence that the property may have been the separate property of Carolene Marks.

If the \$250,000 was the separate property of Carolene Marks, then the total amount of the loan attributable to her was \$257,500, (\$7,500 + \$250,000). Thus, discounting her \$1000 permissible contribution, the amount in excess of the limitations

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would be \$256,500. By accepting this amount the committee would be in violation of 2 U.S.C. § 441a(f).

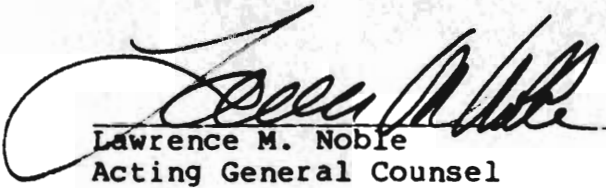
Based on the above discussion, it appears that Carolene Marks made, and the committee accepted, an excessive contribution. Therefore, this Office recommends that the Commission find that there is reason to believe that Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A) and the Marks for Congress Committee and Charles Puck, as treasurer, violated 2 U.S.C. § 441a(f).

#### RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe the Marks for Congress Committee and Charles Puck, as treasurer, violated 2 U.S.C. § 441a(f).
3. Find reason to believe Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A).
4. Approve the attached Factual and Legal Analyses.
5. Approve and send the attached letters.

Date

5/7/87

  
Lawrence M. Noble  
Acting General Counsel

#### Attachments

RAD Referral  
Proposed Letters [2]  
Factual and Legal Analyses

89040755231





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO:

LAWRENCE M. NOBLE  
ACTING GENERAL COUNSEL

FROM:

MARJORIE W. EMMONS/JOSHUA MCFADDEN *JM*

DATE:

MAY 13, 1987

SUBJECT:

OBJECTION TO RAD Ref. 86L-26: FIRST G.C. REPORT  
SIGNED MAY 7, 1987

The above-captioned document was circulated to the  
Commission on Monday, May 11, 1987 at 11:00 A.M.

Objections have been received from the Commissioners  
as indicated by the name(s) checked:

Commissioner Aikens	<u>X</u>
Commissioner Elliott	<u></u>
Commissioner Josefiak	<u></u>
Commissioner McDonald	<u>X</u>
Commissioner McGarry	<u></u>
Commissioner Thomas	<u></u>

This matter will be placed on the Executive Session  
agenda for May 19, 1987.

Please notify us who will represent your Division  
before the Commission on this matter.

89040755232

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Marks for Congress Committee )  
and Charles Puck, Jr., as )  
treasurer )  
Carolene Marks )

RAD Referral 86L-26

(mur)  
2417

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the  
Federal Election Commission executive session of May 19,  
1987, do hereby certify that the Commission took the  
following actions in the above-captioned matter:

1. Failed in a vote of 1-5 to pass a motion  
to decline to open a Matter Under Review.

Commissioner Aikens voted affirmatively;  
Commissioners Elliott, Josefiak, McDonald,  
McGarry, and Thomas dissented.

2. Decided by a vote of 5-1 to -

- a) Open a Matter Under Review.
- b) Find reason to believe the Marks for  
Congress Committee and Charles Puck,  
as treasurer, violated 2 U.S.C.  
§ 441a(f).
- c) Find reason to believe Carolene  
Marks violated 2 U.S.C. § 441a(a)  
(1) (A).

(continued)

8  
9  
0  
4  
0  
7  
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5  
2  
3  
3



Federal Election Commission  
Certification for RAD Referral 86L-26  
May 19, 1987

Page 2

- d) Approve the Factual and Legal Analysis attached to the General Counsel's report dated May 7, 1987.
- e) Approve and send the letters attached to the General Counsel's report dated May 7, 1987.

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

Attest:

5-20-87

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

89040755234



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 27, 1987

Ms. Carolene Marks  
55 Jordan Avenue  
San Francisco, CA 94118

RE: MUR 2417  
Carolene Marks

Dear Ms. Marks:

On May 19, 1987, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter.

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

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

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

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact John Drury, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form

89040755236



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 27, 1987

Charles Puck, Jr.  
350 California Street  
Suite 1220  
San Francisco, CA 94104

RE: MUR 2417  
Marks for Congress Committee  
and Charles Puck, Jr.,  
as treasurer

Dear Mr. Puck:

On May 19, 1987, the Federal Election Commission found that there is reason to believe the Marks for Congress Committee and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Statements should be submitted under oath.

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

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of 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

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that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation 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.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact John Drury, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Statement

8 9 0 4 0 7 5 5 2 3 8

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICKREG"

WRITER'S DIRECT DIAL NUMBER

(415) 393-9214

LAW OFFICES OF  
**CHICKERING & GREGORY**

A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

June 12, 1987

CC#3607  
RECEIVED AT THE FEC  
**HAND DELIVERED**  
87 JUN 15 10:50  
WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D.C. 20006  
TELEPHONE (202) 463-7444

**FEDERAL EXPRESS**

John Drury, Esq.  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

RE: MUR 2417

Dear Mr. Drury:

This is to confirm the extension you discussed by telephone with my partner David Hodge on June 10, 1987, for responses to your Commission's letters of May 27, 1987, to Ms. Carolene Marks and Mr. Charles Duck, Jr. concerning the above matter. We are informed that these letters were received on June 1, 1987. We understand that both Ms. Marks and Mr. Duck now have an extension until July 7, 1987, to submit their responses.

Thank you for your courtesy and cooperation in this matter.

Sincerely,



Frank N. Masino

FNM/bdy

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL  
87 JUN 15 3:19

3 9 0 4 0 7 5 5 2 3 9





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 19, 1987

Frank N. Masino, Esquire  
Chickering & Gregory  
Two Embarcadero Center  
Seventh Floor  
San Francisco, CA 94111

RE: MUR 2417  
Marks for Congress  
Charles Duck, Jr. as treasurer  
Carolene Marks


Dear Mr. Masino:

This is in response to your letter dated June 12, 1987, which we received on June 15, 1987, requesting an extension until July 7, 1987, to respond to the the Commission's letter of May 27, 1987. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on July 7, 1987.

If you have any questions, please contact John Drury, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
Acting General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

89040755240

COO# 3719  
RECEIVED AT THE FCC

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

67 JUN 29 49:06

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D.C. 20006

TELEPHONE (202) 463-7444

RECEIVED  
GENERAL COUNSEL  
JUN 29 10:50

(415) 393-9213

June 25, 1987

John Drury, Esq.  
Office of the General Counsel  
Federal Elections Commissions  
Washington, D. C. 20463

Re: MUR 2417, Marks For Congress Committee and Charles Duck;  
Carolene Marks.

Dear Mr. Drury:

This letter is in response to the Commission's letters dated May 27 and the accompanying factual and legal analysis which were received by Charles Duck and Carolene Marks. Enclosed are the "Statement of Designation of Counsel" from each of them.

As you may know, the Marks for Congress Committee has had two treasurers prior to Mr. Duck's assuming that position in October 1986. Senator and Mrs. Marks asked for this firm's assistance in 1986 when it became apparent that David Kurland, Mr. Duck's immediate predecessor, was not responding promptly to inquiries of the Commission. Mr. Kurland is an account executive with Bear, Stearns & Co. Concurrently, with a review of the Campaign Committee's records, we reviewed the records of the securities accounts of Senator and Mrs. Marks traded by Mr. Kurland. These accounts contained the securities used as collateral for the funds borrowed by Senator and Mrs. Marks that were in turn loaned to the Campaign Committee. It appeared there were irregularities in Mr. Kurland's handling of the accounts.

Mr. Kurland resigned as treasurer of the Campaign Committee and the securities accounts were taken from his control in 1986. Based upon the efforts of Mr. Duck, as the new treasurer, we were able to determine that Mr. Kurland and Mr. Peter Burns, the original campaign treasurer, made numerous errors in handling of the affairs of the Campaign Committee. One of the errors apparently was in accepting a loan from Senator and Mrs. Marks which exceed the limitations imposed by 2 U.S.C. §441a(a)(1)(A) and the Commission's Rule 110.10(b)(3) (11 C.F.R. §110.10(b)(3)). However, since it was determined that as the balance due on the loan was \$70,000 when Mr. Duck became treasurer, the Campaign Committee had already repaid the amount loaned to it which exceeded the limitations noted above. Therefore, there was no further corrective action which could be taken. The balance due on the loan in question is now \$35,000 and the Campaign Committee views this balance due as a debt owed solely to Senator Marks.

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CHICKERING & GREGORY  
A PROFESSIONAL CORPORATION

John Drury, Esq.

Federal Elections Commissions

Re: MUR 2417, Marks For Congress Committee and Charles Duck

June 25, 1987


Page 2

We have kept Ms. Robin Kelly in the Reports Analysis Division informed of the errors as we uncovered them. In January 1987, the Campaign Committee filed a Form 3 which corrected all the past errors in the reports filed with the Commission. Mr. Duck included with the report a table showing the paying down over the last several years of the loan in question. Enclosed is a copy of the correspondence and reports previously provided to Ms. Kelly.

Once the Campaign Committee and Mrs. Marks discovered there were errors in the campaign reports, both have made every effort to discover the true facts and report them to the Commission. Since all reporting errors have been corrected, the balance on the loan in question has been reduced to \$35,000, and the Campaign Committee's only activities are directed to retiring these old debts over time, we believe any further action by the Commission in this MUR is neither necessary nor useful. Indeed, since Senator Marks is willing to forgive any monies owed him by the Campaign Committee, the Campaign Committee wishes to cease fundraising activities and use the monies on hand to pay any miscellaneous debts and requests that the Campaign Committee be administratively terminated as provided by the Commission's Rule 102.4 (11 C.F.R. §102.4).

If the Commission's staff believes the Commission should proceed, the Campaign Committee and Mrs. Marks wish to enter into discussions on a conciliation agreement as provided in Rule 111.18(d) (11 C.F.R. §111.18(d)).

Yours truly,



David J. Hodge

DJH/ada

cc: Senator and Mrs. Milton Marks  
Mr. Charles Duck

89040755242

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2412

NAME OF COUNSEL: David J. Hodge

ADDRESS: Chickering & Gregory, P.C.  
Two Embarcadero Center, Suite 740  
San Francisco, CA 94111

TELEPHONE: (415) 393-9213

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.

6-19-87  
Date

  
Signature

RESPONDENT'S NAME: Marks for Congress Committee and

ADDRESS: Charles Duck, Jr.  
350 California Street, Suite 1220  
San Francisco, CA 94104

HOME PHONE: (415)

BUSINESS PHONE: (415) 986-3825

32040755243

**STATEMENT OF DESIGNATION OF COUNSEL**

MUR 2417

NAME OF COUNSEL: David J. Hodge

ADDRESS: Chickering & Gregory, P.C.  
Two Embarcadero Center, Suite 740  
San Francisco, CA 94111

TELEPHONE: (415) 393-9213

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.

6/22/87  
Date

Carolene Marks  
Signature

RESPONDENT'S NAME: Carolene Marks

ADDRESS: 55 Jordan Avenue  
San Francisco, CA 94118

HOME PHONE: (415) 752-7867

BUSINESS PHONE: N.A.

89040755244

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
THREE EMBARCADERO CENTER  
EIGHTH FLOOR  
SAN FRANCISCO 94111

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

(415) 393-9213

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7456

January 29, 1987

Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, DC 20463

Re: Identification No. C-00153205, Marks For Congress/Friends of Milton Marks.

Dear Ms. Kelly:

Enclosed is a copy of the Form 3 as of December 31, 1986 for the above-referenced Campaign Committee. The report has been filed with the Clerk of the House of Representatives and the California Secretary of State.

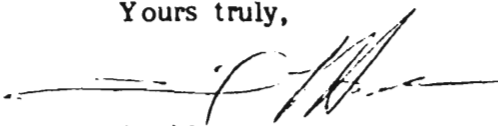
As we discussed several weeks ago, the new treasurer of the Campaign Committee has found various minor errors in earlier reports filed. For example, the total amount of the loans made by Senator and Mrs. Marks to the Campaign Committee was \$265,000, not \$269,000 as stated in the most recent reports, and the amount repaid on one loan is understated by \$2,000. The enclosed Form 3 reflects these and other corrections.

Additionally, as we also discussed earlier, neither the Campaign Treasurer nor I have been able to determine precisely why the forms filed by Mr. David Kurland while he was campaign treasurer report interest due on the loans by Senator and Mrs. Marks. Mr. Kurland has not responded to our letter to him asking for his assistance, a copy of which is enclosed. Therefore, the enclosed Form 3 lists the loans as non-interest bearing, as they were listed when first disclosed on a Form 3 in 1982. Also enclosed are tables which reflect the reductions in the amounts owed on the loans when all payments are treated as made against principal and not as payments against principal and interest.

As noted in Mr. Frank Masino's letter dated September 24 to you, the loans of \$265,000 were collateralized by securities in accounts maintained at a broker-dealer. The total value of the securities when the loans were made was approximately \$445,274. Senator and Mrs. Marks considered these accounts as community property under California law.

Please contact Mr. Masino or me if you have any questions.

Yours truly,

  
David J. Hodge

DJH/nda  
CERTIFIED No.P007 355 762./RETURN RECEIPT REQUESTED.  
Enclosures

cc: Senator Milton Marks

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**DETAILED SUMMARY PAGE  
of Receipts and Disbursements  
(Page 2, FEC FORM 3)**

Name of Committee (in Full)

**MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS**

Report Covering the Period:

From: **7/1/86**

To: **12/31/86**

**I. RECEIPTS**

**11. CONTRIBUTIONS (other than loans) FROM:**

- (a) Individuals/Persons Other Than Political Committees .....  
(Memo Entry Unitemized \$ **4,418.00** )
- (b) Political Party Committees. ....
- (c) Other Political Committees. ....
- (d) The Candidate. ....
- (e) **TOTAL CONTRIBUTIONS** (other than loans (add 11 (a), 11(b), 11(c)  
and 11(d)).

**12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES. ....**

**13. LOANS:**

- (a) Made or Guaranteed by the Candidate. ....
- (b) All Other Loans. ....
- (c) **TOTAL LOANS** (add 13 (a) and 13 (b)). ....

**14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) ....**

**15. OTHER RECEIPTS (Dividends, Interest, etc.) ....**

**16. TOTAL RECEIPTS** (add 11 (a), 12, 13 (c), 14 and 15) ....

**II. DISBURSEMENTS**

**17. OPERATING EXPENDITURES. ....**

**18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES. ....**

**19. LOAN REPAYMENTS:**

- (a) Of Loans Made or Guaranteed by the Candidate. ....
- (b) Of All Other Loans. ....
- (c) **TOTAL LOAN REPAYMENTS** (add 19 (a) and 19 (b)). ....

**20. REFUNDS OF CONTRIBUTIONS TO:**

- (a) Individuals/Persons Other Than Political Committees. ....
- (b) Political Party Committees. ....
- (c) Other Political Committees. ....
- (d) **TOTAL CONTRIBUTION REFUNDS** (add 20 (a), 20 (b), and 20 (c)).

**21. OTHER DISBURSEMENTS. ....**

**22. TOTAL DISBURSEMENTS** (add 17, 18, 19 (c), 20 (d) and 21) ....

**III. CASH SUMMARY**

- 23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD** ..... \$ 31,020.51 **23**
- 24. TOTAL RECEIPTS THIS PERIOD** (From Line 16) ..... \$ 15,453.77 **24**
- 25. SUBTOTAL** (Add Line 23 and Line 24) ..... \$ 46,474.28 **25**
- 26. TOTAL DISBURSEMENTS THIS PERIOD** (From Line 22) ..... \$ 35,955.00 **26**
- 27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD** (Subtract Line 26 from 25) \$ 10,519.28 **27**

**COLUMN A  
Total This Period**

**COLUMN B  
Calendar Year-to-Date**

**12,324.00**

**51,761.00**

**11 (a)**

**2,200.00**

**11,800.00**

**11 (b)**

**11 (c)**

**11 (d)**

**14,524.00**

**63,561.00**

**11 (e)**

**12**

**13 (a)**

**13 (b)**

**13 (c)**

**-0-**

**-0-**

**-0-**

**46.80**

**14**

**929.77**

**1,807.65**

**15**

**15,453.77**

**65,415.45**

**16**

**17**

**18**

**19 (a)**

**19 (b)**

**19 (c)**

**30,000.00**

**80,000.00**

**30,000.00**

**80,000.00**

**20 (a)**

**20 (b)**

**20 (c)**

**20 (d)**

**750.00**

**1,615.00**

**750.00**

**1,615.00**

**5.00**

**5.00**

**21**

**35,955.00**

**89,720.00**

**22**

89040755247

YEAR ENDED 1986

RECEIPTS & DISBURSEMENT ADJUSTMENTS: Line No: Form 3	PREVIOUSLY REPORTED	PREVIOUSLY OMITTED OR (OVERSTATED)	REPORTED THIS PERIOD	YEAR to DATE
RECEIPTS:				
11(a) Contributions from Individuals	32,964.41	6,472.59	12,324.00	51,761.00
11(e) TOTAL CONTRIBUTIONS	42,564.41	6,472.59	14,524.00	63,561.00
13(b) All Other Loans	24,905.71	(24,905.71)	-0-	-0-
13(c) TOTAL LOANS	24,905.71	(24,905.71)	-0-	-0-
16 TOTAL RECEIPTS	68,394.80	(18,433.12)	15,453.77	65,415.45
19(b) Loan Repayments (Other Loans)	50,000.00		30,000.00	80,000.00
	(50,000.00*)	50,000.00		
* 50,000.00 loan repayment was not carried forward from 1st period report to year-to-date 2nd period report.				

**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 1 of 1 for  
**LINE NUMBER** \_\_\_\_\_  
 (Use separate schedule for each category of the Detailed Summary Page)

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

Name of Committee (in Full)  
**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Shell Oil Company (Good Gov't Fund) P.O. Box 2463 Houston, TX 77001	<b>Name of Employer</b> -  <b>Occupation</b>	<b>Date (month, day, year)</b> 1/13/86	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 1,000.00		
<b>B. Full Name, Mailing Address and ZIP Code</b> Lily Shapell 1169 Hillcrest Beverly Hills, CA 90210	<b>Name of Employer</b> Housewife  <b>Occupation</b> Housewife	<b>Date (month, day, year)</b> 7/7/86	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 1,000.00		
<b>C. Full Name, Mailing Address and ZIP Code</b> Wells Fargo & Co., Employees for Good 420 Montgomery Street San Francisco, CA 94163	<b>Name of Employer</b> -  <b>Occupation</b>	<b>Date (month, day, year)</b> 7/7/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 1,500.00		
<b>D. Full Name, Mailing Address and ZIP Code</b> Virginia Clanton Bogy P.O. Box 787 Bellflower, CA 90706	<b>Name of Employer</b> Edgelane Mobile Home Park  <b>Occupation</b> Executive Officer	<b>Date (month, day, year)</b> 7/7/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 250.00		
<b>E. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  <b>Occupation</b>	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b>		
<b>F. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  <b>Occupation</b>	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b>		
<b>G. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  <b>Occupation</b>	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b>		
<b>SUBTOTAL of Receipts This Page (optional):</b>			2,500.00

89040755249

**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 1 of      for  
 LINE NUMBER       
 (Use separate schedule(s) for each  
 category of the Donated  
 Summary Page)

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Name of Committee (in Full)

**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Cooperative of American Physicians 3550 Wilshire Blvd., #1801 Los Angeles, CA 90010	<b>Name of Employer</b> ID# C00161604  <b>Occupation</b> -	<b>Date (month, day, year)</b> 7/28/86	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b>		
<b>B. Full Name, Mailing Address and ZIP Code</b> John Rossi 1515 Lincoln Blvd Santa Monica, CA 90401	<b>Name of Employer</b> John Rossi Youth Foundation  <b>Occupation</b> Executive Director	<b>Date (month, day, year)</b> 7/28/86	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b>		
<b>C. Full Name, Mailing Address and ZIP Code</b> B. E. Witkin, Esq 2740 Shasta Road Berkeley, CA 94708	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Attorney	<b>Date (month, day, year)</b> 8/18/86	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b>		
<b>D. Full Name, Mailing Address and ZIP Code</b> John F. Welch 655-15th St., NW., Suite 1200 Washington, DC 2005	<b>Name of Employer</b> Safe Buildings, Alliance  <b>Occupation</b> Executive	<b>Date (month, day, year)</b> 8/25/86	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b> 500.00		
<b>E. Full Name, Mailing Address and ZIP Code</b> Pacific Telesis Group Federal PAC 595 Market Street, Room 705 San Francisco, CA 94105	<b>Name of Employer</b> ID# C00083865  <b>Occupation</b>	<b>Date (month, day, year)</b> 9/10/86	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b> 2,300.00		
<b>F. Full Name, Mailing Address and ZIP Code</b> House PAC 2700 Sanders Road Prospect Heights, IL 60070	<b>Name of Employer</b> ID# C00033423  <b>Occupation</b>	<b>Date (month, day, year)</b> 9/17/86	<b>Amount of Each Receipt This Period</b> 200.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b> 500.00		
<b>G. Full Name, Mailing Address and ZIP Code</b> Arthur Sweet 6350 Laurel Canyon Blvd., #360 North Hollywood, CA 91606	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Investor	<b>Date (month, day, year)</b> 9/24/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date-\$</b> 250.00		
<b>SUBTOTAL of Receipts This Page (optional)</b>			4,450.00



**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 2 of        for  
 LINE NUMBER         
 Also, attach schedule(s) for each  
 category of the Detailed  
 Summary Page(s)

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Name of Committee (in Full)

**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Joseph Galletti 2900 Ayers Street Los Angeles, CA 90023	<b>Name of Employer</b> Galletti Brothers Foods	<b>Date (month, day, year)</b> 9/24/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Managing Partner	<b>Aggregate Year-to-Date—\$</b> 250.00	
<b>B. Full Name, Mailing Address and ZIP Code</b> Paul H. Galinato 652 N. Orchard Burbank, CA 91506	<b>Name of Employer</b> Dantona & Associates	<b>Date (month, day, year)</b> 10/9/86	<b>Amount of Each Receipt This Period</b> 400.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Senior Account Exec.	<b>Aggregate Year-to-Date—\$</b> 400.00	
<b>C. Full Name, Mailing Address and ZIP Code</b> Ira D. Handelmann 3339 Scadlock Lane Sherman Oaks, CA 91403	<b>Name of Employer</b> Handelman & Associates	<b>Date (month, day, year)</b> 10/9/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Consultant	<b>Aggregate Year-to-Date—\$</b> 250.00	
<b>D. Full Name, Mailing Address and ZIP Code</b> James A. McDermott, Jr. 1317 Lucile Ave., No. 14 Los Angeles, CA 900026	<b>Name of Employer</b> Gavin Associates	<b>Date (month, day, year)</b> 10/9/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Consultant	<b>Aggregate Year-to-Date—\$</b> 250.00	
<b>E. Full Name, Mailing Address and ZIP Code</b> Kreg Robert McMahon 12715 La Reina Ave Downey, CA 90242	<b>Name of Employer</b> McMahon Insurance Agency	<b>Date (month, day, year)</b> 10/9/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Insurance Agent	<b>Aggregate Year-to-Date—\$</b> 250.00	
<b>F. Full Name, Mailing Address and ZIP Code</b> Evelyn K. McCormish 2396 Pine St., #105 San Francisco, CA 94115	<b>Name of Employer</b> None	<b>Date (month, day, year)</b> 10/16/86	<b>Amount of Each Receipt This Period</b> 422.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Student	<b>Aggregate Year-to-Date—\$</b> 422.00	
<b>G. Full Name, Mailing Address and ZIP Code</b> Mr. Andy Coulumbe 11565 Laurel Canyon Blvd., Ste 114 Mission Hills, CA 91340	<b>Name of Employer</b> March Norton Air Force Housing Ltd.	<b>Date (month, day, year)</b> 10/17/86	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Managing Partner	<b>Aggregate Year-to-Date—\$</b> 250.00	

**SUBTOTAL of Receipts This Page (optional)** ..... 2,072.00



**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 3 of      for  
**LINE NUMBER**       
 (This appears separately for each  
 category of the Detailed  
 Summary Page)

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Name of Committee (in Full)  
**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Jeffery W. Meyer 270 Lawrence Ave So. San Francisco, CA 94080	<b>Name of Employer</b> Wilson & Geo Meyer & Co.	<b>Date (month, day, year)</b> 11/25/86	<b>Amount of Each Receipt This Period</b> 100.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Partner <b>Aggregate Year-to-Date—\$</b> 300.00		
<b>B. Full Name, Mailing Address and ZIP Code</b> Evelyn K. McCormish 2396 Pine St., #105 San Francisco, CA 94115	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 11/25/86	<b>Amount of Each Receipt This Period</b> 350.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Student <b>Aggregate Year-to-Date—\$</b> 722.00		
<b>C. Full Name, Mailing Address and ZIP Code</b> Albert Shumate 490 Post Street San Francisco, CA 94102	<b>Name of Employer</b> Retired	<b>Date (month, day, year)</b> 11/25/86	<b>Amount of Each Receipt This Period</b> 50.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Retired <b>Aggregate Year-to-Date—\$</b> 265.00		
<b>D. Full Name, Mailing Address and ZIP Code</b> Carol Marks P.O. Box 236 South Royal Hm, VT 05068	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 11/26/86	<b>Amount of Each Receipt This Period</b> 300.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Student <b>Aggregate Year-to-Date—\$</b> 785.00		
<b>E. Full Name, Mailing Address and ZIP Code</b> Stephen B. Meisel, MD 251 - 24th Street Santa Monica, CA 90402	<b>Name of Employer</b> Self Employed	<b>Date (month, day, year)</b> 12/4/86	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Physician <b>Aggregate Year-to-Date—\$</b> 500.00		
<b>F. Full Name, Mailing Address and ZIP Code</b> Evelyn K. McCormish 2396 Pine St., #105 San Francisco, CA 94115	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 12/4/86	<b>Amount of Each Receipt This Period</b> 200.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Student <b>Aggregate Year-to-Date—\$</b> 922.00		
<b>G. Full Name, Mailing Address and ZIP Code</b> David C. Kwass 2428 N. Roosevelt Street Arlington, VA 22207	<b>Name of Employer</b> Retired	<b>Date (month, day, year)</b> 12/24/86	<b>Amount of Each Receipt This Period</b> 584.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Retired <b>Aggregate Year-to-Date—\$</b> 584.00		

**SUBTOTAL of Receipts This Page (optional):** . . . . . 2,001.00

**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

Separate schedule(s) for each category of the Detailed Summary Page	PAGE	OF
	1	1
	FOR LINE NUMBER	
17		

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**NAME OF COMMITTEE (in Full)**

**MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS**

89040755253

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Jim Dantona Dantona & Associates 6400 Laurel Canyon Blvd. No. Hollywood, CA 94606	<b>Retainer Fee Deposit</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/14/86	\$ 5,000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Del R. Ross c/o Gibraltar Savings 299 W. Portal - San Francisco, CA 94127	<b>Computer Services</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	7/14/86	\$ 200.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

**SUBTOTAL** of Disbursements This Page (optional) .....

**TOTAL** This Period (last page this line number only) .....

\$ 5,200.00

SCHEDULE B

ITEMIZE DISBURSEMENTS

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

PAGE 1 OF 1  
FOR LINE NUMBER 19b

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NAME OF COMMITTEE (In Full)

MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS

<b>A. Full Name, Mailing Address and ZIP Code</b> Carolene Marks 55 Jordan Ave. San Francisco, CA 94118	<b>Purpose of Disbursement</b> Loan Repayment* Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b> 12/30/86	<b>Amount of Each Disbursement This Period</b> \$ 20,000.00
<b>B. Full Name, Mailing Address and ZIP Code</b> Carolene Marks same as above	<b>Purpose of Disbursement</b> Loan Repayment* Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b> 12/30/86	<b>Amount of Each Disbursement This Period</b> \$ 10,000.00
<b>C. Full Name, Mailing Address and ZIP Code</b> *Payments against loan reported on Schedule C, p.2.	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>D. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>E. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>F. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>G. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>H. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>I. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b>  Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>

SUBTOTAL of Disbursements This Page (optional) .....

TOTAL This Period (last page this line number only) .....

\$ 30,000.00

1  
3  
9  
0  
4  
0  
7  
5  
5  
2  
5  
4

**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

Separate schedule(s) in category of the Detailed Summary Page	PAGE	OF
	1	1
	FOR LINE NUMBER	
20a		

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NAME OF COMMITTEE (in Full)

MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Kreg R. McMahon 12715 La Reina Ave. Downey, CA 90242	Returned Check Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/22/86	\$ 250.00
B. Full Name, Mailing Address and ZIP Code Jay C. Self 2508 Raeburn Riverside, CA 92506	Contribution refund Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/24/86	\$ 500.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) .....

TOTAL This Period (last page this line number only) .....

\$ 750.00

89040755255

**LOANS**

<b>Name of Committee (in Full)</b> MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS						
<b>A. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton Marks #1 55 Jordan Ave. San Francisco, CA 94118	<b>Original Amount of Loan</b> \$ 125,000.00	<b>Cumulative Payment To Date</b> 114,270.19	<b>Balance Outstanding at Close of This Period</b> \$ 10,729.81			
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):						
Terms: Date Incurred <u>10/82</u> Date Due <u>N/A</u> Interest Rate <u>0</u> % (apr) <input type="checkbox"/> Secured						
List All Endorsers or Guarantors (if any) to Item A						
1. Full Name, Mailing Address and ZIP Code From Candidate's personal funds	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
<b>B. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton Marks #2 55 Jordan Ave. San Francisco, CA 94118				<b>Original Amount of Loan</b> \$ 33,000.00	<b>Cumulative Payment To Date</b> -0-	<b>Balance Outstanding at Close of This Period</b> \$ 33,000.00
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):						
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured						
List All Endorsers or Guarantors (if any) to Item B						
1. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
<b>SUBTOTALS</b> This Period This Page (optional) .....				43,729.81		
<b>TOTALS</b> This Period (last page in this line only) .....						
Carry outstanding balance only to LINE 3, Schedule D for this line. If no Schedule D was furnished on previous line of Committee						

89040755250

Name of Committee (In Full) <b>MILTON MARKS' FRIENDS aka MARKS FOR CONGRESS</b>			
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>Milton &amp; Carolene Marks as Community Property 55 Jordan St.- San Francisco, CA 94118</b>	Original Amount of Loan <b>\$ 265,000.00</b>	Cumulative Payment To Date <b>230,000.00</b>	Balance Outstanding at Close of This Period <b>\$ 35,000.00</b>
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>10/82</u> Date Due <u>N/A</u> Interest Rate <u>0</u> % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
B. Full Name, Mailing Address and ZIP Code of Loan Source			
		Original Amount of Loan	Cumulative Payment To Date
			Balance Outstanding at Close of This Period
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
SUBTOTALS This Period This Page (optional) . . . . .			<b>35,000.00</b>
TOTALS This Period (last page in this line only) . . . . .			<b>\$ 78,729.81</b>
Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			

89040755257



TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER }

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
THREE EMBARCADERO CENTER  
EIGHTH FLOOR  
SAN FRANCISCO 94111

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7456

(415) 393-9213

December 30, 1986

Mr. David Kurland  
Bear Stearns and Co., Inc.  
333 Market Street  
San Francisco, California 94105

Re: Milton Marks' Friends Campaign Committee.

Dear Mr. Kurland:

As you are aware, the Federal Elections Commission ("FEC") has been closely scrutinizing the past reports of the Milton Mark's Friends Campaign Committee prepared and filed by you. Responding to these inquiries to date have caused the campaign to incur substantial legal fees, not to mention considerable time and efforts expended by Senator and Mrs. Marks and the new campaign treasurer. Therefore, we request a meeting with you no later than January 12 to discuss the bases for several of the entries made reports filed with the FEC which the FEC has questioned. This will allow us the opportunity to correct, if necessary, the reports filed by you and answer fully and completely the questions of the FEC.

Yours truly,

  
David J. Hodge

DJH/nda

Enclosure

cc: Senator and Mrs. Milton Marks  
Charles Duck

CERTIFIED, NO. P 126 836 545

RETURN RECEIPT REQUESTED..

89040755258

# SUMMARY OF LOANS MADE OR GUARANTEED BY CANDIDATE:

MILTON MARKS  
MARKS FOR CONGRESS COMMITTEE

1982 through 1986

				<u>Balance</u>
<u>Loan #</u>	- Source: Milton Marks	Deposit 9/16/82	125,000.00	
		Payments	<u>-114,270.19</u>	10,729.81
.....				
Loan #	Source: Milton Marks	Deposit 10/25/82	33,000.00	
		Payments	<u>-0-</u>	33,000.00
.....				
Loan #	Source: Milton Marks & Carolene Marks	Deposit 10/27/82	265,000.00	
		Payments	<u>-230,000.00</u>	35,000.00
AMOUNT STILL OWING				<u>\$ 78,729.81</u>

39040755259

Loans Made or Guaranteed by Candidate:

Loan # 1 - Source: Milton Marks

<u>Date</u>	<u>Deposit or Repayment</u>	<u>Original Amount</u>	<u>Less Payments</u>	<u>Balance</u>
<u>1982</u>				
9/16	Deposit to Sec. Natl Bk	\$ 125,000		
9/29	Ck#139 To: Oppenheimer Investment Svcs		6000.00	
10/5	Ck#148 To: Oppenheimer Money Mkt Fund		3914.98	
10/10	Ck#151 To: Oppenheimer Money Mkt Fund		7204.00	
			<u>17118.98</u>	107,881.02
10/18	Ck#156 To: Oppenheimer Money Mkt Fund		16111.04	
10/27	Ck#177 " "		18184.00	
11/2	Ck#186 " "		26460.00	
11/4	Ck#190 To: Oppenheimer Investment Svcs		11168.00	
11/10	Ck#187 To: Milton Marks		5000.00	
11/10	Ck#191 " "		3735.00	
11/19	Ck#192 " "		1385.00	
			<u>82043.04</u>	25,837.98
11/23	Ck#193 To: Milton Marks		1150.00	
12/6	Ck#194 " "		1906.42	
12/18	Ck#195 " "		5000.00	
"	Ck#196 " "		2250.75	15,530.81
<u>1983</u>				
1/7	Ck#198 " "		1400.00	
1/24	Ck#199 " "		990.00	
2/9	Ck#201 " "		931.00	
2/15	Ck#202 " "		325.00	
3/2	Ck#203 " "		155.00	
3/3	Ck#204 " "		1000.00	
			<u>15108.17</u>	10,729.81
<u>1984</u>				
			-0-	10,729.81
<u>1985</u>			-0-	10,729.81
<u>1986</u>			-0-	10,729.81

89040755260

Loans Made or Guaranteed by Candidate:

Loan # 2 - Source: Milton Marks

<u>Date</u>	<u>Deposit or Repayment</u>	<u>Original Amount</u>	<u>Less Payments</u>	<u>Balance</u>
<u>1982</u>				
10/25	Deposit to Security Pac. Natl Bk	\$ 33,000.00	-0-	33,000.00
<u>1983</u>			-0-	33,000.00
<u>1984</u>			-0-	33,000.00
<u>1985</u>			-0-	33,000.00
<u>1986</u>			-0-	33,000.00

89040755261

MILTON MARKS (Marks for Congress Committee)

1982 - 1986

Loans Made or Guaranteed by Candidate:

Loan # 3 - Source: Milton Marks &  
Carolene Marks

<u>Date</u>	<u>Deposit or Repayment</u>	<u>Original Amount</u>	<u>Less Payments</u>	<u>Balance</u>
1982				
10/27	Deposited to Security Pacific Nat'l Bank	\$ 265,000.00	-0-	265,000.00
1983/84			-0-	265,000.00
1985				
6/29			35,000.00	
6/29			15,000.00	
9/4			35,000.00	
9/4			15,000.00	
11/11			35,000.00	
11/11			15,000.00	115,000.00
1986				
3/18			35,000.00	
3/18			15,000.00	
12/30			20,000.00	
12/30			10,000.00	35,000.00

89040755262

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
THREE EMBARCADERO CENTER  
EIGHTH FLOOR  
SAN FRANCISCO 94111

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7436

(415) 393-9213

December 15, 1986

**FEDERAL EXPRESS**

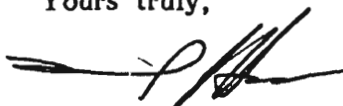
Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, DC 20463

Re: Identification No. C-00153205, Marks For Congress/Friends of Milton Marks.

Dear Ms. Kelly:

Enclosed is a corrected schedule B for inclusion with the campaign report for the quarter ending March 31, 1986. I apologize for the omission of the payment towards principal.

Yours truly,



David J. Hodge

DJH/nda

cc: Mr. Charles Duck

Federal Express No. 2393472793.

89040755265



TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
THREE EMBARCADERO CENTER  
EIGHTH FLOOR  
SAN FRANCISCO 94111

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7456

(415) 393-9213

December 12, 1986

**FEDERAL EXPRESS**

Ms. Robin Kelly  
Reports Analysis Division  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, DC 20463


Re: Identification No. C-00153205, Marks For Congress/Friends of Milton Marks.

Dear Ms. Kelly:

Enclosed are schedules B and C prepared by the Treasurer, Mr. Charles Duck, for inclusion with the campaign report for the quarter ending March 31, 1986. Schedule B reflects a payment of \$15,000 to Senator and Mrs. Marks on the interest accruing on the loan. Schedule C reflects a payment of \$35,000 to Senator and Mrs. Marks on the principal on that loan.

As we discussed several days ago, the Campaign Committee will be filing shortly an amended report as of June 30, 1986, to correct the errors we believe were made when Mr. Kurland was treasurer. Thank you for your assistance.

Yours truly,

  
David J. Hodge

DJH/nda

cc: Senator Milton Marks  
Mr. Charles Duck

Federal Express No. 2393472815.

99040755264

**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

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

FOR LINE NUMBER

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

NAME OF COMMITTEE (in Full)

MILTON MARKS FRIENDS

<b>A. Full Name, Mailing Address and ZIP Code</b> Milton Marks & Carolene Marks As Community Property 55 Jordan Ave. San Francisco, CA 94118	<b>Purpose of Disbursement</b> Interest on Loan # 3 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b> 3/18/86	<b>Amount of Each Disbursement This Period</b> \$ 15,000.00
<b>B. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>C. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>D. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>E. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>F. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>G. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>H. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>I. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

39040755255

**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

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

PAGE 01  
FOR LINE NUMBER

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

NAME OF COMMITTEE (In Full)

**MILTON MARKS FRIENDS**

89040755266

<b>A. Full Name, Mailing Address and ZIP Code</b> Milton Marks & Carolene Marks As Community Property 55 Jordan Avenue San Francisco, CA 94118	<b>Purpose of Disbursement</b> Interest on Loan # 3 Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b> 3/18/86	<b>Amount of Each Disbursement This Period</b> \$15,000.00
<b>B. Full Name, Mailing Address and ZIP Code</b> Milton Marks & Carolene Marks As Community Property 55 Jordan Avenue San Francisco, CA 94118	<b>Purpose of Disbursement</b> Loan #3 Payment on Principal of Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b> 3/18/86	<b>Amount of Each Disbursement This Period</b> \$35,000.00
<b>C. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>D. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>E. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>F. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>G. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>H. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>I. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>

SUBTOTAL of Disbursements This Page (optional) .....

TOTAL This Period (last page this line number only) .....

**LOANS**

Name of Committee (in Full) <b>MILTON MARKS FRIENDS</b>			
<b>A. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton Marks & Carolene Marks as Community Property 55 Jordan Ave. San Francisco, CA 94118 Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	<b>Original Amount of Loan</b>  269,000.00	<b>Cumulative Payment To Date</b>  140,000.00	<b>Balance Outstanding at Close of This Period</b>  129,000.00
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
<b>1. Full Name, Mailing Address and ZIP Code</b>	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>2. Full Name, Mailing Address and ZIP Code</b>	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>3. Full Name, Mailing Address and ZIP Code</b>	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>B. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton Marks & Carolene Marks As Community Property 55 Jordan Ave. San Francisco, CA 94118 Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	<b>Original Amount of Loan</b>  201,800.00	<b>Cumulative Payment To Date</b>  60,000.00	<b>Balance Outstanding at Close of This Period</b>  141,800.00
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
<b>1. Full Name, Mailing Address and ZIP Code</b>  * This amount also reported on Schedule B (attached). Listed here for memo purposes only.	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>2. Full Name, Mailing Address and ZIP Code</b>	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>3. Full Name, Mailing Address and ZIP Code</b>	<b>Name of Employer</b>	[REDACTED]	
	<b>Occupation</b>		
	<b>Amount Guaranteed Outstanding:</b> \$		
<b>SUBTOTALS This Period-This Page (optional)</b> .....			
<b>TOTALS This Period (last page in this line only)</b> .....			
Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			

89040755267

600 4054  
RECEIVED AT THE FEC

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

87 JUL 31 09:14

WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D.C. 20006  
TELEPHONE (202) 463-7444

TELEPHONE (415) 393-9000  
CODE ADDRESS  
"CHICGREG"  
WRITER'S DIRECT DIAL NUMBER

(415) 393-9213

July 28, 1987

87 JUL 31 10:10

RECEIVED  
OFFICE OF THE  
GENERAL COUNSEL

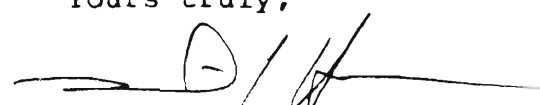
John Drury, Esq.  
Office of the General Counsel  
Federal Elections Commissions  
Washington, D. C. 20463

Re: MUR 2417, Marks For Congress Committee and Charles Duck;  
Carolene Marks.

Dear Mr. Drury:

Enclosed is a copy of the FEC Form 3 concurrently filed with  
the House of Representatives and the California Secretary of State.

Yours truly,

  
David J. Hodge

DJH/nda

Enclosure

89255268

# REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

RECEIVED AT THE FEC  
87 JUL 31 09:14

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)</b>		2. FEC IDENTIFICATION NUMBER <b>C-00015551</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>c/o Charles Duck Jr. 350 California St.</b>		
CITY, STATE and ZIP CODE <b>San Francisco, CA 94118</b>	STATE/DISTRICT	3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

## 4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ Twelfth day report preceding \_\_\_\_\_ (Type of Election)  
election on \_\_\_\_\_ in the State of \_\_\_\_\_
- ☐ July 15 Quarterly Report ☐ Thirtieth day report following the General Election on \_\_\_\_\_  
in the State of \_\_\_\_\_
- ☐ October 15 Quarterly Report ☐ Termination Report
- ☐ January 31 Year End Report
- ☒ July 31 Mid-Year Report (Non-election Year Only)

This report contains activity for ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>1/1/87</u> through <u>6/30/87</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	9,557.50	9,557.50
(b) Total Contribution Refunds (from Line 20(d))		
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	9,557.50	9,557.50
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	1,000.00	1,000.00
(b) Total Offsets to Operating Expenditures (from Line 14)		
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	1,000.00	1,000.00
8. Cash on Hand at Close of Reporting Period (from Line 27)	19,420.30	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)		
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	78,729.81	

For further information  
contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

**Charles Duck Jr.**

Signature of Treasurer

Date

7/22/87

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

**FEC FORM 3**  
(revised 4/87)



# DETAILED SUMMARY PAGE

of Receipts and Disbursements

(Page 2, FEC FORM 3)

Name of Committee (in full)

**MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)**

Report Covering the Period:

From: 1/1/87

To: 6/30/87

## I. RECEIPTS

COLUMN A  
Total This Period

COLUMN B  
Calendar Year-To-Date

### 11. CONTRIBUTIONS (other than loans) FROM:

(a) Individuals/Persons Other Than Political Committees

(i) Itemized (use Schedule A)

(ii) Unitemized

(iii) Total of contributions from individuals

(b) Political Party Committees

(c) Other Political Committees (such as PACs)

(d) The Candidate

(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))

8,365.00

1,192.50

9,557.50

9,557.50

9,557.50

9,557.50

### 12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES.

### 13. LOANS:

(a) Made or Guaranteed by the Candidate

(b) All Other Loans

(c) TOTAL LOANS (add 13(a) and (b))

### 14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)

### 15. OTHER RECEIPTS (Dividends, Interest, etc.)

343.52

343.52

### 16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)

9,901.02

9,901.02

## II. DISBURSEMENTS

### 17. OPERATING EXPENDITURES

1,000.00

1,000.00

### 18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES.

### 19. LOAN REPAYMENTS:

(a) Of Loans Made or Guaranteed by the Candidate

(b) Of All Other Loans

(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))

### 20. REFUNDS OF CONTRIBUTIONS TO:

(a) Individuals/Persons Other Than Political Committees

(b) Political Party Committees

(c) Other Political Committees (such as PACs)

(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))

### 21. OTHER DISBURSEMENTS

### 22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21).

1,000.00

1,000.00

## III. CASH SUMMARY

### 23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD

\$ 10,519.28

### 24. TOTAL RECEIPTS THIS PERIOD (from Line 16)

\$ 9,901.02

### 25. SUBTOTAL (add Line 23 and Line 24)

\$ 20,420.30

### 26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)

\$ 1,000.00

### 27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25).

\$ 19,420.30

99040755270

11(a)(i)

11(a)(ii)

11(a)(iii)

11(b)

11(c)

11(d)

11(e)

12

13(a)

13(b)

13(c)

14

15

16

17

18

19(a)

19(b)

19(c)

20(a)

20(b)

20(c)

20(d)

21

22

23

24

25

26

27

**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 1 of 3 for  
**LINE NUMBER** \_\_\_\_\_  
 (Use separate schedule for each  
 category of the Donor's  
 (Inventory Page)

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

Name of Committee (in Full)

**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> R. Blitz, MD 12958 Blairwood Studio City, CA 91604	<b>Name of Employer</b> R & M Blitz  <b>Occupation</b> Physician/Partner	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 500.00		
<b>B. Full Name, Mailing Address and ZIP Code</b> Alfred M. Bloch, MD 1830 W. Olympic Blvd., Ste 124 Los Angeles, CA 90006	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Physician	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 500.00		
<b>C. Full Name, Mailing Address and ZIP Code</b> James Dahlgren, MD 619 Moreno Avenue Los Angeles, CA 90049	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Physician	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 500.00		
<b>D. Full Name, Mailing Address and ZIP Code</b> Al Galletti 1729 East 21st Street Los Angeles, CA 90058	<b>Name of Employer</b> Galletti Brothers Investments  <b>Occupation</b> Investments, Partner	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 500.00		
<b>E. Full Name, Mailing Address and ZIP Code</b> Edward D. Giron 4910 Van Nuys Blvd., Ste 300 Sherman Oaks, CA 91403	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Consultant	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 250.00		
<b>F. Full Name, Mailing Address and ZIP Code</b> Harland J. Lee 310 WASHINGTON St., Ste P214 Marina Del Rey, CA 90292	<b>Name of Employer</b> Self Employed  <b>Occupation</b> Developer	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 500.00		
<b>G. Full Name, Mailing Address and ZIP Code</b> Helen Meisel 251 - 24th Street Santa Monica, CA 90402	<b>Name of Employer</b> None  <b>Occupation</b> Housewife	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Aggregate Year-to-Date—\$</b> 1,000.00		
<b>SUBTOTAL of Receipts This Page (optional)</b>			3,750.00

# SCHEDULE A

# ITEMIZED RECEIPTS

Page 2 of 3 for  
 LINE NUMBER \_\_\_\_\_  
 (Use separate schedules for each  
 category of the Detailed  
 Summary Page)

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

Name of Committee (in Full)

**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Stephen B. Meisel, M.D. 251 - 24th Street Santa Monica, CA 90402	<b>Name of Employer</b> Self Employed	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 1,000.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Physician	<b>Aggregate Year-to-Date—\$</b> 1,500.00	
<b>B. Full Name, Mailing Address and ZIP Code</b> Dr. Sarkis Mesrobian, MD 2901 Wilshire Blvd., Ste 103 Santa Monica, CA 90403	<b>Name of Employer</b> Self Employed	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Physician	<b>Aggregate Year-to-Date—\$</b> 500.00	
<b>C. Full Name, Mailing Address and ZIP Code</b> S. D. Proffitt, M.D. 17330 Brookhurst St., Ste 310 Fountain Valley, CA 92708	<b>Name of Employer</b> Self Employed	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Physician	<b>Aggregate Year-to-Date—\$</b> 500.00	
<b>D. Full Name, Mailing Address and ZIP Code</b> Victor Sampson 9225 Alabama, No. A Charsworth, CA 91311	<b>Name of Employer</b> Don Ricardo REstaurant	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Owner	<b>Aggregate Year-to-Date—\$</b> 500.00	
<b>E. Full Name, Mailing Address and ZIP Code</b> Joel Scherr 8631 West 3rd St., Ste 245E Los Angeles, CA 90048	<b>Name of Employer</b> Joel Scherr, Inc..	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 750.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Owner	<b>Aggregate Year-to-Date—\$</b> 750.00	
<b>F. Full Name, Mailing Address and ZIP Code</b> Alberto Salcedo, M.D. 8140 Cornett Drive Los Angeles, CA 90046	<b>Name of Employer</b> Self Employed	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 250.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Physician	<b>Aggregate Year-to-Date—\$</b> 250.00	
<b>G. Full Name, Mailing Address and ZIP Code</b> Stanley D. Shapiro 1523 Malcolm Avenue Los Angeles, CA 90024	<b>Name of Employer</b> Mobil Medical Diagnostic	<b>Date (month, day, year)</b> 5/8/87	<b>Amount of Each Receipt This Period</b> 750.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XII Other (specify):</b> '82 General	<b>Occupation</b> Chief Exec Officer	<b>Aggregate Year-to-Date—\$</b> 750.00	
<b>SUBTOTAL of Receipts This Page (optional)</b>			4,250.00

**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 3 of 3 for  
**LINE NUMBER** \_\_\_\_\_  
 (Use separate schedule(s) for each  
 category of the Detailed  
 Summary Page)

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Name of Committee (in Full)  
**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Carol Marks P.O. Box 236 South Roy, Hon, VT	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 4/1/87	<b>Amount of Each Receipt This Period</b> 65.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Student	<b>Aggregate Year-to-Date—\$</b> 850.00	
<b>B. Full Name, Mailing Address and ZIP Code</b> Frank P. Fontaine 804 Sunshine Court Parlin, New Jersey 08859	<b>Name of Employer</b> Clayton Container Corp.	<b>Date (month, day, year)</b> 4/1/87	<b>Amount of Each Receipt This Period</b> 300.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Manager	<b>Aggregate Year-to-Date—\$</b> 300.00	
<b>C. Full Name, Mailing Address and ZIP Code</b> 7 2 5	<b>Name of Employer</b>   	<b>Date (month, day, year)</b>   	<b>Amount of Each Receipt This Period</b>   
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>D. Full Name, Mailing Address and ZIP Code</b> 0 7	<b>Name of Employer</b>   	<b>Date (month, day, year)</b>   	<b>Amount of Each Receipt This Period</b>   
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>E. Full Name, Mailing Address and ZIP Code</b> 8	<b>Name of Employer</b>   	<b>Date (month, day, year)</b>   	<b>Amount of Each Receipt This Period</b>   
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>F. Full Name, Mailing Address and ZIP Code</b>   	<b>Name of Employer</b>   	<b>Date (month, day, year)</b>   	<b>Amount of Each Receipt This Period</b>   
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>G. Full Name, Mailing Address and ZIP Code</b>   	<b>Name of Employer</b>   	<b>Date (month, day, year)</b>   	<b>Amount of Each Receipt This Period</b>   
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>SUBTOTAL of Receipts This Page (optional)</b>			365.00

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NAME OF COMMITTEE (in Full)

**MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)**

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Chickering & Gregory #2 Embarcadero Ctr, 7th Flr. San Francisco, CA 94111	Partial payment on Research Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	2/23/87	1,000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional) ..... 1,000.00

TOTAL This Period (last page this line number only) ..... \$ 1,000.00

89040755274



**LOANS**

1 of 2 for  
LINE NUMBER 10  
Use separate schedules  
for each numbered line)

Name of Committee (in Full) <b>MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)</b>			
A. Full Name, Mailing Address and ZIP Code of Loan Source  Milton Marks #1 55 Jordan Ave. San Francisco, CA 94118	Original Amount of Loan  \$125,000.00	Cumulative Payment To Date  114,270.19	Balance Outstanding at Close of This Period  \$ 10,729.81
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code  From Candidate's personal funds	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source  Milton Marks #2 55 Jordan Ave. San Francisco, CA 94118			
Original Amount of Loan  \$ 33,000.00		Cumulative Payment To Date  -0-	Balance Outstanding at Close of This Period  \$ 33,000.00
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$		
SUBTOTALS This Period This Page (optional) . . . . .			43,729.81
TOTALS This Period (last page in this line only) . . . . .			
Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			



**LOANS**

Name of Committee (in Full) <b>MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)</b>				
<b>A. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton & Carolene Marks as Community Property 55 Jordan St. San Francisco, CA 94118 Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	<b>Original Amount of Loan</b> \$ 265,000.00	<b>Cumulative Payment To Date</b> 230,000.00	<b>Balance Outstanding at Close of This Period</b> \$ 35,000.00	
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item A				
1. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
2. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
3. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
<b>B. Full Name, Mailing Address and ZIP Code of Loan Source</b> Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):				
		<b>Original Amount of Loan</b> _____	<b>Cumulative Payment To Date</b> _____	<b>Balance Outstanding at Close of This Period</b> _____
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured				
List All Endorsers or Guarantors (if any) to Item B				
1. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
2. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
3. Full Name, Mailing Address and ZIP Code	Name of Employer			
	Occupation			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
	Amount Guaranteed Outstanding: \$			
<b>SUBTOTALS This Period This Page (optional)</b>			35,000.00	
<b>TOTALS This Period (last page in this line only)</b>			\$ 78,729.81	
Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.				

82040755270

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

(415) 393-9213

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

Q0046234  
RECEIVED  
FEDERAL ELECTION COMMISSION  
FILED

88 FEB -1 PM 1:05  
WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7444

January 28, 1988

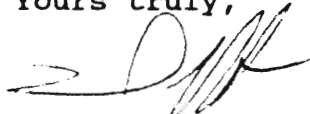
John Drury, Esq.  
Office of the General Counsel  
Federal Elections Commission  
Washington, D. C. 20463

Re: MUR 2417, Marks for Congress Committee and  
Charles Duck; Carolene Marks

Dear Mr. Drury:

Enclosed is a copy of the FEC Form 3 concurrently  
filed with the House of Representatives and the California  
Secretary of State.

Yours truly,



David J. Hodge

DJH:cdg

Enclosure

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 FEB -1 PM 3:00

89040755277

# REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

88 FEB -1 PM 1:05

USE FEC MAILING LABEL  
OR  
TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <b>MILTON MARKS' FRIENDS</b>		2. FEC IDENTIFICATION NUMBER <b>C-00153205</b>
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. <b>c/o Charles Duck Jr. 350 California St., Ste. 1990</b>		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CITY, STATE and ZIP CODE <b>San Francisco, CA 94118</b>	STATE/DISTRICT <b>CA</b>	

## 4. TYPE OF REPORT

<input type="checkbox"/> April 15 Quarterly Report	<input type="checkbox"/> Twelfth day report preceding _____ (Type of Election)
<input type="checkbox"/> July 15 Quarterly Report	election on _____ in the State of _____
<input type="checkbox"/> October 15 Quarterly Report	<input type="checkbox"/> Thirtieth day report following the General Election on _____
<input checked="" type="checkbox"/> January 31 Year End Report	_____ in the State of _____
<input type="checkbox"/> July 31 Mid-Year Report (Non-election Year Only)	<input type="checkbox"/> Termination Report

This report contains activity for ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

## SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
7-1-87 through 12-31-87		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	5,180.00	14,737.50
(b) Total Contribution Refunds (from Line 20(d))	500.00	500.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	4,680.00	14,237.50
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	-0-	1,000.00
(b) Total Offsets to Operating Expenditures (from Line 14)	1,150.00	1,150.00
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	(1,150.00)	( 150.00 )
8. Cash on Hand at Close of Reporting Period (from Line 27)	25,891.20	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)		
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	78,729.81	

**For further information contact:**  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
Toll Free 800-424-9530  
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Charles Duck Jr.

Signature of Treasurer

Date

1-15-88

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

**FEC FORM 3**  
(revised 4/87)

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# DETAILED SUMMARY PAGE

of Receipts and Disbursements

(Page 2, FEC FORM 3)

Name of Committee (in full) <b>MILTON MARKS' FRIENDS</b>		Report Covering the Period: From: <b>7-1-87</b> To: <b>12-31-87</b>	
<b>I. RECEIPTS</b>		<b>COLUMN A Total This Period</b>	<b>COLUMN B Calendar Year-To-Date</b>
<b>11. CONTRIBUTIONS (other than loans) FROM:</b>			
(a) Individuals/Persons Other Than Political Committees			
(i) Itemized (use Schedule A)		2500.00	
(ii) Unitemized		180.00	
(iii) Total of contributions from individuals		2680.00	12,237.50
(b) Political Party Committees			
(c) Other Political Committees (such as PACs)		2500.00	2,500.00
(d) The Candidate			
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))		5180.00	14,737.50
<b>12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES.</b>			
<b>13. LOANS:</b>			
(a) Made or Guaranteed by the Candidate			
(b) All Other Loans			
(c) TOTAL LOANS (add 13(a) and (b))			
<b>14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)</b>		1150.00	1,150.00
<b>15. OTHER RECEIPTS (Dividends, Interest, etc.)</b>		640.90	984.42
<b>16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)</b>		6970.90	16,871.92
<b>II. DISBURSEMENTS</b>			
<b>17. OPERATING EXPENDITURES</b>			1,000.00
<b>18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES.</b>			
<b>19. LOAN REPAYMENTS:</b>			
(a) Of Loans Made or Guaranteed by the Candidate			
(b) Of All Other Loans			
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))			
<b>20. REFUNDS OF CONTRIBUTIONS TO:</b>			
(a) Individuals/Persons Other Than Political Committees		500.00	500.00
(b) Political Party Committees			
(c) Other Political Committees (such as PACs)			
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))		500.00	500.00
<b>21. OTHER DISBURSEMENTS</b>			
<b>22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21)</b>		500.00	1,500.00

## III. CASH SUMMARY

23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD	\$	19,420.30	23
24. TOTAL RECEIPTS THIS PERIOD (from Line 16)	\$	6,970.90	24
25. SUBTOTAL (add Line 23 and Line 24)	\$	26,391.20	25
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	\$	500.00	26
27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	\$	25,891.20	27

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**SCHEDULE A**

**ITEMIZED RECEIPTS**

Page 1 of 2 for  
 LINE NUMBER 116 + 116  
 (Use separate schedule(s) for each  
 category of the Detailed  
 Summary Page)

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

Name of Committee (in Full)

**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

A. Full Name, Mailing Address and ZIP Code

SEIU COPE FUND PCC  
 1313 L Street, N.W.  
 Washington, DC 20005

Name of Employer

Date (month,  
 day, year)  
 7/6/87

Amount of Each  
 Receipt This Period  
 2,500.00

Occupation

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$ 2,500.00

B. Full Name, Mailing Address and ZIP Code

Richard Crosby, MD  
 431 Burnett Avenue  
 San Francisco, CA 94131

Name of Employer  
 Med America

Date (month,  
 day, year)  
 7/20/87

Amount of Each  
 Receipt This Period  
 500.00

Occupation  
 Physician

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$ 500.00

C. Full Name, Mailing Address and ZIP Code

Herbert H. Dedo, MD  
 50 Glenbrook Avenue  
 San Francisco, CA 94114

Name of Employer  
 Self Employed

Date (month,  
 day, year)  
 7/20/87

Amount of Each  
 Receipt This Period  
 500.00

Occupation  
 Physician

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$ 600.00

D. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month,  
 day, year)

Amount of Each  
 Receipt This Period

Occupation

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$

E. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month,  
 day, year)

Amount of Each  
 Receipt This Period

Occupation

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$

F. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month,  
 day, year)

Amount of Each  
 Receipt This Period

Occupation

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$

G. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month,  
 day, year)

Amount of Each  
 Receipt This Period

Occupation

Receipt For: ☐ Primary ☐ General  
 XRI Other (specify): '82 General

Aggregate Year-to-Date—\$

SUBTOTAL of Receipts This Page (optional)

3,500.00

# SCHEDULE A

# ITEMIZED RECEIPTS

Page 1 of 2 for  
 LINE NUMBER 1165  
 (Use separate schedule(s) for each  
 category of the Detailed  
 Summary Page)

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

Name of Committee (in Full)  
**MILTON MARKS' FRIENDS (Formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Victoria Ascher 55 Jordan Street SF, CA 94118	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 11/18/87	<b>Amount of Each Receipt This Period</b> 700.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Student	<b>Aggregate Year-to-Date—\$</b> 700.00	
<b>B. Full Name, Mailing Address and ZIP Code</b> Louis E. Girling, Jr. 6321 Constance Street New Orleans, LA 70118	<b>Name of Employer</b> Retired	<b>Date (month, day, year)</b> 11/18/87	<b>Amount of Each Receipt This Period</b> 500.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Retired	<b>Aggregate Year-to-Date—\$</b> 500.00	
<b>C. Full Name, Mailing Address and ZIP Code</b> Victoria Ascher 55 Jordan Street SF, CA 94118	<b>Name of Employer</b> Student	<b>Date (month, day, year)</b> 12/23/87	<b>Amount of Each Receipt This Period</b> 300.00
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b> Student	<b>Aggregate Year-to-Date—\$</b> 1,000.00	
<b>D. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>E. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>F. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>G. Full Name, Mailing Address and ZIP Code</b>  	<b>Name of Employer</b>  	<b>Date (month, day, year)</b>  	<b>Amount of Each Receipt This Period</b>  
<b>Receipt For:</b> <input type="checkbox"/> Primary <input type="checkbox"/> General <b>XX Other (specify):</b> '82 General	<b>Occupation</b>  	<b>Aggregate Year-to-Date—\$</b>	
<b>SUBTOTAL of Receipts This Page (optional)</b>			1,500.00

1  
2  
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**SCHEDULE B**

**ITEMIZED DISBURSEMENTS**

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

PAGE 1 OF 1  
FOR LINE NUMBER

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

**NAME OF COMMITTEE (in Full)**

**MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)**

<b>A. Full Name, Mailing Address and ZIP Code</b> Steven Meisel 251 24th St. Santa Monica, CA 90402	<b>Purpose of Disbursement</b> Contribution overpayment Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) '82 General	<b>Date (month, day, year)</b> 10/29/87	<b>Amount of Each Disbursement This Period</b> 500.00
<b>B. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>C. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>D. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>E. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>F. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>G. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>H. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>I. Full Name, Mailing Address and ZIP Code</b>	<b>Purpose of Disbursement</b> Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	<b>Date (month, day, year)</b>	<b>Amount of Each Disbursement This Period</b>
<b>SUBTOTAL of Disbursements This Page (optional)</b>			500.00
<b>TOTAL This Period (last page this line number only)</b>			500.00

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Name of Committee (in Full) <b>MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)</b>			
A. Full Name, Mailing Address and ZIP Code of Loan Source <b>Milton Marks #1 55 Jordan Ave. San Francisco, CA 94118</b>	Original Amount of Loan <b>\$125,000.00</b>	Cumulative Payment To Date <b>114,270.19</b>	Balance Outstanding at Close of This Period <b>\$ 10,729.81</b>
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code  <b>From Candidate's personal funds</b>	Name of Employer  	Occupation  	Amount Guaranteed Outstanding: \$
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
B. Full Name, Mailing Address and ZIP Code of Loan Source <b>Milton Marks #2 55 Jordan Ave. San Francisco, CA 94118</b>			
Original Amount of Loan <b>\$ 33,000.00</b>		Cumulative Payment To Date <b>-0-</b>	Balance Outstanding at Close of This Period <b>\$ 33,000.00</b>
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
SUBTOTALS This Period This Page (optional) .....			<b>43,729.81</b>
TOTALS This Period (last page in this line only) .....			

Name of Committee (in Full) <b>MILTON MARKS' FRIENDS (formerly MARKS FOR CONGRESS)</b>						
<b>A. Full Name, Mailing Address and ZIP Code of Loan Source</b> Milton & Carolene Marks as Community Property 55 Jordan St. San Francisco, CA 94118 Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	<b>Original Amount of Loan</b> \$ 265,000.00	<b>Cumulative Payment To Date</b> 230,000.00	<b>Balance Outstanding at Close of This Period</b> \$ 35,000.00			
Terms: Date Incurred <u>10/82</u> Date Due _____ Interest Rate _____ % (april) <input type="checkbox"/> Secured						
List All Endorsers or Guarantors (if any) to Item A						
1. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
<b>B. Full Name, Mailing Address and ZIP Code of Loan Source</b>   Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):				<b>Original Amount of Loan</b>   	<b>Cumulative Payment To Date</b>   	<b>Balance Outstanding at Close of This Period</b>   
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (april) <input type="checkbox"/> Secured						
List All Endorsers or Guarantors (if any) to Item B						
1. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
2. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
3. Full Name, Mailing Address and ZIP Code	Name of Employer  Occupation  Amount Guaranteed Outstanding: \$					
<b>SUBTOTALS</b> This Period This Page (optional) .....				35,000.00		
<b>TOTALS</b> This Period (last page in this line only) .....				35,000.00		
Carry outstanding balance .....						

BEFORE THE FEDERAL ELECTION COMMISSION

88 JUN -1 AM 9:35

In the Matter of )  
 )  
Milton Marks' Friends and Charles ) MUR 2417  
Duck, Jr., as treasurer and; )  
Carolene Marks )

EXECUTIVE SESSION  
JUN 07 1988

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by the Reports Analysis Division (RAD) after a review of the disclosure reports of Milton Marks' Friends, formerly the Marks for Congress Committee. ("Marks Committee").<sup>1/</sup> The RAD review revealed that the Marks for Congress Committee had received and partially repaid an apparently excessive contribution in the form of a loan from the candidate's spouse, Carolene Marks. Based on the foregoing, on May 19, 1987, the Commission found reason to believe Carolene Marks violated 2 U.S.C. § 441(a)(a)(1)(A) by making an excessive contribution to the Marks Committee. The Commission also found reason to believe the Marks Committee violated 2 U.S.C. § 441a(f) by accepting the excessive contribution.

On June 19, 1987, this Office granted Respondents' request for an extension of time until July 7, 1987, to respond to the Commission's notification of reason to believe. On June 29, 1987, the Office of General Counsel received Respondents' response to the Commission's notification of reason to believe. (Attachment 1). Respondents, therein, request no further action

<sup>1/</sup> It appears that from 1984-1987, the Marks Committee filed reports in the name of Milton Marks' Friends (AKA Marks for Congress Committee). The 1987 Mid-Year Report, however, lists the Committee as Milton Marks' Friends (formerly Marks for Congress Committee). On October 19, 1987, based on the 1987 Mid-Year Report, the name of the Committee was changed in the Commission's data base to Milton Marks' Friends.

in this matter or, in the alternative, conciliation prior to a finding of probable cause to believe (Attachment 1).<sup>2/</sup>

## II. ANALYSIS

Essentially, Respondents' answer to the Commission's notification of reason to believe described the circumstances leading up to the apparent violations of the Act by the Marks Committee and Carolene Marks. The Marks Committee explained that they had two treasurers prior to when Mr. Duck (the present treasurer) assumed the position in 1986. Mr. Kurland, a securities account executive with Bear, Stearns & Co., was the immediate predecessor of Mr. Duck, and he also handled the accounts used as collateral for the funds borrowed by Mr. and Mrs. Marks. (Attachment 1, page 1). According to Respondents, a review of the records of the Marks Committee and the security accounts handled by Mr. Kurland revealed irregularities in the handling of these accounts. (Attachment 1, page 1). Subsequently, it appears that Mr. Kurland resigned as treasurer, and the securities accounts were taken from his control. (Attachment 1, page 1).

Respondents admit that they were able to determine that both Mr. Kurland and Mr. Burns (the original treasurer) made numerous errors in handling the affairs of the Committee. (Attachment 1, page 1). Specifically, Respondents note that "one of the errors apparently was in accepting a loan from Mr. and Mrs. Marks which exceeded the limitations imposed by 2 U.S.C. § 441a(a)(1)(A) and

<sup>2/</sup> On July 28, 1987, and January 28, 1988, this Office also received copies of the 1987 Mid-Year Report and 1987 Year-End Report.

the Commission's rule 110.10(b)(3)".<sup>3/</sup> (Attachment 1, page 1). The Marks Committee believes, however, that it has already repaid the amount of the loan that exceeded the limitations. (Attachment 1, page 1). Moreover, Respondents state that the \$35,000 balance remaining on the \$265,000 loan is a debt owed solely to Mr. Marks. (Attachment 1, page 1).

Respondents indicate that past errors in reporting the loans have been corrected. In support of this assertion, Respondents cite to a letter to RAD dated January 29, 1987, and an accompanying amendment to the 1986 Year End Report. (Attachment 1, pages 5-17). Additionally, Respondents included with this amendment to the 1986 Year End Report a table showing the paying down of the \$265,000 loan by the Marks Committee. (Attachment 1, pages 19-22). Respondents also enclosed copies of correspondence and reports previously sent to RAD. (Attachment 1, pages 18, 23-27).

The letter to RAD dated January 29, 1987, accompanying the 1986 Year End Report Amendment, appears to add additional information relevant to our inquiry. Contrary to previously filed reports by Mr. Kurland, the letter indicates that the \$265,000 loan was non-interest bearing. (Attachment 1, page 5). Furthermore, the letter states that reductions noted in previous reports should have been applied to the principal instead of

<sup>3/</sup> Respondents incorrectly cite to 11 C.F.R. § 110.10(b)(3), which as noted, infra, at footnote 4, was not in effect at the time of the transaction in question.

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principal and interest. (Attachment 1, page 5). According to Respondents, the above-mentioned reference to tables showing the loan pay down corrected this error. (Attachment 1, pages 5 and 19-22). The letter of January 29, 1987, also states that the \$265,000 loan was collateralized by securities in accounts at a broker-dealer and that the total value of the securities at the time the loans were made was approximately \$445,274.

(Attachment 1, page 5). Respondents contend that the "Senator and Mrs. Marks considered these accounts as community property under California law". (Attachment 1, page 5).

In conclusion, Respondents assert that every effort has been made to discover and correct errors in reports to the Commission. Respondents contend that no further action should be taken since the reporting of the loans has been corrected and the only outstanding debt on the loan in question is the \$35,000 owed to Mr. Marks. (Attachment 1, page 5). According to Respondents, the Committee's only activity now is the retirement of debts. In addition, the Committee notes that Mr. Marks is willing to forgive any monies owed him by the Marks Committee so that it can pay miscellaneous debts with the Marks Committee's cash on hand and request administrative termination.

As noted in the First General Counsel Report dated May 7, 1987, the securities used to collateralize the \$265,000 loan were held in four accounts. Two accounts were in the name of Mr. and Mrs. Marks and two accounts were in name of Mrs. Marks alone. The accounts in the names of Mr. and Mrs. Marks yielded \$5,000

and \$10,000, respectively, for a total of \$15,000. The accounts in Mrs. Marks name alone yielded \$100,000 and \$150,000, respectively, for a total of \$250,000. According to the counsel for Respondents, Mr. and Mrs. Marks considered these accounts community property under California law.

In this case, an analysis of the personal funds exception is pivotal to a determination of whether there is a violation of 2 U.S.C. § 441(a)(a)(2)(A) for exceeding the contribution limits of the Act. Pursuant to Section 110.10(a) candidates are allowed to make unlimited expenditures from personal funds. Personal funds are defined at Section 110.10(b)(1)<sup>4/</sup> as follows:

1) any assets to which at the time he or she became a candidate the candidate had legal and rightful title, or with respect to which the candidate had the right of beneficial enjoyment, under applicable State law, and which the candidate had legal right of access to or control over, including funds from immediate family members....

With regard to the ownership interest in community property, 11 C.F.R. § 110.10(b) required that the candidate have legal access and control over the asset coupled with legal title or the right to beneficial enjoyment. Although in California each spouse has legal access and control of the whole of the community property, they only retain a legal right to one half the asset held as community property. Therefore, Mr. Marks has a one-half ownership interest in any assets determined to be community property.

<sup>4/</sup> The First General Counsel incorrectly cites revised regulations effective April 27, 1983 subsequent to the transaction in this matter. However, the above cited regulation in force at the time of the transaction would give the same result.

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While the issue of Mr. Marks ownership interest in the assets in question has been determined, significant questions surrounding the transaction in question remain unanswered. First, it is still not clear whether the accounts in Mrs. Marks name alone, yielding \$250,000, are the separate property of Mrs. Marks, or whether the accounts are community property of Mr. and Mrs. Marks. Though Respondents have asserted repeatedly that these accounts were considered community property by both Mr. and Mrs. Marks under California law, they have submitted no evidence substantiating this claim.

Second, the exact value of each asset used to secure the \$265,000 loan is still unclear. While Respondents state that the total value of the securities when the loans were made was \$445,274, the basis for the valuation is unknown. Additionally, this Office cannot determine from the available evidence the value of the assets per account or whether the total amount of the assets were used to secure the \$265,000 loan.

Third, since the loan was \$265,000 it is possible that only a part of the assets were used to secure the loan. In that case, the extent of the violation may be affected. Even assuming that the accounts were community property and valued at \$445,274, however, an apparent excessive contribution by Mrs. Marks would still result since Mr. Marks appears to have a right to claim only \$222,637 as personal funds. Therefore, excluding the \$1,000 permitted under the contribution limits of the Act, Mrs. Marks

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may have exceeded the contribution limits by \$41,363. 5/

Therefore, the Office of General Counsel recommends that the Commission decline at this time to enter conciliation with the Marks Committee and Carolene Marks prior to a finding of probable cause to believe. The attached interrogatories and request for documents are also submitted for Commission approval. The interrogatories and request for documents explore the issues of the nature of the assets as separate and community property as well as the value and amount of the assets pledged to secure the loan in question.

### III. RECOMMENDATIONS

1. Decline at this time to enter into conciliation prior to a finding of probable cause to believe with Milton Marks' Friends and Charles Duck, Jr., as treasurer.
2. Approve attached interrogatories and request for documents.
3. Approve and send attached letter.

Lawrence M. Noble  
General Counsel

Date

5/31/88

BY:

  
Lois G. Lerner  
Associate General Counsel

#### Attachments

1. Response of Respondents
2. Letter to Respondents
3. Interrogatories and Request for Documents

5/ Mrs. Marks contribution, assuming that the total assets were \$445,274, would be Mr. Marks interest in those assets (\$222,637) subtracted from the loan in question (\$265,000) for a total of \$42,363.

Staff Person: Deborah Curry

89040755291



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/KAREN E. TRACHET  
COMMISSION SECRETARY

DATE: JUNE 2, 1988

SUBJECT: MUR 2417 - General Counsel's Report  
Signed May 31, 1988

The above-captioned document was circulated to the  
Commission on WEDNESDAY, JUNE 1, 1988, at 4:00.

Objection(s) have been received from the Commissioner(s)  
as indicated by the name(s) checked below:

Commissioner Aikens	<u>X</u>
Commissioner Elliott	<u>X</u>
Commissioner Josefiak	<u>          </u>
Commissioner McDonald	<u>          </u>
Commissioner McGarry	<u>          </u>
Commissioner Thomas	<u>          </u>

This matter will be placed on the meeting agenda  
for JUNE 7, 1988.

Please notify us who will represent your Division before the  
Commission on this matter.

89040755292

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Milton Marks' Friends and Charles ) MUR 2417  
Duck, Jr., as treasurer; and )  
Carolene Marks )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 7, 1988, do hereby certify the Commission decided by a vote of 4-1 to take the following actions in MUR 2417:

1. Decline at this time to enter into conciliation prior to a finding of probable cause to believe with Milton Marks' Friends and Charles Duck, Jr., as treasurer.
2. Approve the interrogatories and request for documents as recommended in the General Counsel's report dated May 31, 1988.
3. Approve and send the letter attached to the General Counsel's report dated May 31, 1988.

Commissioners Aikens, Josefiak, McDonald, and Thomas voted affirmatively for the decision; Commissioner Elliott dissented; Commissioner McGarry was not present at the time of the vote.

Attest:

6/8/88  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

89040755293





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 9, 1988

David J. Hodge, Esquire  
Chickering & Gregory, P.C.  
Two Embarcadero Center  
San Francisco, CA 94111

RE: MUR 2417  
Milton Marks' Friends Committee  
and Charles Duck, Jr., as  
treasurer and Carolene Marks

Dear Mr. Hodge:

On May 27, 1987, you were notified that the Federal Election Commission found reason to believe that your clients, Milton Marks' Friends Committee and Charles Duck, as treasurer and Carolene Marks violated 2 U.S.C. §§ 441a(f) and 441(a)(1)(A) respectively. On June 29, 1987, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe. We apologize for the delay in responding to your request.

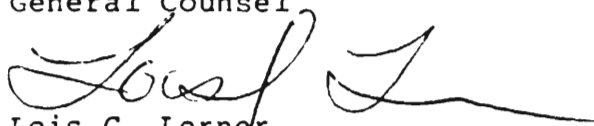
The Commission has reviewed your request and determined to decline at this time to enter into conciliation prior to a finding of probable cause to believe because additional information is necessary. The Commission requires the information requested in the attached interrogatories and request for documents. Such information should be submitted to the Office of the General Counsel within 15 days of receipt of this letter.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

If you have any questions please contact Deborah Curry, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

Enclosure

89040755294

**HAND DELIVERED**  
RECEIVED  
2649655

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

(415) 393-9213

88 JUN 30 11:10:49

WASHINGTON D. C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006

TELEPHONE (202) 463-7444

June 29, 1988

VIA FEDERAL EXPRESS

Deborah Curry, Esq.  
Office of the General Counsel  
Federal Elections Commission  
Room 659  
999 "E" Street, N.W.  
Washington, DC 20463

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 JUN 30 PM 3:33

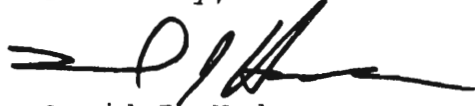
Re: MUR 2417, Response to Interrogatories and Request  
For Production of Documents

Dear Ms. Curry:

As we discussed today, I request an extension to  
July 7, 1988 to respond to the Interrogatories and Request  
For Production of Documents which we received June 14, 1988.  
The purpose of the extension is to allow more time to gather  
information about the transactions in 1982.

Thank you for your cooperation.

Sincerely,

  
David J. Hodge

DJH/dri

cc: Senator and Mrs. Carolene Marks

565552040068

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

LAW OFFICES OF  
**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

600# 9777  
FEDERAL  
88 JUL 14 11:17  
WASHINGTON D.C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D.C. 20006  
TELEPHONE (202) 463-7444

(415) 393-9213

July 7, 1988

Deborah Curry, Esq.  
Office of the General Counsel  
Federal Elections Commission  
999 E. Street, N.W., Room 659  
Washington, D.C. 20463

Re: MUR 2417

Dear Ms. Curry:

Enclosed is the Response to Interrogatories and Request For Production of Documents of Carolene Marks ("Response"). As we discussed on June 21, the responses to several of the interrogatories is by production of the Forms T-4 of the Federal Reserve for each of the four securities accounts.

Interrogatory No. 9 asks Mrs. Marks her basis for believing the securities in question are community property. I believe it is appropriate to explain, albeit briefly, current applicable California law of community property. The securities may have initially come from the separate property of Mrs. Marks. However, Mrs. Marks' treatment of the securities accounts and statements "transmuted" the property from separate property to community property when the loans were made. Although such transmutation need not be in writing, our earlier letters to the Commission on her behalf and the Response signed by her would constitute written evidence in a court of law of transmutation.

Transmutation limits Mrs. Marks' rights to dispose of the property by will and in any marital dissolution. Therefore, her statements on the issue have an affect on her property interests separate of this MUR and are not merely self-serving, a fact the Commission should consider in its deliberations.

88 JUL 14 PM 1:35

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FEDERAL ELECTIONS COMMISSION  
JUL 14 1988

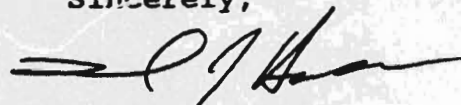
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**CHICKERING & GREGORY**  
A PROFESSIONAL CORPORATION

Deborah Curry, Esq.  
July 7, 1988  
Page -2-

Please feel free to contact me if you have any further questions.

Sincerely,



David J. Hodge

DJH:tg

Enclosures

39040755297

DAVID J. HODGE  
CHICKERING & GREGORY  
A Professional Corporation  
Two Embarcadero Center  
Seventh Floor  
San Francisco, California 94111  
(415) 393-9000

Attorneys for In the Matter of  
Milton Marks' Friends Committee  
and Charles Duck, Jr.,  
as Treasurer, and Carolene Marks.

BEFORE THE  
FEDERAL ELECTIONS COMMISSION

In the Matter of	)	
Milton Marks' Friends Committee	)	MUR 2417
and Charles Duck, Jr., as	)	
Treasurer, and Carolene Marks.	)	
	)	
	)	
	)	
	)	

RESPONSES TO INTERROGATORIES  
AND REQUEST FOR PRODUCTION OF  
DOCUMENTS

Carolene Marks answers the Interrogatories and Request For  
Production of Documents of the Federal Elections Commission dated  
June 9, 1988 as follows:

1. Senator Marks was born in California and his domicile  
has been in California all of his life. I was born in Rhode  
Island and have been domiciled in California since 1955.
2. We were married in 1955.
3. Berry, Hartell & Evers, investment counsellors located  
in San Francisco, was given trading authority over the accounts  
on October 22, 1986 and the firm proceeded to liquidate most of

8 9 0 4 0 7 5 5 2 9 8

the securities in the accounts. Senator Marks retains one account in his name at Bear Stearns in which there is only 150 shares of "American Medident" which we have been informed by Bear Stearns has no value. As of August 28, 1987, the two accounts solely in my name at Bear Stearns & Co. were closed out with a zero balance. Senator Marks and I now maintain two joint accounts at Van Kasper & Company, a broker-dealer one of which is traded by Berry, Hartell, Evers & Co.

4. Yes.

5. I inherited the securities from my cousin in 1982. I had just left the hospital several days before I received the securities. (I was hospitalized for one month for treatment of a ruptured disk.) Therefore, I did not have time to establish new accounts in the name of Senator Marks and me.

6. See answer to 5, above.

7. See answer to 5, above.

8. Senator Marks and I treated the two accounts solely in my name as community property and have treated the securities and income from the accounts as assets available to meet all of our needs regardless of the basis for the need.

9. See answer to 8, above; advice of counsel.

10. Attached are copies of the Form T-4 on the loans secured by each account. The name of the securities and their values are listed on each security agreement. All of the securities in each account were used as collateral for the loans. The accounts were at Pflueger & Baerwald, Inc., when the loans were made. The accounts were later transferred to Bear,

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Stearns & Co., and then consolidated and transferred to Van Kasper & Company.

11. See answer to 10, above.

12. No.

13. See answer to 10, above.

14. See answer to 10, above. The securities were collateral for the loan and none of them were sold at the time the loans were made. Thus, there were no "funds" yielded by the four accounts at that time.

Executed on July 10, 1988 at San Francisco, California.

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

Carolene Marks  
Carolene Marks

89040756300

**HAND DELIVERED**  
FEDERAL ELECTION COMMISSION

60049978

LAW OFFICES OF  
**CHICKERING & GREGORY**

A PROFESSIONAL CORPORATION  
TWO EMBARCADERO CENTER  
SEVENTH FLOOR  
SAN FRANCISCO 94111

TELEPHONE (415) 393-9000

CODE ADDRESS  
"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

88 AUG -2 AM 9:52

WASHINGTON D. C. OFFICE  
1815 H STREET, N.W.  
SUITE 600  
WASHINGTON, D. C. 20006  
TELEPHONE (202) 463-7444

(415) 393-9213

August 1, 1988

EXPRESS MAIL

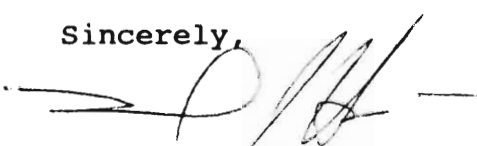
Deborah Curry, Esq.  
Office of the General Counsel  
Federal Elections Commission  
999 E. Street, N.W., Room 659  
Washington, D.C. 20463

Re: MUR 2417

Dear Ms. Curry:

Enclosed is a copy of the Form T-4's, described in Response to Interrogatory No. 10, but which were not included with the Responses to Interrogatories. I apologize for this oversight. Please contact me if you have any further questions.

Sincerely,

  
David J. Hodge

DJH:tg

Enclosures

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 AUG -2 AM 11:56

89040755301

PAID

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT BY A CREDITOR  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE CREDITOR ON THIS FORM  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE 15, SECTION 78E AND  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than regularly published information in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase, carry, or trade in securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 100,000.00, which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Financing Milton Marks' campaign

(2) This creditor, Pflueger & Baerwald Inc., has outstanding, or has agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☐

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED x Carolene W. Marks SIGNED  
(Manual signature) (Date) (Manual signature) (Date)  
Carolene Marks

**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is \_\_\_\_\_ per cent; the loan value of such debt securities is \_\_\_\_\_ per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue
MARKS	HOU-12618-1 CASH	8= 0= 0= 1=		
415/387-3832/8				
50	T AMERICAN TEL & TEL CO	89		26590.0
100	AZP ARIZONA PUBLIC SVC CO	22 3/4		11375.0
50	CVX CLEVELAND ELEC ILLUM	18 1/4		4862.5
50	CNE COMMONWEALTH EDISON CO	24 1/8		8031.2
50	CIC CONTINENTAL CORP	29 3/4		2437.5
100	MSU MIDDLE SOUTH UTILS INC	14 1/4		7275.0
50	PCG PACIFIC GAS & ELEC CO	27 3/4		10512.5
50	PLY PACIFIC LIGHTING CORP	27 1/8		5751.2
100	SPC SECURITY PACIFIC CORP	41 5/8		16550.0
100	SCE SOUTHERN CALIF EDISON	33 1/2		26400.0
100	SO STANDARD OIL CO CALIF	32 1/2		27800.0
SB	166875.00 TV .00 TB 166875.00 MV	000 DV 166875.00		

(C) Other collateral.

Itemize	Current market value	Source of valuation	Good faith loan value

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date 10/26/52

SIGNED

(Manual signature)

Paul J. Ruby, Executive Vice President

(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

PAID

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT BY A CREDITOR  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE CREDITOR ON THIS FORM  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE 15, SECTION 787 AND  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than regularly published information in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase, carry, or trade in securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 150,000 , which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) This creditor, Pflueger & Baerwald Inc. , has outstanding, or has agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state \$100,000 to finance campaign for Milton Marks - 10/26/82 - collateral on account.

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned .

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED

(Manual signature)

Carolene Marks

(Print or type name)

SIGNED

(Manual signature)

(Date)

(Print or type name)

**PART II. (to be completed by creditor)**

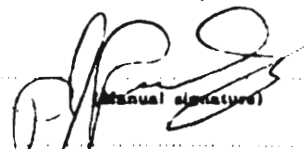
(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is \_\_\_\_\_ per cent; the loan value of such debt securities is \_\_\_\_\_ per cent.

No. of shares or	Itemize separately by issue	Market price	Source of value	Total market price per
NE MARKS 57/R	HOU-22615-J SP-LOAN 10/28/82 S= D= O= M=			
415/387-3832/B				
1000 T	AMERICAN TEL & TEL CO	B	59 1/4	59250
639 T	AMERICAN TEL & TEL CO	C-	59 1/4	37860.7
500 T	AMERICAN TEL & TEL CO	Z-	59 1/4	29625.0
2139 *				
300 AZP	ARIZONA PUBLIC SVC CO	C-	22 1/2	11250.0
275 BNC	BANCAL TRI ST CORP	C-	19 7/8	8465.4
72- BNC	BANCAL TRI ST CORP	F-	19 7/8	1431.0
200 BNC	BANCAL TRI ST CORP	Z-	19 7/8	3975.0
403 *				
307 CMB	CHASE MANHATTAN CORP	Z-	52 5/8	16155.0
250 CVX	CLEVELAND ELEC ILLUM	C-	18 1/2	4625.0
250 CWE	COMMONWEALTH EDISON CO	C-	23 3/8	5843.7
280 CIC	CONTINENTAL CORP	C-	30 3/8	7593.7
1000 CKN	CROCKER NATIONAL CORP	B-	30 1/4	30250.0
300 CKN	CROCKER NATIONAL CORP	C-	30 1/4	9075.0
1300 *				
140 DOW	DOW CHEMICAL CO	C-	25	3500.0
200 XON	EXXON CORP	B-	29 1/2	5900.0
232 XON	EXXON CORP	C-	29 1/2	6844.0
432 *				
1239 FLT	FLEET FINL GROUP INC	M	33 1/4	74444.7
800 MSU	MIDDLE SOUTH UTILS INC	C-	14 5/8	7312.0
750 PCG	PACIFIC GAS & ELEC CO	C-	26 1/2	19875.0
250 PLT	PACIFIC LIGHTING CORP	C-	26 1/8	4831.7
400 SPC	SECURITY PACIFIC CORP	C-	40 1/2	16200.0
800 SCE	SOUTHERN CALIF EDISON	C-	33 5/8	26900.0
1000 SD	STANDARD OIL CO CALIF	C-	31	31000.0
20 418198.24 TV 250000.00- TB 418198.24 MV				
ICC .000 IRO .112500 IN				
78.13- DI 187.51-				

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date 10/26/82

SIGNED

  
(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT BY A CREDITOR  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE CREDITOR ON THIS FORM  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE 15, SECTION 78F AND  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than regularly published information in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase, carry, or trade in securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 10,000.00, which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) This creditor, Pflueger & Baerwald Inc., has outstanding, or has  
(Name of creditor)  
agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned.

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED *Carolene Marks*  
(Manual signature) (Date)

Milton Marks

(Print or type name)

SIGNED *Milton Marks*  
(Manual signature) (Date)

Carolene Marks

(Print or type name)

**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is \_\_\_\_\_ per cent; the loan value of such debt securities is \_\_\_\_\_ per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue
=====				
6	MOU-22614-3 SP-LOAN 10/28/82 9=	D=	O=	M=
R	415/387-3832/8	*****	CAROLINE	MARKS
70	T AMERICAN TEL & TEL CO	C	59 1/4	4147.80
100	GO GULF OIL CORP	Z	29 3/4	2978.00
100	SX SOUTHERN PAC CO	C	39 1/2	3950.00
203	TGT TENNECO INC	C	33 5/8	6828.81
SB	17898.37 TV 10000.00- TB 17898.37 MV .00 DV 7898.37 LI	ICC	.000 IRD .120000 IR	3.33- 01 6.66- 11

Par value or other denomination	Itemize separately by issue	Market price	Source of valuation	Total market price per issue

**(C) Other collateral.**

Itemize	Current market value	Source of valuation	Good faith loan value

α The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date

SIGNED

(Manual signature)

(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

9040755307

PAID

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT BY A CREDITOR  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE CREDITOR ON THIS FORM  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE 15, SECTION 787 AND  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than regularly published information in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase, carry, or trade in securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 5,000.00 , which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) This creditor, Pflueger & Baerwald Inc. , has outstanding, or has  
(Name of creditor)  
agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned .

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED *Milton Marks*  
(Manual signature) (Date)  
Milton Marks  
(Print or type name)

SIGNED *Caroline Marks*  
(Manual signature) (Date)  
Caroline Marks  
(Print or type name)

**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock, or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is \_\_\_\_\_ per cent; the loan value of such debt securities is \_\_\_\_\_ per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue
-----------------------------	-----------------------------	------------------------	---------------------	------------------------------

HOU-22617-3 SP-LOAN - 10/28/62 - S- - D- - O- - M-  
415/387-3832/B

30	BNC	BANCAL TRI ST CORP	C	C	REC				.00		
		A/O 10/27									
45	FLT	FLEET FINL GROUP INC -	C	C	REC				.00		
		A/O 10/27									
88	SD	STANDARD OIL CO CALIF	C	C	REC				.00		
		A/O 10/27									
40	T	AMERICAN TEL & TEL CO	C	C	REC				.00		
		A/O 10/27									
		*****									
40	T	AMERICAN TEL & TEL CO	C			59	1/4		2370.00		
30	BNC	BANCAL TRI ST CORP	C			19	7/8		2583.75		
45	FLT	FLEET FINL GROUP INC -	C			33	1/4		1496.25		
88	SD	STANDARD OIL CO CALIF	C			31			2728.00		
SB	9178.00	TV	8000.00	-	TS	9178.00	NV	.00	DV	4178.00	LY
		ICC	.000	IRD	.120000	IN		1.67	DI	3.34	1/4

**(C) Other collateral.**

Itemize	Current market value	Source of valuation	Good faith loan value

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date 11/2/62

SIGNED

*(Signature)*  
(Manual signature)

(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

## BEFORE THE FEDERAL ELECTION COMMISSION

AUG -5 PM 3:31

In the Matter of )

Milton Marks' Friends and Charles )  
Duck, Jr., as treasurer and; )  
Carolene Marks )

MUR 2417

## COMPREHENSIVE INVESTIGATIVE REPORT #1

SENSITIVE

I. BACKGROUND

This matter was generated by the Reports Analysis Division (RAD) after a review of the disclosure reports of Milton Marks' Friends, formerly the Marks for Congress Committee. ("Marks Committee"). The RAD review revealed that the Marks for Congress Committee had received and partially repaid an apparently excessive contribution in the form of a loan from the candidate's spouse, Carolene Marks. Based on the foregoing, on May 19, 1987, the Commission found reason to believe Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Marks Committee. The Commission also found reason to believe the Marks Committee violated 2 U.S.C. § 441a(f) by accepting the excessive contribution. Subsequently, Respondents requested conciliation prior to a finding of probable cause to believe. On June 7, 1988, the Commission declined to enter into conciliation prior to a finding of probable cause to believe with Respondents and instead approved interrogatories and a request for documents.

On July 7, 1988, this Office received a response from Respondents. While the information received raised a new legal issue, the response failed to attach documents discussed in the response and requested by the Commission. Respondents have been contacted and submitted the missing documents on August 2, 1988.

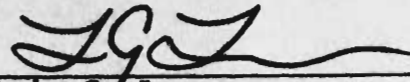
8904075310

Following research and analysis of the legal issue raised by their response, a report will be submitted to the Commission with appropriate recommendations.

Lawrence M. Noble  
General Counsel

Date 8/5/88

By:

  
Lois G. Lerner  
Associate General Counsel

Staff Person: Deborah Curry

89040755311



QCC#195

FEDERAL

SSION

LAW OFFICES OF

CHICKERING & GREGORY

A PROFESSIONAL CORPORATION

TWO EMBARCADERO CENTER

SEVENTH FLOOR

SAN FRANCISCO 94111

WASHINGTON D. C. OFFICE

1815 H STREET, N.W.

SUITE 600

WASHINGTON, D. C. 20006

TELEPHONE (202) 463-7444

88 AUG 22 11:10:13  
TELEPHONE (415) 393-9000

CODE ADDRESS

"CHICGREG"

WRITER'S DIRECT DIAL NUMBER

(415) 393-9213

July 7, 1988

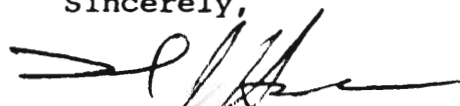
Deborah Curry, Esq.  
Office of the General Counsel  
Federal Elections Commission  
999 E. Street, N.W., Room 659  
Washington, D.C. 20463

Re: MUR 2417

Dear Ms. Curry:

We received today from Pflueger & Baerwald, Inc., copies of the T-4 statements requested by Senator and Mrs. Marks. They are enclosed in the form they were received by me. I have tagged each T-4 to identify which account it represents as you requested. Please feel free to contact me if there are any further questions.

Sincerely,



David J. Hodge

DJH:tg

Enclosures

88 AUG 22 PM 4:52

FEDERAL ELECTIONS COMMISSION

89040755312

ALYS CHRISTIANSON

PFLUEGER & BAERWALD INC

220 MONTGOMERY STREET

SAN FRANCISCO 94104

(415) 421-4171

Mr. David Hodge,

A set of the Forms T-4 were mailed to Mr.  
Marks' home address yesterday.

*Alys Christianson*  
Alys Christianson

8/17

8004075313

PAID

ACCOUNT # 1

BOARD OF GOVERNORS OF THE FEDERAL RESERVE

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT B  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE C  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase, carry, or trade in securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 5,000.00 , which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) The editor, Pflueger & Baerwald Inc. , has outstanding, or has agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED *Milton Marks*  
(Manual signature) (Date)  
Milton Marks  
(Print or type name)

SIGNED *Carolene Marks*  
(Manual signature) (Date)  
Carolene Marks  
(Print or type name)

**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is ..... per cent; the loan value of such debt securities is ..... per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue

(B) Collateral consisting of other securities, e.g., mutual fund shares, registered non-equity securities.

Par value or other denomination	Itemize separately by issue	Market price	Source of valuation	Total market price per issue

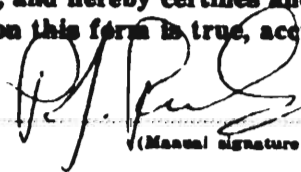
(C) Other collateral.

Itemize	Current market value	Source of valuation	Good faith loan value

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date 10/26/82

SIGNED

  
(Manual signature)

(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

89040755315

8 9 0 4 0 7 5 5 3 1 6

FORM 111-1-64

WILTON MARKS		415/782-7867/R		HOU-22617-3 SP-LEAM		10/28/65		S- D- Q- R-	
TODAY	130	BNC	BANCAL TRI ST CORP	C	C	REC			.00
TODAY	45	FLT	FLEET FINL GROUP INC	C	C	REC			.00
TODAY	88	SD	STANDARD OIL CO CALIF	C	C	REC			.00
TODAY	40	T	AMERICAN TEL & TEL CO	C	C	REC			.00
10/28/2	40	T	AMERICAN TEL & TEL CO	C			59 1/4		2370.00
10/28/2	130	BNC	BANCAL TRI ST CORP	C			19 7/8		2503.75
10/28/2	45	FLT	FLEET FINL GROUP INC	C			33 1/4		1496.25
10/28/2	88	SD	STANDARD OIL CO CALIF	C			31		2728.00
8000.00- SB		9178.00	TV	8000.00- TB	9178.00	NV	.00	DV	4178.00
			ICC	.000	IND	1.20000	1.07-	DI	3.34- 1A

BOARD OF GOVERNORS OF THE FEDERAL RESERVE

Account # 2

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT  
(FEDERAL RESERVE FORM T-4)

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase or carry securities (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 10,000.00, which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) This creditor, Pflueger & Baerwald Inc., has outstanding, or has agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED \*

(Manual signature)

Milton Marks

(Print or type name)

SIGNED \*

(Manual signature)

Carolene Marks

(Print or type name)



**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is ..... per cent; the loan value of such debt securities is ..... per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue

(B) Collateral consisting of other securities, e.g., mutual fund shares, registered non-equity securities.

Par value or other denomination	Itemize separately by issue	Market price	Source of valuation	Total market price per issue

(C) Other collateral.

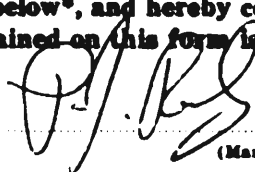
Itemize	Current market value	Source of valuation	Good faith loan value

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date

10/26/82

SIGNED



(Manual signature)

(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT  
(FEDERAL RESERVE FORM T-4)

ACCOUNT  
#3

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TT  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to (see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 100,000.00, which is unsecured or secured in whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is for the purpose of (describe in detail) Financing Milton Marks' campaign

(2) This creditor, Pflueger & Baerwald Inc., has outstanding, or has agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing or carrying or trading in securities, in addition to the credit described on this form (itemize and describe briefly, including amounts and collateral if any). If none, so state None

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☐

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months? Yes ☐ No ☒ If yes, identify all such collateral so owned

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our) knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED

(Manual signature)

Carolene Marks

(Print or type name)

SIGNED

(Manual signature)

(Date)

(Print or type name)



BOARD OF GOVERNORS OF THE FEDERAL RESERVE :

STATEMENT OF PURPOSE OF AN EXTENSION OF CREDIT BY  
(FEDERAL RESERVE FORM T-4)

PAID  
Account # 4

A FALSE OR DISHONEST STATEMENT BY THE CUSTOMER OR THE CREDITOR  
MAY BE PUNISHABLE BY FINE OR IMPRISONMENT (U.S. CODE, TITLE  
TITLE 18, SECTION 1001)

Instructions:

- (1) Please print or type (if space is inadequate attach separate sheet).
- (2) In Part II "source of valuation" need be filled in only if such source is other than :  
in journal of general circulation.
- (3) This form need be obtained only if the purpose of the credit is other than to purchase  
(see § 220.7(c) of Regulation T).

PART I (to be completed by customer(s))

(1) The purpose of this credit in the amount of \$ 150,000 , which is unsecured or secured in  
whole or in part by the collateral listed in Part II, is not to purchase or carry or trade in securities. It is  
for the purpose of (describe in detail) Finance campaign for Milton Marks

(2) This creditor, Pflueger & Baerwald Inc. , has outstanding, or has  
(Name of creditor)  
agreed to extend, to the undersigned, the following other credits, which are not for the purpose of purchasing  
or carrying or trading in securities, in addition to the credit described on this form (itemize and describe  
briefly, including amounts and collateral if any). If none, so state \$100,000 to finance  
campaign for Milton Marks - 10/26/82 - collateral on account.

(3) Is any of the collateral listed in Part II (A) or (B) to be delivered, or has any such collateral  
been delivered, from a bank, broker, dealer, or person other than the undersigned? Yes ☐ No ☒  
If yes, from whom? Against payment? Yes ☐ No ☒

(4) Has any of the collateral listed in Part II (A) or (B) been owned less than six months?  
Yes ☐ No ☒ If yes, identify all such collateral so owned .

The undersigned has (have) read this form and hereby certifies and affirms that to the best of my (our)  
knowledge and belief the information contained on this form is true, accurate, and complete.

SIGNED Carolene Marks  
(Manual signature) (Date)

Carolene Marks

(Print or type name)

SIGNED \_\_\_\_\_  
(Manual signature) (Date)

(Print or type name)

**PART II (to be completed by creditor)**

(A) Collateral consisting of margin stock or margin securities consisting of debt securities convertible into margin stock. The loan value of such stock under the current Supplement to Regulation T is \_\_\_\_\_ per cent; the loan value of such debt securities is \_\_\_\_\_ per cent.

No. of shares or other unit	Itemize separately by issue	Market price per share	Source of valuation	Total market price per issue

(B) Collateral consisting of other securities, e.g., mutual fund shares, registered non-equity securities.

Par value or other denomination	Itemize separately by issue	Market price	Source of valuation	Total market price per issue

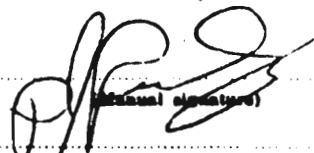
(C) Other collateral.

Itemize	Current market value	Source of valuation	Good faith loan value

The undersigned, a duly authorized representative of the creditor has read this form, has accepted the customer's statement on Part I in good faith as defined below\*, and hereby certifies and affirms that to the best of his knowledge and belief all the information contained on this form is true, accurate, and complete.

Date 10/26/82

SIGNED \_\_\_\_\_

  
(Print or type name and title)

\* Regulation T requires that the customer's statement on this form be accepted by the creditor acting in good faith. Good faith requires that the creditor or his duly authorized representative (1) must be alert to the circumstances surrounding the credit, and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, has investigated and is satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

**THIS FORM MUST BE RETAINED BY THE CREDITOR FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS CREDIT**

3 9 0 4 0 7 5 5 3 2 3



8 9 0 4 0 7 5 5 3 2 4

MKS CAROLINE MARKS  
15/752-7867/RHOU-22615-3 SP-LOAN  
415/387-3832/B

10/28/82 S= D= O= M=

DATE	AMOUNT	TYPE	COMPANY	CODE	INTEREST	BALANCE
10/28/82	1000	T	AMERICAN TEL & TEL CO	B	59 1/4	59250.00
10/28/82	639	T	AMERICAN TEL & TEL CO	C	59 1/4	37860.75
10/28/82	500	T	AMERICAN TEL & TEL CO	Z	59 1/4	29625.00
10/28/82	2139					
10/28/82	800	AZP	ARIZONA PUBLIC SVC CO	C	22 1/2	11250.00
10/28/82	275	BNC	BANCAL TRI ST CORP	C	19 7/8	8465.63
10/28/82	72	BNC	BANCAL TRI ST CORP	F	19 7/8	1431.00
10/28/82	200	BNC	BANCAL TRI ST CORP	Z	19 7/8	3975.00
10/28/82	403					
10/28/82	307	CMB	CHASE MANHATTAN CORP	Z	52 5/8	16155.88
10/28/82	250	CVX	CLEVELAND ELEC ILLUM	C	18 1/2	4625.00
10/28/82	250	CWE	COMMONWEALTH EDISON CO	C	23 3/8	8843.75
10/28/82	280	CIC	CONTINENTAL CORP	C	30 3/8	7593.75
10/28/82	1000	CKN	CROCKER NATIONAL CORP	B	30 1/4	30250.00
10/28/82	300	CKN	CROCKER NATIONAL CORP	C	30 1/4	9075.00
10/28/82	1300					
10/28/82	140	DOW	DOW CHEMICAL CO	C	25	3650.00
10/28/82	200	XON	EXXON CORP	B	29 1/2	8900.00
10/28/82	832	XON	EXXON CORP	C	29 1/2	6844.00
10/28/82	432					
10/28/82	2250	FLT	FLEET FINL GROUP INC	M	33 1/4	74446.75
10/28/82	800	MSU	MIDDLE SOUTH UTILS INC	C	14 5/8	7312.00
10/28/82	750	PCG	PACIFIC GAS & ELEC CO	C	26 1/2	19875.00
10/28/82	750	PLT	PACIFIC LIGHTING CORP	C	26 1/8	4831.25
10/28/82	400	SPE	SECURITY PACIFIC CORP	C	40 1/2	14200.00
10/28/82	800	SCE	SOUTHERN CALIF EDISON	C	33 5/8	20000.00
10/28/82	1000	SD	STANDARD OIL CO CALIF	C	31	31000.00

250000.00-22 418198.24 TV 250000.00-18 418198.24 MV 100198.24 LV  
ICC .000 1AD 800 1A 78-13-51 107-51-1A

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION COMMISSION  
SECRETARY

In the Matter of )  
Milton Marks' Friends and Charles )  
Duck, Jr., as treasurer and )  
Carolene Marks )

88 NOV 30 AM 9:34  
MUR 2417

**SENSITIVE**  
**EXECUTIVE SESSION**  
**DEC 08 1988**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was generated by the Reports Analysis Division (RAD) after a review of the disclosure reports of Milton Marks' Friends, formerly the Marks for Congress Committee. (hereinafter "Marks Committee"). The RAD review revealed that the Marks for Congress Committee had received and partially repaid an apparently excessive contribution in the form of a loan from the candidate's spouse, Carolene Marks. Based on the foregoing, on May 19, 1987, the Commission found reason to believe Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to the Marks Committee. The Commission also found reason to believe the Marks Committee violated 2 U.S.C. § 441a(f) by accepting the excessive contribution. Subsequently, Respondents requested conciliation prior to a finding of probable cause to believe. On June 7, 1988, the Commission declined to enter into conciliation prior to a finding of probable cause to believe with Respondents and instead approved interrogatories and a request for documents.

On July 7, 1988, this Office received a response from Respondents. (Attachment 1). While the information received raised a new legal issue, the response failed to attach documents discussed in the response and requested by the Commission. Respondents were contacted and submitted the missing documents on August 2, 1988.

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The documents submitted on August 2, 1988, however, were not legible and did not identify the accounts in question. The Office of General Counsel, therefore, requested that Respondents submit clearer copies properly identifying the documents by account number (1-4). Respondents submitted duplicate copies of the documents on August 22, 1988.<sup>1/</sup> (Attachment 2).

## II. ANALYSIS

8904075326  
The issue in this matter is whether Mrs. Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A) by making a loan that exceeded the contribution limits of the Act. The facts indicate that securities in four accounts were used to collateralize a \$265,000 loan to the Marks Committee. The accounts in the names of Mr. and Mrs. Marks yielded \$5,000 and \$10,000, respectively (account #1 - \$5,000 and account #2 - \$10,000). The accounts in Mrs. Marks name alone yielded \$100,000 and \$150,000 (accounts #3 and #4). Respondents have contended that the securities in the two accounts in Mrs. Marks name alone were community property under California law. Pursuant to former 11 C.F.R. 110.10(b)(1), Mr. Marks would have a one-half ownership interest in any assets that are determined to be community property. Thus, Mr. Marks may also have a one-half interest in the two accounts (#3 and #4) in Mrs. Marks name alone.

Based on the foregoing, the Commission sent interrogatories and a request for documents to Respondents. The interrogatories

<sup>1/</sup> Respondents sent the best copies available of the form T-4 (extension of credit) on August 22, 1988. Since the amounts in question were not entirely legible for one account, this office verified the amounts with Respondents.

and request for documents explored the status of the securities in the four accounts as separate and community property as well as the value and amount of the securities (accounts 1-4) pledged to secure the loan in question.

A. Separate or Community Property

As noted, supra, two of the accounts (3-4) that yielded \$250,000 were in the name of Mrs. Marks alone, thus raising the issue of whether accounts #3 and #4 were separate property of Mrs. Marks or the community property of Mr. and Mrs. Marks.

Though Mr. and Mrs. Mark were married in 1955, Respondents' state that the securities at issue initially came from the separate property of Mrs. Marks. (Attachment 1, page 1). The sworn statement of Mrs. Marks indicates that she inherited the securities from a cousin in 1982. (Attachment 1, page 4). Nonetheless, Respondents contend that "Mrs. Marks treatment of the securities accounts and statements 'transmuted' the property from separate property to community property when the loans were made." (Attachment 1, page 1). Respondents' note that though the transmutation need not be in writing, earlier letters to the Commission and Mrs. Marks sworn statements constitute written evidence of transmutation.

Mrs. Marks' response to the interrogatories explains that she had just left the hospital several days before she received the inherited securities and, therefore, did not have time to establish new accounts in her name and that of Mr. Marks. (Attachment 1, Page 4). Furthermore, Mrs. Marks states that she and Mr. Marks treated the two accounts in her name "as community

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property and have treated the securities and income from the accounts as assets available to meet all of [their] needs regardless of the basis for the need." (Attachment 1, page 4).

According to Mrs. Marks, the four accounts were at Pflueger Baerwald, Inc., when the loans were made. (Attachment 1, page 4). Later the accounts were transferred to Bear, Stearns & Co. Subsequently, according to Mrs. Marks, the four accounts were consolidated and transferred to Van Kasper & Company. Presently, Mr. Marks maintains an account in his name (of no value) at Bear, Stearn & Co. and Mr. & Mrs. Marks maintain two joint accounts at Van Kasper & Company.

Under California law there is a presumption that all property acquired during the marriage is community property. (Cal. Civ. Code § 5110). However, an exception to this presumption exists for property acquired during the marriage by gift, bequest, devise, or descent, etc. (Cal. Civ. Code § 5107). Such property is considered separate property of the wife, and its status as separate property is fixed in character until it is changed in some manner recognized by law, such as by agreement of the parties. Mears v. Mears, 180 Cal.2d 484, 4 Cal. Rptr. 618 (1960).

Since Mrs. Marks inherited the securities in question, it is clear and undisputed that the securities were originally separate property of Mrs. Marks. Respondents contend, however, that the property was transmuted from separate property into community property.

The rule of transmutation has existed in California for many years. Walter v. Walter, 57 Cal. App. 3d 802, 129 Cal. Rptr.

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351 (1976). Estate of Nelson v. King, 224 Cal. App.2d 138, 36 Cal. Rptr. (1964), summarizes the law of transmutation in California stating:

The separate property of one spouse can be converted into community property by mere oral agreement (Woods v. Security-First Nat. Bank, 46 Cal.2d 697 at 701, 299 P.2d 657; Tomaier v. Tomaier, 23 Cal.2d 754, 757, 146 P.2d 905; Estate of Sears, 182 Cal.App. 2d 525, 6 Cal.Rptr. 148). This transmutation may be proved by the acts of the parties and their conduct in dealing with the property (Estate of Raphael, 91 Cal.App.2d 931, 939, 206 P.2d 391). No express or formal agreement is required (Long v. Long, 88 Cal. App.2d 544, 549, 199 P.2d 47) if it may be fairly inferred from the circumstances and evidence that a community interest was intended by the parties (Linville v. Linville, 132 Cal.App.2d 800, 802, 283 P. 2d 34).

Consequently, under California law, the separate property of the wife may be converted at anytime into community property by oral agreement of the spouses.<sup>2/</sup> No special words are necessary to convert separate property into community property and it makes no difference if the property is held in one spouse's name or the other. Estate of Sears, 182 Cal. App.2d 525, 6 Cal. Rptr. 148 (1960).

Here, we have securities held in two accounts in the name of Mrs. Marks alone. The transaction in question occurred in 1982 and was referred to this office in 1986. Correspondance from the Respondents during that time period indicates that Respondents

<sup>2/</sup> With the purpose of increasing certainty in the determination of whether a transmutation has in fact occurred, California Civ. Code § 5110.730, effective January 1985, was added to the Civil Code and as such overrules existing case law. Pursuant to Cal. Civ. Code § 5110.730, transmutations of property must be made in writing. The transmutation in this matter, however, occurred prior to the effective date of the new law.

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regarded the securities in these assets as community property. Mrs. Marks' recent sworn response to Commission interrogatories indicates that Mr. & Mrs. Marks had a marriage of longstanding duration and reiterates that the parties treated the property in these accounts as community assets available to meet their mutual needs. According to Mrs. Marks, but for her having left the hospital several days before she received the securities, she would have established the accounts in both their names. Moreover, as counsel for Respondent points out, Mrs. Marks' statements with regard to the transmutation of her separate property into community property limits her rights to dispose of the property by will and in any marital dissolution. (Attachment 1, Page 1). Thus, as noted by counsel, Mrs. Marks' statements are not "merely self-serving" as they affect property interests outside of the context of this matter. Id.

As noted, transmutation of separate property into community property is informal in nature and, consequently, must be inferred from the circumstances. Based on the evidence submitted, it appears that the securities in the two accounts in Mrs. Marks name alone are community property of Mr. and Mrs. Marks. Thus, Mr. Marks can claim as personal funds a one-half ownership interest in all four accounts.

B. Valuation of the Property in Accounts 1-4.

In response to the Commission's interrogatories and requests for documents, Respondents submitted the T-4 forms (extension of credit form) on the loans secured by each of the four accounts (Attachment 2). The T-4 forms identify the account and list the

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total market value of the securities in each account at the time the transaction occurred. Additionally, Mrs. Marks' sworn response indicates that the full value of the securities in each account was pledged as collateral for the loans. The chart below identifies each account, the total market value of the account, Mr. Marks one-half interest in the asset, the loan amount, and the amount that appears to exceed Mr. Marks one-half ownership interest and thus was contributed by Mrs. Marks.

Account #	Total Market Value	Mr. Marks One-Half Interest	Amt. of Loan Collateralized By Securities	Amt. that Exceeds Mr. Marks One-Half Ownership Interest
1. Acct. #1	\$ 9,178.00	\$ 4,589.00	\$ 5,000	\$ 411.00
2. Acct. #2	17,898.37	8,949.19	10,000	1,050.81
3. Acct. #3	166,875.00	83,437.50	100,000	16,562.50
4. Acct. #4	418,198.24	209,099.12	150,000	-0-
			Total	\$18,024.31

The total amount in all four accounts that exceeded Mr. Marks' one-half ownership interest is \$18,204.31. Therefore, Mrs. Marks contribution to the Marks Committee is \$18,204.31 minus \$1,000 permitted for individual contributions under the Act. Thus, Mrs. Marks contribution to the Marks Committee exceeded the limits in violation of 2 U.S.C. § 441a(a)(1)(A) by \$17,204.31. Additionally, the Marks Committee accepted an excessive contribution in violation of 2 U.S.C. § 441a(f). The Respondents have requested pre-probable cause conciliation.

### III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY


IV. RECOMMENDATIONS

1. Enter into conciliation prior to a finding of probable cause to believe with Milton Marks Friends and Charles Duck, Jr., as treasurer; and Carolene Marks.
2. Approve the attached proposed conciliation agreements and letter.

Lawrence M. Noble  
General Counsel

11-29-88  
Date

By:

  
Lois G. Lerner  
Associate General Counsel

Attachments

1. Response of Respondents
2. Supplemental Response
3. Conciliation Agreements and Letter

Staff Person: Deborah Curry

89040755332



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN  
COMMISSION SECRETARY

DATE: DECEMBER 2, 1988

SUBJECT: OBJECTIONS TO MUR 2417 - General Counsel's Report  
Signed November 29, 1988

The above-captioned document was circulated to the  
Commission on Wednesday, November 30, 1988 4:00 p.m.

Objection(s) have been received from the Commissioner(s)  
as indicated by the name(s) checked below:

Commissioner Aikens	<u>X</u>
Commissioner Elliott	<u>X</u>
Commissioner Josefiak	<u>          </u>
Commissioner McDonald	<u>          </u>
Commissioner McGarry	<u>          </u>
Commissioner Thomas	<u>          </u>

This matter will be placed on the meeting agenda  
for December 8, 1988.

Please notify us who will represent your Division before the  
Commission on this matter.

89040755333

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Milton Marks' Friends and Charles  
Duck, Jr., as treasurer and  
Carolene Marks

)  
)  
)  
)  
)

MUR 2417

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the  
Federal Election Commission executive session of January 10,  
1989, do hereby certify that the Commission decided by a  
vote of 6-0 to take the following actions in MUR 2417:

1. Enter into conciliation prior to a finding  
of probable cause to believe with Milton  
Marks' Friends and Charles Duck, Jr., as  
treasurer; and Carolene Marks.
- 2.

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

Attest:

Jan. 13, 1989  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

89040755334



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 23, 1989

David J. Hodge, Esquire  
Chickering & Gregory  
Two Embargo Center  
Seventh Floor  
San Francisco, CA 94111

RE: MUR 2417  
Milton Marks' Friends and  
Charles Duck, Jr., as  
treasurer and Carolene  
Marks

Dear Mr. Hodge:

On May 19, 1987, the Federal Election Commission found reason to believe that Carolene Marks violated 2 U.S.C. § 441a(a)(1)(A) and that Milton Marks' Friends and Charles Duck, Jr., as treasurer, violated 2 U.S.C. § 441a(f). At your request, on January 10, 1989, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact

89040755335



David J. Hodge, Esquire  
Page 2

Deborah Curry, the attorney assigned to this matter, at (202)  
376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

8 9 0 4 0 7 5 5 3 3 0

BEFORE THE FEDERAL ELECTION COMMISSION

89 MAY 15 PM 12:21

In the Matter of )  
 )  
Milton Marks' Friends and ) MUR 2417  
Charles Duck, Jr., as treasurer )  
and Caroline Marks )

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On May 19, 1987, the Federal Election Commission found reason to believe that Caroline Marks violated 2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to Milton Marks' Friends ("Marks Committee"). The Commission also found reason to believe the Marks Committee and its treasurer violated 2 U.S.C. § 441a(f) by accepting the excessive contribution. On January 13, 1989, the Commission entered into conciliation with Carolene Marks and the Marks Committee and its treasurer, prior to a finding of probable cause to believe. On February 21, 1989, the Commission received a counteroffer from the Respondents. (Attachment 1).

II. ANALYSIS OF RESPONDENTS' COUNTERPROPOSAL

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### III. RECOMMENDATIONS

1. Accept the counteroffer of Milton Marks' Friends and Charles Duck, Jr., as treasurer, and Carolene Marks.
2. Approve the attached letter and proposed conciliation agreement.

Lawrence M. Noble  
General Counsel

May 15, 1989  
Date

By: George F. Rishel  
George F. Rishel  
Acting Associate General  
Counsel

#### Attachments

1. Respondents' Counteroffer
2. Proposed Conciliation Agreement and Letter

Staff Person: Debby Curry

89040755339

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Milton Marks' Friends and ) MUR 2417  
Charles Duck, Jr., as treasurer )  
and Caroline Marks )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 17, 1989, the Commission decided by a vote of 6-0 to take the following actions in MUR 2517:

1. Accept the counteroffer of Milton Marks' Friends and Charles Duck, Jr., as treasurer, and Carolene Marks, as recommended in the General Counsel's report signed May 15, 1989.
2. Approve the letter and proposed conciliation agreement, as recommended in the General Counsel's report signed May 15, 1989.

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

Attest:

May 17, 1989  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Mon., 5-15-89,	12:21
Circulated on 48 hour tally basis:	Mon., 5-15-89,	4:00
Deadline for vote:	Wed., 5-17-89,	4:00

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RECEIVED  
FEDERAL ELECTION COMMISSION  
ADMINISTRATIVE DIVISION

**MORRIS & MASINO**

ATTORNEYS AT LAW

160 SPEAR STREET, SUITE 1200

SAN FRANCISCO, CALIFORNIA 94105

89 JUN -5 PM 12:47

FACSIMILE  
(415) 882-4980

TELEPHONE  
(415) 978-2640

May 31, 1989

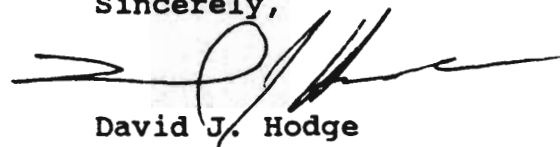
Deborah Curry, Esq.  
Office of the General Counsel  
Federal Elections Commissions  
Washington, D. C. 20463

Re: Milton Mark's Friends, MUR 2417

Dear Ms. Curry:

Enclosed is the executed original of the Conciliation Agreement that contains the changes upon which we agreed, along with a check for \$3,000. Please note that it was sent to my prior address, which caused a delay in my receiving it. Thank you for assisting in resolving this MUR.

Sincerely,



David J. Hodge

Enclosures

cc: Senator and Mrs. Marks (w/encl.)  
Charles Duck (w/encl.)

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
89 JUN -8 PM 12:54

89040755341



BEFORE THE FEDERAL ELECTION COMMISSION JUN 23 PM 12:36

In the Matter of )  
 )  
Milton Marks' Friends and Charles )  
Duck, Jr., as treasurer and )  
Carolene Marks )

MUR 2417

**SENSITIVE**

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

Attached is a conciliation agreement which has been signed by David J. Hodge on behalf of Milton Marks' Friends and Charles Duck, Jr., as treasurer and Carolene Marks.

The attached agreement contains no changes from the agreement approved by the Commission on May 17, 1989. A check for the civil penalty (\$3,000) has been received.

**II. RECOMMENDATIONS**

1. Accept the attached conciliation agreement with Milton Marks' Friends and Charles Duck as treasurer and Carolene Marks.
2. Close the file.
3. Approve the attached letter.

Lawrence M. Noble  
General Counsel

6-22-89  
Date

BY: Lois G. Lerner  
Associate General Counsel

**Attachments**

1. Conciliation Agreement
2. Letter to Respondent

Staff Assigned: Debby Curry

89040755342

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Milton Marks' Friends and Charles ) MUR 2417  
Duck, Jr., as treasurer and )  
Carolene Marks )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 28, 1989, the Commission decided by a vote of 6-0 to take the following actions in MUR 2417:

1. Accept the conciliation agreement with Milton Marks' Friends and Charles Duck as treasurer and Carolene Marks, as recommended in the General Counsel's report signed June 22, 1989.
2. Close the file.
3. Approve the letter, as recommended in the General Counsel's report signed June 22, 1989.

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

Attest:

June 28, 1989  
Date

Hilda Arnold  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary: Fri., 6-23-89, 12:36  
Circulated on 48 hour tally basis: Mon., 6-26-89, 11:00  
Deadline for vote: Wed., 6-28-89, 11:00

89040755343



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 5, 1989

David J. Hodge, Esquire  
Morris & Masino  
160 Spear Street, Suite 1200  
San Francisco, CA 94105

RE: MUR 2417  
Milton Marks' Friends and  
Charles Duck, Jr., as  
treasurer, and  
Carolene Marks

Dear Mr. Hodge:

On June 28, 1989, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 2 U.S.C. §§ 441a(a)(1)(A) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your clients. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within 30 days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Deborah Curry, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

89040755344

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Milton Marks' Friends and ) MUR 2417  
Charles Duck, Jr., as treasurer )  
and Carolene Marks )

CONCILIATION AGREEMENT

3904075345  
This matter was initiated by the Federal Election Commission ,  
("the Commission"), pursuant to information ascertained in the  
normal course of carrying out its supervisory responsibilities.  
The Commission found reason to believe that Milton Marks' Friends  
and its treasurer (hereinafter "Marks Committee" or  
"Respondents") violated 2 U.S.C. § 441f by accepting an excessive  
contribution from Carolene Marks. The Commission also found  
reason to believe that Carolene Marks ("Respondent") violated  
2 U.S.C. § 441a(a)(1)(A) by making an excessive contribution to  
the Marks Committee.

NOW, THEREFORE, the Commission and the Respondents, having  
participated in informal methods of conciliation prior to a  
finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents  
and the subject matter of this proceeding, and this agreement has  
the effect of an agreement entered pursuant to 2 U.S.C.  
§ 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to  
demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with  
the Commission.

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

1. The Marks Committee is the principal campaign committee for Milton Marks. The Marks Committee is registered with the Federal Election Commission.
2. Peter Burns was treasurer of the Marks Committee at the time of the transactions in question.
3. Charles Duck, Jr., is currently treasurer of the Marks Committee.
4. Carolene Marks is the wife of Milton Marks.
5. 2 U.S.C. § 431(8)(A) states that the term "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office."
6. An individual may not make contributions to a candidate for federal office in excess of \$1,000 per election. 2 U.S.C. § 441a(a)(1)(A).
7. Additionally, the Act makes unlawful the acceptance of excessive contributions by candidates and political committees. 2 U.S.C. § 441a(f).
8. Pursuant to 11 C.F.R. § 110.10(a), a candidate may make unlimited expenditures from personal funds.
9. Personal funds were defined at former section 110.10(b)(1) as follows:
  - 1) any assets to which at the time he or she became a candidate, the candidate had legal and rightful title or with respect to which the candidate had the right of beneficial enjoyment, under applicable state law, and which the candidate had legal right of access to or control over, including funds from immediate family members....

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10. On October 27, 1982, Milton Marks loaned \$265,000 to the Marks Committee.

11. According to the Marks Committee reports during the 1981-82 and 1983-84 election cycle, the \$265,000 loan was from personal funds of the candidate.

12. Securities in four accounts, held as community property of Mr. and Mrs. Marks, were pledged as collateral for the \$265,000 loan to the Marks Committee.

13. The full market value of the securities in the four accounts pledged as collateral for the \$265,000 loan to the Marks Committee was \$612,149.61.

14. Mr. Marks had a one-half ownership interest in each account pledged as collateral for the \$265,000 loan to the Marks Committee.

15. The total amount in each of the four accounts that exceeded Mr. Marks one-half interest was \$18,024.31.

16. Thus, \$18,024.31 was the amount contributed by Mrs. Marks by virtue of her ownership interest in the community property held in the four accounts, exceeding her limitations by \$17,024.31.

17. The amount that exceeded the contribution limitations has been repaid.

V. Mrs. Carolene Marks made a \$17,024.31 excessive contribution to the Marks Committee, in violation of 2 U.S.C. § 441a(a)(1)(A). Additionally, the Marks Committee and its treasurer accepted an excessive (\$17,024.31) contribution from Mrs. Marks, in violation of 2 U.S.C. § 441a(f).

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VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Three Thousand Dollars (\$3,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or


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oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

By:

  
Lois G. Lerner  
Associate General Counsel

July 5, 1989  
Date

FOR THE RESPONDENTS:

  
David J. Hodge  
Counsel for Respondents

May 30, 1989  
Date

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2417

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